

# **Economics 4492G - Special Topics: Quantitative Methods in Health Economics and in the Economics of Education**

## **COURSE INFORMATION**

Huron University College, Winter 2018  
Economics 4492G  
Classroom: HC – W106  
Time: Wednesday 11:30 – 12:20, Friday 11:30-1:20

## **INSTRUCTOR'S INFORMATION**

Michael Kottelenberg  
E-Mail: mkottele@uwo.ca  
Phone: (519) 438-7224 ext 603  
Office: V132  
Office Hours: Tuesday 1:30-3:00, By Appointment.

Please use your UWO email when communicating with me.

## **COURSE DESCRIPTION**

This seminar course will survey a range of quantitative methods used in the evaluation of public programs. Using assigned readings from the economic fields of education, health, and labour this course will cover empirical techniques including matching, inverse propensity weighting, difference-in-differences, regression discontinuity, and instrumental variables. Discussion will focus on highlighting the strengths and weaknesses of the covered methodologies and critically analyzing their application to real world problems.

Prerequisite(s): Registration in fourth year of the Honors Specialization in Economics or honors standing in a Major/ Major combination including the Major in Economics, or permission of the Department

## **COURSE OBJECTIVES**

The goal of this course is to introduce students to a range of quantitative methods used in the economics fields of health, education, and labour. Within this context students will develop their ability to assess and critically read applied economic literature. Additionally, this course aims to foster both oral and written communication skills. Students apply these skills in the production of a research project.

## **CLASS METHODS**

This seminar course will require students to conduct a critical overview of a research topic / question of their choosing. Student will contribute to the classroom environment by presenting their own research and selected journal articles. Lectures in this course will provide the foundations for reading empirical literature by surveying a range of empirical methods.

## TEXTBOOK

There is no required text for this course. Some useful reference texts are:

Angrist, Joshua D., and Jörn-Steffen Pischke. *Mostly harmless econometrics: An empiricist's companion*. Princeton university press, 2008.

Wooldridge, Jeffrey M. *Econometric analysis of cross section and panel data*. MIT press, 2010.

## COURSE EVALUATION

20%	Participation	Ongoing
10%	Research Proposal	Due: Wednesday, January 24, 2018
10%	Team A Presentation: Journal Article	February 5-17, March 5-17
10%	Team B Presentation: Critique of an Article	February 5-17, March 5-17
10%	Research Progress Report	Due: Wednesday, February 28, 2018
15%	Individual Presentation: Research Project	March 26 -April 11
25%	Final Research Paper	Due: Friday, April 13, 2018

### Participation

Students are expected to attend all classes and to actively participate. Students are expected to read assigned journal articles and come to class prepared to discuss the relevant topics. Participation grades will be determined using the following criteria:

80 – 100 %	Usually present with good comments/questions.
70 – 80 %	Usually present with weak comments/questions.
50 – 70 %	Present for most classes with good comments/questions.
25 – 50 %	Usually present but few comments/questions.
0 – 25 %	Often absent.

A “good” comment or question reflects substantial knowledge of and thought about the paper/subject under discussion. A “weak” question simply asks for more information.

### Team Presentations

On (Wednesday) of most weeks there will be a presentation of a journal article that relates to the topic studied in the previous class (subject to enrollment constraints). Each article will be presented by two separate teams one which will present the main content of the article and the other that will provide a critique of the article. Teams will present twice and take on each role once.

### Team Formation

Groups will consist of XX members where XX is dependent on enrollment in the course. Teams will be formed by our second class (Friday, January 13, 2018). Team members are asked to email the instructor

with the name and student numbers of their partners. If you have not found a group by the second class you will be assigned to team by the instructor.

#### *Dates for Presentations and Trading Time Slots*

Teams will be randomly assigned to presentation articles and dates. Requests for the first presentation slot will be considered. If there is a foreseen conflict for one of your presentations you may arrange to trade with another team. Teams, however, cannot present and critique the same article. If a desirable trade is reached a member from each team should contact me and copy the groups' members to confirm the trade. I will keep an up-to-date schedule on OWL. Trades will be accepted on a first come first serve basis (after both parties have email me).

#### *Expectations for Team A Presentation: Journal Article*

As the team presenting the main body of the article you will be given 25 minutes. In your presentation you will be expected to cover the following question about the article:

What is the policy relevance of the article? What relevant findings from the previous literature does the paper cite? What is the basic research method – simple observational data, natural experiment, social experiment or lab experiment? What types of data are used? What estimation methods are used? How are the methods implemented? What are the basic findings? What conclusion do the authors reach on the policy issue?

#### *Expectations for Team B Presentation: Critique of an Article*

As the team presenting a critique of the article you will be given 15 minutes. In your presentation you will be expected to cover the following question about the article:

What are the basic strengths of the article with respect to internal validity and external validity? What are the basic weaknesses of the article with respect to internal validity and external validity? In light of the strengths and weaknesses how justified are the authors in reaching their conclusions? What issues remain for future research?

#### *Presentation Timing and Course Material*

The journal articles (listed below) have been selected to relate directly to the course material from the recent course material. Thus, students will be expected to integrate new material into their presentations. Note that the preparation for presentations can certainly begin before the specific methodology of a paper has been explained in class. To facilitate integration of new material, both sets of presenters are expected to meet with the professor on the **Monday** prior to their **Wednesday presentation** to go over a draft of their slides. This meeting will be a chance to ask any questions you have about the article and also a chance for me to suggest things that have been overlooked or could be improved. This meeting will be considered when assigning a final grade to your presentation and is considered mandatory.

## **Research Paper**

All students are expected to develop and write a critical review of empirical research on a topic of their choosing. While topics in health, education and labour economics are preferred other topics will be considered but require approval. The final project will be a 20-25 page paper that should critically review 5 papers on the selected topic. This project will be completed with two intermediate steps that are intended to keep dialogue between the professor and student open and are briefly described below.

### *Research Proposal*

Students will hand in a 2 page description of a proposed research question and an annotated bibliography listing the proposed set of journal articles for their review.

### *Research Progress Report*

Students will be expected to produce a 8-12 page report detailing their research to date. This paper will focus more heavily on the details of the papers selected.

Plagiarism detection software may be used in this course. Students may be required to submit their work in electronic form. More details for the expectation of these assignments will be provide on the OWL course site.

## **TENTATIVE COURSE SCHEDULE**

Week 1	Regression Review, Omitted Variable Bias, Critiquing Journal Articles
Week 2	Instrumental Variable
Week 3	Fixed Effects / Random Effects / First Differences
Week 4	Randomized Experiments
Week 5	Propensity Scores and Matching
Week 6	Attrition / Missing Data
Week 7	Regression Discontinuity / Regression Kink Reading Week
Week 8	Difference-in-Difference / Change-in-Change
Week 9	Subgroup Analysis / Heterogeneous Treatment Effects / Quantile Regression
Week 10	Intro to Structural Estimation / Heckman Selection
Week 11	Presentations II
Week 12	Presentations II
Week 13	Presentations II

Note: This is a tentative list of topics. Some topics may be added / deleted / reordered as the course progresses. I will post an updated schedule at the beginning of term.



### **Prerequisite Information**

Students are responsible for ensuring that they have successfully completed all course prerequisites. Unless you have either the requisites for this course or written special permission from your Provost and Dean to enrol in it, you may be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites.

### **Conduct of Students in Classes, Lectures, and Seminars**

Membership in the community of Huron University College and the University of Western Ontario implies acceptance by every student of the principle of respect for the rights, responsibilities, dignity and well-being of others and a readiness to support an environment conducive to the intellectual and personal growth of all who study, work and live within it. Upon registration, students assume the responsibilities that such registration entails. The academic and social privileges granted to each student are conditional upon the fulfillment of these responsibilities.

In the classroom, students are expected to behave in a manner that supports the learning environment of others. Students can avoid any unnecessary disruption of the class by arriving in sufficient time to be seated and ready for the start of the class, by remaining silent while the professor is speaking or another student has the floor, and by taking care of personal needs prior to the start of class. If a student is late, or knows that he/she will have to leave class early, be courteous: sit in an aisle seat and enter and leave quietly.

Please see the *Code of Student Rights and Responsibilities* at:

<http://www.huronuc.ca/CurrentStudents/StudentLifeandSupportServices/StudentDiscipline>

### **Technology**

It is not appropriate to use technology (such as, but not limited to, laptops, cell phones) in the classroom for non-classroom activities. Such activity is disruptive and is distracting to other students and to the instructor, and can inhibit learning. Students are expected to respect the classroom environment and to refrain from inappropriate use of technology and other electronic devices in class.

### **Academic Accommodation for Medical/Non-Medical Grounds**

Students who require special accommodation for tests and/or other course components must make the appropriate arrangements with the Student Development Centre (SDC). Further details concerning policies and procedures may be found at:

[http://www.sdc.uwo.ca/ssd/?requesting\\_acc](http://www.sdc.uwo.ca/ssd/?requesting_acc)

#### **(a) Medical Grounds for assignments worth 10% or more of final grade: Go Directly to Academic Advising**

University Senate policy, which can be found at

[http://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/accommodation\\_medical.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/appeals/accommodation_medical.pdf),

requires that all student requests for accommodation on medical grounds for assignments worth 10% or more of the final grade be made directly to the academic advising office of the home faculty (for Huron students, the “home faculty” is Huron), with supporting documentation in the form (minimally) of the Senate-approved Student Medical Certificate found at:

[http://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/medicalform\\_15JUN.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform_15JUN.pdf).

The documentation is submitted in confidence and will not be shown to instructors. The advisors will contact the instructor when the medical documentation is received, and will outline the severity and duration of the medical challenge as expressed on the Student Medical Certificate and in any other supporting documentation. The student will be informed that the instructor has been notified of the presence of medical documentation, and will be instructed to work as quickly as possible with the instructor on an agreement for accommodation. The instructor will not normally deny accommodation where appropriate medical documentation is in place and where the duration it describes aligns with the due date(s) of assignment(s). Before denying a request for accommodation on medical grounds, the instructor will consult with the Provost and Dean. The instructor’s decision is appealable to the Provost and Dean.

**(b) Accommodation on Medical Grounds for assignments worth less than 10% of final grade:  
Consult Instructor Directly**

When seeking accommodation on medical grounds for assignments worth less than 10% of the final course grade, the student should contact the instructor directly. The student need only share broad outlines of the medical situation. The instructor **may** require the student to submit documentation to the academic advisors, in which case she or he will advise the student and inform the academic advisors to expect documentation. The instructor may not collect medical documentation. The advisors will contact the instructor when the medical documentation is received, and will outline the severity and duration of the medical challenge as expressed on the Student Medical Certificate and in any other supporting documentation. The student will be informed that the instructor has been notified of the presence of medical documentation, and will be instructed to work as quickly as possible with the instructor on an agreement for accommodation. The instructor will not normally deny accommodation where appropriate medical documentation is in place and where the duration it describes aligns with the due date(s) of assignment(s). Before denying a request for accommodation on medical grounds, the instructor will consult with the Provost and Dean. The instructor’s decision is appealable to the Provost and Dean.

**(c) Non-medical Grounds: Consult Instructor Directly**

Where the grounds for seeking accommodation are not medical, the student should contact the instructor directly. Late penalties may apply at the discretion of the instructor. Apart from the exception noted below, academic advisors will not be involved in the process of accommodation for non-medical reasons.

Where a student seeks accommodation on non-medical grounds where confidentiality is a concern, the student should approach an academic advisor with any documentation available. The advisors will contact the instructor after the student’s request is received, and will outline the severity and duration of the challenge without breaching confidence. The student will be informed that the instructor has been notified that significant circumstances are affecting or have affected the student’s ability to complete work, and the student will be instructed to work as quickly as possible with the instructor on

an agreement for accommodation. Before denying a request for accommodation where documentation has been submitted to an academic advisor, the instructor will consult with the Provost and Dean. The instructor's decision is appealable to the Provost and Dean.

### **Statement on Academic Offences**

Scholastic offences are taken seriously and students are directed to read the appropriate policy, specifically, the definition of what constitutes a Scholastic Offence, at the following Web site:

[http://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/scholastic\\_discipline\\_undergrad.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/appeals/scholastic_discipline_undergrad.pdf)

### **Statement on Academic Integrity**

The International Centre for Academic Integrity defines academic integrity as "a commitment, even in the face of adversity, to five fundamental values: honesty, trust, fairness, respect, and responsibility. From these values flow principles of behaviour that enable academic communities to translate ideals to action." (CAI Fundamental Values Project, 1999).

A lack of academic integrity is indicated by such behaviours as the following:

- Cheating on tests;
- Fraudulent submissions online;
- Plagiarism in papers submitted (including failure to cite and piecing together unattributed sources);
- Unauthorized resubmission of course work to a different course;
- Helping someone else cheat;
- Unauthorized collaboration;
- Fabrication of results or sources;
- Purchasing work and representing it as one's own.

### **Academic Integrity: Importance and Impact**

Being at university means engaging with a variety of communities in the pursuit and sharing of knowledge and understanding in ways that are clear, respectful, efficient, and productive. University communities have established norms of academic integrity to ensure responsible, honest, and ethical behavior in the academic work of the university, which is best done when sources of ideas are properly and fully acknowledged and when responsibility for ideas is fully and accurately represented.

In the academic sphere, unacknowledged use of another's work or ideas is not only an offence against the community of scholars and an obstacle to academic productivity. It may also be understood as fraud and may constitute an infringement of legal copyright.

A university is a place for fulfilling one's potential and challenging oneself, and this means rising to challenges rather than finding ways around them. The achievements in an individual's university studies can only be fairly evaluated quantitatively through true and honest representation of the actual learning done by the student. Equity in assessment for all students is ensured through fair representation of the efforts by each.

Acting with integrity at university constitutes a good set of practices for maintaining integrity in later life. Offences against academic integrity are therefore taken very seriously as part of the university's work in preparing students to serve, lead, and innovate in the world at large.

A university degree is a significant investment of an individual's, and the public's, time, energies, and resources in the future, and habits of academic integrity protect that investment by preserving the university's reputation and ensuring public confidence in higher education.

**Students found guilty of plagiarism will suffer consequences ranging from a grade reduction to failure in the course to expulsion from the university. In addition, a formal letter documenting the offence will be filed in the Provost and Dean's Office, and this record of the offence will be retained in the Provost and Dean's Office for the duration of the student's academic career at Huron University College.**

All required papers may be subject to submission for textual similarity review to the commercial plagiarism detection software under license to the University for the detection of plagiarism. All papers submitted for such checking will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system. Use of the service is subject to the licensing agreement, currently between The University of Western Ontario and Turnitin.com.

Computer-marked multiple-choice tests and/or exams may be subject to submission for similarity review by software that will check for unusual coincidences in answer patterns that may indicate cheating.

Personal Response Systems ("clickers") may be used in some classes. If clickers are to be used in a class, it is the responsibility of the student to ensure that the device is activated and functional. Students must see their instructor if they have any concerns about whether the clicker is malfunctioning. Students must use only their own clicker. If clicker records are used to compute a portion of the course grade:

- the use of somebody else's clicker in class constitutes a scholastic offence,
- the possession of a clicker belonging to another student will be interpreted as an attempt to commit a scholastic offence.

### **Policy on Special Needs**

Students who require special accommodation for tests and/or other course components must make the appropriate arrangements with the Student Development Centre (SDC). Further details concerning policies and procedures may be found at:

[http://www.sdc.uwo.ca/ssd/?requesting\\_acc](http://www.sdc.uwo.ca/ssd/?requesting_acc)

### **Attendance Regulations for Examinations**

A student is entitled to be examined in courses in which registration is maintained, subject to the following limitations:

- 1) A student may be debarred from writing the final examination for failure to maintain satisfactory academic standing throughout the year.
- 2) Any student who, in the opinion of the instructor, is absent too frequently from class or laboratory periods in any course will be reported to the Provost and Dean of the Faculty offering the course (after due warning has been given). On the recommendation of the Department concerned, and with the permission of the Provost and Dean of that Faculty, the student will be debarred from taking the regular examination in the course. The Provost and Dean of the Faculty offering the course will communicate that decision to the Provost and Dean of the Faculty of registration.

**Class Cancellations**

In the event of a cancellation of class, every effort will be made to post that information on the Huron website, <http://www.huronuc.ca/AccessibilityInfo> ("Class Cancellations").

**Mental Health @ Western**

Students who are in emotional/mental distress should refer to Mental Health @ Western <http://www.uwo.ca/uwocom/mentalhealth/> for a complete list of options about how to obtain help.

**Academic Advising**

For advice on course selections, degree requirements, and for assistance with requests for medical accommodation [see above], students should contact an Academic Advisor in Huron's Student Support Services ([huronsss@uwo.ca](mailto:huronsss@uwo.ca)). An outline of the range of services offered is found on the Huron website at: <http://www.huronuc.ca/CurrentStudents/AcademicAdvisorsandServices>

Department Chairs and Program Directors and Coordinators are also able to answer questions about their individual programs. Their contact information can be found on the Huron website at: <http://www.huronuc.ca/Academics/FacultyofArtsandSocialScience>