

STOCKHOLM UNIVERSITY
Department of Economics

Course name: Econometrics II
Course code: EC7411
Examiner: Per Pettersson Lidbom
Number of credits: 7,5 credits
Date of exam: Sunday 17 March 2016
Examination time: 3 hours

Write your identification number on each paper and cover sheet (the number stated in the upper right hand corner on your exam cover).

Use one cover sheet per question. Explain notions/concepts and symbols. If you think that a question is vaguely formulated, specify the conditions used for solving it. Only legible exams will be marked. No aids are allowed.

Please give short and precise answers!

The exam consists of 2 questions. Each question is worth 50 points. One can get 100 points in total. For the grade E 40 points are required, for D 50 points, C 60 points, B 75 points and A 90 points. Answer each question clearly and concisely. Only legible answers will be considered.

Results will be posted on www.mitt.su.se three weeks after the exam, at the latest.

Good luck!

Question 1. (50p)

- a) Discuss the instrumental variable method (e.g., assumptions about the identification, parameters of interest, how to find credible instruments etc.)
- b) Discuss how to compute valid standard errors in the case of time-series data, panel data, grouped data and cross-sectional data.

Question 2. (50p)

Write a referee report on “Double-shift schooling and student success: Quasi-experimental evidence from Europe”

Good luck

Per Pettersson Lidbom