

2020 STATA ECONOMETRICS WINTER SCHOOL
Diff-in-Diff Exercise

For this exercise you should use the dataset from the Bangladesh Household Survey to study the impact of a microcredit program on household's annual expenditures, provided by the The World Bank and the Bangladesh Institute of Development Studies. The file hh_9198.dta is available at

http://microdata.worldbank.org/index.php/catalog/436/get_microdata.

The data have 24 variables on information at the household (head's education, land ownership, expenditure, among others) and village (infrastructure, price information of the main consumer goods, and so on) levels. The number of observations (households observed in 1991 and 1998) is 1652. A full description of the data can be found at the data dictionary page:

http://microdata.worldbank.org/index.php/catalog/436/data_dictionary.

Your goal is to estimate the impact of microcredit participation by females (dfmfd) in the outcome variable exptot, equal to the household per capita total expenditure, a proxy to family well-being.

1. Estimate the the impact of microcredit participation by females by manually take the difference in outcomes between treatment and control between surveys.
2. Estimate the impact of the microcredit participation by females using a regression and compare the results with the previous ones.
3. Estimate the same regression as in 2) but include the covariates sexhead agehead eduhead lnland vaccss pcirr rice wheat milk oil and egg.