ECON 740: Seminar in Applied Economic Research Fall 2013

Professor: Joe Sabia
Office: 4194 Adams Humanities
Office Hours: TR 1:00-2:30pm (or by appointment)
Class Time: T 6:00-8:40pm
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Phone: 619-594-2407

Course Content

Econ 740 is the capstone requirement for students pursuing the Master of Arts in Applied Economics. The seminar is an introduction to economic research and will build upon your course work in research methods, applied econometrics, and economic theory. This course will be different from other required courses in the MA program in that it will not be a “toolbox” course, but rather a course in which students are expected to use tools to evaluate, replicate, and extend existing empirical research. In addition, this course will give you a more extensive look at peer-reviewed applied microeconomics papers using “advanced” econometric methods such as natural experiments, instrumental variables, and regression discontinuity techniques, and explore the advantages and disadvantages of difference-in-difference estimation strategies. Careful attention will be paid to the appropriateness of inferring causality across various econometric techniques.

Readings

Reading assignments will be given week-to-week in class or via email. You are responsible for completing the readings prior to the class in which they are discussed. I will be handing out or providing links to many of the articles discussed in class. Note: The course syllabus is a general plan for the course; deviations announced to the class by the instructor may be necessary.

Grading

Presentations of Assigned Papers 15%
Referee Report on Essential Paper 25%
Re-Estimation Assignment 25%
Original Research Note & Presentation 25%
Class Participation 10%

Grades are assigned as follows (in terms of % of total points):

A  >= 93%  C+  77-79.9
A-  90-92.9  C  73-76.9
B+  87-89.9  C-  70-72.9
B  83-86.9  D  65-69.9
B-  80-82.9  F  < 65%
Presentations of Assigned Papers

Throughout the semester, we will read a number of applied economics papers using a variety of econometric methods. In reading these papers, we will discuss a number of key elements of good research: (i) developing an interesting and relevant research question, (ii) appropriately “pitching” a paper, (iii) obtaining appropriate data to answer a research question, (iv) using economic theory to inform hypotheses, (v) using convincing empirical methods, and (vi) crafting a well-written article. You will be assigned two papers and will present each as if you are the author. Be prepared to talk for approximately 15 minutes. Both your fellow classmates and I will likely ask you questions during (and perhaps following) your talk. Decisions about which students will present which papers will be made in consultation with me by Thursday, August 30. The paper should be chosen from the studies below:


**Referee Report and Presentation of Essential Paper**

The focus of your work for the semester will be a single research study, selected by you and approved by me. The paper will be published in one of the academic journals found on *EconLit*. You should choose a paper that is substantively of interest to you, is clear enough for you to summarize and analyze in a report, and a paper for which the data are available for re-estimation. Your choice of paper will be due to me by September 14 at the absolute latest.

You will provide a referee report on this paper, the standard format for the peer-review process. This report will contain a summary of the paper, an analysis of the paper’s organization, a critique of the theoretical and empirical approaches used, and a discussion of the paper’s contribution (or lack thereof) to the literature. The length of this referee report will be approximately 1500 words.

You will also have an in-class presentation of your Essential Paper on September 24. Your talks should not exceed 7 minutes.

**Re-Estimation Exercise**

The goal of this assignment is to follow the steps of the authors of your Essential Paper: to identify, obtain, clean, and recode the data used in the study, estimate the same empirical models, and reproduce the results tables. This re-estimation can be undertaken with exactly the same or somewhat different data, but the process must begin with a raw dataset (not, for example, a previously cleaned dataset provided by the authors). On November 6, you will provide to me on a flash drive or CD:

(i) an Excel file(s) with the re-estimation results tables, presented in the same format as the original paper and a description of the data source(s);
(ii) the raw data file(s) used to the re-estimation; and
(iii) a Stata do file that transforms the raw data and estimates the models.

**Original Research Note and Presentation**

With a complete understanding of the theory, data, empirical approach, and findings in your Essential paper, you are now ready to make an original contribution in your research area. It takes more time to adequately complete a full-scale research project or thesis than this semester provides. Therefore, a research note will allow you to make a smaller contribution, employing the same (or somewhat different) data that directly extends an existing study. The product should be 2,000-3,000 words, not including results tables. Some examples will be provided. The due date for your original note will be December 11 at the final exam.
Your presentation of your Original Note will take place on December 10. Be prepared to talk for about 7 minutes.

Preliminary Class Outline

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<tr>
<th>Week</th>
<th>Class</th>
<th>Topic</th>
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<tbody>
<tr>
<td>1</td>
<td>27 Aug</td>
<td>Introduction to course, syllabus review, Wooldridge Ch. 19</td>
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<td>2</td>
<td>3 Sept</td>
<td>Papers: Blau, Rees and Sabia, Levine and Painter, Evenhouse &amp; Reilly, Currie and Tekin; Anderson, Cesur, Tekin (FE)</td>
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<td>3</td>
<td>10 Sept</td>
<td>Papers: DeCicca et al., Buckles et al., Courtemanche, Kroft and Pope, Anderson, Hansen, and Rees, Rees and Schnapel, (Panel) Examples of Referee Reports and Peer Review Process (13 Sept, Paper choice due)</td>
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<td>4</td>
<td>17 Sept</td>
<td>Papers: Hansen et al., Levine, Colman et al., Burkhauser, Allegretto et al, Neumark, Salas, and Wascher (Panel)</td>
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<td>5</td>
<td>24 Sept</td>
<td>Referee Reports Due, Presentations on Papers</td>
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<td>6</td>
<td>1 Oct</td>
<td>Papers: Yan, Carpenter, Jacob, Currie and Cole, Cawley, Chatterji and Markowitz, Rees et al., (IV)</td>
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<td>7</td>
<td>8 Oct</td>
<td>Papers: Jurges et al., Currie and Moretti, Fletcher, Sabia and Rees, Lyle, Hotz et al. (IV/NE)</td>
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<td>8</td>
<td>15 Oct</td>
<td>Consultation on Individual Papers</td>
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<td>9</td>
<td>22 Oct</td>
<td>Consultation on Individual Papers</td>
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<td>10</td>
<td>29 Oct</td>
<td>Re-Estimation Due: Papers: Lyle and Smith, Goldin &amp; Katz, Vollard, Collins and Hershbein, Garibaldi et al., (NE/RD)</td>
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<tr>
<td>11</td>
<td>5 Nov</td>
<td>Papers: Carrell et al., Hjalmarsson, Carpenter and Dobkin, Machin, Hoekstra (RD)</td>
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<td>12</td>
<td>12 Nov</td>
<td>Papers: Ashenfelter et al., Kling et al., Newhouse, Figlio et al. (Exp)</td>
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<td>13</td>
<td>19 Nov</td>
<td>Thanksgiving Week: No Class</td>
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<td>14</td>
<td>26 Nov</td>
<td>Consultation on Individual Papers</td>
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<td>15</td>
<td>3 Dec</td>
<td>Consultation on Individual Papers</td>
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<tr>
<td>16</td>
<td>10 Dec</td>
<td>Original Note Due, Original Note Presentations</td>
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Academic Integrity

Students are obliged to follow Student Conduct Procedures from the Center for Student Rights and Responsibilities, available at the following website: [http://csrr.sdsu.edu](http://csrr.sdsu.edu). In this course, unless specifically and explicitly instructed otherwise, all assignments should be done individually. Individually means without the assistance of classmates or anyone else; for clarification of problems, students should seek help from the instructor. Violations of academic integrity (plagiarism, etc.) will be vigorously pursued. Possible punishments include, but are not limited to, a zero for the assignment, an F for the course, and/or referral to the Center for Student Rights and Responsibilities for judicial proceedings.