

# Seminar in (Micro-)Econometrics

## Description

The objective of the seminar is to provide you with experience in conducting your own econometric or empirical project. The seminar builds the basis for your further econometric/empirical research in the context of the Master thesis as well as your further professional career. The list below contains a range of methodological and applied projects from which you may choose one. You may also use the list as a starting point to develop your own topic. The projects extend and/or apply knowledge on the statistical and econometric methods covered in ‘Microeconometrics/Econometrics I’ and ‘Topics in Microeconometrics/Econometrics II’. Most of the applied projects use the German Socio-Economic Panel (SOEP) or the German National Educational Panel Study (NEPS) as data basis.

## Target Audience and Prerequisites

The seminar is intended for Master students who have attended at least one of the courses ‘Microeconometrics/Econometrics I’ and ‘Topics in Microeconometrics/Econometrics II’ at the Master level. The ability and willingness to work with Stata are essential.

## Assessment

Participation in the seminar involves the following steps:

1. Preparing a written outline of the term paper (1-2 pages) and discussing it with our team
2. Writing the term paper (10-15 pages)
3. Presenting the term paper (30 minutes)
4. Discussing another term paper (10 minutes)

A successful participation requires completing all four steps. The grade will be based on the term paper (50%) as well as the presentation of the own project (30%) and the discussion of somebody else’s project (20%).

## Tentative Schedule

Term Week	Date and Place	Activity
Break/week 1	until Apr 9, by email	Choice of a topic
Week 1	Apr 6, 3:15 pm, HS 32	Introductory meeting
Week 2	until Apr 17, by email	Outline due
Week 2-4	By appointment	Discussion of outline
Week 9	Jun 08, 09:00 am	Term paper due
Week 10/11	tba	Workshop with presentations and discussions

## List of Topics

1. Abortion Policies in (Western) Europe and Their Effects on Abortions and Fertility
  - Levine, Paul B. and D. Staiger (2004). “Abortion Policy and Fertility Outcomes: the Eastern European Experience”, *The Journal of Law and Economics*, 47(1), 223-243.
  - Angrist, Joshua D. and Jörn-Steffen Pischke (2009). *Mostly Harmless Econometrics: An Empiricist’s Companion*, Princeton und Oxford: Princeton University Press, Kapitel 5.
2. Determinants of Reservation Wages and Gender Differences
  - Brown, Sarah, Jennifer Roberts, and Karl Taylor (2011). “The Gender Reservation Wage Gap: Evidence from British Panel Data”, *Economics Letters*, 113(1), 88-91.
  - Caliendo, Marco, Wang-Sheng Lee, and Robert Mahlstedt (2017). “The Gender Wage Gap and the Role of Reservation Wages: New Evidence for Unemployed Workers”, *Journal of Economic Behavior and Organisation*, 136, 161-173.
3. The Wage Penalty of Smoking
  - Anger, Silke and Michael Kvasnicka (2010). “Does Smoking Really Harm Your Earnings so Much? Biases in Current Estimates of the Smoking Wage Penalty”, *Applied Economics Letters*, 17(6), 561-564.
  - Levine, Phillip B., Tara A. Gustafson, and Ann D. Velenchik (1997). “More Bad News for Smokers? The Effects of Cigarette Smoking on Wages”, *Industrial and Labor Relations Review*, 50(3), 493-509.

- Heilert, Daniela and Ashok Kaul (2017). “Smoking Behaviour in Germany: Evidence from the SOEP”, SOEP Discussion Paper No. 920, DIW Berlin.

#### 4. Testing for Unobserved Confounders

- Caetano, Carolina (2015). “A Test of Exogeneity Without Instrumental Variables in Models with Bunching”, *Econometrica*, 83(4), 1581-1600.

#### 5. Marginal Treatment Effects

- Brave, Scott and Walstrum, Thomas (2014). “Estimating Marginal Treatment Effects Using Parametric and Semiparametric Methods”, *Stata Journal*, 14(1), 191-217.
- Carneiro, Pedro, James J. Heckman, and Edward J. Vytlacil (2011). “Estimating Marginal Returns to Education”, *American Economic Review*, 101(6), 2754-2781.

#### 6. Difference-in-Differences with Multiple Time Periods and Multiple Groups

- Callaway, Brantly and Pedro H.C. Sant’Anna, (2019). “Difference-in-Differences with Multiple Time Periods”. Discussion paper available at SSRN: <https://ssrn.com/abstract=3148250> or <http://dx.doi.org/10.2139/ssrn.3148250>.

#### 7. Unconditional Quantile Regression

- Firpo, Sergio, Nicole Fortin, and Thomas Lemieux (2009). “Unconditional Quantile Regressions”, *Econometrica*, 77(3), 953-973.
- Firpo, Sergio P., Nicole M. Fortin, and Thomas Lemieux (2018). “Decomposing Wage Distributions Using Recentered Influence Function Regressions”, *Econometrics*, 6(2), Article 28.

## Additional Readings

- Angrist, Joshua D. and Jörn-Steffen Pischke (2009). *Mostly Harmless Econometrics: An Empiricist's Companion*, Princeton and Oxford: Princeton University Press.
- Blossfeld, Hans-Peter, Hans-Günther Roßbach, and Jutta von Maurice, eds. (2011). "Education as a Lifelong Process: The German National Educational Panel Study (NEPS)", *Zeitschrift für Erziehungswissenschaft*, 14, Special Issue.
- Cameron, A. Colin and Pravin K. Trivedi (2005). *Microeconometrics: Methods and Applications*, Cambridge: Cambridge University Press.
- Cameron, A. Colin and Pravin K. Trivedi (2009). *Microeconometrics Using Stata*, College Station (TX): Stata Press.
- Greene, William H. (2011). *Econometric Analysis*, Upper Saddle River (NJ): Prentice Hall, seventh edition.
- Kohler, Ulrich and Frauke Kreuter (2012). *Data Analysis Using Stata*, College Station (TX): Stata Press, second edition.
- McCloskey, Deirdre N. (2000). *Economical Writing*, Long Grove (IL): Waveland Press, second edition.
- Theisen, Manuel R. (2013). *Wissenschaftliches Arbeiten*, München: Verlag Vahlen, 16th edition.
- Wagner, Gert G., Joachim R. Frick, and Jürgen Schupp (2007). "The German Socio-Economic Panel Study (SOEP) – Scope, Evolution and Enhancements", *Schmollers Jahrbuch*, 127(1), 139-169.
- Wagner, Gert G., Jan Göbel, Peter Krause, Rainer Pischner, and Ingo Sieber (2008). "Das Sozio-oekonomische Panel (SOEP): Multidisziplinäres Haushaltspanel und Kohortenstudie für Deutschland – Eine Einführung (für neue Datennutzer) mit einem Ausblick (für erfahrene Anwender)", *AStA Wirtschafts- und Sozialstatistisches Archiv*, 2(4), 301-328.
- Wooldridge, Jeffrey M. (2010): *Econometric Analysis of Cross Section and Panel Data*, Cambridge (MA): MIT Press, second edition.
- Wooldridge, Jeffrey M. (2013). *Introductory Econometrics: A Modern Approach*, Cincinnati (OH): Thomson South-Western, fifth edition.