

Econometric Methods for Evaluation of Agricultural Policy: Instrumental Variable Method

KAWASAKI Kentaro

Summary

There are several econometric methods for evaluating the causal impact of agricultural policies. In previous studies, the regression discontinuity design and the difference-in-differences method were reviewed (Kawasaki 2020, 2021). In this study, we review the basic concept of instrumental variable method and its applications in the field of agricultural economics.

Keyword: Agricultural policy; Causal inference; Econometrics; Evidence-based policy making (EBPM); Instrumental variable method;