GOV1368 Section 7

Mohit Karnani

Harvard

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Recap

Last time we covered:

► Regression Discontinuity (RD)
► RD as Instrumental Variables (IV)
► RD Local Average Treatment Effect (LATE)

Today we will talk about a famous paper (and its redux) that applies RD techniques to study the issue of class size.
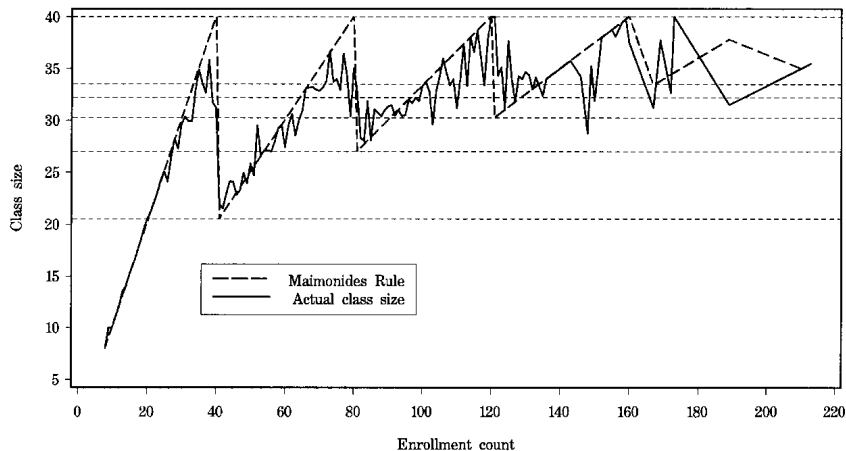
Agenda

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Using Maimonides' Rule to Estimate the Effect of Class Size...

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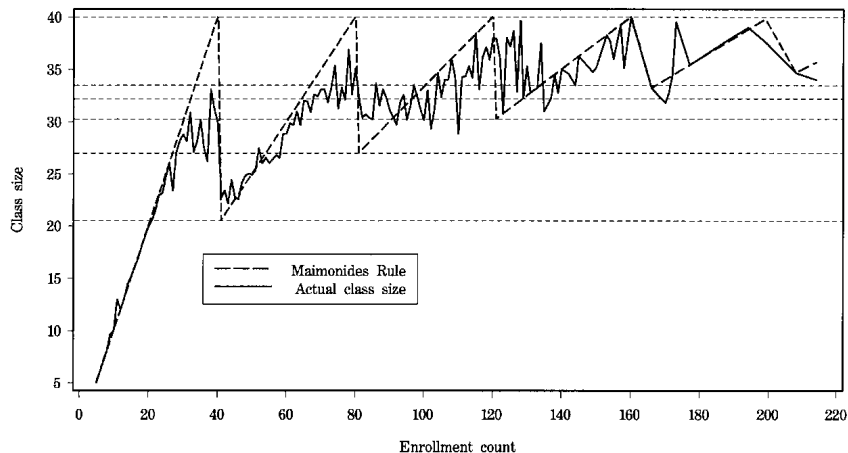
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Maimonides' Rule Redux

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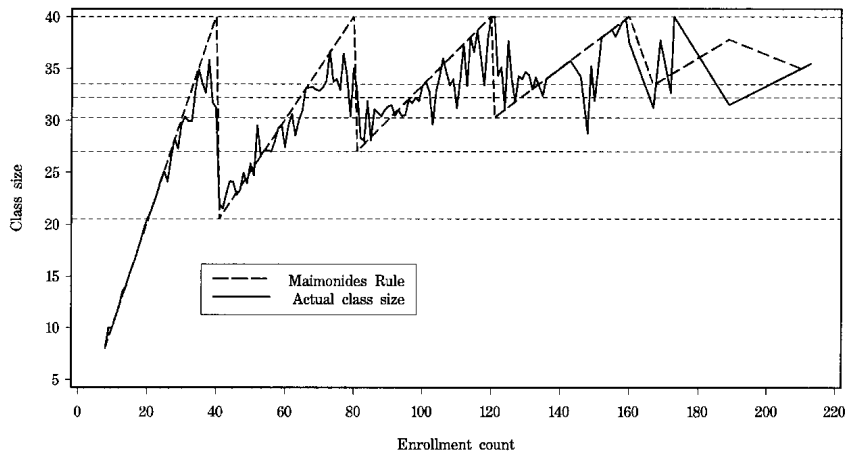
Why would there be manipulation?

From the paper:

> This reflects MOE concerns that school staff adjust enrollment (or enrollment statistics) close to cutoffs so as to produce smaller classes (e.g., by driving enrollment from 40 to 41, and thereby opening a second class). School leaders might want to do this because educators and parents prefer smaller classes. MOE rules that determine school budgets as an increasing function of the number of classes also reward this sort of manipulation.

Manipulation around the threshold

Manipulation Testing Plot
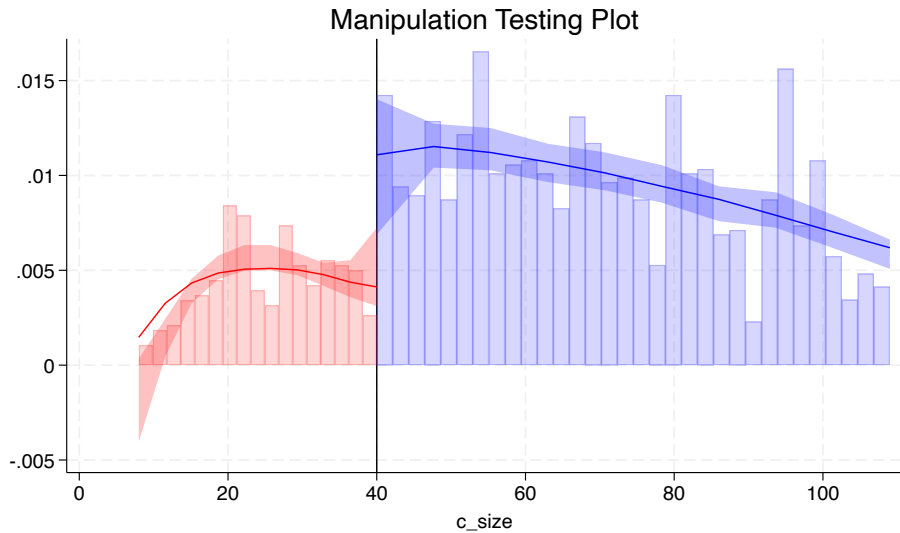
A Note on Research Ethics

- ▶ It's ok to be wrong!
- ▶ If something doesn't work out, don't hide it...
- ▶ Instead, you can write about it
- ▶ Research moves forward with these "mistakes"
- ▶ It's better than contributing to the "file-drawer" problem

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Application: Maimonides' Rule

Stata