



Bar-Ilan University
Department of Economics



Research Institute for Econometrics
מכון מחקר לאקונומטריקה

The Department of Economics

and

Research Institute for Econometrics (RIE)

Are happy to announce the opening of a new Mini-Course

In the academic year 2017

Entitled

Estimating Dynamic Models of Decision Making with Applications to Labor Markets

Lecturer:

Prof. Moshe Buchinsky

Department of Economics, UCLA

Course Number: 66-954-01

Academic points: 1 Semester hour (0.5 annual hour)

Syllabus: Attached below

Location: TBA

Dates and hours:

Monday, March 27th, 2017; 16:00-20:00

Wednesday, March 29rd, 2017; 13:00-17:00

Thursday, March 30th, 2017; 14:00-18:00

The course is open to all M.A students, Ph.D. students, staff members and researchers.

Registration and enquiries can be made during the period 27.3-30.3.2017 at the following

E-mail address: Economics.Student@biu.ac.il

Estimating Dynamic Models of Decision Making with Applications to Labor Markets

Moshe Buchinsky
UCLA

Description

Almost all decisions made by economic agents have some consequences for those agents as well as for others (i.e. their family members). These types of family decisions include issues regarding marriage, fertility, divorce, and labor supply. There is a growing body of research that has been developed to empirically investigate these decisions in a dynamic context. These papers are generally referred to as dynamic programming (DP) models, which are, by definition, structural in nature.

An important aspect of these DP models is that their estimation is computationally very demanding, and thus requires sophisticated methods that are generally not used in empirical studies. We will discuss these advanced computational methods as well as approximation methods that one needs to employ to be able to estimate realistic models.

This will be illustrated in this course. We will also discuss the role that certain assumptions regarding the underlying distributions embedded in these types of models play and provide concrete examples and applications.

References

Adda, J. and R. Cooper (2003), *Dynamic Economics*, MIT Press.

Buchinsky, M (2016): *A set of Lecture Notes on Approximation Methods and their use in Economics*. Will be provided in class.

Buchinsky, M. (2016): *A set of Lecture Notes on Quantile Regressions*. Will be provided in class.

Mazzocco, M. (2007), "Household Inter-temporal Behavior: A Collective Characterization and a Test of Commitment," *Review of Economic Studies*, 74, 857-895.

Buchinsky, M. and P. Leslie (2009), "Educational Attainment and the Changing U.S. Wage Structure: Dynamic Implications on Young Individuals' Choices," *Journal of Labor Economics*, 28, 541-594

Buchinsky, M. C. Gotlibovski and O. Lifshitz (2014): "Residential Location, Work Location, and Labor Market Outcomes of Immigrants in Israel," *Econometrica*, 82, 995-1054.

Lee D. and K. Wolpin (2006): "Intersectoral Labor Mobility and the Growth of the Service Sector," *Econometrica*, 74, 1-46.

Buchinsky, M., D. McKee, and A. Mezza (2010), "The Dynamics of Educational and Occupational Choices in the United States," Working paper, UCLA.

Eckstein, Z. and O. Lifshitz (2011): "Dynamic Female Labor Supply," *Econometrica*, 79, 675-1726

Keane, M. and K. Wolpin (1997): "The Career Decisions of Young Men," *Journal of Political Economy*, 105, 473–522.