

Introduction to Microeconometrics
Einführung in die Mikroökonomie
(WS 2012/2013, 2 SWS VL + 2 SWS UE)

The course teaches students to understand and apply basic microeconomic methods. Knowledge of the linear regression model at the level of the BA course „Einführung in die Ökonometrie“ is assumed. Starting from the linear regression model as applied to cross-section data, we will cover the most important microeconomic methods and models applied to the analysis of individual behavior, including practical applications using the statistical software package STATA. Lectures and classes will be given in English.

Time: Monday 16.00 – 19.15 (VL + Ü), Starting date: 15th October

Venue: HS 105, Garystr. 21

Grading: Final exam (2 hours); bonus points for homeworks and reports

Lecturers: Dr. Michal Myck (VL + Ü)

Contents:

1. *The linear regression model and the analysis of cross-section data:* Review of linear regression; heteroskedasticity; functional form and dummy variables; endogeneity and identification; instrumental variables and 2SLS estimation.
2. *Regression models for panel data:* Pooled cross-section time-series data; fixed and random effects estimators, dynamic panel data models.
3. *Discrete-choice models:* binary logit and probit models; multinomial/conditional logit models; ordered probit model.
4. *Limited-dependent variable models:* Tobit and selection models, duration models.

Literature:

- Jeffrey M. Wooldridge (2008), *Introductory Econometrics. A Modern Approach*, 4 ed., Thomson Learning (main book; several copies are available in the library).
- R. Carter Hill, William E. Griffiths, Guay C. Lim, *Principles of Econometrics*, 4 ed. (good alternative to Wooldridge, more formulas).
- Marno Verbeek (2012), *A Guide to Modern Econometrics*, 3 ed., Wiley (more formal, for further reading).
- William H. Greene (2012), *Econometric Analysis*, 7th ed., Prentice Hall (comprehensive reference for econometric methods in general; for further study of microeconomics).
- A. Colin Cameron, Pravin. K. Trivedi (2010), *Microeconometrics using STATA*, rev. ed., Stata Press.