The topics covered in this course are largely independent of those presented in 683, but a solid knowledge of the classical regression model in matrix form is presumed. The major topics to be covered here are simultaneous equations models, econometric methodology and time series (ARIMA) models and their applications.

One midterm examination on the simultaneous equations models will be required, and this will count towards 30% of the final course grade. The remainder of the course grade will be based on a combination of projects, with sufficient flexibility to meet the interests of most members of the class.

Fifty percent of your grade will be based on a term paper surveying the literature in a subfield of econometrics. This paper must include a discussion of some advanced econometric theory, presenting readings in books or articles which go beyond the assigned readings. Examples of survey papers and ideas for paper topics can be found in the three volumes of the Handbook of Econometrics. Acceptable topics can also be found in Maddala's Econometrics; Judge, et.al., The Theory and Practice of Econometrics, The Journal of Econometrics, Econometrica; and the course syllabus. A detailed proposal including an outline of your work and some references, is due February 9. The final paper is due May 4 with a 10% penalty for late papers.

The remaining 20% of your grade is based on either a class presentation or some applied computer projects. Some of the course topics, particularly in the methodology section, are suitable for class discussions, and individual students or groups may choose one of these for a presentation. The computer projects will be explained in more detail as the course progresses.

Course Materials


Readings and Topics

I. Simultaneous Equations Models
Judge, Chapters 12, 13
Fomby, Chapters 19-24
Pindyck, Chapters 7, 11-14
Reading and Topics – cont’d


II. Methodology

Fomby, pp. 400-414.
Judge, et.al., Chapter 22.

III. Time Series Models and Forecasting

Judge, et.al., Chapter 25-26.

IV. Multiple Time Series Models, Distributed Lag Models, and Causality Testing


Fomby, Chapter 17.
Judge, Chapter 27.
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