AGNES SCOTT COLLEGE
THE WORLD. FOR WOMEN.

EC 338 – Econometrics
Rosemary Thomas Cunningham
Fall 2012

COURSE OBJECTIVE:

This course introduces the student to the techniques of econometrics. It will examine how economic theory and statistical techniques can be utilized to test hypotheses and to forecast economic phenomena. The course begins with a review of statistics and probability, and continues to develop the ordinary least squares (OLS) model. It explains how the results OLS model can be interpreted when some of the model's assumptions are violated and how the model can be implemented for forecasting purposes.

REQUIRED TEXTS:

James H. Stock and Mark W. Watson, Introduction to Econometrics, Addison-Wesley, 2003.
Dominick Salvatore, Statistics and Econometrics, 2nd edition, McGraw-Hill, 2002.

RECOMMENDED READINGS:

"Finance and economics: Getting the goat," The Economist, Feb 20, 1999.
Paul M. Sommers, "The super bowl theory: Fourth and long," The College Mathematics Journal, May 2000.

LEARNING ASSISTANT: Rebecca Fang (yfang@agnesscott.edu)

COURSE REQUIREMENTS:

Your grade will be based on your performance on 4 problem sets, 3 tests, a project/presentation, and a **scheduled** final exam. Your grade will be determined as follows:

Problem Sets	15%
Tests	50%
Paper/Presentation	15%
Final	25%

Four problem sets will be distributed throughout the semester but only the three highest grades will count toward your final grade. The due dates for the problem sets are September 17, October 8, and October 31. The tests will be on September 19, October 10, and November 5. The paper/presentation will be a simple econometric study of your choosing. Your topic must be submitted for approval by November 7 and a first draft of the paper is due on November 26. The paper should be approximately 7 to 10 typed pages; the in-class presentation will be approximately 10 minutes. The presentations will be on December 2 and 4. All papers are due at the by 9am on Dec. 11 and students must also send an electronic copy to me by that date.

GRADING SCALE:

Numerical Grade	Letter Grade
92-100	A
90-92	A-

87-89	B+
83-86	B
80-82	B-
75-79	C+
65-74	C
60-64	C-
57-59	D+
53-56	D
50-52	D-
Below 50	F

MOODLE:

I will update this course's Moodle website regularly. Students are expected to check that site and their email for messages regarding the course**.** I warn you that, while your individual test and problem set grades are correct on Moodle, the "Course Total" on Moodle is NOT your average in the class. That number is calculated by Moodle and does not reflect how I calculate your average grade. Please ignore that number.

POLICY ON LATENESS AND ABSENCES

Lateness: Students should make every possible effort to be on time for class. If a student is late, she should come in quietly and sit as close to the door as possible. She should wait until the end of class to receive anything that was returned or given out at the beginning of class. If a student is more than 5 minutes late, she will be counted as absent. The student is responsible for any missed information.

Absences: Attendance at all class sessions is encouraged. If you do not attend at least two-thirds of the classes, you will fail the course. Again, the student is responsible for any missed information.

Missed Tests: Only under extraordinary circumstances should a student miss a scheduled test. Minor illness does not prevent a student from taking a test. If a student does miss a test, the make-up test will be the optional test given with the final. If a student misses more than one test without an extraordinary reason, her final grade will be reduced proportionately.

Late Assignments: If a student is not going to meet a written assignment deadline, she should let me know as soon as possible. At the very latest, I should be told on the due date why the assignment is late and when it will be submitted. At that time, the late penalty will be determined. The usual penalty for lateness is 1/3 of a letter grade for every day late. All assignments must be handed to me in person or electronically through email. Days late will be counted from the time it was due until I receive it, including Saturdays and Sundays.

Missed Presentations: There is no opportunity to make up a presentation.

ACADEMIC HONESTY

The Agnes Scott College honor code embodies an ideal of character, conduct, and citizenship, and is an important part of the College's mission and core identity. This applies especially to academic honesty and integrity. Passing off someone else's work as your own represents intellectual fraud and theft, and violates the core values of our academic community. To be honorable, you should understand not only what counts as academic dishonesty, but also how to avoid engaging in these practices. You should:

- review each course syllabus for the professor's expectations regarding course work and class attendance.

- attribute all ideas taken from other sources; this shows respect for other scholars. Plagiarism can include portraying another's work or ideas as your own, buying a paper online and turning it in as if it were your own work, or not citing or improperly citing references on a reference page or within the text of a paper.
- not falsify or create data and resources or alter a graded work without the prior consent of your professor. This includes making up a reference for a works cited page or making up statistics or facts for academic work.
- not allow another party to do your work/exam, or submit the same or similar work in more than one course without permission from the course instructors. Cheating also includes taking an exam for another person, looking on another person's exam for answers, using exams from previous classes without permission, or bringing and using unauthorized notes or resources (i.e., electronic, written, or otherwise) during an exam.
- not facilitate cheating, which can happen when you help another student complete a take home exam, give answers to an exam, talk about an exam with a student who has not taken it, or collaborate with others on work that is supposed to be completed independently.
- be truthful about the submission of work, which includes the time of submission and the place of submission (e.g., e-mail, online, in a mailbox, to an office, etc.).

You should understand that penalties result from dishonest conduct, ranging from failure of the assignment to expulsion from the college.

POLICY ON TECHNOLOGY IN THE CLASSROOM

Please do not use laptop computers or iPads in the classroom without my specific permission. If you want to make an audio recording of the class, you must get my permission before recording. I will not approve any video recording of class.

OFFICE**:** Buttrick G28, Extension 6208

OFFICE HOURS IN THE ECONOMICS LEARNING CENTER (Buttrick G27):

Monday 2-3
Wednesday 1:30-2:30
Thursday 1-2

APPOINTMENTS**:** If you can't see me during my office hours in the ELC, please make an appointment to see me utilizing the New Meeting Request function in Microsoft Outlook. You can view my available times and request a time that is mutually convenient. Please don't make appointments before 9 AM or after 4:30 PM.

To send a meeting request:

1. Go to mail.agnesscott.edu/exchange
2. In Calendar, click **New** on the toolbar.
3. In blank next to the **Required** button, enter rcunningham
4. Click the **Availability** tab to check my schedule.
5. In the **Start Time** and **End Time** drop-down lists, select the appropriate dates and times.
6. In the **Subject** field, type the meeting's topic.
7. In the message text area, type any message you want to accompany your meeting request, and then click **Send**.
8. I am sent a meeting request and I'll send you a response either accepting or declining the appointment.

COURSE EVALUATION

Your feedback on the course is extremely valuable to the department, the administration, and me. In particular, I take your comments very seriously and use them to improve the course the next time I teach it. You are responsible for completing an evaluation of the course at the end of the semester. I will provide more details later.

PROPOSED CLASS SCHEDULE

Week	Monday	Wednesday
1		Aug 29 Introduction S&W: Chapter 1 
2	Sep 3 Labor Day	Sep 5 Central Tendency/Dispersion S&W: Chapter 2 S: Chapter 2
3	Sep 10 Probability/Normal and Binomial Dist S&W: Chapters 1 and 2 S: Chapter 3 and 4	Sep 12 Hypothesis Testing S&W: Chapter 3 S: Chapter 4 and 5
4	Sep 17  Hypothesis Testing S&W: Chapter 3 S: Chapter 4 and 5	Sep 19  Test #1
5	Sep 24 OLS S&W: Chapter 4 S: Chapter 6	Sep 26 OLS & R^2 S&W: Chapter 4 S: Chapter 6
6	Oct 1 R^2 & t tests S&W: Chapter 4 S: Chapter 6	Oct 3 Forecasting & Causality S&W: Chapter 4 S: Chapter 6
7	Oct 8  Forecasting & Causality S&W: Chapter 4 S: Chapter 6	Oct 10  Test #2
8	Oct 15 Multiple Regression Model S&W: Chapter 5 S: Chapter 7	Oct 17 Multiple Regression Model S&W: Chapter 5 S: Chapter 7

9	Oct 22 Multiple Regression Model S&W: Chapter 5 S: Chapter 7	Oct 24 Hypothesis Testing, R-Squared S&W: Chapter 5 S: Chapter 7
10	Oct 29 Hypothesis Testing, R-Squared S&W: Chapter 5 S: Chapter 7	Oct 31 Multicollinearity S&W: Chapter 5 S: Chapter 9 
11	Nov 5  Test #3	Nov 7 Function Forms S&W: Chapter 6 S: Chapter 8
12	Nov 12 Dummy Variables S: Chapter 8	Nov 14 Dummy Variables S: Chapter 8
13	Nov 19  Research Day – No Class	Nov 21 Happy Thanksgiving! 
14	Nov 26 Heteroskedasticity S: Chapter 9	Nov 28 Serial Correlation S&W: Chapter12 S: Chapter 9
15	Dec 3  Presentations	Dec 5 Presentations 
16	Dec 10  Review for Final	