THE UNIVERSITY OF AKRON
DEPARTMENT OF ECONOMICS
3250:627-001 ECONOMETRICS (11234)

Spring 2010 — Dr. Steven Myers
3:15 – 4:30 PM MW — Office: CAS 445 -- (330) 972-7421
CAS 443 *'The Econometrics Laboratory'* — email: myers@uakron.edu

DRAFT

First instructional day: January 11, 2010
Spring Break week: March 15-20, 2010
Final instructional day: April 28, 2010
Final examination: Wednesday May 5, 2010 4:00 PM – 5:55 PM

Text links at the end of this syllabus.

Three Required Texts:

Robert S. Pindyck and Daniel L. Rubinfeld. Econometric Models and Economic Forecasts, 4th. edition, McGraw-Hill, 1998. ISBN: 0-07-913292-8 $122.62 at amazon.com. (2007 price)

Peter Kennedy. A Guide to Econometrics, 6th. edition, MIT Press, 2008. ISBN: 978-1405182577 $31.50 at amazon.com (2008 price)

Lora D. Delwiche and Susan J. Slaughter. The Little SAS Book: A Primer, Third Edition, SAS Publishing, 2003. ISBN: 1-59047-333-7 $28.49 at amazon.com. (2007 price)

Optional Text: (not ordered)

J. Johnston. Econometric Methods, 3rd. edition, McGraw-Hill, 1984. and 4th edition (Johnston and DiNardo) 1997. ISBN: 0-07913-121-2 $122.65 at amazon.com. (2007 price)

S. Greenlaw. Doing Economics: A Guide to Understanding and Carrying Out Economic Research, 2006. ISBN: 0-618-37983-5 $47.96 at Amazon.com. (2007 price)

Online Documentation:

For the SAS System, version 9.1.3 (installed on the computers in the econometrics laboratory, CAS 443)

(from the SAS menu bar) Help // Getting Started with SAS Software (choose new or experienced SAS user)

(from the SAS menu bar) Help // SAS Help and Documentation (in the left menu examine the following for this class)

SAS Products

- Base SAS Software
- SAS/ETS (Econometric Time Series Library)
- SAS/STAT (Statistics Library)
- SAS/IML (Interactive Matrix Language)
- SAS/Graph (high quality graphics for presentation)

Other Books Meriting Attention – may or may not be in the library. I just want to suggest that you begin to acquire access to titles that will expand your references and enhance your researching skills:

Ashenfelter	Statistics and Econometrics
Chiang	Fundamental Methods of Mathematical Methods, 2nd or later editions
Greene	Econometric Analysis
Judge, et al.	Introduction to the Theory and Practice of Econometrics
Judge, et al.	Theory and Practice of Econometrics

Kmenta	Elements of Econometrics
Maddala	Econometrics and his Introduction to Econometrics

Expectations for the Course:

No economic analyst is complete without a firm grounding in economic theory and application courses, in statistics and econometrics, in the tools of the trade and in communication skills. In a very important way, the latter of these, communication, is the most important. You may be a great economist, but if you cannot communicate well your ideas and results of analysis no one will pay attention to your work. Further if you are unable to produce professional quality manuscripts, few will take you seriously. In this course writing and speaking is king. All of your work must be produced at a professional level and quality.

Portfolio requirement:

You will be expected to build a portfolio of work suitable to show employers your level of skill. I prefer this portfolio to be online and capable of sustaining your other papers from your other courses, but at a minimum will be electronic and graded at the end of the course for summative assessment purposes.

Specific Learning Expectations: The student will

1. Learn the Science and Art of Model Building [AM]
2. Learn the importance of economics to econometric analysis [B]
3. Prepare to become a quantitative economic analyst [CM]
4. Become proficient in SAS, a program used in most fortune 1000 firms [CDEKMO]
5. Become firmly grounded in the use of model building, estimation and statistical inference [FGM]
6. Learn to develop tools useful to business, economic and social agencies and government [course goal]
7. Learn how to predict and forecast economic events and to achieve a level of competency [FHO]
8. Demonstrate via the written word and oral argument their knowledge of how to communicate econometric results [ABCHMO]
9. Learn the single equation multiple regression model, multi-equation simultaneous equation modeling and estimation and rudimentary time-series analysis [J]
10. Further develop their proficiency in the use of the PC for presentation and research [AKL]
11. Learn about finding data and making it useful for analysis [KCEHMO].
12. Understand the difference between theoretical econometrics and applied econometrics, being technically competent in one and a thinking practitioner of the other [course goal].

Examples of Objectives to achieve expectations

A. Find articles in the literature, summarize model in 5 minutes orally with presentation materials.
B. Find an article where an economic model has been modeled, data collected and analyzed and a test of the model solved and economic problem. No duplicate papers proffered. Three minute oral presentation with a full written review to be turned in.
C. Original empirical papers as part of a portfolio (including A, B and H)
D. SAS training session in class and online documentation review. SAS tutorial available online and links provided for further information.
E. Submission of computer problems throughout the term
F. exams
G. homework from text
H. Time Series forecasting exercise, presented in presentation quality.
I. Use of WebCT for online materials and grades, as well as classroom discussions.
J. Lectures and online materials
K. Computing for Economic Analysis course materials on SAS and the modeling and analysis of data based on the 3 source data assignment.
L. Library training session for ‘how to do economic research including the JEL and other online sources.” Resources for Economists (RFE) for online data sources.
M. Use NLS data to create a data set and test the hypothesis of CHW7 in 3250:626.
N. Essay on cross sectional data, time series data and longitudinal data and an illustration of each with proper cites.
O. Forecast of an indicator of the economy as part of a structured class project.

Assessment:

Examinations:	In-class midterm (TBA) and in-class final examination. I reserve the right to use quizzes or classroom assessments that may or may not be graded to assess your progress. There will be no notice of these.
Assignments:	A daily schedule of notes and assignments will be in the Data directory of E:\Econ627\Spring2010\Data\ and named E:\Econ627\Spring2010\Data\E627 Econometrics Class Page Spring 2010.htm. This will be the home page for the course, similar to last term. All assignments will be explained in class and most often posted to the class website. Homework: Problems and Computer Projects as assigned in class. These will be completed and turned in as assigned. Writing assignments: This includes finding articles in the economic literature as examples of econometric practice and locating and reviewing data sources. It will also include the collection and analysis of data and the writing of professional quality reports. Presentations: Formal prepared presentation materials and presented in class. Details below and as announced in class. Also includes informal presentations as they occur.
Short Paper:	This paper will require the collection of multiple source data, the use of SAS to merge that data for use and the writing of a paper on the topic. This will be a prelude to the longer term paper.
Group projects:	Two or more projects will be announced in class. One is expected to be using micro data and one on macro data. Both are likely to be in the style of problem based learning.
Job Marker Paper:	Also referred to as the term paper. You will have to write a proposal to do this research and it will have to be approved. You must submit your best proposal by email in a word document by mid February. You must begin talking to the professor must earlier to avoid having a rejected topic or proposal. The Job Market paper is due in late April for comments. Rules of the paper will be distributed online early in the course. You will present your paper and results in the Economics Department Poster Session.
Attendance:	100% attendance is expected. Attendance is not rewarded, but absences are penalized.
Grading distribution:	This is an approximation of the weights to be applied in this course. Examinations (15%), Homework, Writing assignments and Presentations (20%), Short Paper (15%), Group projects (20%), Job Market Paper (30%) This is to give you an approximate idea how the grades will be assembled. I reserve the right to revise the weights as the term progresses.

Amazon Links to the Text Books:

Pindyck and Rubinfeld. Econometric models and Economic Forecasts
http://www.amazon.com/gp/product/0079132928/qid=1136814589/sr=1-2/ref=sr_1_2/103-8809426-6044653?s=books&v=glance&n=283155

Kennedy. A Guide to Econometrics
http://www.amazon.com/gp/product/026261183X/qid=1136814910/sr=2-1/ref=pd_bbs_b_2_1/103-8809426-6044653?s=books&v=glance&n=283155

Lora D. Delwiche and Susan J. Slaughter. The Little SAS Book
http://www.amazon.com/gp/product/1590473337/ref=ed_oe_p/103-8809426-6044653?%5Fencoding=UTF8

Johnston and Dinardo. Econometric Methods
http://www.amazon.com/gp/product/0079131212/qid=1136815298/sr=1-1/ref=sr_1_1/103-8809426-6044653?s=books&v=glance&n=283155

S. Greenlaw. Doing Economics: A Guide to Understanding and Carrying Out Economic Research
http://www.amazon.com/Doing-Economics-Understanding-Carrying-Economic/dp/0618379835/sr=11-1/qid=1168990353/ref=sr_11_1/104-7482514-1506339