ECO 2401 (Second Half)
ECONOMETRICS II

Victor Aguirregabiria. Department of Economics. University of Toronto
Winter 2017

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Class meetings: Mondays: 11am-1pm, Room WW-119; Wednesdays: 11am-1pm, Room OI-2212

Office hours: Tuesdays and Thursdays 3:00-4:00pm

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, identification, and evaluation of treatment effects.

MEETINGS

We will have two meetings per week:

Mondays:	11am-1pm, at Room WW-119
Wednesdays:	11am-1pm, at Room OI-2212

EVALUATION

Midterm Exam	35%	Wednesday, February 15, 2017, 11 AM – 1 PM
Final Exam	35%	Tuesday, April 18, 2017. 2 PM – 5 PM.
Term Paper	30%	Due date Friday, March 31, 2017

The only generally acceptable reason for missing a term test is illness. A medical certificate is required under such circumstances. We would like to remind you that plagiarism is a serious academic offence with potentially serious penalties.

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.
- Heckman, J. and E. Vytlacil (2007): Handbook of Econometrics Volume 6B. Chapter 70.
- 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.
- 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.
- 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: Roy Model and Evaluation of Treatment Effects

References:

- Heckman, J. and E. Vytlacil (2007), Handbook of Econometrics, Vol 6B, chapter 70.
- 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. 27	Linear Panel Data Models: Static models
	Wed. Mar. 1	Linear Panel Data Models: Static models
Week 9:	Mon. Mar. 6	Linear Panel Data Models: Dynamic models
	Wed. Mar. 8	Linear Panel Data Models: Dynamic models
Week 10:	Mon. Mar. 13	Binary Choice Models
	Wed. Mar. 15	Binary Choice Models
Week 11:	Mon. Mar. 20	Multinomial Models
	Wed. Mar. 22	Multinomial Models
Week 12:	Mon. Mar. 27	Roy's Model
	Wed. Mar. 29	Roy's Model
Week 13:	Mon. Apr. 3	Evaluation of Treatment Effects
	Wed. Apr. 5	Evaluation of Treatment Effects