

## **Applied Econometric Essay (Deadline – April 30, 2022, 23:55)**

Dear students. You are invited to take part in a special part of the course "Elements of Econometrics" writing Applied Econometric Essay. The goal of the essay is to develop your applied econometrics skills, learn in a better way econometrics and prepare better for serious work in econometric analysis of real data. This task is not obligatory so the grade for the essay gives additional points to the total grade for the course.

### **General info**

You can choose topic depending on your interests in the area that attracts you and uses social and economic data that is the main subject of econometrics. Works that are a continuation of the student's previous scientific developments are welcome. At the same time, econometric analysis should be new, not used in previous term papers. On the other hand the completed essay can be used for your subsequent research papers.

In the case when the author chooses a topic that is far from the scope of econometric research, it will be necessary to justify the choice of the topic, explaining why it is relevant for our course. You will also need to demonstrate theoretical and practical knowledge in the chosen field.

You can use any type of data (cross-section, time-series, panel data). It is assumed that you yourself will find or collect the necessary data from primary sources. An important part of the work is the description of the process of data collection and primary processing. Work that uses ready-made data from the internet will, all other things being equal, receive a significantly lower score since the publication of data ready for econometric analysis indicates that the corresponding study has been successfully completed and tested, usually the study itself is also available, so the independence of such work becomes doubtful.

### **Rules**

1. The work should be done individually.
2. The work should be started and completed during the second semester of the third year of study.
3. The methods used should correspond to the program of the course "Elements of Econometrics", its methods and models.
4. The essay should include the statement of the problem considered, a brief review of the literature used, a description of the data, a description and analysis of the model and the methods used, the results of the calculations and their analysis and conclusions. The focus should be on econometrics. The paper can also contain a limited amount of information related to the specifics of the problem under consideration.

The text of your essay should be written in English and typed on computer including formulas, graphs and so on, respecting the rules for the writing of scientific publications. The text should be well organized and structured and finally it should be submitted in Microsoft Word or pdf format.

5. The first page of submitted essay should contain the title of the work, the name and surname of the author, as well as personal email address for feedback. On the title page, you must also indicate all the programs

and programming languages used (no points for software development are provided, only the ability to apply econometric methods is evaluated).

6. The volume of essay itself (from the title to conclusions) cannot exceed 10 standard printed pages (typed in 12 pt, no more than 5000 words total). The text may also contain an appendix in addition to the specified volume, containing technical information (codes, printouts of results, transcripts of data etc.) provided that this information is used in the main body of the essay.
7. The collected data in standard Microsoft Excel format (xls or xlsx) and additionally in a format directly suitable for processing in the used econometric program must also be submitted together with the essay. (The student version of Eviews does not allow you to save the work file, in which case you need to indicate the fact that the work was done in the student version on the main page, and submit an Excel file ready for direct loading into Eviews).
8. The essay should contain a full description of the data used indicating clearly the data sources. The data files should be free of redundant information not used in the essay.
9. The text of essay together with data files and additional files should allow to reproduce any part of your work by the grader using the same econometric software. Incomplete description or incomplete data, or incomplete info on paths to used data files in programming, making such reproduction impossible, can lead to a significant decrease in the evaluation of the study. Check and make sure that all results can be reproduced from your data and description.
10. Ready essay should be downloaded before deadline. All files including essay itself, data xlsx file, work file ready for calculations and additional file(s) with code or other technical data if necessary (no more than 5 files total) must be downloaded as a single zip archive without a password. Use of links to cloud storages and third-party sites is prohibited. Before uploading to the system check that all the rules mentioned above are fulfilled. Projects uploaded in violation of these rules will not be considered or receive a significantly lower grade.

## **Defence and feedback**

Students defend their work before a panel of course instructors under the guidance of the course lecturer. On the defense, you may be asked questions about the work, as well as on the theory and practice of econometrics used in the work, you also may need to reproduce the calculations performed on the student's computer. Failure to answer the proposed questions significantly reduces the grade. The commission has the right to exempt some students from the defense procedure, having been satisfied with the consideration of the work itself. After evaluation a grade will be given and the author will receive a short feedback via e-mail.

Good luck!

Your Econometrics team

You may consult your teachers or assistant lecturer [vladimir.tcherniak@gmail.com](mailto:vladimir.tcherniak@gmail.com)