

Literature

The lectures are mainly based on:

W. H. Greene, *Econometric Analysis* (5th ed.), Pearson, 2008, Chapters 9, 15-16, 23-25.

A more concise treatment of part of the material we will cover in the course is contained in:

M. Verbeek, *A Guide to Modern Econometrics*, 2 ed., Wiley, 2004, Chapters 5-7, 10.

The same – and much more – material is contained in the more advanced textbooks:

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

J. M. Wooldridge, *Econometric Analysis of Cross Section and Panel Data*, MIT Press, 2002.

The material presented in the course is also made available in lecture notes downloadable for students from the **Blackboard** for this course. There, you will also find some additional material, such as data sets, exercise sheets, additional references and downloadable papers, and news concerning the course.

Syllabus:

1. Introduction: What is Microeconometrics?

2. Estimation methods

- 2.1. Endogeneity, Instrumental Variables, and the Generalized Method of Moments
- 2.2. Maximum Likelihood Estimation

3. Linear Panel Data Models

- 3.1. Fixed and Random Effects models
- 3.2. Dynamic linear models

Exercise 1: Panel estimation of production functions

4. Binary Choice Models

- 4.1. Linear Probability, Binary Logit and Probit models
- 4.2. Fixed Effects Logit and Random Effects Probit models
- 4.3. Multivariate and Simultaneous Probit Models

Exercise 2: Female labor force participation

5. Multinomial Choice Models

- 5.1. Multinomial and Conditional Logit models
- 5.2. Ordered Probit models
- 5.3. Count data models

Exercise 3: Demand for health care

6. Limited-Dependent Variable Models

- 6.1. Tobit models
- 6.2. Selection models
- 6.3. Duration models

Exercise 4: Demand for housing

