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TOPICS IN PROGRAM EVALUATION
Minho University, Portugal
June 29-30, 2006

Overview

These lectures will provide an introduction to modern program evaluation. I will treat regression, propensity score, and matching methods using cross-sectional data. Difference-in-Differences, and its extensions, is treated for pooled cross sections and panel data. Many of the readings are from my text and I have included several useful journal articles.

Articles and Books

Abadie, A. and G.W. Imbens (2006), "Large Sample Properties of Matching Estimators for Average Treatment Effects," *Econometrica* 74, 235-267.

Blundell, R. and M. Costas Dias (2002), "Alternative Approaches to Evaluation in Empirical Microeconomics," *Portuguese Economic Journal* 1, 91-115.

Heckman, J. and S. Navarro-Lozano (2004), "Using Matching, Instrumental Variables, and Control Functions to Estimate Economic Choice Models," *Review of Economics and Statistics* 86, 30-57.

Imbens, G.W. (2004), "Nonparametric Estimation of Average Treatment Effects: A Review," *Review of Economics and Statistics* 86, 4-29

Wooldridge, J.M. (2002), *Econometric Analysis of Cross Section and Panel Data*, MIT Press.

Wooldridge, J.M. (2005), "Fixed Effects and Related Estimators for Correlated Random-Coefficient and Treatment Effect Panel Data Models," *Review of Economics and Statistics* 87, 385-390

Wooldridge, J.M. (2006), "Inverse Probability Weighted M-Estimation for General Missing Data Problems," mimeo, Michigan State University Department of Economics.

Outline and Reading Assignments

1. Introduction to Evaluation and the Parameters of Interest

Blundell and Costas Dias (2002): Sections 1, 2
Heckman, J. and S. Navarro-Lozano (2004): Sections 1-3
Imbens (2004): Sections 1, 2
Wooldridge (2002): Sections 18.1, 18.2

2. Estimation Under Unconfoundedness: Regression Adjustment

Imbens (2004): Section 3A.
Wooldridge (2002): Section 18.3.1

3. Estimation Under Unconfoundedness: Propensity Score Weighting

Imbens (2004): Section 3C
Wooldridge (2002): Section 18.3.2

4. Methods Combining Regression Adjustment and Propensity Score Weighting

Imbens (2004): Section 3D
Wooldridge (2006)

5. Matching Methods

Abadie and Imbens (2006)
Blundell and Costas Dias (2002): Section 4.3
Heckman, J. and S. Navarro-Lozano (2004): Section 5A
Imbens (2004): Sections 3B, 4

6. Instrumental Variables and Control Functions

Blundell and Costas Dias (2002): Section 4.1
Heckman, J. and S. Navarro-Lozano (2004)
Wooldridge (2002): Section 18.4

7. Difference-in-Differences with Pooled Cross Sections

Wooldridge (2002): Section 6.3.1

8. Panel Data Methods

Blundell and Costas Dias (2002): Section 4.2
Wooldridge (2002): Sections 10.5, 11.1
Wooldridge (2005)

Timetable

Time	June 29th	June 30th
9:00-9:30	*Registration*	**Course**
9:30-11:00	**Course**	
11:00-11:15	*Coffee break*	*Coffee break*
11:15-12:30	**Course**	**Course**
12:30-14:00	*Lunch*	*Lunch*
14:00-16:00	**Course**	**Course**
16:00-16:30	*Coffee break*	*Coffee break*
16:30-18:00	**Course**	**Course**