

SYLLABUS

Economics 685
Economic Research Methods
Spring, 2007

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Office Hours: T/R 3:15-4:45pm. Wed. 1-3pm. Other hours by appointment.

Required texts: Steven Greenlaw, *Doing Economics*, Houghton Mifflin, 2006; Deirdre N. McCloskey, *Economical Writing 2nd edition*, Waveland Press, 2000.

Course Description:

This course is designed to help you to learn the basics of how to develop and pursue a research agenda. The ultimate goal of the course is to help you make progress towards completing your exit paper by choosing a topic, completing a literature review, and having a fairly good idea of what you are going to do, what data you will need (and where you can get it) and what statistical approaches you will have to undertake.

I will talk about 30 minutes each class period about how to do economic research. However, a key approach of the course is to expose you to several fields in economics, and to have you read economics *critically*. To this end you will be asked to read and critique 18 journal articles, both for technique and content. Each of you is expected to choose an article that interests you, write a 3-4 page referee report about the article and then lead a 45 minute class discussion. I have listed some interesting and/or important papers that represent a broad spectrum of empirical work in economics in fields in both microeconomics and macroeconomics; you may choose an article from this list, or choose one that is not on the list.

Additionally, for each article, about half the class will write a 1 page executive summary of the article that briefly summarizes the article and lists 2 questions or comments you have about the paper.

Class discussion and attendance are large components of how you will be evaluated in the course. My expectations of your preparedness are high and I expect you all to be active participants in the learning process.

In addition to attending class, you are expected to attend at least 3 departmental seminars over the course of the semester.

Evaluation:

Course grades will be assigned according to the following weights:

Literature review: 30% (paper = 20%, milestone report = 5%, presentation = 5%)

Written executive summaries (10 each worth 3%): 30%

Presented referee report (1 @ 15% each): 15%

Written summaries of 2 JEL articles: 10%

Class participation (includes attending departmental seminars): 15%

JEL summary #1 due: 1/30/06

JEL summary #2 due: 2/13/06

Milestone report #1 due: 3/6/06

Milestone report #2 due: 4/3/06

Paper due: 5/1/06

Tips:

For JEL summaries:

For this assignment, look at the Journal of Economic Literature (available online) for the past 7 years (or so) and choose a review article (not of a book review) in an area that interests you.

Write a short paper (around 5 pages) based on the following questions:

- 1) What is the basic research question? How does it relate to topics that you have studied before in classes?
- 2) What important issues have been “resolved”? Which remain “unresolved”? Why do they remain “unresolved”?
- 3) If you had to design a research project to continue work on this research question, what would it be? What would be your biggest problem in executing your design?

For referee reports:

Each referee report of 3-4 pages should briefly summarize the main points and findings of the paper, talk about the main question (& conclusions), how the paper fills a gap in the existing literature, identify the data set and methods the paper uses, and identify problems with the paper or additional questions it raises. You are expected to lead class discussion; have a list of questions and comments handy.

For executive summaries:

You should be able to summarize the article and its key points in a page or so. In addition, list 2 questions or comments you have and plan to discuss.

For exit papers:

Finding an exit paper topic is never easy. You should look for topics and articles that you find interesting and probe them to find out what has been done and what opportunities for further research exist. I would suggest finding topics early on (talk to professors who are working in areas you are interested in, READ (I can't stress this enough), and think). You might change topics later on, but it is important to have identified a “do-able” topic by early March when your paper milestone is due.

Good places to find current articles in the field in which you are interested include the *Journal of Economic Literature (JEL)* and the *Journal of Economic Perspectives (JEP)* at King Library (or on-line). Both *JEL* and *JEP* publish review articles that summarize both recent and more classical contributions. *Economics Literature* is a searchable online database (at the library or its website) that lists all published papers in economics. Many journals are available online at the library as well. Also check out the current working papers at the web site of the NBER. Plan on searching quite a bit; starting early is the key. Talk to faculty and find a faculty supervisor ASAP. If you are doing an empirical paper, you must find data. Several datasets are available online, but sometimes you need to collect your own (so plan ahead). Make use of all of your resources. The librarians at King are quite helpful, and faculty are always willing to talk if you come prepared.

Possible articles (choose one of these or another that is not on the list—please make it from an economics journal within the last 20 or so years)

Labor

- Bailey, Martha J. “More power to the pill: The impact of contraceptive freedom on women’s lifecycle labor supply.” *Quarterly Journal of Economics*, forthcoming.
- Bertrand, Marianne and Sendhil Mullainathan. “Are Emily and Greg More Employable than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination.” *American Economic Review*, September 2004, v. 94, iss. 4, pp. 991-1013.
- Engen, Eric M., William G. Gale, and John Karl Scholz. 1996. “The illusory effects of saving incentives on saving.” *Journal of Economic Perspectives* 10, (4): 113-38.
- Even, William E. and David Macpherson. “The Wage and Employment Dynamics of Minimum Wage Workers.” *Southern Economic Journal* 69, January 2003: 676-690.
- Goldin, Claudia and Cecilia Rouse. “Orchestrating Impartiality: The Impact of “Blind” Auditions on Female Musicians.” *American Economic Review*, September 2000, v. 90, iss. 4, pp. 715-41.
- Nardinelli, Clark and Curtis Simon. “Customer Racial Discrimination in the Market for Memorabilia: The Case of Baseball.” *Quarterly Journal of Economics*, August 1990, v. 105, iss. 3, pp. 575-95.
- Poterba, James M., Steven F. Venti, and David A. Wise. 1996. How retirement saving programs increase saving. *Journal of Economic Perspectives* 10, (4): 91-112.

Health:

- Almond, Douglas V. “Is the 1918 Influenza Pandemic Over? Long Term Effects of In Utero Influenza Exposure in the Post-1940 U.S. Population.” Working paper, 2003.
- Case, Anne, Darren Lubotsky, and Christina Paxson. “Economic Status and Health in Childhood: The Origins of the Gradient.” *American Economic Review*, December 2002, v. 92, iss. 5, pp. 1308-34.
- Chay, Kenneth Y. and Michael Greenstone. “The Impact of Air Pollution on Infant Mortality: Evidence from Geographic Variation in Pollution Shocks Induced by a Recession.” *Quarterly Journal of Economics*, August 2003, v. 118, iss. 3, pp. 1121-67.
- Cutler, David and Grant Miller. “Water, Water, Everywhere: Municipal Finance and Water Supply in American Cities.” National Bureau of Economic Research Working Paper, #10096, 2005.
- Thomasson, Melissa A. “The Importance of Group Coverage: How Tax Policy Shaped U.S. Health Insurance.” *American Economic Review*, 93(4), September 2003, 1373-84.
- Thomasson, Melissa A. “Early Evidence of an Adverse Selection Death Spiral?” *Explorations in Economic History*, 41(4), October 2004, 313-328

Experimental:

- Smith, Vernon L. “Markets as Economizers of Information: Experimental Examination of the ‘Hayek Hypothesis’.” *Economic Inquiry*, April 1982, v. 20, iss. 2, pp. 165-79.

Law & Economics:

- Benjamin Daniel K. and William R. Dougan. "Efficient Excise Taxation: The Evidence from Cigarettes." *Journal of Law and Economics*, April 1997, v. 40, iss. 1, pp. 113-36.
- Libecap, Gary D. "The Rise of the Chicago Packers and the Origins of Meat Inspection and Antitrust." *Economic Inquiry*, April 1992, v. 30, iss. 2, pp. 242-62

Public/Economics of Education:

- Black, Sandra E. "Do Better Schools Matter? Parental Valuation of Elementary Education." *Quarterly Journal of Economics*, May 1999, v. 114, iss. 2, pp. 577-99.
- Figlio, David N. and Maurice E. Lucas. "What's in a Grade? School Report Cards and the Housing Market." *American Economic Review*, June 2004, v. 94, iss. 3, pp. 591-604.

Macro/Growth:

- Acemoglu, Daron, Simon Johnson and James A. Robinson. "The Colonial Origins of Comparative Development: An Empirical Investigation." *American Economic Review*, December 2001, v. 91, iss. 5, pp. 1369-1401.
- Barro, Robert E. and Jong-Wha Lee. "IMF Programs: Who is Chosen and What are the Effects?" *Journal of Monetary Economics*, October 2005, v. 52, iss. 7, pp. 1245-1269.
- Hamilton, James D. "Oil and the Macroeconomy since World War II." *Journal of Political Economy*, April 1983, v. 91, iss. 2, pp. 228-248.
- Mankiw, N. Gregory, David Romer, and David N. Weil. "A Contribution to the Empirics of Economic Growth." *Quarterly Journal of Economics*, May 1992, v. 107, iss. 2, pp. 407-37.
- Romer, Christina D. "The Great Crash and the Onset of the Great Depression." *Quarterly Journal of Economics*, August 1990, v. 105, iss. 3, pp. 597-624