

**Training Workshop on Applied Micro-econometrics and Public Policy Evaluation**

July 25-27, 2016

Cairo, Egypt

**I. Introduction:**

The aim of this course is to provide participants with a deeper understanding of micro-econometric estimation techniques that are widely used in public policy evaluation. Several methods will be illustrated and discussed such as selection correction models, instrumental variables, difference-in-difference, panel data models (fixed and random effects), regression-discontinuity design, and matching estimators. The workshop will be split into theoretical and practical sessions. The workshop will be conducted mainly in English, with the possibility of using Arabic and French if needed.

By the end of day 3 participants will have acquired detailed knowledge of and hands-on experience in public policy evaluation techniques.

The workshop will be held on the ERF premises in Cairo during July 25-27, 2016. The training will be conducted by Ragui Assaad and Caroline Krafft. A short biography is included at the end of this announcement. It will be structured as follows.

The workshop is part of the capacity-building activities under ERF's Arab Spring Development Initiative (ASDI).

**II. Eligibility:**

Applicants should be:

- Researchers from the ERF region with MAs or PhDs or in the process of completing these degrees.
- Less than 40 years of age.
- Trained in statistics or econometrics and able to use statistical programs. Priority will be given for those who are knowledgeable about STATA.
- Familiar with the management and analysis of microeconomic datasets such as labor force surveys and household surveys
- Priority will be given to those who have not attended previous ERF workshops.

### **III. Application procedure:**

Applications must include a curriculum vitae (CV) with a minimum of one reference name and a motivation letter indicating why the candidate is interested in the topic of the workshop and how it relates to his/her research.

**The application forms must be completed and sent by email to Ingy Hab-El-Roman:**

[iroman@erf.org.eg](mailto:iroman@erf.org.eg)

## IV. Program:

### Day 1 (July 25):

- 09:00-10:00      *Introduction and Objectives of the Workshop*
- 10:00-11:00      *The fundamental problem of causal inference in program evaluation:*
- *Identifying appropriate counterfactuals*
  - *Endogeneity: simultaneity, sample selection and omitted variable bias*
- 11:00-11:30      *Coffee Break*
- 11:30-12:30      *Potential Solutions:*
- *Randomization*
  - *Non-experimental methods*
- 12.30-13.30      *Lunch Break*
- 13.30-15.00      *Solutions (1): Matching estimators*
- *Propensity score matching*
  - *Propensity score weighted regressions*
- 15.00-15.15      *Coffee Break*
- 15.15-17.00      *Applications in STATA (1)*
- *Propensity score matching*
  - *Propensity score weighted regressions*

### Readings

Sections 1-4.2 in Ravallion, M. (2008). "Evaluating Anti-Poverty Programs" in *Handbook of Development Economics 4*, Ch. 59

Section 5 in Ravallion, M. (2008). "Evaluating Anti-Poverty Programs" in *Handbook of Development Economics 4*, Ch. 59

## Day 2 (July 26):

- 09:00-10:30      *Solutions (2)*
- *Difference in Difference*
- 10.30-11.00      *Coffee Break*
- 11:00-12:30      *Applications in STATA (2)*
- *Difference in Difference*
- 12:30-13:30      *Lunch Break*
- 13.30-15.00      *Solutions (3)*
- *Panel Data Models: Fixed and Random Effects*
- 15.00-15.30      *Coffee Break*
- 15.30-17.00      *Applications in STATA (3)*
- *Panel Data Models: Fixed and Random Effects*

## Readings

Skoufias, E. (2005). "PROGRESA and Its Impacts on the Welfare of Rural Households in Mexico." IFPRI Research Report 139. Washington, DC: IFPRI.

Wooldrich, Jeffrey. 2009. *Introductory Econometrics: A Modern Approach*. Chapters 13 and 14.

Wahba, J. and Assaad, R. "Flexible Labor Regulations and Informality in Egypt" *ERF Working Paper Series* No. 915. Cairo, Egypt.

### Day 3 (July 27):

09:00-10:30	Solutions (4): <ul style="list-style-type: none"><li>• Control functions and instrumental variables</li></ul>
10.30-11.00	Coffee Break
11:00-12:30	Applications in STATA (4) <ul style="list-style-type: none"><li>• Instrumental variables</li></ul>
12:30-13:30	Lunch Break
13.30-15.00	Solutions (5): <ul style="list-style-type: none"><li>• Regression Discontinuity method</li></ul>
15.00-15.30	Coffee Break
15.30-17.00	Applications in STATA (5) <ul style="list-style-type: none"><li>• Regression Discontinuity method</li></ul>

### Readings:

Angrist, J.D. and J.-S. Pischke (2009). Chapter 4 “Instrumental variables in action: Sometimes you get what you need” *Mostly Harmless Econometrics* Princeton, NJ: Princeton University Press.

Binzel, C. and R. Assaad. (2011). “Egyptian men working abroad: Labour supply responses by the women left behind.” *Labour Economics* 18: S98-S114.

Imbens, G. and T. Lemieux. (2007). “Regression discontinuity designs: A guide to practice.” *Journal of Econometrics* 142: 615-635.

Berlinski, S., S. Galiani and P. J. McEwan. (2011). “Preschool and Maternal Labor Market Outcomes: Evidence from a Regression Discontinuity Design.” *Economic Development and Cultural Change* 59(2): 313-344.

### V. Biographies:

**Ragui Assaad** is professor at the Humphrey School of Public Affairs at the University of Minnesota, where he chairs the Global Policy area and co-chairs the Master of Development Practice program. He is on the graduate faculty of the Ph.D. program in Applied Economics, the Population Studies minor and the Master of Human Rights. He has been a Research Fellow of ERF since 1994 and currently serves as its thematic leader for Labor and Human Resource Development and as a member of its board of trustees. He is also a non-resident Research Fellow at the Institute for the Study of Labor (IZA) in Bonn, Germany. His current research

focuses on labor markets in the Arab World, with a focus on youth and gender issues, transitions from school to work, education policies, and family formation. He holds a Ph.D. in City and Regional Planning from Cornell University and a Master degree in Mechanical Engineering from Stanford University.

**Caroline Krafft** is an assistant professor of economics at St. Catherine University. She received her master's degree in public policy from the University of Minnesota's Humphrey School of Public Affairs and her PhD from the Department of Applied Economics at the University of Minnesota. Her research examines issues in development economics, primarily labor, education, health, and inequality in the Middle East and North Africa. Current projects include work on early childhood development, labor market dynamics, life course transitions, human capital accumulation, and fertility.