

Econ 643: Microeconomics research seminar
John Gardner

Course info

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Office hours: TBA Time and place: TBA

Description

The purpose of this course is to help students learn how to formulate research questions, devise and implement empirical strategies, and effectively communicate the results. In other words: how to write research papers. The course will emphasize empirical research papers, although we will also discuss theoretical work, including the connection between theoretical background and empirical strategies. Ideas will be introduced primarily through careful readings and extensive in-class discussions of a large number of papers.

Outline

The first part of the course will consist of a short, but intensive, discussion of credible identification strategies and research designs. Each student will prepare and deliver a short presentation on an econometric identification method.

For the second part of the course, students will read, critique, and discuss a large number of research papers. The goal of this part of the course is to expose students to a variety of papers using different empirical and theoretical approaches and of varying levels of quality.

Each week, one student will submit a brief research proposal and select a discussion paper. Students should select two papers to discuss (one from the list supplied below, and one unpublished NBER working paper).¹ In class, we will critique the writing and research design in the proposal and discuss the paper.

The research proposals and in-class discussions will organized around the following points:

1. What is the specific research question, and why is it important?
2. What is the identification strategy/research design?
3. What data are/could be used?
4. What threats are there to the validity of the identification strategy, and how can they be addressed?

Students are also required to attend the department seminars, and we will discuss the seminar papers in class.

Assessment

- Research proposals: 45%
- Class participation: 45%
- Seminar attendance: 10% (missing more than one seminar during the semester guarantees a B or lower)

¹New papers are available at <http://www.nber.org/new.html#latest>.

The three commandments of empirical economics

1. **Read papers.** Lots of them. Dissect them carefully. This is the best way to learn how to do economics. It is also the best way to keep up with the discipline: what are the big questions and what are the best tools with which to answer them.
2. **Identification is everything.** If you don't have good identification, you don't have a paper. Always be looking for new and better sources of exogenous variation in the treatment that you want to analyze. Be the harshest critic of your identification strategy. Do everything you can—different data sources, estimation methods, research designs, etc.—to convince yourself and others that your identification strategy is credible and valid.
3. **Be clear.** Your hard work means nothing if people can't understand it. Organize your paper in a way that leads the reader naturally from the question to the conclusion. And strive to make sure that every sentence you write conveys the idea that you have in your mind.

Readings

Methodology readings (starred papers required)

- * Angrist, Joshua D, and Alan B Krueger. 1999. "Empirical Strategies in Labor Economics." In *Handbook of Econometrics*, edited by Orley Ashenfelter and David Card, 3:1277-1366. Elsevier Science. http://web.stanford.edu/group/scspi/_media/pdf/Reference%20Media/Angrist_Krueger_1999_Measurment%20and%20Methodology.pdf.
- * Leamer, Edward. 1983. "Let's take the con out of econometrics." *American Economic Review* 73 (1):31-43. http://www.international.ucla.edu/media/files/Leamer_article.pdf.
- * Lalonde, Robert J. 1986. "Evaluating the Econometric Evaluations of Training Programs with Experimental Data." *The American Economic Review* 76 (4): 604–20. https://www3.nd.edu/~wevans1/class_papers/lalonde_aer.pdf.
- * Angrist, Joshua and Jorn-Steffen Pischke. 2010. "The credibility revolution in empirical economics: How better research design is taking the con out of econometrics." *Journal of Economic Perspectives* 24 (2):3-30. <http://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.24.2.3>.
- * Angrist, Joshua D, and Alan B Krueger. 2001. "Instrumental Variables and the Search for Identification: From Supply and Demand to Natural Experiments." *Journal of Economic Perspectives* 15 (4): 69-85. <http://economics.mit.edu/files/18>.
- Dixit, Avinash. 1998. "My system of work (not)." *The American Economist*: 10-16. <https://www.princeton.edu/~dixitak/home/dixitwrk.pdf>.
- Glaeser, David. 2003. "How to write a theory paper." Unpublished notes. http://www.princeton.edu/~reddings/tradephd/Glaeser_Lecture_11.pdf.
- Kennedy, Peter. 2002. "Sinning in the basement: What are the rules? The ten commandments of applied econometrics." *Journal of Economic Surveys* 16(4): 569-589. <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.200.5999&rep=rep1&type=pdf>.
- Nevo, Aviv, and Michael D Whinston. 2010. "Taking the Dogma out of Econometrics: Structural Modeling and Credible Inference." *Journal of Economic Perspectives* 24 (2): 69–82. <http://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.24.2.69>.
- Varian, Hal. 2009. "How to Build an Economic Model in Your Spare Time." Unpublished manuscript. <http://people.ischool.berkeley.edu/~hal/Papers/how.pdf>.

Readings on writing (starred papers are required)

* McCloskey, Donald. 1985. Economic Writing. Economic Inquiry. <http://www.kimoon.co.kr/gmi/reading/economical-writing.pdf>.

Thomson, William. 1999. "The young person's guide to writing economic theory." Journal of Economic Literature 37:157-183. <http://dipeco.economia.unimib.it/Persone/Gilli/resources%20for%20young%20economists/The%20Young%20Person's%20Guide%20to%20Writing%20Economic%20Theory.pdf>.

McCloskey, Deirdre. 1999. Economical Writing. Waveland Press.

Strunk, William Jr. and E.B. White. 1999. The Elements of Style. Longman.

Thomson, William. 2001. A Guide for the Young Economist. MIT Press.

Hamermesh, Daniel. "How to publish in a top journal." Unpublished presentation. <https://www.wiwi.hu-berlin.de/professuren/vwl/wtm2/hamermeshslides>.

Discussion papers (Each student will select one paper from this list and one unpublished NBER working paper)

Altonji, Joseph G., and Charles R. Pierret. 2001. "Employer Learning and Statistical Discrimination." Quarterly Journal of Economics 116 (1): 313-50. <http://public.econ.duke.edu/~hf14/teaching/povertydisc/readings/altonji-pierret2001.pdf>.

Angrist, Josh D., and Alan B. Krueger. 1991. "Does Compulsory School Attendance Affect Schooling and Earnings?" Quarterly Journal of Economics 106 (4): 979-1014. <http://web.stanford.edu/~pista/angrist.pdf>.

Bertrand, Marianne, and Sendhil Mullainathan. 2001. "Are CEOs Rewarded for Luck? The Ones Without Principals Are." The Quarterly Journal of Economics 116: 901-32. http://web.stanford.edu/group/scspi/_media/pdf/Reference%20Media/Bertrand%20and%20Mullainathan_2001_Elites.pdf.

Card, David, and Alan B. Krueger. 1994. "Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania." American Economic Review 84 (4): 772-93. <http://davidcard.berkeley.edu/papers/njmin-aer.pdf>.

Card, David, and Alan B. Krueger. 1992. "Does School Quality Matter? Returns to Education and the Characteristics of Public Schools in the United States." Journal of Political Economy 100 (1): 1-40. http://web.stanford.edu/group/scspi/_media/pdf/Classic_Media/Card%20and%20Krueger_1992_Education.pdf.

Card, David, and Thomas Lemieux. 2001. "Can Falling Supply Explain the Rising Return to College for Younger Men? A Cohort-Based Analysis." Quarterly Journal of Economics 116 (2): 705-46. http://www2.econ.iastate.edu/classes/econ521/orazem/Papers/card_lemieux.pdf.

Cutler, David M., and Edward L. Glaeser. 1997. "Are Ghettos Good or Bad?" Quarterly Journal of Economics 112 (3): 827-72. http://www.econ.wayne.edu/agoodman/7500/functions/Good_or_Bad.pdf.

Donohue III, John J., and Steven D. Levitt. 2001. "The Impact of Legalized Abortion on Crime." The Quarterly Journal of Economics 116 (2): 379-420. <http://pricetheory.uchicago.edu/levitt/Papers/DonohueLevittTheImpactOfLegalized2001.pdf>.

- Grogger, Jeff. 1998. "Market Wages and Youth Crime." *Journal of Labor Economics* 16 (4): 756-91. <http://people.terry.uga.edu/mustard/courses/e8420/Grogger-Youth-Crime.pdf>.
- Guryan, Jonathan. 2004. "Desegregation and Black Dropout Rates." *American Economic Review* 94 (4): 919-43. <http://public.econ.duke.edu/~hf14/teaching/povertydisc/readings/guryan2004.pdf>.
- Lazear, Edward P. 2000. "Performance Pay and Productivity." *American Economic Review* 90 (5): 1346-61. <http://www.econ.yale.edu/~dirkb/teach/pdf/1/lazear/2000-performancepay.pdf>.
- Lee, David S. 2008. "Randomized Experiments from Non-Random Selection in U.S. House Elections." *Journal of Econometrics* 142: 675-97. <https://www.princeton.edu/~davidlee/wp/RDrand.pdf>.
- Neal, Derek A., and William R. Johnson. 1996. "The Role of Premarket Factors in Black-White Wage Differences." *Journal of Political Economy* 104 (5): 869. <http://people.terry.uga.edu/mustard/courses/e8420/Neal-Johnson-Premarket.pdf>.