

Guidelines for Course Project

The course project is meant to be an original project. The project proposal should be one or two pages in length. It should clearly state:

- 1) the general problem you intend to solve/explore
- 2) the specific hypothesis you are testing (and equation you are estimating, if you are using regression techniques)
- 3) exactly what and where the data are that you intend to use

You may wish to include a short bibliography of papers/data sources that you have consulted.

I strongly suggest that you run your idea by me before committing it to paper. Also, please come see me if you are having trouble thinking of what to do (after reading this handout and giving it some thought on your own).

Sample ideas for projects

Feel free to expand on any of these ideas in developing your project. While these ideas are all economics projects, your project need not use economic data. Particularly imaginative, creative ideas will be duly appreciated. Those of you who plan to do a major research project later in your college career may want to invest some time now in picking a meaty topic that can evolve into a larger project in the future.

- test to see if real wages are constant across cities/regions
- test to see if the government deficit reduces private investment
- test to see which form of the money demand function is most plausible
- test the purchasing power parity doctrine for a set of goods between two countries or for one good across many countries
- estimate an investment function
- estimate the Phillips curve (the relationship between inflation and unemployment)
- estimate the Solow growth model
- see if risk-return relationships hold up for various types of investments
- see if long-run interest rates are good predictors of future short-run interest rates
- see if real interest rates (nominal rates minus inflation) are stable over time
- see if higher tax rates reduce economic growth
- consider the relationship between interest rates and the capital account, or between exchange rates and the current account

- consider the relationship between female/male wage ratios in different occupations and the percentage female in the occupations
- consider the relationship between players' earnings and their productivity (measured by their various playing statistics) for a particular sport
- consider the relationship between changes in different price indices
- consider the relationship between changes in different measures of money
- check for the stability of labor's share of total output

Additional sources for project ideas

- look through economics textbooks for ideas; get ideas from other classes you've taken
- some of the easier-to-read economics journals: Journal of Economic Perspectives, Journal of Economic Literature, Challenge, Monthly Labor Review, American Economic Review
- consider assertions made in the popular/semischolarly press: Wall Street Journal, Harpers, The Economist

Some possible data sources

- DataInsight (as demonstrated in the Excel workshop)
- World Bank (e.g., World Development Indicators)
- IMF (e.g., International Financial Statistics)
- Survey of Current Business
- Federal Reserve Bulletins
- Wall Street Journal (for financial data)
- internet sites linked to the course webpage (e.g., Economic Report of the President, Statistical Abstract of the United States)

Manolis would likely have other ideas as well.

Deadlines

The project proposal is due by 6:00 p.m. on Friday June 25 as an email attachment (to jjacobsen@wesleyan.edu). Use .doc, or .docx, or .pdf, or .rtf for your file format. Projects must be approved (approval is based on the proposal). Proposals comprise five percent of the project grade. Late proposals receive comments but no credit.

The project is due by 6:00 pm on Friday July 9. Send me the project as an email attachment. I archive them for reference purposes.