

# HONORS THESIS

(Econ 396)

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Office hours: Tues, Thurs 2-3:30

**Class meetings: Wednesdays 2-4:45 in Jimenez Hall 1122**

**Computer lab sessions: Wednesdays 3:15-4:45 in Lefrak Hall, Lab 5**

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## Course objective

This is the Independent Honors Study, the first half of a two-semester sequence. In this class and Econ 397 (which meets in the Spring), your objective will be to write a senior honors thesis. Your thesis committee will consist of two persons: a main advisor and myself. Ideally, the main advisor will be some professor with whom you have taken an advanced course (i.e., field course) over the previous academic year.

## Course requirements

Students are required to complete both ECON396 and 397 to satisfy the thesis requirement of the Honors distinction. If a student completes ECON396, but does not complete ECON397 in the spring, that student will earn 3 academic credits, instead of 6.

A draft version of a thesis is due at the end of the fall semester. This draft should contain an introduction and motivation for the issue being studied, a suitable review of background information and relevant literature, a description of the methodological approach and the data sources, a presentation and discussion of preliminary results, and some description of the steps that will be taken in the subsequent semester to further the research. This draft will count for 70 percent of your course grade.

A final version of the thesis is due at the end of the spring semester. This final draft should augment the draft from Econ 396 with a comprehensive set of analyses and careful interpretation and discussion of the findings.

I will require deliverables along the way to facilitate your research progress and keep you on track to completing the draft. You will present your research at two points during the semester; each of these presentations will count for 15 percent of your course grade.

## Pre-requisites

The prerequisites for the course may be found here:

<http://www.econ.umd.edu/undergraduate/honors>. The main prerequisites are (i) Econ 422 (Econometrics); (ii) GPA of at least 3.25 and (iii) a field course in economics.

## Staying in contact

I will post material to a google website set up for this course. This site will be updated throughout the semester: <https://sites.google.com/site/umdecon396/home>

The best way of quickly reaching me is by e-mail ([kearney@econ.umd.edu](mailto:kearney@econ.umd.edu)). E-mail is the most efficient means of communication for short and/or concrete questions. For longer discussions, please plan to meet with me (and your main advisor) in person.

Individual research requires a lot of commitment, persistence, and effective time management. One of the worst things that you can do is to "disappear" or to take a long break from your research project, so when in doubt, please come to see me and/or your main advisor! I am here to help you with your honors thesis, and any plans you might have to transition into a PhD program in economics. So, by all means, if you have questions, concerns, or existential crises about your plans for your future in the field of economics, please come to see me.

## Readings

Suggested reading: *Mostly Harmless Econometrics*, by Joshua Angrist and Jorn-Steffen Pischke.

This is a terrific guide for econometric practitioners. The book begins with a discussion of how to develop an empirical question and a feasible research design. It takes you through issues of identification and interpretation. It discusses OLS, as well as more advanced applied econometric topics, including regression discontinuity and quantile regression. It presents material with both statistical detail and economic intuition. It is available at many bookstores, including Amazon.

<http://www.mostlyharmlesseconometrics.com/>

As an additional resource, I refer you to the list of readings selected by Professor Carlos Vegh as being helpful for undergraduate thesis writers:

(<http://www.econ.umd.edu/~vegh/courses/Econ396-397/Econ396/Readings-for-undergrad-research.htm>).

One of your main tasks early on in the research process will be to identify appropriate readings to educate you on your topic of study. Your primary advisor will be a valuable resource to you in helping you figure out where to look for articles and books of relevance, but ultimately you will be responsible for generating an appropriate reference list.

## **Honors Econometrics Resource**

Conducting individual research will require you to move beyond what you learned in Econ 422 and 423. Dr. John Straub will be the Econometrics resource for this course. He will be in charge of helping you with data gathering and applied econometrics. Dr. Straub will conduct a number of computer lab sessions, as scheduled below, and will be available to you throughout the year for individualized help with your data and empirical work.

### **Computer lab sessions**

The computer lab sessions will take place in Lefrak Hall, Lab 5, 3:15-4:45 pm, on the weeks specified in the schedule below. Materials for the lab sessions may be found on the course website. Attendance at these lab sessions is compulsory for anyone writing an empirical thesis and Dr. Straub will be recording attendance. These sessions are crucial to review and improve your Econ 422/423 econometrics, to learn how to use STATA, and to learn how to work with data and run empirical analyses.

*Note* - You will have access to these computer rooms outside of the scheduled lab sessions and STATA is available on those computers. You can purchase STATA for your personal use through the STATA website. STATA for UNIX is available for free through terpconnect.

### **University Writing Center**

The quality of your draft will depend on both the economic analysis and the presentation of that analysis. The means it will be graded in part based on the quality of the writing, including clarity, flow, organization, language, and grammar. We do not have a writing resource specifically for students in the Economics Department, but as a University of Maryland undergraduate, you have access to the Writing Center, which is run through the Department of English on campus.

## WEEKLY SCHEDULE

Week 1 (Aug 31) Class meeting	<ul style="list-style-type: none"> <li>• Overview of course logistics and research process</li> <li>• Students will briefly describe the area they plan to work in.</li> </ul>	<ul style="list-style-type: none"> <li>• Refine your question.</li> <li>• Identify relevant literature.</li> <li>• Secure your main advisor and set up a first meeting.</li> </ul>
<i>*Mon 9/5 (5 pm)</i> <i>Deliverable</i>	A (revised) one-page proposal.	
Week 2 (Sep 7) Class meeting	<ul style="list-style-type: none"> <li>• Discussion about graduate school and application process</li> <li>• Guest presenter</li> </ul>	<ul style="list-style-type: none"> <li>• Familiarize yourself with the relevant literature.</li> <li>• Look into potential data sources and work to develop a research approach</li> <li>• Consult your main advisor for direction.</li> </ul>
<i>*Mon 9/12 (5pm)</i> <i>Deliverable</i>	A structured description of a published paper that is closely related to your proposed project (list of questions will be provided on course website).	
Week 3 (Sep 14) 1st computer lab	Computer lab session with Dr. Straub - Introduction to STATA and empirical data work.	<ul style="list-style-type: none"> <li>• Continue to develop your research plan – identify your main contribution.</li> <li>• Investigate data sets and empirical strategies.</li> </ul>
Week 4 (Sep 21) No class meeting	Individual meetings (sign-ups)	<ul style="list-style-type: none"> <li>• Refine your research question.</li> <li>• Develop a feasible approach to answering your question.</li> <li>• Consult with your main advisor about your proposed research design.</li> </ul>
<i>*Mon 9/26 (5 pm)</i> <i>Deliverable</i>	A structured research proposal (list of questions will be provided on course website.)	
Week 5 (Sep 28) Class meeting	<ul style="list-style-type: none"> <li>• Students will give oral progress updates and classmates will comment.</li> </ul>	

	<ul style="list-style-type: none"> <li>• Guest presenter</li> </ul>	
Week 6 (Oct 5) 2 <sup>nd</sup> computer lab	Lab session with Dr. Straub - TBD	Continue making progress
Week 7 (Oct 12) No class meeting	Individual meetings (sign-ups)	Continue making progress
Week 8 (Oct 19) Class meeting	<b>Class presentations of work in progress</b> 20-minute powerpoint presentation.	Continue making progress
Week 9 (Oct 26) Class meeting	<b>Class presentations of work in progress</b> 20-minute powerpoint presentation.	Continue making progress
Week 10 (Nov 2) 3 <sup>rd</sup> computer lab	Lab session with Dr. Straub - TBD	Continue making progress
Week 11 (Nov 9) 4 <sup>th</sup> computer lab	Lab session with Dr. Straub – TBD  Individual meetings (sign-ups)	Continue making progress
Week 12 (Nov 16) 5 <sup>th</sup> computer lab	Lab session with Dr. Straub – assistance with individual data work (as needed)	Continue making progress
Weeks 13 (Nov 23) No class meeting		<ul style="list-style-type: none"> <li>• Big push to finish!</li> <li>• Meet with your advisor about your presentation and plans for your draft.</li> </ul>
Week14 (Nov 30)	<b>Class presentations</b>	
Week 15 (Dec 7)	<b>Class presentations</b>	
<i>*Deliverable - Tuesday Dec 13 (by 5 pm)</i>	<b>Thesis Working Draft (20-25 pages)</b>	Both your main advisor and I will read the draft, assign a grade, and provide feedback.

...onward to Econ 397 to improve and complete your Honors thesis!