ECONOMETRICS II
ECONOMICS 2123B - 001
Department of Economics
Western University

Maria Antonella Mancino

June, 2017

E-mail: mmanci3@uwo.ca
Class Hours: M & W, 7:00 pm - 10:00 pm, Room SSC 3010
Office Hours: W, 4:45 pm - 6:45 pm, Room SSC 4046
Course Website: https://owl.uwo.ca

Undergraduate Inquiries (Room SSC 4075):
Phone: 519-661-3507
E-mail: econugrd@uwo.ca

Registration and Prerequisites

Registration Note
You are responsible for ensuring you are registered in the correct courses.
If you are not registered in this course, the Department will not release
any of your marks until your registration is corrected. You may check your
timetable by using the Login on the Student Services website at
https://student.uwo.ca. If you notice a problem, please contact your
home Faculty Academic Counsellor immediately.

Prerequisite Note
The prerequisites for this course are Economics 2122A/B; and 0.5 course
from: Mathematics 1225A/B, Calculus 1000A/B, Calculus 1500A/B
or the former Calculus 1100A/B.

If you are found to be ineligible for a course, you may be removed from it
at any time and you will receive no adjustment to your fees. This decision
cannot be appealed.
If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record, but will ensure that spaces become available for students who require the course in question for graduation.

Course Information

Course Objective

The goal of this course is to give students a thorough understanding of the basic tools of econometric analysis using commonly used regression models. The class will study both theoretical foundations and empirical applications of econometric models.

Learning Outcomes

• Students will learn how to formulate, estimate, and test economic models.

• Students will be able to identify what linear regression models reveal about economic relationships and interpret the obtained quantitative results.

• Students will learn and be able to apply appropriate techniques to perform valid statistical inference.

Meetings

The lecture hours are Monday and Wednesday from 7:00 pm to 10:00 pm and will take place in SSC 3010. I will be available in my office (SSC 4046) for the scheduled office hours. I will make an announcement in case any additional office hours will be held prior to the midterm examination or the final examination. I will accommodate office hours by appointment in situations where you have questions but you are unable to make it to my scheduled office hours. I will only accommodate appointment requests submitted 48 hours before the requested appointment. When contacting me by e-mail, please, use your UWO e-mail and indicate ECON 2123 as the subject of the message. I will not answer material-related questions via e-mail. Please, note
that while class attendance is not a component of your grade it is essential for the successful completion of the course.

**Course Materials**

**Textbooks**


**Lecture Slides**

Most of the material taught will come from the required textbook. Students will also be responsible for material covered in the lectures but not present in the textbook. The lecture slides will be posted on the course website; however, they may not contain the detailed solutions and examples provided during the class time. If a student misses any classes, he/she will be responsible for obtaining the notes from other students.

**Outline of Topics Covered**

Specific information on required readings will be provided in the lectures. The chapters come from the Dougherty’s *Introduction to Econometrics* text.

- **Part I: Review of Probability and Statistics**
  1. Random Variables, Sampling, and Estimation (Review)

- **Part II: Regression Analysis**
  1. Simple Regression Analysis (Chapter 1)
  2. Properties of Regression Coefficients and Hypothesis Testing (Chapter 2)
  3. Multiple Regression Analysis (Chapter 3)
  4. Nonlinear Models and Transformations of Variables (Chapter 4)
  5. Dummy Variables (Chapter 5)

- **Part III: Improving Our Models**
  1. Specification of Regression Variables (Chapter 6)
2. Heteroscedasticity (Chapter 7)
3. Measurement Error (Chapter 8)

- Part IV: Additional Topics in Regression Analysis
  1. Choice and Limited Dependent Variables (Chapter 10)
  2. Time Series Analysis (Chapter 11, Chapter 12)

The coverage of topics in Part IV will be subject to time availability.

**Evaluation**

**Assessment**

The final grade will be determined based on two assignments worth 20%, one midterm test worth 30%, and a final examination worth 50%.

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
<th>Date</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assignment 1</td>
<td>10%</td>
<td>June 28, 2017</td>
<td>Due at the beginning of class</td>
</tr>
<tr>
<td>Midterm</td>
<td>30%</td>
<td>July 10, 2017</td>
<td>During class time</td>
</tr>
<tr>
<td>Assignment 2</td>
<td>10%</td>
<td>July 19, 2017</td>
<td>Due at the beginning of class</td>
</tr>
<tr>
<td>Final</td>
<td>50%</td>
<td>Scheduled by the Registrar’s Office</td>
<td></td>
</tr>
</tbody>
</table>

Assignments are due at the beginning of class. **Late assignments (submitted later than 7:15 pm) and missed assignments will be awarded the grade of zero.** I will provide you with instructions regarding the formatting of assignments at the beginning of the course. The Midterm will be administered during class time. There will be a lecture following the midterm. The time and location of the final examination will be provided by the Registrar’s Office. **I will announce the material covered by the midterm examination and the final examination in class.**

**Policy on Missed Exams and Quizzes**

If you miss the midterm, it is your responsibility to inform the instructor within 48 hours of the exam. Otherwise, you will receive a mark of zero. Only for absences with a valid reason and with proper approved documentation, the weight of the midterm will be transferred to the final examination. Hence, the final examination will have the weight of 80%. No make-up midterms will be provided.
Please Note
Department Policies – Summer 2017

Remember that the University expects all students to take responsibility for their own academic programs. Also remember to check your registration to make sure you are enrolled in the correct courses.

1. Guidelines and policies for the Faculty of Social Science and the Department of Economics are posted online in the current Western Academic Calendar at http://westerncalendar.uwo.ca.


3. **Cheating as an academic offence:** Students are responsible for understanding what it means to “cheat”. The Department of Economics treats cheating incidents very seriously and will investigate any suspect behaviour. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in other economics courses or programs. The University may impose further penalties such as a notation on your official academic transcript, suspension or expulsion.

4. **Plagiarism:** Students must write their essays and assignments in their own words. Whenever students take an idea or a passage from another author, they must acknowledge it by using quotation marks where appropriate and referencing with footnotes or citations. Plagiarism is a major academic offence (see Scholastic Offence Policy in the current UWO Academic Calendar at http://westerncalendar.uwo.ca/2017/pg113.html).

   The University of Western Ontario uses software to check for plagiarism and students may be required to submit their written work in electronic form. Those found guilty will have penalties imposed as noted in point 3.

5. It is Department of Economics policy that NO assignments be dated, stamped or accepted by staff. Students are responsible for submitting assignments in class or to the instructor during office hours.

6. When appealing a mark, students should refer to the University’s Procedures in the current UWO Academic Calendar (http://westerncalendar.uwo.ca/2017/pg112.html). Please note the relevant deadlines.

   The Department will not consider any appeal unless an attempt has been made to settle the matter first with your instructor. If after this discussion you remain dissatisfied with a grade or other decision, you may proceed with a written appeal (e-mails are not acceptable) to the Undergraduate Director in Economics, stating the reasons for your appeal. A useful form and checklist is provided at

   http://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals
7. Systematic adjustments of a class grade distribution (either up or down) can occur in Economics courses. The fact that grades have been adjusted is not grounds for an appeal.

8. Note the following add and drop deadlines:

   Dates for adding courses in the summer:
   Last day to add a Distance Studies Course: Friday, May 12, 2017
   Last day to add an Intersession Course: Tuesday, May 16, 2017
   Last day to add a first term half course Summer Evening: Friday, May 12, 2017
   Last day to add a second term half course Summer Evening: Friday, June 23, 2017

   Dates for dropping Courses in the summer:
   Last day to drop a Distance Studies Course: Monday, June 12, 2017
   Last day to drop an Intersession Course: Monday, June 5, 2017
   Last day to drop a first term half course Summer Evening: Monday, June 5, 2017
   Last day to drop a second term half course Summer Evening: Monday, July 17, 2017

9. Faculty of Social Science policy states that oversleeping or misreading an exam schedule is not an excuse for a make-up. This rule applies to all mid-term tests and final exams in the Department of Economics.

   **Policy Regarding Makeup Tests and Final Examinations**

   *Academic Accommodation will not be granted automatically on request. You must demonstrate by documentation that there are compelling medical or compassionate grounds before academic accommodation will be considered.*

   If you decide to write a test or an examination, you must be prepared to accept the mark you earn. Rewriting tests or examinations, or having the value of the test or examination reweighted on a retroactive basis, is not permitted. Book airline flights after you know the dates of your final examinations. Airline flights must not conflict with test or final exams.

   If you are requesting a makeup test for a midterm or a final examination, unless medically incapable, notify your instructor by email or phone, preferably prior to the scheduled date of the test, but definitely within **24 hours** of the date of the test or exam. Failure to follow this procedure may result in denial of a request for academic accommodation or result in a grade of zero. Set up an appointment as soon as possible to meet personally with your instructor. If the instructor is not available, you may send an email message, copying the Undergraduate Coordinator at econugrd@uwo.ca (Social Science Room 4075). **Notifying your instructor of a missed test or exam does not automatically entitle you to a makeup test.**

   Students who seek a makeup test or examination must provide medical or other relevant verification that their absence from a regularly scheduled test or examination is beyond their control. Documentation must support your reasons. Medical documentation should be given to the Academic Counselling Office of your home Faculty as soon as possible (preferably within **24 hours of the test** if you know you may not be able to write your final examination on the scheduled day.
and time. Failure to follow this procedure, or to provide supporting documentation, may result in denial of a request for academic accommodation or result in a grade of zero. If your documentation is not acceptable, you will be given a zero for the missed test.

For personal illness, if you consult Student Health Services regarding your illness or personal problem, you should request a Student Medical Certificate from the physician. If you were seen by an off-campus doctor, obtain a certificate from his/her office at the time of your visit. The off-campus medical certificate form must be used and can be found at: http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf. Notes stating "For Medical Reasons" are not considered sufficient.

For any other circumstances, if you are not sure what documentation to provide, ask your Academic Counselor. If your documentation is judged sufficient, the academic counselor will issue a Recommendation for a Special Examination (a single form for midterms or a triple color form for final examinations). Once you have this form, contact your instructor ASAP to make arrangements. Even if approved from your home faculty Academic Counsellor, there is no guarantee that you will be allowed to write the makeup test and exam.

For final examinations, you need permission from your home Faculty Counsellor, your instructor, and the Department Chair. Failure to follow this procedure may result in an examination grade of zero. You must ensure that the Special Examination form has been signed by the instructor and Department Chair and that the form is returned to the Academic Counseling Office for approval without delay. Make-up final examinations, if permitted, will be written within one month of the end of the exam period.

Policies Regarding Academic Accommodation

Information about the Faculty of Social Science’s policies regarding academic accommodation is found on its website at http://counselling.ssc.uwo.ca/procedures/havingproblems.asp or in Social Science Room 2105. Your “Academic Rights and Responsibilities” are also outlined in the current UWO Calendar at http://westerncalendar.uwo.ca/2017/pg111.html. Claiming that “you didn’t know what to do” is not an acceptable excuse for not following the stated procedures.

Policy Regarding Class Attendance

If your instructor views your class attendance as unsatisfactory, you can be debarred from writing the final examination. If there is intent to make use of this University policy, you will be notified in writing.

Statement on Mental Health and Support Services

If you or someone you know is experiencing emotional/mental distress, there are several resources here at Western to assist you. Please visit http://www.uwo.ca/uwocom/mentalhealth/ for more information and a complete list of resources, as well as how to obtain help.