Methods of Policy Evaluation  
- Literature -

1 General Stuff

• The lecture covers the most important econometric methods that are frequently used for the evaluation of public policies.

• Each topic is framed around one key paper, which applies the respective method in a transparent and effective way to a problem of policy evaluation.

• The lecture will provide you with a general understanding of each of the methods, also drawing on some of the content of the papers.

• As I prefer to avoid overloading the course with reading material (and rather want you to understand the methods) you are not necessarily required to read these papers in detail as long as you understand the content of the lecture.

• In class, we will (besides to some theoretical exercises) work through eight additional papers, which each apply one of the methods in a somewhat more complex manner. Please make sure you have read these papers before attending class and have worked through the respective problem set.

• In some parts of the lecture we will draw on the book ‘Mostly Harmless Econometrics’ by Angrist/Pischke. I will notify you during the lecture about the passages to which this applies.

• All papers will be provided through the online e-learning tool (‘GRIPS’).

2 Lecture: Literature

Policy Evaluation and the Fundamental Problem of Causal Inference

1) Holland (1986)

Randomized Experiments


Natural Experiments

3) Redding & Sturm (2008)

Differences-in-Differences and Fixed Effects

4) Heuermann et al. (2017)
Propensity Score Matching
5) Heuermann & Schmieder (2018)

Synthetic Controls
6) Abadie et al. (2015)

Instrumental Variables

Regression Discontinuity
8) Heuermann & Schmieder (2015)

Regression Kink Design
9) Card et al. (2012)

Bunching
10) Saez (2010)

3 Class: Literature

Randomized Experiments
1) Bertrand et al. (2007)

Natural Experiments
2) Davis & Weinstein (2002)

Differences-in-Differences and Fixed Effects
3) Greenstone et al. (2010), optional: Visaria (2009)

Synthetic Controls
4) Abadie et al. (2010)

Instrumental Variables

Regression Discontinuity
6) Lee (2008)

Regression Kink Design
7) Card et al. (2012)

Bunching
8) Bastani & Selin (2014)
Literatur


