# 220:322:02 Econometrics

Spring 2014

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| Location: | CA-A4 | Instructor: | Nathan Wohl |
| Time: | Monday/Wednesday 2:50-4:10 PM | E-mail: | jwohl@econ.rutgers.edu |
| Website: | http://sakai.rutgers.edu | Office: | New Jersey Hall 429 |
| | | Office Hours: | Tuesday/Thursday 3:30-4:30 PM & by appt. |

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**Learning Outcomes:** Students who successfully complete Econ 322 should be comfortable with basic statistics and probability. They should be able to use a statistical/econometric computer package to estimate an econometric model and be able to report the results of their work in a nontechnical and literal manner. In particular a student who successfully completes Econ 322 will be able to estimate and interpret linear regression models and be able to distinguish between economic and statistical importance. They should be able to critique reported regression results in applied academic papers and interpret the results for someone who is not trained as an economist.

**Prerequisites:**

- Introduction to Microeconomics (220:102)
- Introduction to Macroeconomics (220:103)
- Calculus I (640:135)
- Introduction to Statistics (960:211 or 960:285)

**Textbook:** *Introduction to Econometrics*, James H. Stock and Mark W. Watson, 3rd Edition, Addison-Wesley 2011, ISBN 0-138-00900-7 (strongly recommended)

You can get away with using an older version of the textbook, but please be aware that the solutions to the problem sets that I post will be based on numbers from the latest edition.

**Software:** We will use the STATA software package in this course. STATA is available at all Rutgers computer labs and can be accessed through Rutgers Apps. If you've never accessed Rutgers Apps before, then you must activate the service for your NetID at `https://netid.rutgers.edu`. You can also download STATA at `http://software.rutgers.edu`. No prior knowledge of STATA is required.

**Attendance Policy:** Students are expected to attend all classes. If you expect to miss class, please use the University absence reporting website `https://sims.rutgers.edu/ssra` to indicate the date and reason for absence. An e-mail is automatically sent to me.

**Exam Policy:** There are no make-up exams given except under very extenuating circumstances. All excuses must be accompanied with adequate documentation as determined by the instructor. You must inform the instructor ASAP if you know that you must miss an exam. A reason that is not made known to the instructor in a timely manner will not be deemed to be valid.

**Academic Integrity:** Don't cheat. It's just not worth it. The current Rutgers academic integrity policy can be found at `http://academicintegrity.rutgers.edu/files/documents/AI_Policy_9_01_2011.pdf`, and the Code of Student Conduct can be found at `http://policies.rutgers.edu/PDF/Section10/10.2.11-current.pdf`.

**Tentative Course Schedule:**

| Date | Chapter | Topic |
|---|---|---|
| Wednesday, January 22 | 1 | Introduction |
| | 2 | Review of Probability |
| | 3 | Review of Statistics |
| | 4 | Linear Regression with One Regressor |
| **Monday, February 24** | **1-4** | **Exam 1** |
| | 5 | Hypothesis Test and Confidence Intervals in Single Regression |
| | 6 | Linear Regression with Multiple Regressors |
| | 7 | Hypothesis Test and Confidence Intervals in Multiple Regression |
| **Wednesday, April 9** | **5-7** | **Exam 2** |
| | 11 | Regression with a Binary Dependent Variable |
| | 8 | Nonlinear Regression |
| | 9 | Assessing Studies Based on Multiple Regression |
| **Wednesday, May 14** | **Cumulative** | **Final Exam (12-3 PM)** |

**Evaluation:** Your final course grade will be determined as follows:

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| Exam 1 | 25% |
| Exam 2 | 30% |
| Final Exam | 35% |
| STATA Project | 10% |

Students must earn a minimum grade of C to satisfy the economics major requirement. There are no extra credit assignments for this course. The grades will be distributed as follows:

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| $X \geq 80$ | A |
| $75 \leq X < 80$ | B+ |
| $70 \leq X < 75$ | B |
| $65 \leq X < 70$ | C+ |
| $60 \leq X < 65$ | C |
| $50 \leq X < 60$ | D |
| $X < 50$ | F |