

Counterfactuals	change the model, simulate new data, compare with status quo	

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- If one parameter changes, it won't "leak" into others
- This may be a heroic assumption, depending on the model



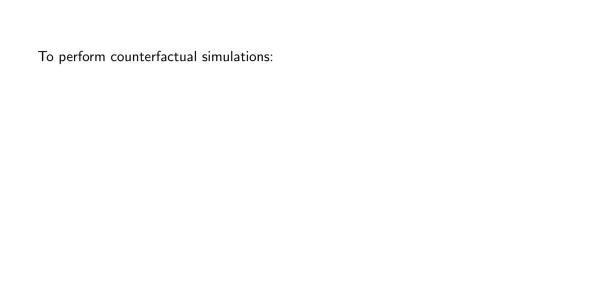
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- Arcidiacono et al. (2025): How would human capital investment change with perfect information about one's abilities?



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10	nertorm	counterfactual	sımıı	lations

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• Simulate fake data under those restrictions

To p	erform	counterfactual	simu	lations:
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Otherwise, you'll need to write the code to compute the counterfactuals