

## COURSE SYLLABUS

### 1. Resources | 2. Requirements | 3. Schedule

#### 1. Resources

**Description from Course Catalog:** Capstone course for the economics major, with three components. Students will (1) access, read, discuss and critique recent academic economic research on a subject of current interest; (2) take a comprehensive exam in economics; and (3) write an economics research paper on a topic of their choice in consultation with the instructor. May be repeated for credit with instructor permission.

**Prerequisites:** ECON 170 or STAT 170.

**Zimpleman College of Business Promises:** “Our graduates will have the skills and experiences to thrive in a complex, diverse, and evolving world. They will be (1) Proficient in their fields, (2) Data-driven, strategic, and innovative problem solvers, (3) Effective communicators, (4) Socially and ethically responsible leaders, and (5) Global and multicultural citizens.” This course addresses all five Promises, but especially Promises (1), (2) and (3).

**Who should take this course:** ECON 190 is required for the Economics major and the Quantitative Economics major. ECON 190 can count as a 100-level elective course for the Economics minor.

**Class meetings:** CRN 8665 meets Mondays and Wednesdays, 8:00 to 9:30 AM, in room 102 Aliber Hall.

#### How to contact instructor:

- Electronic mail: [william.boal@drake.edu](mailto:william.boal@drake.edu)
- Office: 319 Aliber Hall
- Telephone and voice mail: 271-3129

The quickest way to reach me is by email, which I check continually throughout the day. Please do *not* send messages by Blackboard, which I check infrequently.

**Office hours:** My office hours this semester are Monday, Tuesday, and Thursday, 2 to 4 PM. If these hours are inconvenient due to schedule conflicts, please send email to schedule a special appointment and suggest some alternate times.

#### Resources to purchase:

- Required: Angrist, J. D., & Pischke, J.-S. (2015). *Mastering 'metrics: the path from cause to effect*. Princeton, New Jersey: Princeton University Press. ISBN 978-0-691-15284-4 (paperback).
- Required: *Boal's Econ 190 Course Packet*. Available for purchase at University Bookstore. Please bring it to class every day.
- Required: Stata software. Stata is currently the most popular software for econometric research. Stata comes in different varieties—see <http://www.stata.com/order/new/edu/gradplans/student-pricing>. You need Stata/BE, which costs \$48 for a six-month student license.
- Recommended: A three-ring binder and highlighter for your course packet.

#### Online resources:

- Drake email. Course announcements will occasionally be sent to this account, so check it daily. Announcements often get diverted to “Junk” or “Clutter” folders, so check them as well as your inbox.
- Quizzes and writing assignments are posted on Blackboard. If you have difficulty accessing Blackboard, please contact the Drake ITS HelpDesk at 271-3001.

- Miscellaneous helpful links are posted at [wmbol.com/seminar](http://wmbol.com/seminar).

## 2. Requirements

**Course grade:** Each assignment is graded on a scale from zero to 100. Your overall course SCORE is calculated as a weighted average, using the following weights.

**10% Quizzes on readings.** Each day that a reading is due, students will complete a short quiz at the beginning of class.

**20% Midterm essay.** Students will write an essay summarizing the readings on inequality. The essay must be written in academic style. See separate assignment sheet for details.

**5% Stata labs.** A series of Stata labs will be done mostly in class but sometimes finished outside of class. Students must submit their Stata log files on Blackboard.

**50% Research paper.** Each student will write an empirical research paper. The paper should estimate a relationship or test a hypothesis using econometric tools we discuss in class to analyze data that you collect. The paper need not be on “inequality”—it may be on any economic topic. Length should be 5 to 8 pages, plus references, tables, and graphs. See separate assignment sheet for details. A *required* template in Word format is posted on Blackboard.

**15% Comprehensive exam.** As this is a capstone course, an exam measuring proficiency in all areas of economics will be given during Finals Week. The content will be about 45% microeconomics, 40% macroeconomics, and 15% econometrics.

An overall course SCORE of 97 or above is required for an A+, 93 for an A, 90 for an A-, 87 for a B+, 83 for a B, 80 for a B-, 77 for a C+, 73 for a C, 70 for a C-, 67 for a D+, 63 for a D, and 60 for a D-. SCORES will not be rounded before awarding letter grades. Extra credit work is not available.

**Academic writing style:** This is a writing-intensive course. *All* writing should be in the impersonal, objective style of academic economics. Most economics journals put citations and bibliography in a format roughly similar to APA style, so we will too. For a convenient guide, see <http://library.albany.edu/cfox>.

**Writing Center:** Any piece of economics writing longer than a few sentences can become difficult for readers to follow. The tutors at Drake’s Writing Center can help you make sure your writing tells a coherent story. Students are required to visit the Writing Center at least twice: once before submitting the midterm essay and once before submitting the first draft of the research paper. Appointments are made at <https://library.drake.edu/writing-center/>. It is OK to cancel or reschedule an appointment, but no-shows are unacceptable because they needlessly deprive other students of appointments.

**Policy on absences:** Attendance is taken at every class. Students may miss up to three classes for any reason without penalty. Thereafter, one point will be deducted from the course SCORE for each absence. Athletic team trips, documented by a sheet from the Director of Athletics, will not be counted as absences.

**Policy on grade corrections:** Accurate grading is important. If you find an error, please let me know as soon as possible. The deadline for regrading homework, problem sets, or midterm exams is the day of the final exam.

**Disability accommodation:** Any student who has a disability that substantially limits their ability to perform in this course under normal circumstances should contact [Student Disability Services](#), 271-1835, to request accommodation. All relevant information will be kept strictly confidential.

**Policy on academic integrity:** The Zimpleman College of Business’s Academic Integrity Policy (<https://www.drake.edu/zimpleman/about/policies/>) applies to this course. The consequences of violating this policy vary, depending on my evaluation of the severity of the dishonesty. A violation (such as cheating, plagiarism, or fabrication) can result in a grade of zero on the test or assignment, an F for the course grade, or even expulsion from the University. Please read the policy and ask for clarification if necessary.

### 3. Schedule

All readings marked by a box (☐) must be done BEFORE class. *Monday readings* on wage inequality are posted in a zip file on Blackboard. *Wednesday readings* on econometrics are from the required book by Angrist and Pischke. There will be a quick quiz on each reading at the beginning of class, followed by detailed class discussion. To prepare for the quiz efficiently, complete the reading guide included in the course packet. Save your reading guides to help you write the midterm essay.

In addition to discussing readings, we will use any available class time to discuss and practice *doing* economic research. I have prepared six lab exercises which we will do together in class. These exercises require Stata, so make sure it is installed on your computer before the first day of class and bring your computer to every class. These exercises will demonstrate how to download and analyze data—skills you will then use in writing your own research paper.

Week	Monday: Reading research	Wednesday: Doing research	Friday: Deadlines
<b>1</b> Jan 29	<b>Welcome</b> <ul style="list-style-type: none"> <li>Review syllabus, answer questions.</li> <li>Sign up for research paper brainstorming sessions.</li> <li>Review basic econometrics and measures of inequality.</li> </ul>	<b>Correlation versus causality</b> <ul style="list-style-type: none"> <li>☐ Angrist &amp; Pischke (2015) introduction and chapter 1, pp. 1-11.</li> </ul> <p><i>In class: Stata lab on National Health Interview Survey (NHIS).</i></p>	Sign up for brainstorming session on research paper topic. Link is on Blackboard under “Writing Assignments.”
<b>2</b> Feb 5	<b>Trends: What CPS data show</b> <ul style="list-style-type: none"> <li>☐ What is the CPS? View description at <a href="https://www.census.gov/programs-surveys/cps/about.html">https://www.census.gov/programs-surveys/cps/about.html</a>.</li> <li>☐ Guzman, G., &amp; Kollar, M. A. (2023). <i>Income in the United States: 2022</i>. <a href="https://www.census.gov/library/publications/2023/demo/p60-279.html">https://www.census.gov/library/publications/2023/demo/p60-279.html</a>.</li> </ul> <p><i>In class: Create time-series graphs of inequality measures from Guzman and Kollar report, using Microsoft Excel.</i></p>	<b>Randomized trials</b> <ul style="list-style-type: none"> <li>☐ Angrist &amp; Pischke (2015) chapter 1, pp. 12-33.</li> </ul> <p><i>In class: Begin Stata lab on Current Population Survey.</i></p>	
<b>3</b> Feb 12	<b>Trends: What tax return data show</b> <ul style="list-style-type: none"> <li>☐ Atkinson, A. B., Piketty, T., &amp; Saez, E. (2011). Top incomes in the long run of economic history. <i>Journal of Economic Literature</i>, 49(1), 3-71.</li> </ul>	<b>Regression</b> <ul style="list-style-type: none"> <li>☐ Angrist &amp; Pischke (2015) chapter 2, pp. 47-78.</li> </ul> <p><i>In class: Finish Stata lab on Current Population Survey.</i></p>	
<b>4</b> Feb 19	<b>Explanations: Skill-biased technical change</b> <ul style="list-style-type: none"> <li>☐ Goldin, C., &amp; Katz, L. F. (2008). <i>The race between education and technology</i>. Cambridge, Massachusetts: Harvard University Press. Read chapter 3. [This book is on e-reserve at Cowles Library. Access it through <a href="https://researchguides.drake.edu/er.php?b=i">https://researchguides.drake.edu/er.php?b=i</a> or the link on Blackboard.]</li> </ul>	<b>Instrumental variables</b> <ul style="list-style-type: none"> <li>☐ Angrist &amp; Pischke (2015) chapter 3, pp. 98-138.</li> </ul> <p><i>In class: Stata lab on instrumental variables.</i></p>	Submit research paper proposal, including research question and data description, on Blackboard.

Week	Monday: Reading research	Wednesday: Doing research	Friday: Deadlines
<b>5</b> Feb 26	<b>Explanations: Decline of unions and falling real minimum wage</b> <input type="checkbox"/> Fortin, N. M., & Lemieux, T. (1997). Institutional changes and rising wage inequality: is there a linkage? <i>Journal of Economic Perspectives</i> , 11(2), 75-96.	<b>Regression Discontinuity Designs</b> <input type="checkbox"/> Angrist & Pischke (2015) chapter 4, pp. 147-177.  In class: Stata lab on regression discontinuity.	
<b>6</b> Mar 4	<b>Explanations: Information technology</b> <input type="checkbox"/> Autor, D. H., Levy, F., & Murnane, R. J. (2003). The skill content of recent technological change: an empirical exploration. <i>Quarterly Journal of Economics</i> , 118(4), 1279-1333. <input type="checkbox"/> Autor, D. H., Katz, L. F., & Kearney, M. S. (2008). Trends in U.S. wage inequality: revising the revisionists. <i>Review of Economics and Statistics</i> , 90(2), 300-323.	<b>Difference-in-differences</b> <input type="checkbox"/> Angrist & Pischke (2015) chapter 5, pp. 178-202.  In class: Begin Stata lab on National Longitudinal Survey of Youth (NLSY).	
<b>7</b> Mar 17	<b>Explanations: Immigration</b> <input type="checkbox"/> Card, D. (1990). The impact of the Mariel Boatlift on the Miami labor market. <i>Industrial and Labor Relations Review</i> , 43(2), 245-257. <input type="checkbox"/> Borjas, G. J., Freeman, R. B., & Katz, L. F. (1996). Searching for the effect of immigration on the labor market. <i>American Economic Review</i> , 86(2), 246-251.	<b>Research paper workshop I</b> Each student brings draft paper copies of <ul style="list-style-type: none"> <li>• Table 1: variable definitions</li> <li>• Table 2: descriptive statistics</li> <li>• Key equation(s) to be estimated</li> </ul> In class: Finish Stata lab on National Longitudinal Survey of Youth (NLSY).	
<b>8</b> Mar 25	<b>Explanations: International trade</b> <input type="checkbox"/> Autor, D. H., Dorn, D., & Hanson, G. H. (2013). The China syndrome: local labor market effects of import competition in the United States. <i>American Economic Review</i> , 103(6), 2121-2168.	<b>Class discussion: What should a research paper look like?</b>  In class: Begin Stata lab on Consumer Expenditure Survey.	Submit draft data section and methodology section of research paper (use the template!) on Blackboard.
<b>9</b> Apr 1	<b>Explanations: “Superstars,” CEOs, and finance professionals</b> <input type="checkbox"/> Rosen, S. (1981). The economics of superstars. <i>American Economic Review</i> , 71(5), 845-858. <input type="checkbox"/> Bivens, J., & Mishel, L. (2013). The pay of corporate executives and financial professionals as evidence of rents in top 1 percent incomes. <i>Journal of Economic Perspectives</i> , 27(3), 57-78. <input type="checkbox"/> Kaplan, S. N., & Rauh, J. D. (2013). It's the market: the broad-based rise in the return to top talent. <i>Journal of Economic Perspectives</i> , 27(3), 35-56.	<b>The causal effect of schooling on wages</b> <input type="checkbox"/> Angrist & Pischke (2015) chapter 6, pp. 209-234.  In class: Finish Stata lab on Consumer Expenditure Survey.	Schedule appointment with <a href="#">Writing Center</a> to discuss <b>midterm essay</b> . Bring a draft and the assignment sheet. Work with Writing Tutor to ensure your essay tells a coherent story.

<b>Week</b>	<b>Monday: Reading research</b>	<b>Wednesday: Doing research</b>	<b>Friday: Deadlines</b>
<b>10</b> Apr 8	<b>Class discussion: Improving writing</b> Economic ideas are complicated so clear writing is important. We will review samples of economic writing and try to improve them.	<b>Research paper workshop II</b> Each student brings a draft paper copy of Table 3: estimates.	Submit midterm essay.
<b>11</b> Apr 15	<b>Continue research paper workshop II</b>	<b>Finish research paper workshop II</b>	Schedule appointment with <a href="#">Writing Center</a> to discuss 1st draft of <b>research paper</b> . Bring a draft and the assignment sheet. Work with Writing Tutor to ensure your paper tells a coherent story.
<b>12</b> Apr 22	<b>Oral presentations of research papers</b> Make a PowerPoint presentation, at least one slide for each section of your paper and one slide for each table or graph. Fonts should be at least 20 pt for readability.	<b>Continue oral presentations of research papers.</b>	Submit 1st draft of research paper (use the template!) and Stata log file on Blackboard.
<b>13</b> Apr 29	<b>Continue oral presentations of research papers.</b>	<b>Finish oral presentations of research papers</b>	
<b>14</b> May 6	<b>Review for comprehensive exam:</b> <ul style="list-style-type: none"> <li>• microeconomics</li> </ul>	<b>Review for comprehensive exam:</b> <ul style="list-style-type: none"> <li>• macroeconomics</li> <li>• econometrics</li> </ul>	Submit final draft of research paper and Stata log file on Blackboard.
<b>Finals Week</b>	<b>Comprehensive Exam</b> The <a href="#">University Registrar</a> has scheduled the final exam for this course on Monday, May 13 from 7:30 to 9:20 AM in the regular classroom.		Have a good summer!

[end of syllabus]