

Seminar:
Applied Econometric Methods

With the aim of facilitating the replication of results that are published, many economic journals require authors to provide the data sets and codes used to obtain their empirical results as a precondition for publication of their papers, (see, for example, the ‘Data Archive’ and the ‘Replication Section’ of the *Journal of Applied Econometrics*). In this seminar, students will either replicate empirical results from research papers published in international journals or gain experience in econometric methods by conducting a simulation exercise. Students focusing on replication will check the validity of the empirical results by carrying out their own estimations and robustness checks using the original data. Students focusing on econometrics methods will illustrate the applicability and limitations of econometric procedures by carrying out their own empirical project.

The first meeting will take place on **April 24, 2018**, from **14.15 to 15.45** in room 00.028. The list of papers/topics and detailed information on the registration procedure is available on the webpage of the Chair of Empirical Economics. To register for the seminar, please fill out the registration form and send it to:

`empirischewirtschaftsforschung@awi.uni-heidelberg.de`

Deadline for registration is **April 20, 2018**.

The seminar takes place on July 13 and 14, 2018, in room 00.010. Your grade will be based on the following: seminar paper (60%), seminar presentation (30%) and active participation (10%) in the seminar discussion.

Topics

Replication

Microeconometrics

1. Berman, N., Couttenier, M., Rohner, D., Thoenig, M., 2017. This mine is mine! How minerals fuel conflicts in Africa. *American Economic Review*, 107(6), 1564-1610. (Code and data available, Stata)
2. Bick, A., Fuchs-Schündeln, N., Lagakos, D., 2018. How do hours worked vary with income? Cross-country evidence and implications. *American Economic Review*, 108(1), 170-199. (Code and data available, Stata)
3. Buser, T., 2015. The effect of income on religiousness, *American Economic Journal: Applied Economics*, 7(3), 178-195. (Code and data available, Stata)

4. Carneiro, P., Lokshin, M., Umapathi, N., 2017. Average and marginal returns to upper secondary schooling in Indonesia. *Journal of Applied Econometrics*, 32(1), 16-36. (Code and data available, Stata)
5. Colvin, C.L., McCracken, M., 2017. Work ethic, social ethic, no ethic: Measuring the economics values of modern Christians. *Journal of Applied Econometrics*, 32(5), 1043-1053. (Code and data available, Stata)
6. Gerritsen, S., Plug, E., Webbink, D., 2017. Teacher quality and student achievement: Evidence from a sample of Dutch twins. *Journal of Applied Econometrics*, 32(3), 643-660. (Code and data available, Stata)
7. Jayachandran, S., Pande, R., 2017. Why are Indian children so short? The role of birth order and son preference. *American Economic Review*, 107(9), 2600-2629. (Code and data available, Stata)
8. Thornton, R.L., 2008. The demand for, and impact of, learning HIV status. *American Economic Review*, 98(5), 1829-1863. (Code and data available, Stata)
9. Waldinger, F., 2010. Quality matters: The expulsion of Professors and the consequences for PhD student outcomes in Nazi Germany. *Journal of Political Economy*, 118(4), 787-831. (Code and data available, Stata)

Time Series

1. Anundsen, A. K., Gerdrup, K., Hansen, F., and Kragh-Sørensen, K., 2016. Bubbles and crises: the role of house prices and credit. *Journal of Applied Econometrics*, 31(7), 1291-1311. (Code and data available, Stata)
2. Campbell, J.Y., Thompson, S.B., 2008. Predicting excess stock returns out of sample: Can anything beat the historical average? *The Review of Financial Studies*, 21(4), 1509-1531. (Similar data set available)
3. Corsi, F., 2009. A simple approximate long-memory model of realized volatility. *Journal of Financial Econometrics*, 7(2), 174-196. (Similar data set available)
4. Johnson, T.L., 2018. A fresh look at return predictability using a more efficient estimator. Available at SSRN: <https://ssrn.com/abstract=2561112>. (Code and data available, Matlab)

Econometric Methods

1. Comparing predictive accuracy: the Diebold and Mariano (1995) test. Diebold, F.X., Mariano, R.S., 1995. Comparing Predictive Accuracy. *Journal of Business & Economic Statistics*, 13, 253-263.
2. Examining the leverage effect: Glosten, L. R., Jagannathan, R., and Runkle, D., R., 1993. On the relation between the expected value and the volatility of nominal excess return on stocks. *Journal of Finance*, 48(5), 1779-1801.

3. How to compare the performance of portfolios? Engle, R.F., Colacito, R., 2006. Testing and valuing dynamic correlations for asset allocation. *Journal of Business & Economic Statistics*, 24, 238-253.
4. Measurement errors and OLS - a simulation study: Hausman, J., 2001. Mismeasured variables in econometric analysis: problems from the right and problems from the left. *The Journal of Economic Perspectives*, 15(4), 57-67.