

Honors Seminar in Economics

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Office Hours: Tuesdays 2:30-4:30p

General Information

This course is a seminar in which advanced undergraduates learn how to conduct research by reading and discussing recent research in economics and by applying empirical research methods in writing a senior honors essay. A senior honors essay is a major research paper, approximately twenty to thirty pages long, that makes some original contribution. The paper may, for example, propose and implement an empirical test for an existing economic hypothesis or it may offer a new explanation for some economic phenomenon.

The paper topic is chosen by you with guidance from me in choosing one that is manageable. You will be assigned a professor in the economics department who has expertise in your chosen topic to serve as your faculty advisor. You are expected to meet with your faculty advisor every two to three weeks to discuss the progress of your thesis.

Prerequisites

Economics 001, 002, 101, 102, 103, 220. If the economics department has a 200 level course related to your topic, you should have taken or be enrolled in that course this year. You may be enrolled in Economics 220 (Econometrics) in the fall concurrently with the honors class. The spring semester is too late to take the econometrics course, because you will need to be familiar with the material in writing your paper.

Requirements

You are expected to meet deadlines in submitting thesis outlines, literature reviews, and drafts, to make oral presentations to other members of the seminar about your work in progress and to give a final presentation of your completed paper. You are also expected to attend the oral presentations of your classmates and participate in discussions.

Grading

Your grade is determined by the quality of your honors essay, but also on the quality of your presentations and your participation in the class. The essay is graded by me in consultation with your advisor. Approximately 90% of your grade will be based on the essay and 10% on class presentations and participation in class.

Honors Credit

To receive honors in the economics major, you need a grade of B or better in the economics seminar itself. You also need to maintain a GPA of 3.5 in your economics courses and of 3.3 in your courses related to the economics major (calculated separately). ECON 300 is a two semester course for which you receive two credits if you complete the course and the essay, one credit in the fall and one credit in the spring. If you drop out at any time during the year before completing the requirements, you will not receive any credit. Also, even though ECON 300 is a two credit course, it only counts as one course for the purpose of satisfying the number of courses requirement for the economics major.

Types of Essays

You develop an empirical question, either one that you take from the literature or one that you develop, and you use data to provide evidence about it. Examples of some empirical questions in the field of labor economics are: 1. How much does

the quality of schooling increase workers' earnings? 2. How much does the level of unemployment compensation benefits increase the duration of unemployment spells? 3. What factors account for the recent widening in earnings inequality in the U.S.?

To answer your question of interest, you use economic models that help identify the important variables and how they interact. Data are analyzed using rigorous statistical methods. The data you analyze can either come from published sources or you can gather it yourself. Published data may be available on line or you may have to enter it into the computer. There are even many interesting data sets available over the internet.

Steps involved in writing the essay

1. Search for a Topic. Find a topic that is both of interest to you and is well suited to your skills.
2. Literature Review. Do extensive reading in your area of interest and take notes on your readings. A section of your final thesis will be devoted to a discussion of the existing literature in your area and how your research contributes to it. A good place to start is with an intermediate level economics textbook and with economics journals in the library. Also, look through reading lists from your previous courses. Try to make your topic as focused as possible and plan your research strategy.
3. Find out what data sources are available to you. You may need to revise your topic because of data availability. Collecting your own data is an option, although you will need to carefully design the method by which you collect the data. For empirical work, you will also need to choose and to learn how to use the software for your data analysis. Some class time will be devoted to the use of statistical software in research. Empirical research should be carried out in a way that someone else could take the same data and replicate your results, so it is important to document how variables are created etc. (this is usually done in a data appendix to the paper. Document decisions you

make in analyzing your data (for example, how many observations are deleted because of missing values or do you impute missing values?).

4. When you have a good idea of the main points you plan to make in the paper, write an outline of how they will be organized and try a rough draft of the introduction. As you learn more about your topic, refine your outline.
5. When you have finished presenting your empirical findings and/or economic models, draw thoughtful and honest conclusions from your work. The model you developed may have limitations and you can suggest useful extensions to your research. Your empirical results may have turned out differently from your expectations or may seem counterintuitive. Whenever possible, turn adversity into an advantage by learning the most you can from your findings. Discuss empirical results that are puzzling or contradict your economic model as well as those that support it. Important advances in economics have come about in trying to explain results that may at first seem puzzling.

Assignments related to writing the essay

- Fall Semester:
 1. Present a thesis from a previous year
 2. Choose a topic
 3. Present a paper related to your research topic
 4. Compile a survey of related/relevant literature
 5. Prepare a research plan, including data sources and contemplated analysis

- Spring Semester:
 1. Present preliminary empirical results
 2. Prepare preliminary draft of thesis
 3. Present the results of your research
 4. Submit final version of your thesis (last week of classes).