

SUBJECT OUTLINE

23572 Applied Microeconometrics

Course area	UTS: Business
Delivery	Spring 2014; City
Credit points	6cp
Requisite(s)	23571 Introductory Econometrics OR 25571 Introductory Econometrics These requisites may not apply to students in certain courses. There are also course requisites for this subject. See access conditions .
Result type	Grade and marks

Subject coordinator

Dr. Shiko Maruyama

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Subject description

Applied Microeconometrics equips students with a general knowledge of model building, which stands them in good stead for basic empirical work in business environments. It provides students with the analytic tools required for further study in cross sectional econometrics. The approach to modelling, and the reasoning about multi-variable empirical relationships, strengthens students' analytic skills.

Subject objectives

Upon successful completion of this subject students should be able to:

1. estimate and evaluate panel data models
2. estimate and evaluate limited dependant variable models
3. estimate econometric models using instrumental variable estimation.

Contribution to the development of graduate attributes

This subject offers an understanding of the econometric tools that apply to microeconomic data, from an applied perspective. It will introduce specific cross-sectional and panel models and the techniques required to estimate and predict with the model. The subject will make use of an advanced econometrics package for the purpose of analysing data.

Content

- Pooling cross sections across time: Simple panel data methods
- Advanced panel data methods
- Instrumental variable estimation and two stage least squares
- Limited dependant variable models
- Empirical projects.

Program

Week/Session	Dates	Description
1	29 Jul	Linear regression model review and introduction to STATA.

2	5 Aug	OLS in practice
		Notes: Problem set 1
3	12 Aug	Difference-in-difference estimator
		Notes: Problem set 2
4	19 Aug	Carrying out an empirical project
		Notes: Reading assignment 1
5	26 Aug	Panel data methods
		Notes: Problem set 3
6	2 Sept	Panel data methods
		Notes: Reading assignment 2
7	9 Sept	Binary choice models
		Notes: Research paper proposal due
8	16 Sept	Binary choice models
		Notes: Problem set 4
9	7 Oct	Instrumental variables and 2SLS
		Notes: 3 slides presentation

10	14 Oct	Writing an empirical research paper
		Notes: Reading assignment 3
11	21 Oct	Simultaneous equations models
		Notes: Problem set 5
12	28 Oct	5 slides presentation of research project

Assessment

The assessment of this course has 3 components: problem sets (25%), reading assignments (25%), and end-of-term research paper. Students who fail to submit their research paper before the deadline will receive a mark of **0**.

Assessment task 1: Assignment (Individual)

Objective(s): This addresses subject learning objective(s):
1, 2 and 3

Weight: 25%

Due: There will be five problem sets.

Assessment task 2: Assignment (Individual)

Objective(s): This addresses subject learning objective(s):
1, 2 and 3

Weight: 25%

Due: There will be 3 reading assignments.

Assessment task 3: Research Paper (Individual)

Objective(s): This addresses subject learning objective(s):
1, 2 and 3

Weight: 50%

Due: 11.00am Wednesday 29 October 2014

Task: Students are required to complete a research paper. **The topics should be chosen by the students and confirmed by the instructor before proceed.** The chosen topic for the paper should be an interesting economic/finance/social question. Please feel free to discuss the suitability of your topic with me. In selecting a topic it may be helpful to look at current and past periodicals in the Library. Some suggested sources are:

1. American Economic Journal: Applied Economics

2. American Economic Journal: Economic Policy
3. Journal of Economic Perspectives
4. Journal of Applied Econometrics
5. Economic Journal
6. Economic Record (for Australian issues)
7. Review of Economics and Statistics
8. Journal of Health Economics
9. Journal of Human Resources

Your paper can be completely original or you can base it on existing work using a different dataset and changing and/or expanding the analysis. The research paper should consist of an Introduction, Model Description, Results, and Conclusion with References included. A **maximum of 30 pages** of double spaced text will be read. There is no limit on references, figures, and tables which should appear at the end of the paper. All mathematical equations should be written properly in the text. Data sources should be included, along with footnotes, and correct citations.

You should submit a hardcopy as well as an electronic version of your research paper. The electronic copy should include the computing code or command line output with highlight on the values reported in the paper. This is to guarantee that your results are replicable.

I have **zero tolerance to plagiarism**. It is an act of academic misconduct for which students will be penalised as described in the Rules Relating to Discipline and Appeals for Students (Rules 5.1 to 5.50). Any signs of plagiarism will be reported to the Responsible Academic Officer.

Use of plagiarism detection software

The electronic copy of your research paper should be submitted through UTSONline. It will be pre-processed by **Turnitin** for originality check.

Minimum requirements

Students must achieve at least 50% of the subject's total marks.

Required texts

Jeffrey M. Wooldridge, *Introductory Econometrics: A Modern Approach*, 5th Edition. You may purchase eChapters from the publisher at <http://www.cengage.com>. **Notice: in-class computer exercises and assignment problems are mostly from the textbook.**

Recommended texts

A. Colin Cameron and Pravin K. Trivedi, *Microeconometrics Using Stata*, STATA Press.

Other resources

The Business School's "Guide to Writing Assignments":

<http://www.uts.edu.au/current-students/business/study-and-assessment-resources/developing-your-academic-writing>

Academic liaison officer

- Dr Maria Ossimitz, Accounting Discipline Group, telephone 9514 3069
- Mr Harry Tse, Economics Discipline Group, telephone 9514 7786 / 9514 5456
- Dr Otto Konstandatos, Finance Discipline Group, telephone 9514 7758
- Dr Paul Wang, Marketing Discipline Group, telephone 9514 3692
- Dr Daryl Adair, Management Discipline Group and BBus (Kuring-gai), telephone 9514 5498
- Dr Jonathan Pratt, Management Discipline Group, telephone 9514 8436

Any arrangements should be negotiated within the first six weeks of semester.

Support

Student Services Unit/Counselling: Student Services provides a range of free and confidential professional services to support different aspects of your life and learning at UTS (www.ssu.uts.edu.au). These services include counselling for personal and learning problems or issues. If you are experiencing difficulties with your overall study program, for whatever reason, phone 9514 1177 (City campus) or 9514 5342 (Kuring-gai campus).

Students with disabilities or ongoing medical conditions: If you are a student who has a disability or ongoing

medical condition that requires support services you are encouraged to contact the disability support officers or Special Needs Service (phone 9514 1177; www.ssu.uts.edu.au/sneeds/) for a confidential interview. Supporting documentation regarding your disability or ongoing medical condition is required if you wish to apply for assessment adjustments, including alternative assessment conditions. Each faculty has appointed academic liaison officers (ALOs) who are responsible for approving assessment adjustments. Meeting with the disability support officers or Special Needs Service before seeking assessment adjustments from your ALO is required.

Improve your academic and English language skills: Marks for all assessment tasks such as assignments and examinations are given not only for what you write but also for how you write. If you would like the opportunity to improve your academic and English language skills, make an appointment with the HELPS (Higher Education Language and Presentation Support) service in Student Services.

HELPS (Higher Education Language and Presentation Support): HELPS provides assistance with English language proficiency and academic language. Students who need to develop their written and/or spoken English should make use of the free services offered by HELPS, including academic language workshops, vacation intensive courses, drop-in consultations, individual appointments and Conversations@UTS (www.ssu.uts.edu.au/helps). HELPS is located in Student Services, on level 3 building 1 at City campus and via the Student Services area at Kuring-gai (phone 9514 2327 or 9514 2361).

Study skills / learning support: If you are experiencing difficulty with your studies or need to develop the necessary study skills you require for your course, there is a host of useful information and websites to help you on the UTS Business School, Teaching And Learning website. Links on how to write better, study more effectively, available support services/staff to help, how to complete assignments; as well as tips for successful study and online study skills resources can all be accessed (www.uts.edu.au/current-students/current-students-information-uts-business-school-0/study-and-assessment-resources)

Careers Service: The UTS Careers Service aims to actively support the career development needs of all UTS students (www.ssu.uts.edu.au/careers/).

Statement about assessment procedures and advice

Assessment of coursework subjects

All staff and students involved in the assessment of coursework subjects at UTS are subject to the Policy for the Assessment of Coursework Subjects. The policy is applicable to the assessment of all coursework subjects. This policy does not apply to thesis subjects that are taken by students enrolled in research degrees, but does apply to any coursework subjects undertaken by research degree students. It does not describe policy that relates to academic progression through a course of study.

The policy should be read in conjunction with the Procedures for the Assessment of Coursework Subjects. Both are available at: www.gsu.uts.edu.au/policies/assessment-coursework.html

Statement on copyright

Australian copyright law allows you as a student or researcher to copy and use limited amounts of other people's material in your study or research without their permission and free of charge.

This applies to any sort of published or unpublished work, and includes written material, tables and compilations, designs, drawings (including maps and plans), paintings, photographs, sculpture, craft work, films (such as feature films, television programs, commercials and computer video games), software (such as computer programs and databases), sound recordings, performances and broadcasts (including podcasts and vodcasts of these) and text, including books, journals, websites, emails and other electronic messages.

It is important to remember that **you can only use a limited amount for your study or research purposes** and that **you need to correctly acknowledge the author and reference their material** when you use it in your work.

Incorrect or improper use of copyright protected material could result in breaking Australian copyright law, for which significant penalties apply. Incorrect or improper use of copyright protected material at UTS would result in consideration under the UTS Student Misconduct rules.

UTS Rules and the UTS Student Charter require that students familiarise themselves and comply with UTS student policies and procedures. The copyright information advising what you can copy and how much you can use can be seen at: www.uts.edu.au/about/utsweb-statements/copyright-statement

Statement on plagiarism

Plagiarism is a broad term referring to the practice of appropriating someone else's ideas or work and presenting them as your own without acknowledgment. Plagiarism is literary or intellectual theft. It can take a number of forms, including:

- copying the work of another student, whether that student is in the same class, from an earlier year of the same course, or from another tertiary institution altogether
- copying any section, no matter how brief, from a book, journal, article or other written source, without duly acknowledging it as a quotation
- copying any map, diagram or table of figures without duly acknowledging the source
- paraphrasing or otherwise using the ideas of another author without duly acknowledging the source.

Whatever the form, plagiarism is unacceptable both academically and professionally. By plagiarising you are both stealing the work of another person and cheating by representing it as your own. **Any instances of plagiarism can therefore be expected to draw severe penalties and may be referred to the Faculty Student Conduct Committee.**

Cheating means to defraud or swindle. Students who seek to gain an advantage by unfair means such as copying another student's work, or in any other way misleading a lecturer about their knowledge or ability or the amount of work they have done, are guilty of cheating.

Students who condone plagiarism by allowing their work to be copied will also be subject to severe disciplinary action.

Avoiding plagiarism is one of the main reasons why the UTS Business School is insistent on the thorough and appropriate referencing of all written work.

Statement on UTS email account

Email from the University to a student will only be sent to the student's UTS email address. Email sent from a student to the University must be sent from the student's UTS email address. University staff will not respond to email from any other email accounts for currently enrolled students.