

## ECON 379: Program Evaluation for International Development

### Empirical Exercise #1

Due 2/25 by 11:30 AM

This exercise makes use of the data set `E1-CohenEtAl-data.dta`, a subset of the data used in the paper “Price Subsidies, Diagnostic Tests, and Targeting of Malaria Treatment: Evidence from a Randomized Controlled Trial” by Jessica Cohen, Pascaline Dupas, and Simone Schaner, published in the *American Economic Review* in 2015. The authors examine behavioral responses to various discounts (“subsidies”) for malaria treatment, called “artemisinin combination therapy” or “ACT.”

The aim of this empirical exercise is to review key Stata commands. The data set used in this exercise is available at: <https://pjakiela.github.io/ECON379/exercises/E1-intro>. You can also load the data into Stata directly using the `webuse` command:

```
webuse set https://pjakiela.github.io/ECON379/exercises/E1-intro/  
webuse E1-CohenEtAl-data.dta
```

Download the data set, open it in Stata, and answer the following questions:

1. How many observations are in the data set?
2. The variable `act_any` is a dummy for assignment to any treatment (positive subsidy). What is the mean of the variable `act_any` (to three decimal places)?
3. How many people received a positive subsidy?
4. The variable `c_act` is a dummy for using ACT treatment during a malaria episode. What is the standard deviation of the variable `c_act`?
5. How many respondents report using ACT treatment for malaria?
6. Regress `c_act` on `act_any`. What is the R-squared?
7. What is the coefficient associated with the `act_any` variable?
8. What is the associated standard error?
9. What do you get when you divide the coefficient by the standard error?
10. What is the t-statistic associated with the `act_any` variable?