

Course Title: Impact Evaluation

Course Code: LA6620

Targeted Program: M.A. Development Studies & Ph.D.

Timings: To be decided

Credit: 3

Eligibility: The course material assumes familiarity with the concepts of Statistics.

Course Objective:

The objective of this course is to build the foundation of the applied econometric methods and research designs commonly used in empirical microeconomic research. These methods are used in the evaluation of the various programmes and policies.

Course Description:

The first part of the course will focus on the econometric theory. The second part of the course will discuss the modern econometric tools for causal inference and estimation. It starts with the assumptions of the classical linear regression model. It then discusses the basic properties ordinary least squares estimator. It further discusses the implications of the relaxation of the various assumptions of the classical linear regression model. It moves on to the discussion of selection bias that typically arises in impact evaluation studies. It then discusses the role of Randomized Control Trials (RCTs) to address the issue of selection bias. In the end, it introduces the methods such as Instrumental Variable (IV) estimation, Differences-In-Difference (DID) and Regression Discontinuity Design (RDD). STATA software is used extensively to demonstrate the key concepts covered in the class.

References:

1. Gujarati, D. N. Dan Porter, DC., 2009, Basic Econometrics, 5th edition, Tata McGraw-Hill Education.
2. Dougherty, C. (2016). Introduction to econometrics. Oxford University Press, USA.
3. Angrist, J. D., & Pischke, J. S. (2008). *Mostly harmless econometrics: An empiricist's companion*. Princeton university press.
4. Cunningham, S. (2021). *Causal inference: The mixtape*. Yale University Press.
5. Blundell, R., & Dias, M. C. (2009). *Alternative approaches to evaluation in empirical microeconomics*. Journal of Human Resources, 44(3), 565-640.
6. Khandker, S., B. Koolwal, G., & Samad, H. (2009). *Handbook on impact evaluation: quantitative methods and practices*. The World Bank.