

DIW Berlin

Department of Public Economics / Abteilung Staat

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Seminar SS 2013: Empirical Methods in Applied Microeconomics (Modul: Aktuelle Forschungsfragen der Sozialpolitik)

First Meeting: 15.2.2013; 17.00 Uhr, DIW – Mohrenstraße 58 – 10117 Berlin (Room 12026)

Lecturer: Dr. Johannes Geyer, Prof. Dr. Peter Haan and Andreas Thiemann

Content:

The aim of this seminar is to deepen the knowledge about microeconomic methods by conducting an empirical project. The first task will be to develop an interesting economic research question that can be analyzed empirically using micro-data. We suggest possible topics (see the list below) and datasets but students may propose alternative research questions. The center of the seminar is the empirical project. The project consists of a research plan, a seminar paper (Grading: 80%) and the presentation of results + discussion (Grading: 20%). The paper should not be longer than 15 pages. The paper should include both descriptive analyses as well as econometric estimations. It is not necessary to apply highly sophisticated empirical methods, however, it is very important to present a thorough discussion of assumptions and limitations of the applied methods. Moreover the interpretation of estimation results in particular with respect to the economic research question, is crucial. It is possible to work in groups of up to two students.

For the empirical analysis we recommend the software Stata, however students are allowed to use other software packages as well. We provide students with relevant data (SOEP, Parfam, Dafne, Save...) and provide guidance to find a good research question.

The prerequisite for the seminar is good knowledge in econometrics; some experience with statistical software and micro-data is an advantage. The maximum number of students is 15 (priority will be given to students at the end of their Master studies with a strong empirical background).

Resources:

- Wooldridge, Jeffrey M. (2003): Introductory Econometrics – A modern approach. Second edition. The book provides a very useful exhibition of applied microeconomic methods. Furthermore, chapter 19 gives a good introduction on the necessary steps for carrying out an empirical project.
- Resources for using Stata: e.g. <http://stata.com/links/resources-for-learning-stata/>

Organisation:

The seminar is jointly organized for Master Students of the FU and the HU.

Important dates:

What	When	Description	Where	
First meeting	15.02.2013, 5 p.m.	Introduction and discussion of open questions; Choice of topics (final choice has to be made within 14 days)	DIW (R 12026) Mohrenstraße 58 – 10117 Berlin	
	1.03.2013	Definitive choice of topic		
Mid-term meeting/short presentation	26.04.2013	Short presentation of progress; discussion of open questions	DIW (R 12026)	
Paper submission	26.05.2013		DIW (R 12026)	
Presentation	31.05/01.06.2013	Final Presentation		

Data:

- Soep (<http://www.diw.de/de/soep>)
- SAVE (<http://mea.mpisoc.mpg.de/>)
- SHARE (<http://mea.mpisoc.mpg.de/>)
- Pairfam (<http://www.pairfam.de/>)
- GRV (<http://forschung.deutsche-rentenversicherung.de/FdzPortalWeb/>)
- ...

List of research questions (this is optional and not complete):

- Cohort effects and the returns to education. Do returns to education differ by cohort? Replication of (Boockmann und Steiner 2006) with current data (SOEP). Do these effects differ by gender or region?

- Voting behavior and offspring. (Oswald und Powdthavee 2010) argue that there is a positive and causal relationship between having a daughter and left-wing political preferences. Using SOEP data their model could be replicated and critically discussed.
- Labour supply and caring for the elderly. How does home care impact the labour supply of women and men? SOEP or SHARE (Jabsen und Blossfeld 2008; Schupp und Künemund 2004)
- Beauty and wages. Attractive individuals are more successful as many studies show (Hamermesh und Biddle 1994; Klein und Rosar 2006; Mobius und Rosenblat 2006). PAIRFAM
- Marriage market: Do unattractive German men marry attractive foreign women? (Glowsky 2007) shows with SOEP data that (normal) German men marry somewhat younger foreign women. Replication of this using PAIRFAM.
- Division of labor within the market and the household. Is it true that women suffer from a double burden of market work and household chores compared to their partners? PAIRFAM
- Dividend payout and share repurchase of German companies before and after the business tax reform. DAFNE
- Estimating the impact of taxes on firm investments while controlling for the market structure (competition). DAFNE
- Methodological question: How to treat shares (bounded between 0 and 1) as dependent variable. Discussion of OLS, fractional logit and selection models using the savings rate as dependent variable. SAVE

Boockmann, Bernhard, und Viktor Steiner. 2006. „Cohort effects and the returns to education in West Germany“. *Applied Economics* 38 (10): 1135–1152.

Glowsky, David. 2007. „Staatsbürgerschaft als Ressource bei der Heirat ausländischer Frauen. Eine Analyse mit Daten des Sozio-oekonomischen Panel“. *Zeitschrift für Soziologie* 36 (4) (August 1): 282–301.

Hamermesh, Daniel S., und Jeff E. Biddle. 1994. „Beauty and the Labor Market“. *American Economic Review* 84 (5): 1174–94.

Jabsen, Annika, und Hans-Peter Blossfeld. 2008. „Die Auswirkungen häuslicher Pflege auf die Arbeitsteilung in der Familie“. *Zeitschrift für die Familienforschung* 20 (3): 293–321.

Klein, Markus, und Ulrich Rosar. 2006. „Das Auge hört mit! Der Einfluss der physischen Attraktivität des Lehrpersonals auf die studentische Evaluation von Lehrveranstaltungen - eine empirische Analyse am Beispiel der Wirtschafts- und Sozialwissenschaftlichen Fakultät der Universität zu Köln“. *Zeitschrift für Soziologie* 35 (4) (August 1): 305–316.

Mobius, Markus M., und Tanya S. Rosenblat. 2006. „Why Beauty Matters“. *American Economic Review* 96 (1): 222–235.

Oswald, Andrew J., und Nattavudh Powdthavee. 2010. „Daughters and Left-Wing Voting“. *The Review of Economics and Statistics* 92 (2): 213–227.

Schupp, Jürgen, und Harald Künemund. 2004. „Private Versorgung und Betreuung von Pflegebedürftigen in Deutschland: überraschend hohes Pflegeengagement älterer Männer“. *Wochenbericht* 71 (20): 289–294.