ECON 758: Empirical Public Economics  
SPRING 2019

Course Information

Class Meets:
Tuesdays and Thursdays from 3:00pm-4:15pm in WRB 4051. We will meet for presentations of term papers during our final class meeting time on Wednesday, May 15th, from 2:30pm-4:30pm.

Instructor Information:
Instructor: Dr. Frank M. Fossen  
Office: Ansari Business Building 318B  
Phone: 775-682-9131  
Email: ffossen@unr.edu  
Website: http://business.unr.edu/faculty/ffossen/  
Office Hours: Tuesdays and Thursdays from 4:30pm-5:30pm

Course Description:
Advanced analysis of current economic problems in empirical public economics. The course puts an emphasis on modern microeconometric methods. The materials covered are also closely related to and useful for labor economics and other areas in applied microeconomics.

Course Pre/Co-requisites:
Prerequisite(s): Econ 741.

Required texts, course materials:
Course materials and announcements will be provided on WebCampus. A reading list with mandatory and supplementary papers will be provided by the instructor. Recommended graduate textbooks on econometric methods:

Student Learning Outcomes:
Upon completion of this course:
1. Students will be able to demonstrate understanding of economic theory and methods in empirical public economics.
2. Students will be able to describe and analyze how general economic principles apply to specific problems in empirical public economics.
3. Students will be able to gather empirical data and apply appropriate statistical and quantitative methods to analyze economic problems.
4. Students will be able to evaluate the appropriateness of various empirical methods to answer research questions in public economics and to design their own empirical research strategies.

Course Requirements:

**Attendance and Classroom Atmosphere:** This is an interactive course. Students are strongly encouraged to actively participate in class.

**Grades:** The course grade is based upon participation in the class, a term paper, homework assignments, and a presentation and discussion of a published research article.

- Term paper (30%)
- Homework assignments (30%)
- Presentation and discussion of published research article (25%)
- Participation (15%)

**Term Paper:** You will conduct your own empirical analysis using microdata and write a term paper (15-20 pages). You will have the opportunity to choose between a number of topics or make own suggestions within the field of empirical public economics (broadly defined). A typical project involves replication, update and/or extension of a published paper or an original empirical research project. You may work on and turn in the term paper together in groups of no more than three students. Students present their term papers in class at the end of the term and during the final exam period.

**Homework Assignments:** There will be two homework assignments throughout the term, which will involve programming using a statistical software package. You may work on and turn in your solutions together in groups of no more than three.

**Presentation and Discussion of Published Research Article:** I will provide a list of published research articles and you will choose one of them that you will present in class. The presentation should include a critical discussion of strengths and weaknesses of the paper as well as possible avenues for further research.

**Participation:** Your attendance in class and your willingness to engage in discussion will be instrumental in fostering learning that we intend to achieve in this course.

Grading Criteria, Scale, and Standards:

I will use +/- letter grades. The list below describes the maximum overall average percentage in the class needed for each letter grade. I will not curve any individual items, but this scale may be adjusted at the end of the semester to make it more generous at my discretion.

- A: 93% - 100%
- A-: 90% - 92.9%
- B+: 87% - 89.9%
- B: 84% - 86.9%
- B-: 80% - 83.9%
- C+: 77% - 79.9%
- C: 74% - 76.9%
- C-: 70% - 73.9%
- D+: 67% - 69.9%
- D: 64% - 66.9%
- D-: 60% - 63.9%
- F: <60%
Late Work Policies:

Homework assignments are due by midnight on the assigned date. A 10% penalty will be imposed for each day that the homework is late before we discuss the homework in class. Homework turned in after the start of the class discussing the homework will not be accepted.

Course Calendar and Topics Outline:

Required readings: See Reading List.

Due dates of graded homework assignments and term paper:

- Homework 1: Approx. week 5
- Homework 2: Approx. week 10
- Term paper: Approx. week 16

Topics:

- Labor supply responses to taxes (approx. weeks 1-3)
- The tax rate elasticity of taxable income (approx. weeks 4-5)
- The returns to education (approx. weeks 6-7)
- Taxation and entrepreneurial choice (approx. weeks 8-9)
- Start-up subsidies for the unemployed (approx. weeks 10-11)
- Tax evasion (approx. weeks 12-13)
- Voters’ preferences (approx. weeks 14-15)

Methods covered:

- Natural experiments and the identification of causal effects
- Difference-in-differences
- Instrumental variables
- Limited dependent variables and selection models
- Propensity score matching
- Regression discontinuity design
- Programming in Stata

Depending on the preferences of the course participants and the progress we make in class, some topics and methods may be discussed more deeply, some topics may be added, and others may be dropped.
University Policies

Statement on Academic Dishonesty:
“Cheating, plagiarism or otherwise obtaining grades under false pretenses constitute academic dishonesty according to the code of this university. Academic dishonesty will not be tolerated and penalties can include filing a final grade of "F"; reducing the student's final course grade one or two full grade points; awarding a failing mark on the coursework in question; or requiring the student to retake or resubmit the coursework. For more details, see the University of Nevada, Reno General Catalog.”

Statement of Disability Services:
“Any student with a disability needing academic adjustments or accommodations is requested to speak with me or the Disability Resource Center (Pennington Achievement Center Suite 230) as soon as possible to arrange for appropriate accommodations.”
This course may leverage 3rd party web/multimedia content, if you experience any issues accessing this content, please notify your instructor.

Statement on Audio and Video Recording:
“Surreptitious or covert video-taping of class or unauthorized audio recording of class is prohibited by law and by Board of Regents policy. This class may be videotaped or audio recorded only with the written permission of the instructor. In order to accommodate students with disabilities, some students may have been given permission to record class lectures and discussions. Therefore, students should understand that their comments during class may be recorded.”

Statement on Diversity:
“The University of Nevada, Reno is committed to providing a safe learning and work environment for all. If you believe you have experienced discrimination, sexual harassment, sexual assault, domestic/dating violence, or stalking, whether on or off campus, or need information related to immigration concerns, please contact the University's Equal Opportunity & Title IX office at 775-784-1547. Resources and interim measures are available to assist you. For more information, please visit the Equal Opportunity and Title IX page.”

Statement for Academic Success Services:
“Your student fees cover usage of the Math Center (775) 784-4433, Tutoring Center (775) 784-6801, and University Writing Center (775) 784-6030. These centers support your classroom learning; it is your responsibility to take advantage of their services. Keep in mind that seeking help outside of class is the sign of a responsible and successful student.”