Econ 710
Economic Statistics and Econometrics II
Spring 2016

Course Time: Tuesdays and Thursdays, 11:00 – 12:15. Social Science 6104
Webpage: http://www.ssc.wisc.edu/~bhansen/710/
Office Hours: Tuesdays 2:00- 3:30, or by appointment

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This course is designed for first-year Economics Ph.D. students. The basic methods of modern econometric methods and theory are covered. The intention is that the material will provide a foundation for applied research in economics.

The course prerequisites are Econ 703 and 709, or equivalents. Familiarity with probability, statistics, and matrix algebra is assumed.

Class assignments will be passed out approximately every week. These assignments will include both problem solving and computer tasks. The computer exercises will involve programming in Matlab programming language. The assignments will be graded by the teaching assistant, and will be reviewed in the discussion sections. Questions regarding computers and software should be directed to the TA.

There will be two exams, a mid-term and a final. The grading for the course will be as follows: Assignments: 20%. Midterm: 30%. Final: 50%.

The midterm exam will be outside of class on Monday March 7, time to be determined. The Final exam will be Tuesday, May 10 from 9am to noon. The exams are open-book and open-note.

A draft textbook is posted on the webpage. This is a manuscript in progress, and is periodically rewritten.

To supplement the lecture notes, I recommended Econometrics by Fumio Hayashi, Econometric Analysis by William H. Greene, and Econometric Analysis of Cross Section and Panel Data by Jeffrey Wooldridge. Wooldridge and Hayashi are closer in style and substance to the course. Greene is more encyclopedic and is preferred by some students.

A well-written supplementary monograph is Mostly Harmless Econometrics by Joshua Angrish and Jorn-Steffen Pischke

On the next page, I have listed some major textbooks and resources in econometrics. They may be useful as references for further study or for applied projects.
Alternative textbooks:

Advanced Econometrics:
*Handbook of Econometrics*, Volumes I-V.

The Bootstrap:

Panel Data
Badi Baltagi, *Econometric Analysis of Panel Data*
Manuel Arellano *Panel Data Econometrics* (2003)

Time Series

NonParametrics
Qi Li and Jeffrey Racine *Nonparametric Econometrics* (2007)

Limited Dependent Variables