

Econ 305: Peer Leadership in Economics

Project Empirical Framework Assignment

For the topic you have chosen, submit 1-2 typewritten pages describing the empirical method that you will use to test your hypothesis.

The write-up should include:

1. A clear statement of the hypothesis, and the dependent and key independent variables of interest.
2. Predictions of economic theory about the relationship between the dependent and key independent variable. (Note that in some cases, economic theory may not provide a clear prediction about the effect of your independent variable. For example, there may be income and substitution effects that act in opposite directions).
3. A description of other important variables that should be controlled for.
4. A description of the method you will use to test your hypothesis (e.g., compare means, compare changes in outcomes, regression analysis.). If possible, include a visual representation of your empirical method (i.e., show an estimating equation or describe the graph or tables you will use to test the hypothesis).
5. An explanation for why the method you propose to use is valid for testing your hypothesis.
6. A description of any shortcomings of the method you propose.