

Econ 571
Intermediate Econometrics
Spring 2004

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Office Hours: T, Th 1 - 2, Fri 2 - 3 and by appointment

Class Meeting: MWF 1:10 East Hall 111

A. Course Objective:

To provide students with a basic introduction to the theory, methods, and applications of statistical techniques for fitting linear econometric models to economic data. Most of the course will focus on single equation models but a little time will be allocated to multiple equation models. Students will gain experience in fitting models to economic data and interpreting the results. Fitting of equations will be by standard packages, i. e., SAS.

Students are expected to participate in a weekly computer lab session run by the TA.

B. Grading:	Homework	20 %
	Midterm Exam	35 %
	Final Exam	45 %
	Total	100 %

C. Outline and Reading List:

Required text: Wooldridge, *Introductory Econometrics: A Modern Approach*, South-Western Pub. 2nd Edition, 2003.

Recommended: Griffiths, Hill and Judge, *Learning and Practicing Econometrics*. Wiley 1993.

**ECON 571
Reading List**

I. Introduction

Wooldridge, *Introductory Econometrics*, South-Western Pub. 1999, Ch. 1, pp. 1-19.

Intriligator, Bodkin, and Hsiao, *Econometric Models, Techniques, and Applications*,
2nd Ed., Prentice Hall, pp. 1-11.

Griffiths, Hill, and Judge, *Learning and Practicing Econometrics*, Wiley 1993, pp. 1-20.

Griffiths, Hill, and Judge, Ch. 3, pp. 72-107, Ch. 4, pp. 128-144.

II. Simple Regression Model

A. Estimator and Properties

Wooldridge, Ch. 2, pp. 22-60.

Griffiths, Hill, and Judge, Ch. 5, pp. 171-207.

B. Inference and Hypothesis Testing

Griffiths, Hill, and Judge, Chs. 6 & 7, pp. 208-256.

III. Classical Multiple Regression Model

A. Estimator and Properties

Wooldridge, Ch. 3, pp. 66-86; 101-102; Ch. 6, pp. 192-198.

Griffiths, Hill, and Judge, Ch. 9, pp. 287-320.

B. Inference, Hypothesis Testing, Forecasting

Wooldridge, Ch. 4, pp. 113-136; Ch. 6, pp. 197-203.

Ruud, P.A. *An Introduction to Classical Econometric Theory*.

Oxford University Press, 2000, pp. 222-238.

Griffiths, Hill, and Judge, Ch. 10, pp. 321-368.

C. Restrictions: Nonsample Information

Wooldridge, Ch. 4, pp. 136-154.

Griffiths, Hill, and Judge, Ch. 11, pp. 369-406.

Intriligator, et al. "Applications to Households; Demand Analysis,"
pp. 238-273.

Intriligator, et al. "Applications to Firms; Production Functions and Cost
Functions," pp. 275-313.

- D. Extensions: Nonlinear Regressors, Dummy Regressors, Excluded Regressors
Wooldridge, Ch. 3, pp. 87-100; Ch. 6, pp. 178-197; Ch. 7, pp. 211-241.
Griffiths, Hill, and Judge, Ch. 12, pp. 411-426; Ch. 13, pp. 431-444.
Greene, *Econometric Analysis*, Prentice Hall 1997, pp. 401-404.

IV. General Linear Multiple Regression Model: The Covariance Matrix

- A. General and Heteroscedastic
Wooldridge, Ch. 8, pp. 248-273.
Griffiths, Hill, and Judge, Ch. 15; pp. 477-494; Ch. 17, pp. 542-563.
- B. Time Series Data, Serial Correlated Disturbances, Forecasting
Wooldridge, Ch. 10, pp. 311-342; Ch. 11, pp. 347-375; Ch. 12, pp. 376-403;
Ch. 18, pp. 593-608.
Griffiths, Hill, and Judge, Ch. 16, pp. 514-540; Ch. 20, pp. 39-677.
Wooldridge, Ch. 12, pp. 376-404.

V. Endogenous Regressors, Measurement Error, and Multiple Equation Models

- Wooldridge, Ch. 5, pp. 162-176; Ch. 9, pp. 278-305; Ch. 15, pp. 461-491.
Griffiths, Hill, and Judge, Ch. 14, pp. 445-466; Ch. 16, pp. 501-520.