Econ 340: Research Project Submission 1 Example Student Name 1 and Student Name 2

- 1. Clearly specify what your research question is.
 - Does the student-teacher ratio affect elementary school education?
- 2. Why do you think this question is interesting or important?
 - This is an important question as it informs policymakers of the value of mandating maximum class sizes. Increasing the student-teacher ratio across schools is a costly affair. Being able to quantify its benefits can help policymakers make more informed decisions.
- 3. Fill in the following table. Use the names of the variables in the dataset.

	Name	Description	
Name of your dataset	caschools.csv	Data on school characteristics and test	
		performance for 420 school districts in	
		California from 1998-99.	
Dependent variable	testscr	Average reading and writing score	
Main Independent variable	str	Student-teacher ratio	
First additional control	high_comp_stu*	Binary variable that takes value 1 if	
variable		computers per student are above the	
		median, and 0 otherwise	
Second additional control variable	meal_pct	Percent qualifying for reduced-price lunch	

^{*} We will create this variable using comp_stu (computers per student).

- 4. How do you think the primary independent variable correlates with the dependent variable? Explain the reasoning behind your thinking.
 - We think that there should be a negative correlation between test scores and the student-teacher ratio. That is, a higher student-teacher ratio should lead to worse student performance as each student is not getting much individual attention in the class.
- 5. Fill the following table with the *expected* sign of the correlation between different variables.

	Computers per student>median	Reduced-price lunch
Test score	+	-
Student-teacher ratio	-	+