Details about Projects

All deliverable items are to use Calibri font, size 12, 1.5 spaces per line, and one-inch margins on all sides. Email your assignments to me on the day they are due. All items will have the following names: lastname1\_lastname2\_lastname3\_assignmentname.fileformat (example: Brasington\_Parent\_roughdraft.docx). Also see the grading rubric, which is a summary of this document, to make sure you cover all the necessary areas that earn points.

Rough Draft:

Turn in the program that ran the estimations.

Turn in your rough draft: Maximum 20 pages plus however many tables, figures, and references you want to add.

Rough draft consists of idea, literature review, data description, description of empirical approach, a write-up describing your regression results, and a short conclusion section, as follows:

1 Idea and Literature Review:

Limit: maximum 4 pages plus list of references. Must cite at least 4 academic sources like journal articles. Google scholar is my favorite source. Explain why the general area of the paper is important in a few sentences. Then spend most of your time describing what people have done in the past. This may include what people have done in theoretical papers, so that you learn to integrate theory and empirical work. Describe what you will do, and explain how what you do is different from (and maybe even better than) what people have done in the past.

2 Data and Empirical Approach:

Limit: 8 pages maximum.

Data: Describe the data that you will use. Where did it come from? [It probably came from me, but I mean what is the ultimate source? Ohio Department of Education?] Which dependent variable(s) do you intend to use? Which explanatory variables will you use, and are there certain explanatory variables that are the focus of your study? Why do you use these variables? Cite theory or precedent that motivates their use, like, “I control for income, education, and age because Pesaran and Shen (1974) find these are positively related…” How did you build your model? That is, what role did things like theory, testing up, and testing down play? Provide a table with the following information: variable name (use ‘% high school diploma’, not ‘pct\_hsdip’), variable definition, source the variable came from, mean, minimum value, maximum value, and standard deviation. Make sure it’s clear which variables are the dependent and which are the independent (control) variables.

Empirical approach: describe what estimation technique(s) you will use and why you think it fits your situation. Describe some of the potential problems there could be with your estimation technique (biased standard errors, functional form, endogeneity, non-stationarity, spatial dependence, etc.) Test for these problems. Correct for them if they exist, or explain why you don’t correct for them. You must consider at least 5 such issues.

3 Results:

Limit: 7 pages maximum

The results section must include elasticities (for continuous variables), and it could include marginal effects (must include marginal effects if you have dummy variables). It must not stop with statistical significance. In this way you can and must compare the economic importance of your various regressors--Is your key explanatory variable important? How important is it? What are the most important factors in your regression? You will find it most convenient to use elasticities to compare them, so you might as well list elasticities for all statistically significant variables for me. You must interpret at least one of your estimates fully and carefully following the ‘interpretation of parameter estimates’ sheet I will supply. Example: “Increasing community income levels by $1000 is associated with a 0.52 percentage point increase in math proficiency scores, all else constant.”

4 Conclusion:

Limit: 1 page

Briefly summarize what you did in your study and what your findings were. You can also add comments about what type of analysis you would like to have done if the class lasted longer.

Final Reports

Take your rough draft and modify it based on the feedback you got during class and from me. Not all comments you get will be possible to do, and some of them will be bad ideas. Sometimes you will need to change your estimation technique or add a new one; sometimes you will need to add new control variables; sometimes you will need to mention why what I suggested isn’t a good idea or isn’t possible to address. Like for the rough draft, the final report is limited to 20 pages plus as many tables, figures and references as you need.