

University of Waterloo
Department of Economics
Econ 606 Research Methodology
Fall 2017
M-W 08:30-09:50

Instructor Information

Room: HH 150
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Course Description

The Research Methods course is designed to lay the foundations to prepare students for research in economics or for work as a professional economist. Research tasks include researching material, evaluating information and writing reports or brief notes on a topic, compiling a critical literature review, and designing an academic research project. You will also gain experience in presenting research work to an audience.

The class will be divided in 4 groups and each group assigned a topic: Employment, Education, Immigration or Discrimination. You will develop your research skills within your area of expertise and enrich your set of skills (and that of your classmates) by providing and receiving feedback across groups.

Text books and learning material

On occasion we will refer to analytical and statistical methods. A convenient reference guide for these is:

- Angrist, J. and J. Pischke (2008) "Mostly Harmless Econometrics", Princeton University Press
- Angrist, J. and J. Pischke (2014) "Mastering metrics. The path from cause to effect", Princeton University Press

Course Requirements and Assessment

For all work in this course, please use Chicago referencing style.

(1) Oral presentations (20%)

- You will summarize and present one paper in the research area assigned to your group (5%)
- Towards the end of term, you will present your own research proposal in a research workshop (15%)

(2) Assignments (40%)

Assignments may be done in groups. Larger discussion is encouraged and you are free to discuss assignment by consulting people from other groups. However, you have to submit an individual assignment.

- One annotated bibliography of at least 5 papers (10%)
- One policy brief within your topic (15%). The Policy brief should (i) describe the issue, providing enough background/context for readers to follow your arguments; (ii) describe the policy debate, what policies/changes are people discussing; (iii) Reference theory and report data relevant to the issue; (iv) make a supported policy recommendation regarding the policy issue.
- One research proposal (15%). The proposal should: (i) formulate the research question in detail (about 2-3 pages), framing it with reference to available literature; (ii) describe the proposed method for statistical analysis as well as the data to be used, (iii) suggest expected outcomes and outline issues that require further work. You will receive feedback on your proposal when you present it. **NOTE:** Evaluation of the final paper will consider whether you have taken these comments into consideration. You will have to demonstrate attempts to integrate the comments in your final report,

(3) Final report (35%)

A final report that updates your research proposal with the evaluation and the comments from the workshop is due on the day of the final exam. The report should be handed electronically.

(4) Class participation (5%)

Class participation is an important part of your learning experience. You should read the assigned papers in advance in order to contribute to in-class discussions, as well as during the presentations of your classmates. Participation in the workshop will be evaluated for economic content

Failure to deliver any of the above will result in a mark of 0, unless backed by a medical note, in which case an extension of 3 days for written work will be granted. If missing an oral presentation, the grade will be transferred to the final report grade. **ATTENDANCE:** Attendance on presentation dates is mandatory for the full duration of the presentations. Failure to attend ANY presentation sessions - even if you do not miss your own presentation - will result in a 50% penalty on your own presentation grade. There is no make up for this penalty

Week	Topic	Readings Due
1	Introduction – Critical thinking	
2	How to write a policy brief/Sandra Key	
3	Economic research / Data	A1 due (20 Sept)
4	Economic research / Data	
5	Lecture: Employment – Education	
6	Lecture: Discrimination - Immigration	
7	Presentations : Employment and Education	A2 due (Mon 16)
8	Presentations : Discrimination and Immigration	
9	Presentation of research proposal – Employment	
10	Presentations of research proposal - Education	
11	Presentation of research proposal - Discrimination	
12	Presentation of research proposal - Immigration	Research proposal due (Dec4)

Late Work

Late work will not be accepted under any circumstances. Electronic documents must be in Word or pdf format. Please ensure that a readable copy reaches me in the time specified in the assignment. If the document is unreadable or cannot be opened you will get a 0 in that assignment.

Electronic Device Policy

No electronic devices are allowed to be open during class, unless authorized by the instructor. Specifically, cell phones and any other electronic device that can be used for communication with other individuals or access to the internet must be switched off

Attendance Policy

Arrive to class in time. Late arrivals are very distracting. If you consistently arrive late, I will ask you to rearrange your schedule or not come to class.

Readings for presentation 1 (choose one of the non-starred ones)

1. Education

Behrman, J., M. Tincani, P. Todd, and K. Wolpin, (2016) "Teacher Quality in Public and Private Schools under a Voucher System: The Case of Chile", *Journal of Labor Economics* 34:2, 319-362

Elsner, B. and I. Isphording (2017) "A Big Fish in a Small Pond: Ability Rank and Human Capital Investment", *Journal of Labor Economics*, vol. 35 (3) pp.787-828

(* Ferrer and Riddell (2002). "The Role of Credentials in the Canadian Labor Market". *Canadian Journal of Economics*, November 2002; 35(4): 879-905

Green, D. and C. Riddell (2012) "Ageing and Literacy Skills: Evidence from Canada, Norway and the United States" IZA WP series #6424

Green, D. and K. Foley (2016) "Why More Education Will Not Solve Rising Inequality (and May Make It Worse)", in Income Inequality, the Canadian Story, Green, Riddell and St-Hilaire eds. IRPP

(* Heckman, J., L. Lochner and P. Todd (2003) "50 years of Mincer earnings regressions" NBER WP 9732; IZA DP 775

Oreopoulos, Philip (2007). "Do dropouts drop out too soon? Wealth, health and happiness from compulsory schooling," *Journal of Public Economics*, 91(11-12): 2213-2229.

2. Discrimination

Angelov, N., P. Johansson, and E.Lindahl, (2016) "Parenthood and the Gender Gap in Pay", *Journal of Labor Economics* 34(3), pp. 545-579

(* Bertrand, M. and S. Mullainathan. (2004) "Are Emily And Greg More Employable Than Lakisha And Jamal? A Field Experiment On Labor Market Discrimination," *American Economic Review*, 94(4): 991-1013.

(* Drolet, M. "The Male-Female Wage Gap" *Perspectives on Labour and Income*, December 2001, pp.5-10, Statistics Canada # 75-001-XIE

(* Goldin, C. and C. Rouse (2000) "Orchestrating Impartiality: The Impact of "Blind" Auditions on Female Musicians", *The American Economic Review*, Vol. 90, No. 4. pp. 715-741.

(*) Goldin, C. (2014) "A Grand Gender convergence: Its last chapter", *The American Economic Review*, Vol. 104(4), pp. 1091-1119.

(*) "Learning to Love Criticism." Tara Mohr. Sept 27, 2014. New York Times.

http://www.nytimes.com/2014/09/28/opinion/sunday/learning-to-love-criticism.html?_r=0

Kottelenberg, M. and S. Lehrer (2017) "Targeted or Universal Coverage? Assessing Heterogeneity in the Effects of Universal Child Care." *Journal of Labor Economics*, 35(3): 609-53.

Miller, A. R. (2011). "The effects of motherhood timing on career path." *Journal of Population Economics*, 24(3), 1071-1100.

Olivetti, C., and B. Petrongolo. 2017. "The Economic Consequences of Family Policies: Lessons from a Century of Legislation in High-Income Countries." *Journal of Economic Perspectives*, 31(1): 205-30.

3.- Immigration

(*) Borjas (1987) "Self-Selection and the Earnings of Immigrants", *The American Economic Review*, Vol. 77, No. 4 (Sep., 1987), pp. 531-553

(*) Boudarbat B., T. Lemieux (2010) "Why are the Relative Wages of Immigrants Declining? A Distributional Approach", *CLSRN working paper 65*.

(*) Card, D. "The Impact of the Muriel Boatlift on the Miami Labour Market" Aspects of Labor Market Behavior: Essays in honor of J. Vanderkamp Toronto University Press

Card, David. (2009) "Immigration and Inequality." *American Economic Review*, 99(2): 1-21.

Hunt, Jennifer, and Marjolaine Gauthier-Loiselle. (2010) "How Much Does Immigration Boost Innovation?" *American Economic Journal: Macroeconomics*, 2(2): 31-56.

Peri, Giovanni, and Chad Sparber. (2009) "Task Specialization, Immigration, and Wages." *American Economic Journal: Applied Economics*, 1(3): 135-69.

Reed, Deborah, and Sheldon Danziger. (2007) "The Effects of Recent Immigration on Racial/Ethnic Labor Market Differentials." *American Economic Review*, 97(2): 373-377.

4. Employment

(*) Autor, D. and D. Dorn (2013) "The Growth of Low-Skill Service Jobs and the Polarization of the US Labor Market", *American Economic Review* 2013, 103(5): pp. 1553–1597

Autor, D., S. Houseman and S. Kerr (2017) "The Effect of Work First Job Placements on the Distribution of Earnings: An Instrumental Variable Quantile Regression", *Journal of Labor Economics*, vol. 35(1) pp. 149-190

Autor, D., Katz, L., Kearney, M. (2008). "Trends in U.S. Wage Inequality: Revising the Revisionists." *Review of Economics and Statistics*, 90(2):300-323.

Beaudry, P., D. Green, and B. Sand (2016), "The Great Reversal in the Demand for Skill and Cognitive Tasks" *Journal of Labor Economics* 2016 34:S1, S199-S247

(*) Card, D. and A. Mas (2016), "The Labor Market in the Aftermath of the Great Recession", *Journal of Labor Economics*, vol. 34(1) pp S1-S6

Card, D., Mas, A., Moretti, E., Saez, E. (2012). Inequality at Work: The Effect of Peer Salaries on Job Satisfaction. *American Economic Review*, 102(6):298-3003.

(*) Fortin, N., D. Green, T. Lemieux and K. Milligan (2012) "Canadian Inequality: Recent Developments and Policy Options, *Canadian Public Policy*, Volume 38(2) pp. 121-145

(*) Zmitrowicz, K. and M. Khan (2014) "Beyond the Unemployment Rate: Assessing Canadian and U.S. Labour Markets Since the Great Recession", *Bank of Canada Review*, Spring 2014

Other reading material:

1.- Critical Thinking

<https://owl.english.purdue.edu/owl/resource/659/03/> (OWL is a great resource throughout the course)

PBS. (2002). "Commanding Heights, Episode One: The Battle of Ideas," documentary film.

<http://www.pbs.org/wgbh/commandingheights/hi/story/index.html>

"Breaking Through the Criticism Barrier: Making Feedback Count." Columbia University Graduate School of Arts and Sciences Teaching Center.

http://www.columbia.edu/cu/tat/pdfs/breaking_through.pdf

"Young Minds in Critical Condition." Micheal Roth, New York Times, Opinionator-Blog, May 2014.

<http://opinionator.blogs.nytimes.com/2014/05/10/young-minds-in-critical-condition/>

"Why Critical Thinking Will Never Be on a Test." Peter Green, Huff Post Education, December 13, 2015

http://www.huffingtonpost.com/peter-greene/why-critical-thinking-will-never-be-on-the-test_b_6919576.html

"Taking the Sting out of Criticism at Work." Anne Fisher, Fortune, December 18, 2014.

<http://fortune.com/2014/12/18/criticism-work-feedback-performance-review/>

"Afraid Of Being 'Found Out?' How To Overcome Impostor Syndrome". Margie Warrell. April 3, 2014.

Forbes. <http://www.forbes.com/sites/margiewarrell/2014/04/03/impostor-syndrome/>

2.- Economics Research

Kramarz, F, Angrist, J.D., Blau, D. M., Falk, A., Robin, J-M., Taber, C. (2006). "How to do Empirical Economics." *Investigaciones Económicas*, 30(2): 179-206.

Pischke (2012) "How to get started on research in economics?"

http://econ.lse.ac.uk/staff/spischke/phds/get_started.pdf

Angrist, J.D. and J-S 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

Gelman, A. (2009). "A statistician's perspective on "Mostly Harmless Econometrics: An Empiricist's Companion", by Joshua D. Angrist and Jorn-Steffen Pischke." *The Stata Journal*, 9(2): 315–320.

Deaton, A. (2007). "Random Walks by Young Economists." Letter from America, RES newsletter

https://www.princeton.edu/~deaton/downloads/letterfromamerica_apr2007_random_walk.html

Varian, H. (1994). How to Build an Economic Model in Your Spare Time in *Passion and Craft: Economists at Work*, M. Szenberg, ed. University of Michigan Press, 1997.

<http://people.ischool.berkeley.edu/~hal/Papers/how.pdf>

Guest Lecture, Sandra Keyes: <http://subjectguides.uwaterloo.ca/econ606>

3.- Working with Data

Chapters 1 and 2 of J.D. Angrist and J.S. Pischke (2009). *Mostly Harmless Econometrics: An Empiricist's Companion*, Princeton University Press.

Rosenzweig, M., and Wolpin, K. (2000). "Natural 'Natural Experiments' in Economics." *Journal of Economic Literature*, 38(4):827-874.

Deaton, A. (2009). "Instruments of Development: Randomization in the Tropics and the Search for the Elusive Keys to Economic Development." NBER Working paper #14690.

Engle, R. (2004). "Risk and Volatility: Econometric Models and Financial Practice" *American Economic Review*, 94(3):405-420. (Revised version of Nobel Lecture)

R. Fernández, A. Fogli, C. Olivetti, (2004), "Mothers and sons: Preference formation and female labor force dynamics", *Quarterly Journal of Economics*, 119 (4) pp. 1249–1299

4.- Writing: Annotated Bibliographies and Policy Briefs

Annotated bibliographies: https://uwaterloo.ca/writing-and-communication-centre/sites/ca.writing-and-communication-centre/files/uploads/files/annotated_bibliographies_1.pdf

"How to Write a Briefing Note" University of Victoria - English (Susan Doyle)

<http://web.uvic.ca/~sdoyle/E302/Notes/WritingBriefingNotes.html>

<http://web.uvic.ca/~sdoyle/E302/Notes/index.html>

"Policy Brief Instructions: The Pathway to a Focused, Jargon-Free & Visual Document " Policy Institute -UC Davis. <http://policyinstitute.ucdavis.edu/files/Policy-Institute-Policy-Brief-Instructions.pdf>

"How-to manuals, tips and best practices when writing for public sector executives:

www.publicsectorwriting.com

Examples:

(a) Immigration:

<https://www.oecd.org/policy-briefs/PB-Fiscal-Economic-Impact-Migration-May-2014.pdf>

[file:///artsfileu/artshome\\$/aferrer/Downloads/MPI-Europe-INTERACT-Predeparture-FINAL-WEB.pdf](file:///artsfileu/artshome$/aferrer/Downloads/MPI-Europe-INTERACT-Predeparture-FINAL-WEB.pdf)

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2746081

"Health Literacy and Immigrant Populations" Policy brief prepared for Public Health Agency of Canada, 2009. http://www.metropolis.net/pdfs/health_literacy_policy_brief_jun15_e.pdf

(b) Education:

"Is the return to education the same for everybody?" <https://wol.iza.org/uploads/articles/92/pdfs/is-the-return-to-education-the-same-for-everybody.pdf?v=1>

"The boom in university graduates and the risk of Underemployment"

<https://wol.iza.org/articles/boom-in-university-graduates-and-risk-of-underemployment/long>

<http://www.oecd.org/policy-briefs/Belgium-employment-helping-low-educated-young-people.pdf>

“Briefing note for the Minister: Standing Committee Report on Raising Adult Literacy”

<http://www.publicsectorwriting.com/wp-content/uploads/2010/03/EXAMPLE-Briefing-Note-for-Information.pdf>

(c) Discrimination:

“Can universal preschool increase the labor supply of mothers?”

<https://wol.iza.org/articles/can-universal-preschool-increase-labor-supply-of-mothers/long>

“Equal pay legislation and the gender wage gap”

<https://wol.iza.org/articles/equal-pay-legislation-and-the-gender-wage-gap/long>

<https://siepr.stanford.edu/sites/default/files/publications/Policy-Brief-Jun16.pdf>

“Women's Economic Equality Strategy.” Canadian Centre for Policy Alternatives, Policy Brief, Oct, 2000. <https://www.policyalternatives.ca/publications/reports/policy-brief-re-womens-economic-equalitystrategy>

<http://www2.warwick.ac.uk/fac/soc/economics/research/centres/cage/manage/events/social-market-foundation-smf-cage-combating-discrimination-on-airbnb-final.pdf>

(d) Employment and Inequality

http://www2.warwick.ac.uk/fac/soc/pais/research/researchcentres/csgr/research/projects/ineq/ineq_policy_brief.pdf

“Overeducation, skill mismatches, and labor market outcomes for college graduates”

<https://wol.iza.org/uploads/articles/88/pdfs/overeducation-skill-mismatches-and-labor-market-outcomes-for-college-graduates.pdf?v=1>

“The Dynamics of Inequality Among Canadian Children” Population and Lifecourse Strategic Knowledge Cluster Policy Brief #18, November, 2014.

http://sociology.uwo.ca/cluster/en/publications/docs/policy_briefs/PolicyBrief18.pdf

“Low-wage employment” <https://wol.iza.org/uploads/articles/276/pdfs/low-wage-employment.pdf?v=1>