Syllabus for the course: "Program Evaluation"

1. Course Title: Program Evaluation
2. Lecturer: Gábor Kézdi
3. No. of Credits. 4 credits (ECTS 8 credits)
4. Semester timing of the course: Winter 2017

5. Relationship with other courses: Prerequisite: Data Analysis 1 or MA Econometrics 1 & 2.

6. Course Level: MA / MSc first or second year

7. Background and overall aim of the course. The course is an introduction to the logic and methods of modern social program evaluation (also known as program impact assessment). Program evaluation derives from the idea that social programs should have demonstrable effects, and those effects should in some way outweigh the costs of the program. We concentrate on the most important and perhaps most difficult question: How to measure the effect of a program? This is an applied econometrics course, with equal emphasis on the applied and the econometrics part. We are going to cover some new econometric methods and go over many real-life applications (many to be presented by the students, see later).

8. The learning outcomes of the course. By successfully completing the course the students will be able to:
- read and understand published reports and research papers on program evaluation;
- participate in the design of program evaluation research as part of a team;
- carry out simple analyses and participate in teams carrying out more complex analyses;
- present results of program evaluation analyses.
- evaluate reports and research papers on program evaluation;
- in particular, assess their internal and external validity and identify the most important assumptions upon which those hinge.

9. Textbook(s)
- Impact Evaluation in Practice. The World Bank, 2011. Free to download at http://siteresources.worldbank.org/EXTHDOFFICE/Resources/5485726-1295455628620/Impact_Evaluation_in_Practice.pdf
- Imbens and Wooldridge, 2009, "Recent Developments in the Econometrics of Program Evaluation." Journal of Economic Literature 2009, 47:1, 5–86.

10. Software Stata or R

11. Grading
Quizzes 15%
Homework Assignments 10%
Term Project: 23%
Feedback on someone else's presentation: 2%
Exam: 50%

12. More detailed presentation of course contents
(Week, Topic, textbook chapters, program examples)

1 Introduction. The big picture.
Textbook Ch1-2

2 Causal inference and counterfactuals. Random assignment
Textbook 3-4, IW (2009)
The Job Corps program in the U.S.

3 Experimental program evaluation
Textbook 4
The NSW program in the U.S. PROGRESA in Mexico.

4 Imperfect compliance
IW (2009)
CARES: A commitment contract for smoking cessation in the Philippines

5-6 Regression–discontinuity design
Textbook Ch. 5
IW (2009)
Merit scholarship and career plans in the U.S.
Increased duration of unemployment benefits in Austria.
Head Start in the U.S.
Class size and test scores in Israel.

6 Potential pitfalls in non-experimental evaluations.
LaLonde 1986.
Based on the NSW program in the U.S.

7-8 Matching and other methods based on the propensity score.
Textbook Ch. 7
IW (2009)
Teacher training in Israel
The New Deal for Lone Parents program in the U.K.
Debate based on the NSW program in the U.S.

9 Difference-indifferences and combined methods
Textbook Ch. 6.
The Familas in Action program in Colombia.
The Piso Firme program in Mexico.

10 Spillovers, equilibrium effects
Textbook Ch. 8
Minimum wage for the young in Portugal.
The job search assistance component of the New Deal for the Young Unemployed in the U.K.

11-12 Student presentations

13. Term project details
Topic: Evaluating an evaluation study. Presentation and paper.
First outcome: Presentations; 10 minutes, max, followed by a 10-min discussion.
Second outcome: Students have to write a feedback on someone else's presentation (to be assigned), within one day after the presentation (1 to 2 pages).
Third outcome: A term paper written up after the presentation and after feedback is received. 3 pages max.
The presentation and the paper have to answer the following questions.
- What is the evaluated program?
- The program's goal, target group, intended effect, supposed mechanism
- Outcome variables and their relationship to the intended effect
- Design of the evaluations study
- Main results and other important evidence
- Your assessment of the internal validity
- External validity: would you expect similar effect in your country (or another country if the program was implemented in your country)

The feedback has to
- discuss at least two strong and two week elements,
- comment on the assessment of internal and external validity, and
- suggest potential improvement.