Lecture 1: Economics 140B

- Administrative details and class overview
Formalities

- Class meets twice a week (Mon/Wed, 2:00-3:15)
- My office hours: Friday 1:30-3:00, or by appointment, NH 2050 (send me an email)
- Website: (lecture notes, assignments, answer keys, etc) [www.econ.ucsb.edu/~olivier/econ140b/econ140b.html](http://www.econ.ucsb.edu/~olivier/econ140b/econ140b.html)
- Teaching assistant: Sarah Bana
- Sarah’s office hours: Tuesday 12:15 – 2:15, North Hall 2018
- Sections: Thursdays 8:00 – 8:50 and 9:00 – 9:50, NH 2212 (classroom) or Phelps 1513 (computer lab), 8:00 – 10:00
- Sarah will help you with the assignments, learning the econometric software Stata, and download and implement the paper replication exercise
Evaluation:

- **1. Individual assignments (3) worth 10% each (will count best 2): 20%**. Type your answers

- **2. Final examination: 50%**

- **3. Econometric paper replication exercise: 30%**
  - Students will work in teams (2)
  - Select an empirical economics paper from the American Economic Review, or the American Economic Journals which have data and programs for published papers available online
  - Use the data to replicate the regression analysis and estimate alternative regressions
  - Each team will also prepare a 2 page summary report
  - Further instructions to come
Textbooks:

- Lectures will emphasize the **theory** and **application** of econometrics

Class Rules:

- I expect students to attend every lecture, read the lecture notes before class, and ask and answer questions.

- No cheating (Read syllabus for policy on academic dishonesty).

- No cell phones, No texting, etc.

- No chatting.

- I will ask you to leave if you are not paying attention.
Course Outline:

1. Review of Linear Regression with One Regressor, Multiple Regression, and Hypothesis Testing

2. Regression Specification: Dummy Variables, Interactions, and Nonlinear Terms

3. Internal and External Validity

4. Panel Data Models

5. Regression With Binary Dependent Variable

6. Regression With Instrumental Variables

7. Regression Analysis of Experimental and Quasi-Experimental Data

8. Introduction to Time Series Regression and Forecasting