Advanced Impact Evaluation

Winter 2020

Instructor: Prof. Caitlin Brown

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Course Description

Note: This course runs from Weeks 7-12 and can be taken remotely.

This course will continue from Impact Evaluation: Theory and Application and introduce advanced methods used to analyze the impact of public policy in an array of settings. Students will further their ability to work with data using statistical software, including exporting results in a useful manner. For the final paper, students will draw from material learned earlier in the semester and analyze a policy of their choosing, which will involve selecting the correct method of evaluation and accounting for anything that could hinder the estimation of the true impact.

This class is a 6-week intensive course that will be held two times each week (Tuesday and Thursday mornings) for students who have already taken Impact Evaluation: Theory and Application.

Learning Outcomes

By the end of the course students should be able to:

- ✓ Understand and implement advanced methods used in impact evaluation using statistical software
- ✓ Think critically about the issues involved with evaluating public policies, including the role of endogeneity.
- ✓ Select an appropriate method for evaluating a public policy, given the context of the policy and the data available
- ✓ Execute an analysis of a policy of their choosing, focusing on correct identification of the impact.

Assessment

Grades will have two main components:

- (1) Homework sets (60%): Homework will focus on practicing techniques learned in class. There will be 5 homework sets each worth 12%.
- (2) Midterm (15%): Held in class in Week 10. This will be a short exam aimed at assessing student knowledge of methods and concepts presented in Weeks 7-9.
- (3) Research paper (25%): Students will analyze their own data for a research question of their choosing and present the results in a short paper aimed to inform policy-makers.

Course Readings

There are no mandatory texts for this class. Instead, students will be required to complete the readings assigned

before each class. For students who would like additional readings, I encourage you to read the following:

- Mostly Harmless Econometrics (2009) by Joshua Angrist and Jörn-Steffen Pischke. A more advanced version of Mastering 'Metrics, aimed at explaining the technical aspects behind causal analysis
- Impact Evaluation in Practice by Paul Gertler, Sebastian Martinez, Patrick Premand, Laura B. Rawlings, and Christel M. J. Vermeersch. Washington, D.C.: World Bank Publications. www.worldbank.org/ieinpractice.
- 3. *Handbook on Impact Evaluation: Quantitative Methods and Practices* (2010) by Khander, Shahidur R., Gayatri B. Koolwal and Hussain A. Samad. The World Bank: Washington, D.C.
- 4. *Evaluating Anti-Poverty Programs* (2008) by Martin Ravallion. Chapter 59, in T. Paul Schultz and John Strauss, ed Handbook of Development Economics, vol.4. Elsevier: Amsterdam, The Netherlands.

Schedule

Please note that this schedule is approximate and is subject to change. Each week will constitute 2 classes.

Week 1: Review of Experimental vs. Non-Experimental Methods of Evaluation

Week 2: Propensity-Score Matching (PSM)

Week 3: Difference-in-Differences (advanced)

Week 4: Regression Discontinuity Design (RDD)

Week 5: Mixed Methods of Evaluation

Week 6: Using Evaluation for Policy Analysis

Grading

CEU uses a system of letter grades and grade points for evaluating student work, including the thesis (please refer to the grade outline in the *CEU Student Records Manual*). Major assignments (i.e. term papers or final exams) graded 'unsatisfactory' may be retaken once within a given time frame agreed upon between the faculty member(s) and the student. Students who fail to submit work, or whose work fails to meet the minimum requirements for the assignment, will receive a grade of 'F.' The lowest passing grade is C+. At the end of each course, course instructors distribute a detailed breakdown of the course grade components.