TOBB UNIVERSITY OF ECONOMICS AND TECHNOLOGY
DEPARTMENT OF ECONOMICS

ECON 452-ECON 554 APPLIED ECONOMETRICS - MICROECONOMETRICS
2015-2016 SPRING SEMESTER

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Lecture hours: Tuesday 11:30-13:20 [Room: 105]
                          Friday   10:30-12:20 [Room: 105]
Office hours: Friday 14:30-15:00 (Please make an appointment for other times.)

Course description:
The course introduces some of the main topics in applied microeconometrics. The aim of the course is to familiarize the students with the tools that are most commonly used in the analysis of microeconomic data. Upon successful completion of the course, students will be able to identify a question and pick an appropriate microeconometric model to study the problem in hand. The course will cover some of the basic techniques used to study cross sectional and panel data. After a quick review of the linear regression model, the course will build on the applications of instrumental variables/two-stage least squares technique, panel data models, limited dependent variable models, and selection problem. Examples will be given on the application of the techniques using a statistical computer package.

Prerequisites: A basic knowledge of statistics at the level of İKT 253 (Statistics) and a basic knowledge of the linear regression model at the level of İKT 351 (Econometrics) are recommended.

Evaluation:
Midterm exam   35%
Unannounced quizzes   15%   (No make-up for quizzes.)
Homework   15%   (Late submissions will not be accepted.)
Final exam (or a paper)   35%
(The day and time of the exams will be determined and announced by the university administration. Please check your e-mail regularly. Exams may be given as early as the 4th week of the semester.)
Optional paper: Instead of taking the final exam, you may choose to write a paper based on data analysis using the techniques learned in class. The paper will be due on the day of the final exam, by the time of the exam. To use this option, you must have chosen the topic of the paper by the course withdrawal day. It is highly recommended that you submit a draft to me a few weeks before the day of the final exam. In suspicion of any violation of academic integrity, the paper will receive a grade of zero. No incomplete grade (E) will be given.

References:

1. Jeffrey M. Wooldridge, "Introductory Econometrics, A Modern Approach" Thomson-South Western, 2nd edition, 2002.
2. A. Colin Cameron and Pravin K. Trivedi, "Microeconometrics Using Stata", Stata Press Publication, 2009.
3. A. Colin Cameron and Pravin K. Trivedi, "Microeconometrics Methods and Applications", Cambridge University Press, 2005.

4. Joshua D. Angrist and Jörn-Steffen Pischke, "Mostly Harmless Econometrics: An Empiricist's Companion" Princeton University Press, 2009.
5. William H. Greene "Econometric Analysis" Pearson, 5th edition, 2003.

Course Plan:

A Refresher	1 week
The Linear Regression Model: Examples	1 week
The Linear Regression Model: Assumptions	1 week
Regression with Qualitative Information	1 week
Instrumental Variables/ Two-Stage Least Squares (IV/2SLS)	2 weeks
Panel Data Models	2 weeks
Limited Dependent Variable Models	2 weeks
The Selection Problem	1 week
Additional topics	1 week

Class Rules:

1.   Attendance to lectures is highly recommended. Please come to class before lecture stars and leave class after the lecture ends so as not to disturb other students.

2.   Disruptive behaviors, including excessive talking, arriving late to class, sleeping, reading newspapers, using unauthorized electronic devices during class is not permitted. Repetitive and seriously disruptive behavior may result in your removal from class. In case the disruption continues and prohibits the continuation of class, the lecture will be ended. The students will be responsible from learning all material that was scheduled to be covered during the lecture.

3.   The exams will cover all material that is taught during the class or assigned to students.

4.   Plagiarism and cheating: Students are expected to refrain from giving or receiving aid in examinations, or in assignments. Furthermore, they are expected to do their share and take an active role in seeing to it that others as well as themselves obey these rules. Plagiarism and cheating are serious issues; they will not be tolerated. Grade penalty will be issued (zero on exam or assignment) should you be found responsible for academic dishonesty. Further punishment will be given according to the disciplinary rules of the university. (Plagiarism is defined as the use, without giving reasonable and appropriate credit to or acknowledging the author or source, of another person's original work, whether such work is made up of code, formulas, ideas, language, research, strategies, writing or other form(s).)

5.   Make-up exams: It is best for the students to take exams on time. A make-up will be given under special circumstances and only if the "Fakülte Yönetim Kurulu" approves of the student's excuse. Make-up exams will be harder than regular exams. There will be no make-up of quizzes. There will be no make-up of make-up exams.

6.   All students have the right to examine their graded exams and assignments. At the end of the semester, a grade change will be made only in the unlikely case of an error of fact, such as a wrong entry to the computer or a summation mistake. Any other requests for a higher grade will be automatically denied.