

# ECM701 Frontiers of Economic Research

## Writing the introduction

October 2022



*I would guess that the fate of at least 75 percent of articles—whether they get sent out for review, or whether a revision is solicited by the journal when they do get sent out for review—is driven by the introduction.*

Marc Bellemare

Following: <https://www.cgdev.org/blog/how-write-introduction-your-development-economics-paper>

- 1 Motivate with a puzzle or a problem (1 paragraph)
- 2 Clearly state your research question (1 paragraph)
- 3 Empirical approach (1 paragraph)
- 4 Detailed results (3–4 paragraphs)
- 5 Value-added relative to related literature (1–3 paragraphs) ↑
- 6 Optional paragraphs: robustness checks, policy relevance, limitations

# Keith Head's (2020) introduction formula

- Hook: something that grabs the reader's attention and makes her want to keep reading
- Research question
- Antecedentes: relate your work to the **five to ten** closest studies (the closer to five, the better) in the literature.
- Value added: 2-3 contributions
- Roadmap ? → Many papers still have it.

## 1. Introduction

Globalization has been characterized by a significant increase in world imports. Falling tariff and non-tariff barriers, as well as lower transportation costs, have produced steady growth in the trade of intermediate goods. This has been especially the case in developing countries, which are very dependent on foreign technology. The endogenous-growth literature has provided theoretical arguments for the role of foreign inputs in producing efficiency gains and economic growth (Coe and Helpman, 1995; Ethier, 1979, 1982; Grossman and Helpman, 1991; Markusen, 1989; Rivera-Batiz and Romer, 1991). Given their predominant role in international trade, the analysis of the effects of access to foreign inputs on firm performance has become key to the understanding of the micro-determinants of economic growth in developing countries.

Recent empirical work has considered the relationship between imported intermediate goods and firm productivity gains (Amiti and Konings, 2007; Bas and Strauss-Kahn, 2011; Halpern et al., 2009; Kasahara and Rodrigue, 2008; Schor, 2004). This literature has highlighted three main channels through which input liberalization affects firm performance: (i) the reduction of production factor costs; (ii) access to new imported input varieties; and (iii) access to higher-quality inputs.

Bas 2012 JDE

## I. INTRODUCTION

The level and structure of public-sector compensation play a key role in the ability of governments to attract, retain, and motivate high-quality employees, and to deliver services effectively (Finan, Olken, and Pande 2017). As a result, countries sometimes implement large increases in public-sector salaries to attract higher-quality applicants to government jobs and to better motivate existing employees (see Govt. of India 2008 and 2015 for instance). While such salary increases may improve the quality of new employees hired over time, they also lead to substantially higher salary spending on existing employees, with large fiscal costs that crowd out other public expenditure.<sup>1</sup> Thus, understanding the extent to which unconditional pay increases make incumbent public-sector workers more motivated and productive is a key consideration in evaluating the cost effectiveness of such salary increases.

Ree et al. QJE

## 1 Introduction

Traditional trade theory predicts a decrease in inequality in developing countries during periods of integration in the global economy. The slow economic progress of poor workers in many parts of Africa, Asia, and Latin America during the last few decades therefore surprised economists. Two potential explanations were proposed and compared: skill-biased technological change (SBTC) and features of international trade—such as outsourcing (see e.g. Feenstra & Hanson, 1996, 1999, 2003) and quality upgrading (see e.g. Verhoogen, 2008; Frias et al., 2009)—that could alter the logic underlying expectations of job growth and greater equality in unskilled labor-abundant countries post-integration (Feenstra & Hanson, 2003; Goldberg & Pavcnik, 2007; Harrison et al., 2011; Goldberg, 2015). Two decades of research led to wide agreement that both explanations play a role, and that they probably interact (Wood, 1995; Acemoglu, 2003; Attanasio et al., 2004; Burstein et al., 2013; Koren & Cusillag, 2016; Raveh & Reshef, 2016). But this conclusion was built on studies of trade-induced technological change. To date, there is no direct evidence on the average and distributional economic effects in poor countries of the spread of the modern information and communication technologies (ICT) that help explain increasing inequality in rich countries' labor markets.

In this paper, we estimate how fast Internet—"the greatest invention of our time" (The Economist, 2012)—affects poor countries' economies.<sup>1</sup> To do so, we compare individuals and firms in locations in Africa that are on the terrestrial network of Internet cables to those that are not. We compare these two

Hjort and Poulsen AER

# Research question

## Second paragraph

technologies (ICT) that help explain increasing inequality in rich countries' labor markets.

In this paper, we estimate how fast Internet—"the greatest invention of our time" (The Economist, 2012)—affects poor countries' economies.<sup>1</sup> To do so, we compare individuals and firms in locations in Africa that are on the terrestrial network of Internet cables to those that are not. We compare these two groups during the gradual arrival on the coast of submarine cables from Europe that greatly increase speed

Hjort and Poulsen AER

## Second paragraph

just access to top jobs for individual students, but the composition of top jobs overall. Further, helping talented students access economic opportunity regardless of background is a core policy objective for colleges in general and elite universities in particular (Hoxby and Avery 2013, Chetty et al. 2017).

In this paper, I combine administrative and archival data from Chile with a regression discontinuity design to study how admission to elite business-focused degree programs affects the rates at which students from different backgrounds reach top positions in the economy. I link data on applications to elite degree programs dating back more than 40 years to administrative tax records as well as to records of top management teams at publicly traded corporations, and use variation in admissions outcomes generated by score-based cutoff rules to identify the causal effects of admission. In addition to facilitating measurement of top outcomes and credible causal inference, the Chilean setting is an informative one because intergenerational

Zimmerman 2019 AER

## First paragraph

This paper investigates how working alongside friends affects employee productivity and whether this effect varies as a function of a worker's personality skills. I designed and implemented a field experiment that randomly assigned workers to workstations in a seafood-processing plant in Vietnam. I exploit this exogenous variation to estimate the effect of having socially tied coworkers nearby

Park AEJ: Applied

## Third paragraph

These findings are consistent with evidence in other settings where the rural landless poor are employed in low-pay and insecure activities (Bardhan 1984a; Dreze 1988; Dreze and Sen 1991; Rose 1999; Kaur 2014).<sup>1</sup>

The key question we examine in the paper is whether enabling the poorest women to take on the same work activities as the better off women in their villages can set them on a sustainable path out of poverty. To answer this question we evaluate BRAC's Targeting the Ultra-Poor (TUP) program that provides a one-off transfer of assets and skills to the poorest women with the aim of instigating occupational change. Intuitively, if the poor face barriers to entering high

Bandiera et al.

# Methodology

## 1 Introduction

As of today around a billion people are deemed to be living in extreme poverty. Since labor is their primary endowment, attempts to lift them out of poverty require us to understand the link between poverty and labor markets and whether policy interventions that move them into higher return labor activities can set them on a sustainable trajectory out of poverty. **To shed light on the issue we combine a detailed labor survey that tracks over 21,000 households, drawn from the entire wealth distribution in 1,309 rural Bangladeshi villages, four times over a seven year period, with the randomized evaluation of the nationwide roll-out of a program that transfers assets and skills to the poorest women in these villages.**

Bandiera et al.

ambitious goals that aims to enhance the following outcomes: (i) generosity, helpfulness and prosocial behavior; (ii) tastes for socially interacting with or discriminating against the poor; and (iii) learning and classroom behavior.

**My first econometric strategy exploits the plausibly exogenous staggered timing of a policy change that required elite private schools to offer free places to poor students. This causes a sharp discontinuity across cohorts in the presence of poor students.** In most schools, cohorts beginning schooling in 2007 or later have many poor students, while older cohorts are comprised exclusively of rich students. However, a small control group (about 4%) of elite private schools are entirely exempt from the policy for historical reasons, while

Rao AER

technologies (ICT) that help explain increasing inequality in rich countries' labor markets.

In this paper, we estimate how fast Internet—"the greatest invention of our time" (The Economist, 2012)—affects poor countries' economies.<sup>1</sup> To do so, we compare individuals and firms in locations in Africa that are on the terrestrial network of Internet cables to those that are not. We compare these two groups during the gradual arrival on the coast of submarine cables from Europe that greatly increase speed and capacity on the terrestrial network. We show how employment rates, occupational employment shares, job inequality across the educational attainment range, and the underlying extensive (Internet take-up) and intensive (Internet speed) margin, respond. We also show evidence on three particular mechanisms through

Hjort and Poulsen AER

# Description of the results

- Papers in top journals dedicate a substantial portion of their introduction to their results, often 3–5 paragraphs (or between 25 and 30 percent of entire introduction).
- Some papers plow through a whole host of results (arguably more than half the introduction of Bandiera et al.).
- Others alternate, setting up an empirical strategy, summarizing the results, then another empirical strategy, then more results.
- Readers should be able to confidently cite your paper after they read your introduction.



# Contribution

- Position your work relative to previous evidence.
- In most articles in top journals, the bulk of that discussion comes toward the end of the introduction
- The point of the introduction is to introduce **your** work, so don't make readers wade through paragraphs of other people's work to get to it.
- Even papers in top journals are building on existing literature; they just hold off on the detailed discussion of that literature.
- → See slides on literature review