

**University of Waterloo
Department of Economics
Economics 321 - Econometrics
Spring 2012**

Instructor: Osnat Lifshitz

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Lecture times: Tuesday and Thursday 10:00-11:20

Location: MC 2035

Office hours: Tuesday and Thursday 11:20-12:00 at PAS 1049 (or by appointment)

Course Webpage: <http://learn.uwaterloo.ca>

References:

Course material will appear on class notes at the course website. Please print the relevant class notes before each lecture.

Recommended Textbook: Wooldridge, Jeffrey M., Introductory Econometrics – A modern approach, 4th edition, 2006. It is **not** necessary to purchase the book.

The first lecture will be on May 3rd and not on May 1st

Classes on May 29 and May 31 are canceled due to the 2012 Congress of the Humanities and Social Sciences (www.arts.uwaterloo.ca/congress2012). An empirical assignment will be given to cover for the lost lectures.

Course description:

Econometrics empirically investigates a wide range of economic relationships that are seldom met by the statisticians' standard assumptions. Econometricians use and develop techniques suited to meet the complex process of analyzing real world non experimental data. Econometrics, an essential tool for modern economists, is widely used in industry and academics alike. In this course, we would develop an introductory yet rigorous appreciation of the subject. We will cover following chapters of the text (with some omission of topics and adjustments):

Chapter 1: The Nature of Econometrics and Economic Data

Chapter 2: The Simple Regression Model

Chapter 3: Multiple Regression Analysis: Estimation

Chapter 4: Multiple Regression Analysis: Inference

Chapter 5: Multiple Regression Analysis: OLS Asymptotic

Chapter 6: Multiple Regression Analysis: Further Issues

Chapter 7: Multiple Regression Analysis with Qualitative Information

Chapter 8: Heteroskedasticity

Chapter 9: More on Specification and Data Problems

Evaluation:

Assignments (4)	20%	
Midterm	30%	June, 21 2012
Final examination	50%	TBA

Strategy:

I will give a subset of assigned problems (perhaps with some changes) in the tests and the exams. The rest of the tests/exam will consist of theoretical/quantitative materials discussed during lectures.

Assignments:

The assignments will be largely based on econometric software STATA, which is available in arts undergrad computer labs, such as PAS-1237 (8.30-4.30) and PAS -1098 (Open 24 Hours).

Notes on problem sets and a midterm test: Problem sets will be both analytical and involving computer applications. Problem sets are due at the beginning of class on the specified due date. While collaborative work is encouraged, you must write the answers to the assignments in your own word, submit your own copy of the assignment, including a copy of your printed computer output for any computer assignment. I will not accept any late assignment without acceptable medical documentation. There is no make-up midterm test in this course. For students with a valid medical certificate for the missed test, the weight of the test will be transferred to the final examination. For this to take effect, you must provide supporting documentations within 14 calendar days of the day of the test. Otherwise, you will be assigned a grade of zero in the missed midterm.

Policies:**Note on avoidance of academic offenses:**

All students registered in the courses of the Faculty of Arts are expected to know what constitutes an academic offense, to avoid committing academic offenses, and to take responsibility for their academic actions. When the commission of an offense is established, it will be acknowledged by disciplinary penalties. For information on categories of offenses and types of penalties, students are directed to consult the summary of Policy #71 (Student Academic Discipline) which is supplied in the Undergraduate Calendar (p.1:11). If you need help in learning how to avoid offenses such as plagiarism, cheating, and double submission, or if you need clarification of aspects of the discipline policy, ask your course instructor for guidance.

Other resources regarding the discipline policy are your academic advisor and the Undergraduate Associate Dean.

Students who believe that they have been wrongfully or unjustly penalized have the right to grieve; refer to Policy #70, Student Grievance,

<http://www.adm.uwaterloo.ca/infosec/Policies/policy70.html>.

How to Avoid Plagiarism and Other Written Offences: A Guide for Students and Instructors go to <http://watarts.uwaterloo.ca/~sager/plagiarism.html>.

Note for students with disabilities: The Office for Persons with Disabilities (OPD), located in Needles Hall, Room 1132, collaborates with all academic departments to arrange appropriate accommodations for students with disabilities without compromising the academic integrity of the curriculum. If you require academic accommodations to lessen the impact of your disability, please register with the OPD at the beginning of each academic term.