

Group Project Guidelines

Econometrics I
NYU Stern

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Goals

The goal of the group project is for you to engage with econometric analysis critically and constructively, using the tools you've learned this semester.

The project can be on any topic (subject to my approval). Ideally, you should choose a project on a topic that you're interested in and that you might want to continue research on in the future.

The expectations for what you should accomplish are fairly open-ended. I suggest choosing a published paper to reproduce, and in addition to reproducing the results, find at least one new way build on the existing econometric analysis. Here are some specific ways in which you might attempt to improve on the previous work (this is far from an exhaustive list

- Identify a plausibly important source of bias (omitted variables, functional form, selection) and quantify how large a source of bias it might be and/or attempt to generate unbiased estimates.
- Assess the robustness of a given finding by running a similar analysis on a different data set, or by running placebo regressions.
- Find a way to test competing models or theories.
- Evaluate a model's predictions using out-of-sample data.
- Consider what sort of analysis should need to be done to make progress, even if it's too much beyond what you can do this semester.

Formalities

The group project will consist of three deliverables:

1. A short description of your proposed project (up to three pages), submitted in the middle of the semester.
2. A presentation of your results during the final class session.
3. A research paper, turned in at the end of the semester (along with your code).

Your team for the group project should consist of 1-3 students.

Suggested Topics

Note that most recent papers in the AER and AEJ have publicly available data sets.

- The impact of NJ's 1992 minimum wage increase on employment. Card and Krueger (1994). Data. There have been many follow-up papers.
- Brollo et al (2013) "The Political Resource Curse." *American Economic Review*
- Ericson (2011) "Consumer Inertia and Firm Pricing in the Medicare Part D Prescription Drug Insurance Exchange." *American Economic Journal: Economic Policy*
- Antecol et al (2018) "Equal but Inequitable: Who Benefits from Gender-Neutral Tenure Clock Stopping Policies?" *American Economic Review*
- Acemoglu et al (2001) "The Colonial Origins of Comparative Development." *American Economic Review*. Data. There have been many follow-up papers.
- Miguel et al (2004) "Economic Shocks and Civil Conflict: An Instrumental Variables Approach." *Journal of Political Economy*. Data
- Anomalies in voting results in Election 2016. See <https://www.econsnapshot.com/2016/12/06/electronic-voting-machines-and-the-election/>
- The hot hand hypothesis in basketball. See Gilovich et al (1985) and the recent writings by Miller and Sanjurjo.