Economics 7818
January 18, 1990
Dr. Waldman

Course Information

INTRODUCTION

Economics 7818 is a one-semester course in mathematical statistics and econometrics. It is designed to provide the necessary background in statistics to better understand advanced econometric methods, and to begin the study of those methods. It is the prerequisite to the Ph.D. sequence in econometrics. Students are assumed to be familiar with matrix algebra, as the material is presented entirely in this format. It is also assumed that students have a good background in basic statistics and econometrics from their undergraduate and graduate courses.

TEXT

We will use Principles of Econometrics, by Henri Theil (Wiley, 1971). This text will also be used in the first course in the econometrics sequence, Economics 8838.

TENTATIVE COURSE OUTLINE

Weeks 1-2: Introduction and matrix algebra. Text: Chapter 1, sections 1-4. Familiarization with the LIMDEP computer program. LIMDEP is available on the PC-s in the basement, and may be copied for home use. The manual is available at Kinkos.

Weeks 3-6: Mathematical statistics. Text: Chapter 2, all sections.

Weeks 7-10: Least squares and the classical normal linear regression model. Text: Chapter 3, all sections.

Weeks 11-12: The generalized least squares model. Text: Chapter 6, sections 1-5.

Weeks 13-15: Topics in regression analysis. Readings to be assigned.

COURSE REQUIREMENTS

Analytic and computer-oriented problem sets will be distributed periodically. There will be three exams. No term paper is required.