ECONOMICS 142
APPLIED ECONOMETRICS AND PUBLIC POLICY

**Course Time:** Tuesday and Thursday, 9:30 - 11 am in 102 Wurster

**Course Home Page:** TBA

**Office Hours:**
TBA
657 Evans Hall

**Section Times:**
Wednesday 9-10 am in 81 Evans
Thursday: 12-1 pm in 39 Evans

**Graduate Student Instructor:**
Justin Falk
Office Hours: TBA

**Course Overview and Objectives:**
This course examines econometric identification issues in empirical microeconomics and public policy analysis. It supplements topics covered in Economics 140/141 with a focus on the sensible application of econometric methods to empirical problems. The course provides background on issues that arise when analyzing non-experimental social science data and a guide for tools that are useful for applied research and policy analysis. The course also emphasizes how a basic understanding of economic theory and institutions can help inform the analysis. By the end of the course, students should have a firm grasp of the types of research designs that can lead to convincing analysis and be comfortable working with large-scale data sets.

**Required Background:** Economics 140 or 141 (preferably 141)

**Suggested Background:** An applied microeconomics course (e.g., Economics 152, 131)
A working knowledge of STATA.

**Course Requirements:**
Students should read assigned readings before class and attend all classes. There will be 4-5 applied exercises and mid-term and final exams.

Class handouts will be available at Rowie Balza’s office in 649 Evans Hall and on the course home page.

**Course Grading:**
- 25% Mid-Term Exam (In class, TBA)
- 40% Final Exam (8-11 am, Tuesday May 18, location TBA)
- 25% 4-5 Problem Sets (Applied Exercises)
- 10% Participation

**Readings:** Required reading assignments will be announced in class. All three textbooks will be on reserve at Moffitt Library.
Required Text:

Supplemental Texts:


Reader: Additional readings and materials (some listed below); availability will be announced in class.

Course Topics:
1. Introduction and overview of data, simple econometric models and “credible” inference.
4. Selection on observables and program evaluation. The method of matching and propensity score approaches to dimensionality reduction.
7. Linear panel data models and program evaluation. Random effects, correlated random effects, and fixed effects models. Dynamic panel data models.
Additional Reading List


