

## **ECON-4400W (MW9)** **Instructions for Term Project**

The purpose of the project is to provide you the opportunity to apply the econometric skills learned in class to real world issues. The project involves posing a problem, collecting an appropriate data set, conducting an econometric analysis, and writing the results on the form of a short research paper.

In order to ensure timely progress toward project completion, the project will have two intermediate deadlines. Each student must submit a problem statement (maximum 2 pages) identifying the data set you plan to use and the economic problem you plan to study. Note that **you must use cross-sectional data** for this project and at minimum two explanatory (i.e. independent) variables. Please include in the first page, your full name, CUNY ID and a tentative title of the research paper. **The problem statement is due by February 22.**

Once I have approved the problem statement, students need to prepare a model description (no more than two pages). This should use some economic theory to develop the problem identified earlier into an explicit conceptual and/or theoretical and/or mathematical model with testable hypothesis or forecasts of interest. If possible, include the information about data sources. **The model description is due by April 3.**

Each student will give a live presentation of their research findings. This presentation will be about 10 minutes (depending on class enrollment) during which you are to motivate and summarize your research project. You are expected to use PowerPoint or similar software to present your work. Your attendance at the presentations of others is part of your presentation grade. The purpose is to encourage you to learn how to report economic questions, theory, and results. **The research project presentation session will take place during the last two classes May 10 / May 15 and is worth 10% of your grade.**

**A final written paper needs to be submitted no later than May 17, 2023.** The paper should be no more than 10 pages long (inclusive of tables, footnotes, and bibliography), typed (12pt Times New Roman), double spaced. The term paper is worth 20% of your course grade and should have at the minimum:

- an introduction that motivates your research topic, a description of the economic model used, and the empirical methodology used to test your hypothesis
- a section reporting your statistical findings (including regression analysis) using graphs, tables, etc. plus an economic analysis of these results
- a conclusion that summarizes your findings, how they compare with earlier literature, and addresses policy implications and unresolved issues

A suggested paper structure is as follows:

1. Introduction of the economic/econometric problem.
2. Brief review of the relevant literature and a brief description of the **economic** model.
3. Description of the **econometric** model and the data you chose.
4. Description and interpretation of results (including results of diagnostic tests)
5. Conclusion
6. References
7. Tables and figures

Sections 3 and 4 are the core of the paper. Put extra effort into these sections. You must be able to motivate your choice of data, the formulation of the model, and the econometric techniques you used. Explain why you have included each of the variables you have used. Justify the exclusion of variables that others may deem important. Explain your econometric techniques. What are the assumptions you are making? What diagnostic test did you undertake? Is heteroscedasticity or autocorrelation present? Did you correct for it? If not, what can you do to correct for it?

Final paper is to be submitted to me via e-mail in PDF format. When you email me the final copy of the paper, please mention your name and CUNY ID and attach the data set that you used, and the program output from the statistical software package or the Excel document.

#### Summary of Timeline:

Project Requirement	Date Due
Problem Statement	Feb 22
Model Description	Apr 3
Presentations	May 10 – May 15
Final Report	May 17