Overview This course is a graduate seminar which focuses on theoretical and empirical issues of measurement of productive performance. The basic starting point is axiomatic production theory and duality, which we shall review at the outset of the course. We then develop basic performance measures which satisfy reasonable index number properties and are easily estimated in the framework of activity analysis.

As the major assignment in the course, student will be required to design a research project which employs (or extends) the methods developed in class. Typically the project would be an empirical analysis; students will be instructed in the use of OnFront which is software designed to implement the performance measures covered in class.

The course is designed for graduate students in economics, AREC, forestry, finance, business, management, industrial engineering, health and any other discipline where performance measurement is important.

1 Requirements

Student will design a project, collect data, analyze, write up and present their results. There is one midterm.

2 Prerequisites

ECON 611 or permission of the instructors.

3 Texts


Other required readings


Some Other References


4 Outline

1. Axiomatic Production Theory: Appendix: *New Directions*
2. Efficiency Indicators and Indexes: Essay One *New Directions*
3. Environmental Performance: Essay Two *New Directions*
4. Issues in Aggregation: Essay Three *New Directions*
5. Productivity (Chapter 3, Färe and Grosskopf, *Dynamic DEA*)
6. Network and Dynamic Models (Chapters 2, 6, Färe and Grosskopf, *Dynamic DEA*)

5 Office Hours

R. Färe TR 9-10:30 S. Grosskopf MW 2-3:30