Research Project
ECON 5370 Advanced Econometric Theory III

I.   Proposal (15 pts) – Due Beginning of Class on Thursday, February 15

The research proposal serves two purposes: (1) it forces you to carefully think through the goals and methods of the project; and (2) it allows me to provide more thoughtful feedback. Without carefully thinking through the goals and methods, it is easy to waste valuable time heading down unproductive paths.

The proposal must involve "economic" theory and empirical application. The written proposal is to be no more than three double-spaced pages. Assume your audience has little-to-no training in economic theory or econometrics, using easy to understand terminology to describe your project. Use equations sparingly and write the proposal in a narrative form. Below is a suggested outline for the proposal:

Suggested Outline of the Proposal
A. Title of the Paper
B. Introduction (include the hypothesis you wish to test)
C. Econometric Model
   1. Dependent and Independent Variables
   2. Other Data Information (i.e., data source, missing data, measurement error, etc.)
   3. Algebraic Representation of the Model
D. Conclusion (briefly explain the intended contribution of your paper)

II.   Rough Draft (15 pts) – Due Thursday, April 12
Final Paper (50 pts) – Due Thursday, April 26

The format of the research paper is flexible. It is common in economics for scholarly papers to include five sections: introduction, model, data, results and conclusion. The paper is to be no more than ten double-spaced, typewritten pages (excluding appendices). You will be rewarded for clarity and using proper grammar.

Suggested Outline of the Paper
A. Title Page (not included in the page count)

B. Introduction
   1. State the objective of your project
   2. Provide a motivation for why your project is interesting

C. Brief Literature Review

D. Model
   1. Identify the dependent and independent variables
   2. Algebraic representation of the model
   3. State the main hypothesis to test

    4. Expected signs of the coefficients
    5. Econometric issues
       (a) Functional Form
       (b) Multicollinearity
       (c) Serial Correlation
       (d) Heteroskedasticity
       (e) Simultaneity/Endogeneity
       (f) etc.

E. Data
    1. Definitions of the variables
    2. Data sources
    3. Frequency and/or sample size
    4. Data problems (i.e., mis-measurement, missing observations, etc.)

F. Empirical Results
    1. Include a summary of output (do not cut and paste directly from Matlab or Stata!)
    2. Include all test statistics and conclusions from hypothesis testing
    3. Describe results from hypothesis tests and consistency with the expected signs
    4. Discuss economic significance of the coefficients and intuition for the results

G. Conclusion
    1. Summarize significance and shortcomings of the research
    2. Discuss any extensions

III.   Presentation (20 pts) – Week of April 30 – May 4

Each student is required to present the findings of his/her research to the class. You will have 30 minutes – 20 minutes for the presentation and 10 minutes for questions. This amount of time is similar to what is allowed for presentations at economic conferences. You are expected to email me slide of your presentation prior to the presentation so I can make it accessible to your classmates.