ECON 107: INTRODUCTORY ECONOMETRICS I
SPRING 2009

Instructor: Professor Tae-Hwy Lee
Lectures: MWF 1:10 p.m. – 02:00 p.m., **Classroom: HMNSS 1503**
Office Hours: MWF 11:00 a.m. – 11:35 a.m., or by appointment, Office: SPR 3103

Course Description: The course will provide a thorough introduction to statistical methods required to analyze the relationship between two or more economic variables. It is an introduction to the basic tools of econometrics and focuses on the issues relating to the linear regression model, including heteroskedasticity, serial correlation, and multicollinearity. Computer programs *Eviews* and *Stata* will be used. Some exercises of the textbook will require use of the computer.

Required Text: James H. Stock and Mark W. Watson, *Introduction to Econometrics*, Addison-Wesley Publisher.
Brief edition (2008): ISBN-10: 032432517, ISBN-13: 9780321432513.
[You can also use Second edition of the full edition (2007): ISBN-10: 0321278879, ISBN-13: 9780321278876.]

Course Outline: We will follow the textbook closely. We plan to cover the textbook as follows. We begin with a review of probability and statistics, which is the Econ 101 material (Part I, Chapters 1-3). We then move on to the core of the course (Part II, Chapters 4-9), i.e., regression with a single regressor (Chapters 4-5), multiple regression (Chapters 6-7), the basics of nonlinear regression functions (Chapter 8), and the evaluation of regression studies (Chapters 9-10). The Brief edition includes these chapters 1-10.

We leave the treatment of various topics such as the panel data models, binary dependent variables, instrumental variables, program evaluation (Part III) and time series topics (Part IV) for ECON 108. These materials are not available in the Brief edition of the textbook (only available in the full edition).

DIS and LAB Sections: There are weekly DIS and LAB sessions, where TAs will discuss *Exercises* and *Empirical Exercises* in the textbook, provide supplementary lectures, review the class lectures, and respond to questions posed by students. It is imperative to attend every DIS and LAB session.

TAs:
Trinidad Beleche - Office Hours: MW 12-1 or by appointment, Office: SPR3122
Arindam Nandi - Office Hours: TF 11-12 or by appointment, Office: SPR 3120

Lab Facility: LAB sessions will be held at SPR2225. You can also use Watkin 2101 and Watkins 2111 when available. To check if a lab is available or scheduled for classes, go to: http://scs.ucr.edu/calendar/

Grading:

Midterm 1	20%	Monday, April 27, 2009
Midterm 2	20%	Friday, May 15, 2009
Quizzes	20%	many pop quizzes in classes and DIS/LAB sessions, without prior announcement
Final Exam	40%	Wednesday, June 10, 2009, 08:00 am – 11:00 am

The above time schedule *may* be subject to change with a short notice. All exams are required (not optional) as indicated by the above weights. The final exam is cumulative and comprehensive. There will be no make-up final exam.

You are expected to work on *Exercises* and *Empirical Exercises* at the end of each chapter in the textbook, which will be discussed in DIS and LAB sessions. Understanding these materials will be very useful for exams.

Class attendance for all lectures and all DIS/LAB sessions is required. You are fully responsible for following up on all the announcements made during the lectures and DIS/LAB sessions.

Some Requests Regarding Classroom Courtesy and E-mail Etiquette
- Please turn off any electronic device (e.g., phone, computer, MP3 player, etc) before the class begins.
- Please do not leave the classroom until the lecture ends.
- Please do not use email if possible. Use office hours to talk with the instructor and TA's in person.
- In case when you must email, be formal (please start your e-mail with a formal greeting and end with a formal closing). Please put your full name at the end of e-mails. Expect to a reply within 48 hours.
- Questions regarding computer programming should be directed to the TAs.