

Spatial Econometrics

DIW Masterclass

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Outline of the course:

Feb 27

Some time series preliminaries - distributed lag model

Spatial regression models

Estimation by maximum likelihood

Estimation by GMM/ instrumental variables

Specification testing

Feb 28

Spatial Durbin model

Unknown spatial weights

Endogenous spatial weights

Some open research problems

Key references:

Anselin, L. (2010). Thirty years of spatial econometrics. *Papers in Regional Science* 89(1), 3–25.

Arbia, G. (2011). A Lustrum of SEA: Recent Research Trends Following the Creation of the Spatial Econometrics Association (2007–2011). *Spatial Economic Analysis* 6(4), 377-395.

Elhorst, J.P. (2010). Applied Spatial Econometrics: Raising the Bar. *Spatial Economic Analysis* 5(1), 9–28.

LeSage, J.P. and Pace, R.K. (2009). *Introduction to Spatial Econometrics*. Boca Raton: CRC Press.