

Course Objectives

This course sequence is concerned with theory and application of linear regression methods. The classical regression model is discussed, and the statistical properties of the estimator are examined. The effect of violations of the classical assumptions are considered, and appropriate estimation methods are introduced. This course is the second in a two-course sequence. The first course, ECO5416, is offered during the fall semester. At course completion, a successful student will:

- understand the statistical foundations of the classical regression model.
- be able to explain the properties of the least-squares estimator and related test statistics.
- be able to apply these methods to data and interpret the results.

Textbooks

- Russell Davidson and James G. MacKinnon, Econometric Theory and Methods, 2004, Oxford University Press, New York.
- Morris H. DeGroot and Mark J. Schervish, Probability and Statistics, 3rd Edition, 2002, Addison-Wesley, Boston.

Software

The statistical software used in this course is *Stata*. Florida State University is a participating member of the *Stata Gradplan* which allows you to obtain a copy of *Stata* at reduced prices. More information about ordering may be found at:

<http://www.stata.com/order/new/edu/gradplans/gp-campus.html>

There are currently two releases available to students on a six month license; *Stata/IC* (\$65) and *Small Stata* (\$32). Annual and perpetual licenses are also available at higher cost. *Small Stata* is more than sufficient for the needs of this course, but I leave it to you regarding which is the better value.

Exams

There will be 2 exams, each having both a take-home and an in-class component. The dates of the exams are:

Exam 1 - Friday, 2 March

Exam 2 - Friday, 20 April

Homework

Homework assignments are based on class notes and textbook material. They are designed to help you organize your notes and prepare for exams. Computer homework will also be assigned. The computer homework form an integral part of the course and should not be neglected. They are the link between theory and practice.

Grades

Course grades will be determined by the equally weighted average of your exams grades.

Office Hours

Office hours are Monday, Wednesday, and Friday from 11:15-12:15 in Bellamy 253A. You may also schedule an appointment at a mutually convenient time. Office hours are reserved for students, so do not hesitate to spend as much time as you need getting help. You may telephone me at 644-5001. This is the central number for the Department of Economics. They can transfer your call, and will take a message if I am not available.

Course Mailing List

You may access the course mailing list through the *Blackboard* web site. Any mail sent to the mailing list is forwarded to me and to every student registered for the course. Private matters may be directed to my personal account, and will be kept confidential. Be forewarned, however, that if you send questions about course material to my personal account, I will often respond through the course mailing list. I generally respond to e-mail promptly; even on weekends.

Course Web Page

A course web page has been installed at the address <http://mailer.fsu.edu/~tzuehlke>. I will use this page to post homework, exam grades and keys, and any other material you may need for the course.

Academic Integrity

The academic honor system of The Florida State University is based on the premise that each student has the responsibility: 1) To uphold the highest standards of academic integrity in the student's own work; 2) To refuse to tolerate violations of academic integrity in the University community; and 3) To foster a high sense of integrity and social responsibility on the part of the University community. The penalties for violation of this code are found in the Student Conduct Code (FAC 6C2-3.04) of the Florida State University Student Handbook.

ADA Statement

Students with disabilities needing academic accommodations should: 1) register with and provide documentation to the Student Disability Resource Center (SDRC); 2) bring a letter to the instructor from SDRC indicating you need academic accommodations. This should be done within the first week of class.