


5.00 credits

30.0 h + 15.0 h

Q2

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| Teacher(s) | Maystadt Jean-François ; |
| Language : | French |
| Place of the course | Louvain-la-Neuve |
| Main themes | The course starts by showing students how to use the basic tools of Econometrics with practical examples of the most up-to-date economic models. Students will then see, through the application of the various approaches to time series modelling, the problems involved in recognising apparently significant results which actually have no real content. A number of more advanced but essential tools will also be introduced. Learning to use econo-metric software is also an integral part of this course. |
| Learning outcomes | <p>At the end of this learning unit, the student is able to :</p> <p>1 This course is a natural extension of the "Econometrics" course. The principal objective is to study in greater detail and extend training in fields of econometric modelling. Particular stress is put on problems specific to time series modelling, on the basis of methods taught in the "Econometrics" course.</p> |
| Evaluation methods | The assessment will be based on the submission of a written assignment and an oral assessment. The final mark is the arithmetic mean of the marks received for the written work and the oral evaluation. The oral evaluation will consist in measuring the achievement of learning outcomes both on the basis of the written work and on the basis of the course. Criteria used for the written assignment: - Capacity to use Stata (apply methods that go beyond standard OLS) - Capacity to understand the applied methods - Originality - Motivation behind the research question - Ability to build an original dataset - Presentation and care given to the redaction of the assignment - Bonus point: Use of Latex Criteria used for the oral presentation: - Capacity to explain the written assignment - Ability to think critically - Ability to understand the methods applied in the written assignments but also covered during the lectures The participation of the students in the preparation of the weekly sessions as well as in the practical work will enable the students to prepare for the evaluation, via regular exercises carried out in class. These exercises will count for 5% of the final evaluation (with one bonus point). During the second session, the work and the presentation will be done on an individual basis but the evaluation criteria remain the same. |
| Teaching methods | <p>The proposed economic questions give us an opportunity to introduce the students basic econometrics methods: Ordinary Least Squares, instrumental variable approach, panel data methods with a particular focus, on difference-in-difference methods of estimation.</p> <p>By the end of this course, the student will be in a position to:</p> <ul style="list-style-type: none"> • Understand standard econometric methods and its application to economic data • Interpret results from regression models and define their limits (identifying assumptions) • Understand the main intuition behind more advanced methods to draw causal inference (panel, difference-in-difference, instrumental variables, ...) • Perform hands-on applications using available statistical software |
| Content | <p>The course is a hands-on approach to econometric methods. After an introductory lecture on "causal inference", the course will be organised along 4 questions:</p> <ol style="list-style-type: none"> 1. Why are some countries rich, and others are poor? 2. Is inflation detrimental to growth? 3. Is the introduction of a minimum wage detrimental to employment? 4. Natural resources: Curse or blessing? <p>Each thematic lecture will start by shortly introducing one of the above economic question and some available data to address this question. Starting from interactive discussions with the students, we will use each question to understand key identification challenges and learn how to apply appropriate econometric methods. The aim is not to give a definitive answer to these economic questions but to see how to approach methodologically. Through this process, the course will introduce the students to basic econometrics methods: Ordinary Least Squares, instrumental variable approach, panel data methods with a particular focus, on difference-in-difference methods of estimation.</p> <p>Each thematic lecture will end with a recap on the method used.</p> |
| Inline resources | Students will be asked to follow a few tutorials on the use of Stata on their own. |

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| Bibliography | <p>Il n'y aura pas de manuel à proprement parler pour ce cours. Des papiers académiques seront donnés pour chaque question économique. Cependant, l'introduction aux méthodes économétriques s'appuiera sur :</p> <ul style="list-style-type: none">• Angrist and Pischke (2015) Mastering Metrics.• Angrist and Pischke (2009) Harmless Econometrics.• Wooldridge. Introductory Econometrics |
| Other infos | Prerequisite: BAC ECGE Econometrics course |
| Faculty or entity in charge | ESPO |

| Programmes containing this learning unit (UE) | | | | |
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| Program title | Acronym | Credits | Prerequisite | Learning outcomes |
| Additionnal module in Economics | APPECON | 5 | |  |