

Econometrics of Qualitative Data

Modelling categorical and discrete choices

PROGRAMME
Master 1

SEMESTER
Semester 2

CREDITS
3 ECTS

CONTACT HOURS
21h Lectures

Course Description

The lecture aims to introduce students to the statistical analysis methods applied to non-numerical data. It covers key topics such as binary choice models, including probit and logit models, and their application in real-world scenarios.

The lecture also addresses multi-category systems, ordered and unordered response models. Further, it provides insights on how to interpret and predict outcomes using these models, emphasizing the challenges and potential pitfalls of categorical data analysis.

This course is shared with Master 1 QAE. This is an optional lecture.

Learning Outcomes

- Understand and explain the challenges associated with qualitative data.
- Use the appropriate estimation methods to estimate categorical-response models.
- Express a clear and correct interpretation of the outcome of the estimation process.
- Predict outcomes using advanced qualitative econometric models.

Indicative Content

1. **Introduction:** Statistical analysis methods applied to non-numerical data.
2. **Binary Choice Models:** Theory and application of probit and logit models.
3. **Multi-category Systems:** Navigating ordered and unordered response models.
4. **Interpretation and Prediction:** Predicting outcomes and evaluating estimation results.
5. **Challenges and Pitfalls:** Identifying and resolving issues specific to qualitative data.

Teaching & Learning Approach

The course is structured around theoretical lectures integrated with practical applications to real-world scenarios, allowing students to bridge the gap between statistical theory and applied econometrics. Students also benefit from an exposition to the Stata software.

Assessment

Written Exam or Project