

CONTENTS



List of Figures vii

List of Tables ix

Preface xi

Acknowledgments xv

Organization of This Book xvii

I PRELIMINARIES 1

1 Questions about *Questions* 3

2 The Experimental Ideal 11

2.1 The Selection Problem 12

2.2 Random Assignment Solves the Selection Problem 15

2.3 Regression Analysis of Experiments 22

II THE CORE 25

3 Making Regression Make Sense 27

3.1 Regression Fundamentals 28

3.2 Regression and Causality 51

3.3 Heterogeneity and Nonlinearity 68

3.4 Regression Details 91

3.5 Appendix: Derivation of the Average Derivative
Weighting Function 110

4 Instrumental Variables in Action: Sometimes
You Get What You Need 113

4.1 IV and Causality 115

4.2 Asymptotic 2SLS Inference 138

4.3 Two-Sample IV and Split-Sample IV 147

vi Contents

4.4	IV with Heterogeneous Potential Outcomes	150
4.5	Generalizing LATE	173
4.6	IV Details	188
4.7	Appendix	216
5	Parallel Worlds: Fixed Effects, Differences-in-Differences, and Panel Data	221
5.1	Individual Fixed Effects	221
5.2	Differences-in-Differences	227
5.3	Fixed Effects versus Lagged Dependent Variables	243
5.4	Appendix: More on Fixed Effects and Lagged Dependent Variables	246
III	EXTENSIONS	249
6	Getting a Little Jumpy: Regression Discontinuity Designs	251
6.1	Sharp RD	251
6.2	Fuzzy RD Is IV	259
7	Quantile Regression	269
7.1	The Quantile Regression Model	270
7.2	IV Estimation of Quantile Treatment Effects	283
8	Nonstandard Standard Error Issues	293
8.1	The Bias of Robust Standard Error Estimates	294
8.2	Clustering and Serial Correlation in Panels	308
8.3	Appendix: Derivation of the Simple Moulton Factor	323
	<i>Last Words</i>	327
	<i>Acronyms and Abbreviations</i>	329
	<i>Empirical Studies Index</i>	335
	<i>References</i>	339
	<i>Index</i>	361