

University of Lethbridge  
Department of Economics

Economics 3950A  
Econometrics

Spring 2005

Dr. Richard Mueller

**Class Time:** TTh 15:05-16:20

**Phone:** 329-2510

**Place:** B-543 (subject to change)

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**Office Hours:** TWTh 13:00-14:30 and by appointment

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**Office:** D-552

**Prerequisites:** Economics 1012 (or equivalent), and Economics 2900 or Statistics 2780.

**Course Objectives:** This course will provide an introduction to economic statistics and econometric analysis. While statistical and econometric theory will be discussed, the focus of the course will be on the practical application of econometric methods to economic problems and how to interpret the results. Upon completion of the course, students should be able to conduct basic econometric research and feel comfortable in reading and interpreting econometric analysis.

**Required Text:** Ramanathan, Ramu. *Introductory Econometrics with Applications*, 5<sup>th</sup> Ed. (Toronto: Harcourt College Publishers, 2002).

**Reserve Readings:** Kennedy, *A Guide to Econometrics*, 3<sup>rd</sup> ed. (MIT Press, 1992).  
Maddala, *Introduction to Econometrics* (Macmillan Publishing, 1988).  
Wooldridge, *Introductory Econometrics* (South-Western College, 2000).

**Econometrics Software:** You can use any econometrics package with which you are familiar. If you are familiar with none, the Department of Economics has a site license for Shazam v10.0. This is the full professional version of the popular econometric software. A copy of this software can be obtained from the professor for little or no cost. The SHAZAM homepage can be found at <http://shazam.econ.ubc.ca/>. The textbook also comes with its own econometric software package, GRETL. This can also be downloaded, free of charge, from <http://www.econ.ucsd.edu/~rramanat/gretl.htm>. The choice of which package to use is left to the student. You might want to keep in mind that SHAZAM is more widely used, but GRETL is much more user-friendly.

**Outline** (subject to change): Students are strongly encouraged to read the course materials before attending lectures. Unless otherwise stated in class, students should read the entire chapter corresponding to the various topics outlined. The course material with chapter references is as follows:

|      | <u>Topic</u>  | <u>Readings</u> |
|------|---|-----------------|
| I.   | Background (this material will not be covered in class) | Chs. 1-2        |
| II.  | Basics  | Chs. 3-5        |
| III. | Extensions  | Chs. 6-7        |
| IV.  | Special Issues  | Chs. 8-10       |
| V.   | Special Topics  | Chs. 11-13      |

### Examinations, Grade Determination, and Absence Policy:

There will be one midterm and one final exam. The midterm date will be held in class on Thursday, March 3<sup>rd</sup>. The final exam will be held on Thursday, April 21<sup>st</sup>, from 14:00-17:00. The location will become available later in the semester.

Homework assignments will be handed out or e-mailed to you throughout the semester. There will be a total of 5 of these assignments, but only the top 4 marks will be recorded.

Final grades will be determined by weighting grades on individual components as follows:

|              |     |
|--------------|-----|
| Midterm Exam | 30% |
| Final Exam   | 45% |
| Assignments  | 25% |

If a student is absent from any examination, he/she the option of writing a make-up exam, or having the remaining course component weights increased accordingly. Except under extremely unusual circumstances, if an exam is to be missed for any valid reason (and this does happen), you must give notification before the scheduled time of the exam by calling my office. This is to be followed up with appropriate documentation (e.g., a medical certificate) within 48 hours of the missed exam. Failure to do one or both of these will result in a failing grade on the examination.

No requests will be entertained for early or delayed exams. Requests to write the final examination (without a valid reason) before or after its scheduled time will be denied.

Letter grades will be based on numerical final grades as follows:

|      |           |    |           |
|------|-----------|----|-----------|
| A/A+ | 83.4+     | C  | 63.4-66.6 |
| A-   | 80.0-83.3 | C- | 60.0-63.3 |
| B+   | 76.7-79.9 | D+ | 56.7-59.9 |
| B    | 73.4-76.6 | D  | 50.0-56.6 |
| B-   | 70.0-73.3 | F  | <50.0     |
| C+   | 66.7-69.9 |    |           |

Students who seek a reappraisal of any exam must do so within one week of the exam being returned to the class, otherwise such requests will not be entertained.

Students should keep all graded assignments and exams. In case of disagreement between your recorded mark and the mark on your assignment or exam, the latter will be taken to be correct.