

MICROECONOMETRICS

Organization

Lectures: Prof. Steiner

Classes: Kai-Uwe Müller (kmueller@diw.de)

Davud Rostam Afschar (davud.rostam-afschar@fu-berlin.de)

Dates: Weekly, Tuesday, 15.15 – 17.45; 3 hours lectures, followed by 2 hours classes and 1 hour lecture the following week

Starting date: 18 October (3 hours lectures)

Venue: FU Berlin, Garystr. 21, 14195 Berlin-Dahlem, HS 108a.

Aim and contents of the course

The aim of microeconometrics is to analyze individual behavior on the basis of micro data (cross-section and panel data) of individuals, households, and firms. The standard linear regression model is generally not applicable to micro data due to the non-metric measurement and censoring of dependent variables at the individual level, selectivity and incomplete observability of endogenous variables, and the dependence of individual observations over time. The empirical methods most frequently applied in empirical microeconomics are surveyed and several applications in empirical microeconomics are presented. Students learn how to apply these methods using real-world microdata and the software package STATA.

Requirements and grading

The course is appropriate for advanced students specializing in econometrics / empirical microeconomics. Basic knowledge of the theory of estimation and testing in econometrics is assumed, although appropriate refresher material on estimation methods (GMM and ML) will be made available.

Grading will be based on the **final exam** which may be written in English or German. This course counts for the **Master in Economics** and the **Master in Public Economics** programs. It also counts as elective course in the **BDPEMS**.

Literature

The lectures are mainly based on:

A. C. Cameron and P. K. Trivedi, *Microeconometrics. Methods and Applications*, Cambridge University Press, 2005

W. H. Greene, *Econometric Analysis* (7 ed.), Pearson, 2012, Chapters 11 and 17-19.

J. M. Wooldridge, *Econometric Analysis of Cross Section and Panel Data*, MIT Press, 2 ed. 2010

Lecture slides and selected journal articles on empirical applications will be made available at the course blackboard (microeconometrics_ws11).