

Policy Evaluation: from Reduced Form to Structural Form Analysis

Bertinoro, 3-8 September 2012

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Course Description

Level: intermediate/advanced

The School is designed to be of particular benefit to PhD students as well as researchers in Economics, Statistics and the Social Sciences willing to learn how to use micro data to inform policy making. The School will present: 1) the fundamental principles of modern programme evaluation, 2) a variety of statistical tools for *ex-post* counterfactual analysis, 3) the conditions required to learn about policy parameters needed for *ex-ante* evaluation, and to validate simple models of economic behaviour.

The School will run over six consecutive days of theoretical sessions from the 3rd to the 8th of September 2012 (30 hours). Training will require previous knowledge of quantitative methods in modern micro-econometrics, not necessarily in programme evaluation. The working knowledge required amounts to that developed by participants to the CIDE summer school on Panel Data Econometrics, or to the IRVAPP winter school on Impact Evaluation. The School is residential, and participants are expected to attend all sessions. The working language is English.

The School will allow a selected group of participants to receive intense feedback by presenting their work to the other participants (approximately one hour for each work session).

Prospective participants are invited to enroll through the CIDE website by **APRIL 30, 2012**. Enrollees wishing to present are required to send an extended summary of the paper (up to 12000 characters) by **JUNE 9, 2012** to Antonella Mallus (cide@unive.it) and Alessandra Picariello (alessandra.picariello@unibo.it), enclosing in the email a proof of enrollment in the School (the latter being an eligibility requirement for considering the paper). High quality papers in all fields of economics and policy evaluation will be considered. The organizers will select about ten papers for presentation by **JULY 14, 2012**.

Course Schedule

	9.30-11.00	11.30-13.00	15.15-16.30	17.15-18.30
Monday 3rd	Rettore	Rettore	Rettore	Presentations
Tuesday 4th	Rettore	Rettore	Presentations	Presentations
Wednesday 5th	Sembenelli	Sembenelli	Presentations	
Thursday 6th	Sembenelli	Sembenelli	Sembenelli	Presentations
Friday 7th	Battistin	Battistin	Battistin	
Saturday 8th	Battistin	Battistin		

Presenters will have a 45 minute slot, followed by a 10 minute slot for their discussant and a 20 minute slot for general questions from the audience. Presenters are invited to send a full draft of the paper to discussants by **AUGUST 26, 2012**.

Monday: 17.15-18.30

EXPLORING TREATMENT EFFECT METHODOLOGIES: SPATIAL DISCONTINUITIES TO ASSESS EUROPEAN TERRITORIAL POLICIES

Presenter: Mara Giua (m.giua@uniroma3.it)

Discussant: Sinem Ayhan (haticesinem.ayhan2@unibo.it)

Tuesday: 15.15-16.30

WHEN THE CAT IS NEAR, THE MICE WON'T PLAY: THE EFFECT OF EXTERNAL EXAMINERS IN ITALIAN SCHOOLS

Presenter: Marco Bertoni (m.bertoni@lse.ac.uk)

Discussant: Babak Jahanshahi (babak.jahanshahi2@unibo.it)

Tuesday: 17.15-18.30

THE EFFECTS OF MATERNAL EMPLOYMENT AND CHILD CARE ON CHILD COGNITIVE OUTCOMES: A STRUCTURAL APPROACH

Presenter: Ylenia Brilli (ylenia.brilli@unicatt.it)

Discussant: Marinella Boccia (marinella.boccia@gmail.com)

Wednesday: 15.15-16.30

GENDER PEER EFFECT IN ITALIAN PRIMARY SCHOOLS

Presenter: Babak Jahanshahi (babak.jahanshahi2@unibo.it)

Discussant: Marco Bertoni (m.bertoni@lse.ac.uk)

Thursday: 17.15-18.30

EMPIRICAL EVIDENCE FROM THE EVALUATION OF TARGETED NON-WAGE SUBSIDY POLICY IN TURKEY

Presenter: Sinem Ayhan (haticesinem.ayhan2@unibo.it)

Discussant: Von Jacobi Nadia (nadia.vonjacobi@unipv.it)

Contents

Part 1. The econometrics of policy evaluation (E. Rettore)

1. Causal parameters vis-à-vis structural parameters in economics.
2. A taxonomy of identification strategies for relevant policy parameters.
3. Instrumental variability: experiments, quasi-experiments and natural experiments.

References:

1. DiNardo, J. and Lee, D.S. (2011). "Program Evaluation and Research Designs", in Handbook of Labor Economics, Chapter 5, Volume 4, Part A, pp. 463-536:
<http://www.sciencedirect.com/science/article/pii/S0169721811004114>
2. Heckman, J.J., LaLonde, R.J. and Smith, J.A. (1999). "The economics and econometrics of active labor market programs", in Handbook of Labor Economics, Chapter 31, Volume 3, Part A, pp. 1865-2097:
<http://www.sciencedirect.com/science/article/pii/S1573446399030126>
3. Heckman, J.J., and Vytlacil, J.E. (2007). "Econometric Evaluation of Social Programs, Part I: Causal Models, Structural Models and Econometric Policy Evaluation", in Handbook of Econometrics, Chapter 70, Volume 6, Part B, pp. 4779-4874:
<http://www.sciencedirect.com/science/article/pii/S1573441207060709>

Part 2. From policy to structural parameters: the role of longitudinal information (A. Sembenelli)

1. Identification of policy parameters through longitudinal data.
2. Differences-in-differences estimation: basics, limitations, refinements.
3. A primer in structural estimation with longitudinal data.

References:

1. Arellano, M. and Honoré, B. (2001). "Panel data models: some recent developments", in Handbook of Econometrics, Chapter 53, Volume 5, pp. 3229-3296:
<http://www.sciencedirect.com/science/article/pii/S1573441201050061>

Part 3. Introduction to structural policy evaluation (E. Battistin)

1. Building bridges between structural and program evaluation approaches to evaluating policy.

References:

1. Abbring, J.H. and Heckman, J.J. (2007). "Econometric Evaluation of Social Programs, Part III: Distributional Treatment Effects, Dynamic Treatment Effects, Dynamic Discrete Choice, and General Equilibrium Policy Evaluation", in Handbook of Econometrics, Chapter 72, Volume 6, Part B, pp. 5145-5303:
<http://www.sciencedirect.com/science/article/pii/S1573441207060722>
2. Heckman, J.J., and Vytlacil, J.E. (2007). "Econometric Evaluation of Social Programs, Part II: Using the Marginal Treatment Effect to Organize Alternative Econometric Estimators to Evaluate Social

Programs, and to Forecast their Effects in New Environments", in Handbook of Econometrics, Chapter 71, Volume 6, Part B, pp. 4875-5143:

<http://www.sciencedirect.com/science/article/pii/S1573441207060710>

3. Keane, M.P., Todd, P.E. and Wolpin, K.I. (2011). "The Structural Estimation of Behavioral Models: Discrete Choice Dynamic Programming Methods and Applications", in Handbook of Labor Economics, Chapter 4, Volume 4, Part A, pp. 331-461:

<http://www.sciencedirect.com/science/article/pii/S0169721811004102>