

Book Review

Book Review

The Effect: An Introduction to Research Design and Causality by
Nick Huntington-Klein, Chapman & Hall. 2022, 646 pp, £66.39 (hardback),
ISBN: 9781032127453

There is an eternal question for every mathematics-related book: what kind of trade-off between depth of precision and width of readability the authors are willing to make. *The Effect* assigns higher weight to the latter and does a splendid job.

The first part of the book—*The Design of Research*—is devoted to setting the grounds for what causal research looks like: which questions we can (not) answer, how (not) to do it, and why (not). There are particularly appealing features of this book: first, the extended and very well-fitted usage of causal diagrams, and second, special attention is dedicated to (non)causal paths and several treatment effects.

The second part of the book—*The Toolbox*—dives into (more) technical details. It covers the necessary basics of econometrics and introduces fixed effects, difference-in-differences, instrumental variables, and regression discontinuity. It goes further by giving a first taste of some advanced topics such as synthetic control, double/debiased machine learning, causal forests, and structural estimation. Finally, it provides a nice discussion of important and frequently omitted issues such as special types of (missing) data, research validity, and approaches to tackle the problems.

The Effect has several notable advantages. First, it brings clarity to algorithms in the discussion of the steps one needs to take (from drawing a causal diagram to running the dynamic treatment effects model in R) throughout the book. Second, many chapters are accompanied by both R and Stata code, making it very easy for a reader to start practicing. Third, although aimed at introducing the reader to causal inference, Huntington-Klein does not avoid tricky and complex points. Finally, for me, *The Effect* by Huntington-Klein (2022) stands in the line of such books as *Mastering Metrics* by Angrist and Pischke (2014) and *Causal Inference in Statistics: A Primer* by Pearl et al. (2016), which makes its future very promising.

Egor Bronnikov^{1,2,3,✉}

¹School of Business and Economics, Maastricht University, Maastricht, the Netherlands; ²School of Science, Free University of Moscow, Moscow, Russia; and ³Department of Economics, European University at St. Petersburg, St. Petersburg, Russia

egor.bronnikov@maastrichtuniversity.nl