

Contents

	<i>Detailed table of contents</i>	<i>page</i> ix
	<i>List of figures</i>	xiv
	<i>List of tables</i>	xv
	<i>List of boxes</i>	xvi
	<i>Preface and acknowledgements</i>	xvii
1	Introduction: why natural experiments?	1
<hr/>		
Part I	Discovering natural experiments	39
<hr/>		
2	Standard natural experiments	41
3	Regression-discontinuity designs	63
4	Instrumental-variables designs	87
<hr/>		
Part II	Analyzing natural experiments	103
<hr/>		
5	Simplicity and transparency: keys to quantitative analysis	105
6	Sampling processes and standard errors	165
7	The central role of qualitative evidence	208
<hr/>		
Part III	Evaluating natural experiments	233
<hr/>		
8	How plausible is as-if random?	235
9	How credible is the model?	256
10	How relevant is the intervention?	289

viii Contents

Part IV	Conclusion	311
11	Building strong designs through multi-method research	313
	<i>References</i>	338
	<i>Index</i>	353

Detailed table of contents

	<i>Preface and acknowledgements</i>	<i>page xvii</i>
1	Introduction: why natural experiments?	1
1.1	The problem of confounders	5
1.1.1	The role of randomization	6
1.2	Natural experiments on military conscription and land titles	8
1.3	Varieties of natural experiments	15
1.3.1	Contrast with quasi-experiments and matching	18
1.4	Natural experiments as design-based research	21
1.5	An evaluative framework for natural experiments	27
1.5.1	The plausibility of as-if random	27
1.5.2	The credibility of models	28
1.5.3	The relevance of the intervention	29
1.6	Critiques and limitations of natural experiments	32
1.7	Avoiding conceptual stretching	34
1.8	Plan for the book, and how to use it	35
1.8.1	Some notes on coverage	37
<hr/>		
Part I	Discovering natural experiments	39
2	Standard natural experiments	41
2.1	Standard natural experiments in the social sciences	43
2.2	Standard natural experiments with true randomization	48
2.2.1	Lottery studies	49
2.3	Standard natural experiments with as-if randomization	53
2.3.1	Jurisdictional borders	57
2.3.2	Redistricting and jurisdiction shopping	59
2.4	Conclusion	60
	Exercises	61

x	Detailed table of contents	
3	Regression-discontinuity designs	63
3.1	The basis of regression-discontinuity analysis	63
3.2	Regression-discontinuity designs in the social sciences	68
3.2.1	Population- and size-based thresholds	72
3.2.2	Near-winners and near-losers of close elections	77
3.2.3	Age as a regression discontinuity	79
3.2.4	Indices	80
3.3	Variations on regression-discontinuity designs	81
3.3.1	Sharp versus fuzzy regression discontinuities	81
3.3.2	Randomized regression-discontinuity designs	82
3.3.3	Multiple thresholds	83
3.4	Conclusion	84
	Exercises	85
4	Instrumental-variables designs	87
4.1	Instrumental-variables designs: true experiments	91
4.2	Instrumental-variables designs: natural experiments	92
4.2.1	Lotteries	94
4.2.2	Weather shocks	95
4.2.3	Historical or institutional variation induced by deaths	97
4.3	Conclusion	101
	Exercises	102
	Part II Analyzing natural experiments	103
5	Simplicity and transparency: keys to quantitative analysis	105
5.1	The Neyman model	107
5.1.1	The average causal effect	109
5.1.2	Estimating the average causal effect	112
5.1.3	An example: land titling in Argentina	115
5.1.4	Key assumptions of the Neyman model	118
5.1.5	Analyzing standard natural experiments	121
5.2	Analyzing regression-discontinuity designs	121
5.2.1	Two examples: Certificates of Merit and digital democratization	123
5.2.2	Defining the study group: the question of bandwidth	127
5.2.3	Is the difference-of-means estimator biased in regression-discontinuity designs?	128

5.2.4	Modeling functional form	133
5.2.5	Fuzzy regression discontinuities	134
5.3	Analyzing instrumental-variables designs	135
5.3.1	Natural experiments with noncompliance	136
5.3.2	An example: the effect of military service	143
5.3.3	The no-Defiers assumption	148
5.3.4	Fuzzy regression-discontinuities as instrumental-variables designs	149
5.3.5	From the Complier average effect to linear regression	150
5.4	Conclusion	153
Appendix 5.1	Instrumental-variables estimation of the Complier average causal effect	154
Appendix 5.2	Is the difference-of-means estimator biased in regression-discontinuity designs (further details)?	158
	Exercises	160
6	Sampling processes and standard errors	165
6.1	Standard errors under the Neyman urn model	166
6.1.1	Standard errors in regression-discontinuity and instrumental-variables designs	173
6.2	Handling clustered randomization	175
6.2.1	Analysis by cluster mean: a design-based approach	179
6.3	Randomization inference: Fisher's exact test	186
6.4	Conclusion	191
Appendix 6.1	Conservative standard errors under the Neyman model	192
Appendix 6.2	Analysis by cluster mean	195
	Exercises	201
7	The central role of qualitative evidence	208
7.1	Causal-process observations in natural experiments	210
7.1.1	Validating as-if random: treatment-assignment CPOs	212
7.1.2	Verifying treatments: independent-variable CPOs	219
7.1.3	Explaining effects: mechanism CPOs	222
7.1.4	Interpreting effects: auxiliary-outcome CPOs	224
7.1.5	Bolstering credibility: model-validation CPOs	225
7.2	Conclusion	228
	Exercises	230

xii **Detailed table of contents**

Part III	Evaluating natural experiments	233
8	How plausible is as-if random?	235
8.1	Assessing as-if random	236
8.1.1	The role of balance tests	239
8.1.2	Qualitative diagnostics	243
8.2	Evaluating as-if random in regression-discontinuity and instrumental-variables designs	244
8.2.1	Sorting at the regression-discontinuity threshold: conditional density tests	245
8.2.2	Placebo tests in regression-discontinuity designs	246
8.2.3	Treatment-assignment CPOs in regression-discontinuity designs	248
8.2.4	Diagnostics in instrumental-variables designs	248
8.3	A continuum of plausibility	249
8.4	Conclusion	252
	Exercises	254
9	How credible is the model?	256
9.1	The credibility of causal and statistical models	258
9.1.1	Strengths and limitations of the Neyman model	259
9.1.2	Linear regression models	263
9.2	Model specification in instrumental-variables regression	269
9.2.1	Control variables in instrumental-variables regression	277
9.3	A continuum of credibility	278
9.4	Conclusion: how important is the model?	283
Appendix 9.1	Homogeneous partial effects with multiple treatments and instruments	285
	Exercises	287
10	How relevant is the intervention?	289
10.1	Threats to substantive relevance	293
10.1.1	Lack of external validity	293
10.1.2	Idiosyncrasy of interventions	297
10.1.3	Bundling of treatments	300
10.2	A continuum of relevance	303
10.3	Conclusion	306
	Exercises	309

xiii **Detailed table of contents**

Part IV	Conclusion	311
11	Building strong designs through multi-method research	313
11.1	The virtues and limitations of natural experiments	315
11.2	A framework for strong research designs	318
11.2.1	Conventional observational studies and true experiments	319
11.2.2	Locating natural experiments	321
11.2.3	Relationship between dimensions	324
11.3	Achieving strong design: the importance of mixed methods	326
11.4	A checklist for natural-experimental research	328
	<i>References</i>	338
	<i>Index</i>	353