

Machine Learning for econometrics

Reminders of potential outcomes and Directed Acyclic Graphs

Matthieu Doutreligne

Thanks to Judith Abecassis for the slides on DAGs

Contents

Bibliography 4

Contents

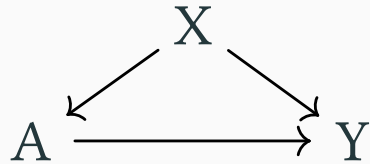
Introduction

Why is prediction different from causation? (2/2)

Causal inference (most part of economists) : What would happen if we changed the system ie. under an intervention?

Why is prediction different from causation? (2/2)

Causal inference (most part of economists) : What would happen if we changed the system ie. under an intervention?



Causal inference models $(X, A, Y(A = 1), Y(A = 0))$
ie. the covariate shift between treated and control units.

Assumption

No unmeasured variables influencing both treatment and outcome
ie. no confounders.

Bibliography

Bibliography

Supplementary material

Effect modifier: influences the treatment effect on the outcome.

