ECO 2401 (Second Half)
ECONOMETRICS II

Victor Aguirregabiria. Department of Economics. University of Toronto
Winter 2014

Instructor: Victor Aguirregabiria   Phone: 416-978-4358
Office: 150 St. George Street, Room 309   E-mail: victor.aguirregabiria@utoronto.ca
                                                     Web: http://individual.utoronto.ca/vaguirre

Class meetings: Mondays and Wednesdays 11am-1pm (GE 100).
Office hours: Tuesdays 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 12, 2014, 11am-1pm.
Term Paper	30%	Due date Thursday, March 27, 2014
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

<u>References:</u>
- *** 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

<u>References:</u>
- *** 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

<u>References:</u>
- *** 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

<u>References:</u>
- *** Cameron and Trivedi (2005) chapter 25.
- *** Manski (2007) chapters 7, 9, and 10.
- *** Wooldridge (2001) chapter 18.

SCHEDULE OF LECTURES

WEEK	DATE	TOPIC
Week 8:	Mon. Feb. 24	Linear Panel Data Models: Static models
	Wed. Feb. 26	Linear Panel Data Models: Static models
Week 9:	Mon. Mar. 3	Linear Panel Data Models: Dynamic models
	Wed. Mar. 5	Linear Panel Data Models: Dynamic models
Week 10:	Mon. Mar. 10	Binary Choice Models
	Wed. Mar. 12	Binary Choice Models
Week 11:	Mon. Mar. 17	Multinomial Models
	Wed. Mar. 19	Multinomial Models
Week 12:	Mon. Mar. 24	Tobit and Sample Selection
	Wed. Mar. 26	Tobit and Sample Selection
Week 13:	Mon. Mar. 31	Roy's Model and Evaluation of Treatment Effects
	Wed. Apr. 2	Roy's Model and Evaluation of Treatment Effects