EC228: Econometric Methods
Fall 2011

Instructor: Stefan Hoderlein
Email: stefan.hoderlein@bc.edu
Office hours: Tue, Thu 10:30 – 11:30 am, 21 Campanella Way, Office 493

Teaching Assistant: Anatoly Arlashin
Email: Anatoly.Arlashin@bc.edu
Office hours: Tue, Thu 10:30 – 11:30 am, 21 Campanella Way, Grads student lounge.

Class: TTH, 12:00 – 13:15am, Carney 106.
This course introduces students to econometrics a subfield of economics concerned with
methods for measuring economic quantities and testing economic theory. In particular,
the course focuses on estimation and inference within the framework of linear regression
analysis.

Prerequisites: EC151 or EC155, MT100 or MT102, or equivalent.

Edition, South-Western.

Grading:
– 5 Homeworks (best 4 count, 20%).
– 2 Midterms (40%): Tuesday, Oct, 11, and Nov, 8, 2011, 12:00 – 13:15 pm, Carney 106.
– 1 Final (40%): Monday, Dec 19, 2011 at 12:30pm.

Part of the homework assignments will include computational exercises through which students
will gain practical experience and familiarity with statistical software such as STATA. Two grad
students, xiaoping.chen@bc.edu, (XC), jinyoung.choi@bc.edu, (JC), will hold an optional
tutorial section that meets once a week to introduce students to STATA and provide assistance
with the empirical part of the homework assignments. You are free to sign up for one of the
following times: M 10-11 (XC), 11-12 (XC), 12-1 (JC), 1-2 (JC); W 9-10 (JC); F 12-1 (XC), all
Carney 009.

There will not be rescheduled or make-up examinations. Homework assignments will not be
accepted passed their due dates. You may use calculators during exams. You must demonstrate
your reasoning and show all calculation to receive full grade.

Academic Integrity: Boston College values the academic integrity of its students and faculty. It
is your responsibility to familiarize yourself with the university’s policy on academic integrity:
www.bc.edu/integrity. If you have any questions, always consult your professor. Violations of
academic integrity will be reported to your class dean and judged by the academic integrity
committee in your school. If you are found responsible for violating the policy, penalties may
include a failing grade as well as possible probation, suspension, or expulsion, depending on the seriousness and circumstances of the violation.

**Course Outline:**
1– Introduction to econometrics and economic data (chapter 1)
2– Review of probability (Appendix B)
3– Review of statistics (Appendix C)
4– Simple regression analysis (chapter 2)
5– Multiple regression analysis: estimation (chapter 3)
6– Multiple regression analysis: inference (chapter 4)
7– Multiple regression analysis: OLS asymptotics (chapter 5)
8– Multiple regression analysis: further issues (chapter 6)
9– Multiple regression analysis: binary variables (chapter 7)
10– Heteroskedasticity (chapter 8)
11– Specification and data issues (chapter 9)
If time permits:
12– Regression analysis with time series data (chapter 10)
13– Serial correlation and heteroskedasticity in time series regression (chapter 12)
14– Instrumental variables estimation and two stage least squares (chapter 15)