
Subject: Re: Diff in Diff OLS Estimation and Interpretation

Posted by [Liz-DHS](#) on Fri, 29 May 2020 14:39:30 GMT

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Dear User, a response from Dr. Tom Pullum:

Quote:

I would say much the same thing. The effect of an additional attack in a non-BH area is .061 (or .071). The effect of an additional attack in a BH area is effectively zero. However, in a BH area the coefficient of .268 (or -.111) cannot be ignored. For the first outcome, the effect of BH is equivalent to $.268/.061 = 4.4$ attacks in a non-BH area. However, and this is important, the coefficient of BH is not statistically significant. For the second outcome, it's harder to interpret--the effect of a BH area is equivalent to $-.111/.071 = -1.6$ attacks in a non-BH area. But that coefficient of BH also is not significant, so it's not a good idea to try to interpret it.

You have taken the first state in the entire list of states, Sokoto, as the reference state.

Apparently the coefficient for Kaduna is so close to that of Sokoto that Stata has in effect grouped Kaduna with Sokoto, by giving it a coefficient of 0.

You might consider restricting to the northern zones of Nigeria, because I believe most of the states have no Boko Haram and no attacks. However, you know more about the context than I do!