

ECO 2401 (Second Half) ECONOMETRICS II

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Class meetings: Mondays and Wednesdays 11am-1pm (GE 100).
Office hours: Tuesdays 2:00-4:00pm and Thursdays 4:00-6:00pm

COURSE DESCRIPTION

This second part of the course deals with econometric methods for the analysis of cross-sectional and panel data. The topics covered are linear panel data models, binary choice models, multinomial models, sample selection, and qualitative response models, limited dependent variable models, identification, and evaluation of treatment effects.

MEETINGS

We will have two meetings per week on Mondays and Wednesdays at 11am-1pm in GE 100.

EVALUATION

Midterm Exam	35%	Wednesday February 15, 2012, 11am-1pm.
Term Paper	30%	Due date Friday March 30, 2012
Final Exam	35%	Exam Period

GENERAL REFERENCES

- Amemiya, T. (1985): "Advanced Econometrics," Harvard University Press.
- Arellano, M. (2003): "Panel Data Econometrics," Oxford University Press.
- Cameron, C. and P. Trivedi (2005): "Microeconometrics: Methods and Applications," CUP.
- Maddala, G. S. (1983): "Limited-Dependent and Qualitative Variables in Econometrics," CUP.
- Manski, C. (2007): "Identification for Prediction and Decision," Harvard University Press.
- Pudney, S. (1989): "Modelling Individual Choice," Blackwell.
- Train, K. (2003): "Discrete Choice Methods with Simulation," CUP.
- Wooldridge, J. (2001): "Econometric analysis of cross section and panel data," MIT Press.

OUTLINE AND REFERENCES

Topic 1: Linear Panel Data Models

References:

- *** Arellano (2003) chapters 2 to 7.
- Arellano, M. and B. Honoré (2004): “Panel Data Models: Some Recent Developments,” Handbook of Econometrics. Chapter 53.
- *** Cameron and Trivedi (2005) chapters 21-22.
- Chamberlain, G. (1984): “Panel Data,” Handbook of Econometrics, Chapter 22.
- *** Wooldridge (2001) chapters 10-11.

Topic 2: Binary Choice Models

References:

- *** Amemiya (1985) chapter 9.
- Arellano, M. and B. Honoré (2004): “Panel Data Models: Some Recent Developments,” Handbook of Econometrics. Chapter 53.
- *** Cameron and Trivedi (2005) chapters 14 and 23.4.
- Maddala (1983) chapters 2 and 3.
- Manski (2007) chapter 13.
- *** McFadden, D. Handbook of Econometrics. Chapter 24. “Econometric Analysis of Qualitative Response Models.”
- *** Wooldridge (2001) chapter 15.

Topic 3: Multinomial Models

References:

- *** Amemiya (1985) chapter 9.
- *** Cameron and Trivedi (2005) chapter 55.
- Maddala (1983) chapter 5.
- *** Train (2003) chapters 1 to 10.

Topic 4: Tobit and Sample Selection Models

References:

- *** Amemiya (1985) chapter 10.
- *** Cameron and Trivedi (2005) chapter 16 and 23.5.
- *** Maddala (1983) chapters 6 to 9.
- *** Manski (2007) chapter 7.
- *** Wooldridge (2001) chapters 16 and 17.

Topic 5: Roy Model and Evaluation of Treatment Effects

References:

- *** Cameron and Trivedi (2005) chapter 25.
- *** Manski (2007) chapters 7, 9, and 10.
- *** Wooldridge (2001) chapter 18.

CLASS SCHEDULE

WEEK	DATE	TOPIC
Week 8:	Mon. Feb. 27 Wed. Feb. 29	Linear Panel Data Models: Static models Linear Panel Data Models: Static models
Week 9:	Mon. Mar. 5 Wed. Mar. 7	Linear Panel Data Models: Dynamic models Linear Panel Data Models: Dynamic models
Week 10:	Mon. Mar. 12 Wed. Mar. 14	Binary Choice Models Binary Choice Models
Week 11:	Mon. Mar. 19 Wed. Mar. 21	Multinomial Models Multinomial Models
Week 12:	Mon. Mar. 26 Wed. Mar. 28	Tobit and Sample Selection Tobit and Sample Selection
Week 13:	Mon. Apr. 2 Wed. Apr. 4	Roy Model and Evaluation of Treatment Effects Roy Model and Evaluation of Treatment Effects
