

# Clase 1: Introducción

Haciendo Economía I  
Econ 2205

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Universidad de los Andes

July 30, 2024

# Agenda

- 1 Introducción
- 2 Método de los Economistas
- 3 Recap & Admin Stuff

# ¿Qué distingue a un economista?



# Economistas



**Que creen mis  
amigos que hago**



**Que cree mi  
mama que hago**



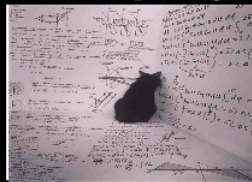
**Que cree la  
sociedad que hago**



**Que cree el  
gobierno que hago**



**Que creo yo que hago**



**Que hago realmente**

¿Qué piensan ustedes que  
distingue a un economista?

## ¿Qué Distingue a un Economista?

- ▶ La gran mayoría de cursos se enfocan en estudiar un objeto.
- ▶ Sin embargo, economía nos enseña una forma de abordar problemas, se trata del método de los economistas.
- ▶ El objetivo de este curso es poner de manifiesto qué es eso que nos define y nos caracteriza cómo economistas.

## ¿Cuáles de estos artículos son de economía

- ▶ 1. “Real Wages and the Business Cycle: Accounting for Worker, Firm, and Job Title Heterogeneity”
- ▶ 2. “Losing my religion: The effects of religious scandals on religious participation and charitable giving.”
- ▶ 3. “Can we stay one step ahead of cheaters? A field experiment in proctoring online open book exams”
- ▶ 4. “Sporting Events, Emotional Cues, and Crime: Spatial And Temporal Evidence From Brazilian Soccer Games”



*American Economic Journal: Macroeconomics* 2012, 4 (2): 133–152  
<http://dx.doi.org/10.1257/mac.4.2.133>

## Real Wages and the Business Cycle: Accounting for Worker, Firm, and Job Title Heterogeneity<sup>†</sup>

By ANABELA CARNEIRO, PAULO GUIMARÃES, AND PEDRO PORTUGAL\*

*Using a longitudinal matched employer-employee dataset for Portugal over the 1986–2007 period, this study analyzes the wage responses to aggregate labor market conditions for newly hired workers and existing workers within the same firm. Accounting for worker, firm, and job title heterogeneity, the data support the hypothesis that entry wages are more procyclical than wages of stayers. A one point increase in the unemployment rate decreases wages of newly hired workers within a given firm-job title by around 2.7 percent and by 2.2 percent for stayers within the same firm-job title. Finally, the results reveal a one-for-one wage response to changes in labor productivity. (JEL: E24, E32, J64)*

## Losing my religion: The effects of religious scandals on religious participation and charitable giving★

Nicolas L. Bottan <sup>a</sup>, Ricardo Perez-Truglia <sup>b,\*</sup>

<sup>a</sup> *University of Illinois at Urbana-Champaign, United States*

<sup>b</sup> *Microsoft Research, United States*



Contents lists available at [ScienceDirect](#)

## Journal of Behavioral and Experimental Economics

journal homepage: [www.elsevier.com/locate/jbee](http://www.elsevier.com/locate/jbee)



### Can we stay one step ahead of cheaters? A field experiment in proctoring online open book exams

Jose J. Vazquez<sup>a,\*</sup>, Eric P. Chiang<sup>b</sup>, Ignacio Sarmiento-Barbieri<sup>c</sup>

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# Economic Inquiry



## SPORTING EVENTS, EMOTIONAL CUES, AND CRIME: SPATIAL AND TEMPORAL EVIDENCE FROM BRAZILIAN SOCCER GAMES

QI GE\*, IGNACIO SARMIENTO BARBIERI and RODRIGO SCHNEIDER

*Utilizing a novel data set of police reports that provides granular street- and vehicle-level information on vehicle thefts and robberies in the city of São Paulo, Brazil, we explore the impact of soccer games and their outcomes on crime and study its spatial heterogeneity. Estimates from a regression discontinuity design suggest that crime increases immediately after home games in streets that are within a tight radius from the stadiums. The effect is driven by vehicle thefts with popular car models being more likely to be targeted and is particularly salient after upset losses and derby games. (JEL D91, R12, Z2)*

*Journal of Economic Perspectives—Volume 30, Number 2—Spring 2016—Pages 151–178*

## **The Billion Prices Project: Using Online Prices for Measurement and Research**

Alberto Cavallo and Roberto Rigobon

## Giving Content to Investor Sentiment: The Role of Media in the Stock Market

PAUL C. TETLOCK\*

### ABSTRACT

I quantitatively measure the interactions between the media and the stock market using daily content from a popular *Wall Street Journal* column. I find that high media pessimism predicts downward pressure on market prices followed by a reversion to fundamentals, and unusually high or low pessimism predicts high market trading volume. These and similar results are consistent with theoretical models of noise and liquidity traders, and are inconsistent with theories of media content as a proxy for new information about fundamental asset values, as a proxy for market volatility, or as a sideshow with no relationship to asset markets.

*Econometrica*, Vol. 46, No. 1 (January, 1978)

## REGRESSION QUANTILES<sup>1</sup>

BY ROGER KOENKER AND GILBERT BASSETT, JR.

A simple minimization problem yielding the ordinary sample quantiles in the location model is shown to generalize naturally to the linear model generating a new class of statistics we term “regression quantiles.” The estimator which minimizes the sum of absolute residuals is an important special case. Some equivariance properties and the joint asymptotic distribution of regression quantiles are established. These results permit a natural generalization to the linear model of certain well-known robust estimators of location.

Estimators are suggested, which have comparable efficiency to least squares for Gaussian linear models while substantially out-performing the least-squares estimator over a wide class of non-Gaussian error distributions.

## THE IMPACTS OF NEIGHBORHOODS ON INTERGENERATIONAL MOBILITY II: COUNTY-LEVEL ESTIMATES\*

RAJ CHETTY AND NATHANIEL HENDREN



Review of Economic Studies (2018) 85, 1683–1715

doi:10.1093/restud/rdx065

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## Decriminalizing Indoor Prostitution: Implications for Sexual Violence and Public Health

SCOTT CUNNINGHAM

*Baylor University*

and

MANISHA SHAH

*University of California, Los Angeles & NBER*

## Estimates of the Impact of Crime Risk on Property Values from Megan's Laws

*By* LEIGH LINDEN AND JONAH E. ROCKOFF\*

Crime is predominantly a local issue. The majority of both violent and nonviolent offenses takes place less than one mile from victims' homes, and most government expenditures on police protection are local (Bureau of Justice Statistics 2004; Census of Governments 2003). In response to crime risk, residents generally have two options: they can vote for anti-crime policies, or they can vote with their feet. When individuals exercise the latter option, local response to crime will be observed in the housing market. This may be particularly salient for crime, since individuals can reduce their exposure without moving great distances, and empirical evidence on urban flight supports this notion (Julie B. Cullen and Steven D. Levitt 1999).

## DO INCOME SHOCKS AFFECT DOMESTIC VIOLENCE?

Jillian B. Carr \*

Analisa Packham<sup>†</sup>

October 24, 2018

### Abstract

This project examines how the timing of nutritional assistance payments affects instances of domestic violence, using a policy change in Illinois that altered SNAP benefit issuance timing to evaluate two arguments: (i) parents or partners use violence as a way to express frustration near the end of the month when resources are lean, and/or (ii) parents or partners use violence as a way to control the allocation of household resources shortly after an influx of benefits. Using crime-level data, we find that distributing SNAP benefits later in the month increases domestic abuse by 6.7% and child maltreatment by 32.5%.

*Econometrica*, Vol. 78, No. 1 (January, 2010), 35–71

## WHAT DRIVES MEDIA SLANT? EVIDENCE FROM U.S. DAILY NEWSPAPERS

BY MATTHEW GENTZKOW AND JESSE M. SHAPIRO<sup>1</sup>

We construct a new index of media slant that measures the similarity of a news outlet's language to that of a congressional Republican or Democrat. We estimate a model of newspaper demand that incorporates slant explicitly, estimate the slant that would be chosen if newspapers independently maximized their own profits, and compare these profit-maximizing points with firms' actual choices. We find that readers have an economically significant preference for like-minded news. Firms respond strongly to consumer preferences, which account for roughly 20 percent of the variation in measured slant in our sample. By contrast, the identity of a newspaper's owner explains far less of the variation in slant.

**KEYWORDS:** Bias, text categorization, media ownership.

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## Housing Discrimination and the Toxics Exposure Gap in the United States: Evidence from the Rental Market

Peter Christensen, Ignacio Sarmiento-Barbieri, Christopher Timmins

> Author and Article Information

*The Review of Economics and Statistics* (2022) 104 (4): 807–818.

[https://doi.org/10.1162/rest\\_a\\_00992](https://doi.org/10.1162/rest_a_00992)      Article history

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### Abstract

Local pollution exposures have a disproportionate impact on minority households, but the root causes remain unclear. This study conducts a correspondence experiment on a major online housing platform to test whether housing discrimination constrains minority access to housing options in markets with significant sources of airborne chemical toxics. We find that renters with African American or Hispanic/Latinx names are 41% less likely than renters with white names to receive responses for properties in low-exposure locations. We find no evidence of discriminatory constraints in high-exposure locations, indicating that discrimination increases relative access to housing choices at elevated exposure risk.

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# El Método de los Economistas

- ▶ Modelos estan intimamente ligados al método

# El Método de los Economistas

- Modelos estan intimamente ligados al método

*“Modl” has evolved into an abstract concept which dominates the Econ’s perception of virtually all social relationships ... Thus, in explaining to a stranger, for example, why he holds the Sociogs or the Polscis in such low regard, the Econ will say that “they do not make modls” and leave it at that.*

Leijonhufvud, A. (1973). Life among the Econ. *Economic Inquiry*, 11(3), 327-337.



# El Método de los Economistas: Modelos

## Modelos como fuente de crítica

- ▶ También suelen ser la principal fuente de crítica
- ▶ Se suele argumentar que los modelos capturan casi todo lo que esta mal con la profesión
  - ▶ Reducir la complejidad de la vida social a un par de relaciones simplificadas
  - ▶ El uso de supuestos poco realistas
  - ▶ La obsesión con el rigor matemático sobre el realismo
  - ▶ etc.

# Sobre los modelos

## La utilidad de los modelos

- ▶ Modelos son la piedra angular de la forma como los economistas entendemos el mundo.
- ▶ Es en esta simplicidad, formalismo, y “olvido” de las facetas de la vida real lo que lo hacen valiosos!!!
- ▶ Estas son características de los modelos, y **no** fallas

# Sobre los modelos

Hay muchos modelos útiles, pero no hay un solo modelo único y universal

- ▶ Hay muchos modelos útiles, pero no hay un solo modelo único y universal
- ▶ Lo que hace útil a un modelo es que captura un aspecto de la realidad, **no toda la realidad**.

*"It captures the most relevant aspect of reality in a given context."* D. Rodrik

*"Models are never true but there is truth in models"* D. Rodrik

*"All models are wrong, but some are useful"* G. Box

# Sobre los modelos

## Los Modelos como Mapas

- Jorge Luis Borges. "Del Rigor en la Ciencia". (1946)

*En aquel Imperio, el Arte de la Cartografía logro tal Perfección que el mapa de una sola Provincia ocupaba toda una Ciudad, y el mapa del Imperio, toda una Provincia. Con el tiempo, estos Mapas Desmesurados no satisficieron y los Colegios de Cartógrafos levantaron un Mapa del Imperio, que tenia el tamaño del Imperio y coincidía puntualmente con el.*

*Menos Adictas al Estudio de la Cartografía, las Generaciones Siguietes entendieron que ese dilatado Mapa era Inútil y no sin Impiedad lo entregaron a las inclemencias del Sol y los Inviernos. En los desiertos del Oeste perduran despedazadas Ruinas del Mapa, habitadas por Animales y por Mendigos; en todo el País no hay otra reliquia de las Disciplinas Geográficas.*

- Escucharlo directamente del maestro: [www.palabravirtual.com](http://www.palabravirtual.com)

# Sobre los modelos

*"We can only understand the world by simplifying it." D. Rodrik*

- ▶ La clave es la simplificación (a través de supuestos): aislar ciertos mecanismos, separándolos de otros factores menos importantes.
- ▶ Un modelo: Un mundo artificial (de juguete) donde podemos entender que pasa si nos concentramos sólo en algunos aspectos que consideramos como los más relevantes en una situación dada.
- ▶ Los modelos nos permiten verificar hipótesis, separar mecanismos específicos, y entender relaciones de causa y efecto.

*"We can only understand the world by simplifying it." D. Rodrik*

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# Recap y Preview

## ► Recap

- Los economistas nos metemos en todos lados!!!
- Los modelos son parte clave del quehacer de los economistas

## ► Next

- Más sobre la utilidad de los modelos
- Ir leyendo el artículo “The Economics of Brushing Teeth” de Alan S. Blinder, publicado en el Journal of Political Economy en 1974.
  - Tarea para el miércoles 14 de agosto, para trabajar en clase
  - Sirve para la Actividad 1 que debe ser entregada Domingo 18 de Agosto

# Equipo Docente y links útiles

**Profesor:** Ignacio Sarmiento-Barbieri ([i.sarmiento@uniandes.edu.co](mailto:i.sarmiento@uniandes.edu.co))

- ▶ Horario de atención a estudiantes: Hacer cita en [este link](#)

**Profesor Asistente:** María Alejandra Saavedra ([ma.saavedra@uniandes.edu.co](mailto:ma.saavedra@uniandes.edu.co))

- ▶ Horario de atención a estudiantes: Miércoles 11:00am a 12:00pm. Por favor solicitar cita previa por lo menos con 12 horas de antelación via correo electrónico.



# Organización del curso

El curso está organizado en momentos.

- 1 “Ser Economista”, donde reflexionaremos sobre en qué consiste ser economista
- 2 “Hacer Economía”, donde pondremos en práctica el método del economista y los aprendizajes de los estudiantes a lo largo de su carrera.

# Organización del curso

- ▶ Comunicaremos oportunamente a los estudiantes las lecturas, tareas y actividades por desarrollar, así como la fecha de entrega correspondiente.
- ▶ Los anuncios y entregas las haremos por Bloque Neón
- ▶ Es responsabilidad de los estudiantes asistir a clase y hacerle seguimiento a esta información.

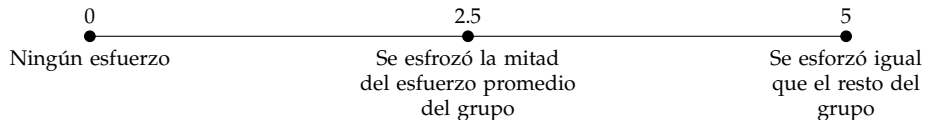
# Organización de las clases

- ▶ A lo largo del curso los estudiantes deberán desarrollar actividades
  - ▶ Individuales
  - ▶ Grupales (3 a 5 personas)
- ▶ Dentro y fuera de clase.

# Evaluaciones Tipo X

La calificación de las evaluaciones tipo X pondera el desempeño grupal y el esfuerzo individual.

- ▶ Un grupo de trabajo,  $G$ , está conformado por  $g$  integrantes.
- ▶ *Esta calificación sera anónima.*



## Evaluaciones Tipo X

- ▶ Sea  $Y_G$  la nota asignada por el profesor asistente al trabajo entregado y  $x_j^i$  la nota de esfuerzo asignada por el estudiante  $j$  al estudiante  $i$ .
- ▶ La calificación de cada actividad de “Evaluación Tipo X” es calculada así:

$$nota_i = 0.5X_i + 0.5Y_G \quad (1)$$

donde:

$$X_i = \frac{\theta_i}{5} Y_G \quad (2)$$

$$\theta_i = \frac{1}{(g-1)} \sum_{j \neq I} x_j^i \quad (3)$$

# Plazo para diligenciar las evaluaciones de sus compañeros

- ▶ Después de entregar el trabajo en grupo en la fecha asignada por el profesor, en Bloque Neón estará disponible un enlace para que cada estudiante diligencie las evaluaciones de sus compañeros.
- ▶ Tiene **7 días calendario/UNA semana** para completar dichas evaluaciones.
- ▶ Si cumplido este plazo no se diligencia el formulario, la nota grupal **para el individuo que NO** diligenció las evaluaciones quedará en 0. Es decir,  $X_i = 0$