Description

The purpose of this course is to expose students to some econometric techniques frequently used in applied microeconomic research. The course features critical reading of empirical research papers and the implementation of econometric methods on actual data sets.

Learning Outcomes

- Students will attain, through lectures, readings and problem sets, knowledge about how to analyze quantitative data and how to draw inferences from statistical measures.
- Students will be able to critically assess empirical research, and to thoughtfully produce their own empirical research.

Prerequisites

To take this course, you must have either: (1) passed Econometrics I (ECON 7331), or (2) received prior explicit permission from me.

Textbooks

There are two required textbooks:


In addition to textbook readings, there will be journal article and working paper readings. Journal articles can be obtained through UH Libraries by searching e-Journal titles ([http://info.lib.uh.edu/](http://info.lib.uh.edu/)), accessing the digital version of the journal, then locating the specific article. I will provide the URL of working papers assigned.

Requirements and Grading

1) problem sets Approximately every 1-2 weeks 60%
2) final exam In-class exam on Tuesday December 1 30%
3) class participation Combination of attendance, preparedness for class and quality of classroom comments 10%
**Problem Sets:** Problem set assignments will be posted on UH Blackboard Learn (go to [http://www.uh.edu/blackboard/](http://www.uh.edu/blackboard/) and click on the white “Blackboard Learn” button). Some will involve data exercises. For the data exercises, we will use Stata. (Public versions of Stata are available at selected locations on UH campus including the computer lab for economics PhD students, but you may wish to purchase your own copy. UH has an agreement with Stata Corp. called “GradPlan” which allows students to purchase its software at reduced rates; see [http://www.stata.com/order/new/edu/gradplans/student-pricing/](http://www.stata.com/order/new/edu/gradplans/student-pricing/).) Students are encouraged to work together on problem sets. However, each student must write up his/her own problem set. No copies will be accepted, and this includes programs.

**Final Exam:** This will be a closed-book exam covering all the material of the course.

**Class Participation:** Students are expected to attend every lecture and lab, complete the readings in advance of the lecture, and participate in classroom discussion. If you miss a lecture or lab, it is your responsibility to learn the material missed; I usually provide a handout containing the lecture slides for each lecture; when you miss a lecture, you cannot get the handout for that missed lecture from me.

*There will be no make-ups or extensions given for assignments and exam except with prior consent from me or in the event of an unexpected emergency.*

I strongly encourage you to attend the University of Houston Empirical Microeconomics Workshop which is held Tuesdays 3:30-5:00pm (see my website or the department website for the schedule of speakers). Though seminar attendance is not counted in your grade for this class, attending seminars is an excellent way to expose yourself to current research, learn what a research paper comprises, and learn how to give oral presentations.

**General Policies**

1) Lectures will begin at 11:30am and end at 12:50pm.


3) If you have special learning needs, please contact me. I can make accommodations only if given advance notice.
Course Outline and Reading List (subject to change)

1. Introduction

Angrist and Pischke Chapter 1
Wooldridge, Chapters 1-4

2. The Selection Problem and Random Assignment

Angrist and Pischke Chapter 2
Wooldridge, Chapter 21


Summer 2011 issue of Journal of Economic Perspectives has a symposium on field experiments.


3. **Controlling for Confounding Variables (Regression, Matching)**

   Angrist and Pischke Chapter 3

   Wooldridge, Chapters 1-4, 21.3


4. **Panel Data and Difference-in-Differences**

   Angrist and Pischke Chapters 5, 8

   Wooldridge Chapters 6.5, 10, 11


5. **Instrumental Variables**

Angrist and Pischke Chapter 4

Wooldridge Chapter 5, 21.4


6. **Regression Discontinuity Designs**

Angrist and Pischke Chapter 6

Wooldridge Chapter 21.5


7. **Regression Kink Designs**


8. **Other Topics** (time permitting; topics and readings to be determined)