Moravian College
Department of Economics and Business
Economics 256: Applied Econometrics
Fall 2011 (M W 2:35 – 3:45)

Instructor: Eva Marikova Leeds, Ph.D., Associate Professor
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Office Hours: M W 4:00-5:30, F 2:30-3:30, and by appointment

Prerequisites: Economics 152 and 156

Text: A. H. Studenmund, *Using Econometrics,* Pearson/Addison Wesley, 2011, 6th edition. Please bring it to class every day!

Course Objectives:
This course applies statistical techniques to economic models. Specifically, you will
- Apply the classical regression model to different data sets
- Learn how to deal with different complications that arise in regression estimation
- Test hypotheses
- Become familiar with the Greek alphabet

Requirements:

Homework is due every time we finish a chapter. Doing homework is the best way to learn the material—and some homework problems are on the exams! Every <u>neat</u> and <u>completed</u> homework counts for 0.5% of your grade; it is not graded.
I distribute or post answers to all HW, and I review selected HW problems in class.
Please turn in all HW before class time on the day it is due. I do **not** accept late HW.
- If you are doing HW with someone else, you must **acknowledge** any help received, or provided, by writing the other student's or tutor's name on your HW.
- If you fail to do the HW, your final grade will be two fractions of a grade lower. Moreover, you will struggle with the exams, which will endanger your grade.
- If you fail the first exam, you must seek help from me or the tutor. You must have a tutor's signature on your HW until the next exam for the HW to count.

A **regression** project consists of finding your own data and analyzing them using the techniques covered in this course.

There are three **exams**, each covering three to four chapters. I provide all necessary formulas on the board or on a handout, but you must memorize the simplest ones. I also offer an optional final exam, which can replace your lowest exam grade. There are **no make-up exams**. If you miss one of the three exams, you must take the final exam.
You must not use **phones** during any exam. **Calculators** are allowed.

Exam **dates**:	Exam 1:	September 28 (Wednesday)
	Exam 2:	November 9 (Wednesday)
	Exam 3:	December 2 (Monday)
	Final Exam:	December 15 at 1:30 AM

Expectations:

Some of you may find econometrics a bit challenging, but all of you can earn a good grade. All that you need is diligence and dedication. For every one hour of class time, you should study an additional two hours. You must read the book and do the homework regularly, and you must study all homework assignments before each exam. I encourage you to see me during office hours, both alone and in groups. To ease your HW and exam preparation, I post slides and make announcements on ***Blackboard***.
Please check the site regularly!

I usually **curve** the exams (up to 100%) to give half the class As and Bs.

Grading:

Homework	6%
Regression project	20%
Exams 1 & 2 exams	54%
Exam 3	20%

Grading Scale:

	93 - 100: A	90 - 92.99: A-	
87 - 89.99: B+	83 - 86.99: B	80 - 82.99: B-	
77 - 79.99: C+	73 - 76.99: C	70 - 72.99: C-	
67 - 69.99: D+	63 - 66.99: D	60 - 62.99: D-	00 - 59.99: F

Attendance Policy:

I urge you to come to class regularly! Attendance does not enter your grade directly, but it has a large impact indirectly. It allows you to participate, learn from your classmates, and get a better sense of what is important. Moreover, the lectures and the text reinforce one another.

Academic Honesty Policy:

I encourage you to study in groups and to discuss all homework, but you must write the name of all students in the study group on your homework **and** you must write your own answers to earn any credit. If you work in groups, acknowledge it, yet provide the same answers, you earn no credit.
The following rule holds for both homework and exams: If you copy an answer from another student or if you let another student copy from you, you will receive **zero** for the whole assignment or exam. Note that the punishment is the same for both parties.

Beware of **plagiarism**! If you are lifting phrases (of more than three words) or definitions from the textbook, the web, or any other source, use quotation marks and provide the page number, the URL, or the source citation. If you fail to use quotes, you will get **zero** for the HW. Please read the college academic honesty policy at
http://www.moravian.edu/studentLife/handbook/academic/academic2.html

Special Accommodations:

To request special accommodations, please contact Mr. Joe Kempfer, Assistant Director of Learning Service for Disability Support, 1307 Main Street (extension 1510).

Schedule:

Week of:	Topics	Text
Aug. 29	Regression Analysis	Chapter 1
September 5 (1 class)	<u>Labor Day</u> Ordinary Least Squares	 Chapter 2
September 12	Using Regression	Chapter 3
September 19	The Classical Model	Chapter 4
September 26	Review Exam 1 (9-28-11)	Chapters 1-4 Chapters 1-4
October 3	Hypothesis Testing	Chapter 5
October 10 (1 class)	<u>Fall Break</u> Choosing Variables	 Chapter 6
October 17	Running Your Own Regression Project	Chapter 11
October 24	Choosing a Functional Form	Chapter 7
October 31	Multicollinearity	Chapter 8
November 7	Review Exam 2 (11-09-11)	Chapters 5-8 Chapters 5-8
November 14	Serial Correlation	Chapter 9
November 21 (1 class)	Heteroskedasticity <u>Thanksgiving Break</u>	Chapter 10
November 28	Time-Series Models Review	Chapter 12 Chapters 9, 10, 12
December 5	Exam 3 (12-05-11) Review	Chapters 9, 10, 12 Selected Chapters
December 15	Final Exam	Selected Chapters

The syllabus is subject to change.