

Master-Seminar  
**Empirical Public Economics**

*Prof. Dr. Guido Schwerdt*

Summer term 2019

Policy-makers want to know which policies and practices can best achieve their goals. But research that can inform evidence-based policy often requires complex methods to distinguish causation from accidental association. This seminar is primarily devised to ensure that participants learn about the latest econometric methods to evaluate economic policies. At the same time, it covers a broad range of topics from public child care provision to health policy. Selected research papers will be presented by students and discussed in class.

**Objective**

After completion of the course students should be able to understand the most recent micro-econometric methods commonly used to evaluate economic policies. They should understand their basic identification strategies, the data requirements to implement these methods as well as their potential shortcomings. The seminar aims at providing students with the necessary skills to understand and to critically assess empirical evaluations of economic policies.

**General information and prerequisites**

Participants should have a solid background in econometrics and statistics. In order to pass the seminar, students must submit a term paper (maximum 12 pages) on one of the ten topics and present their work in the seminar. Students are also expected to prepare one-page summaries [in a bullet-point manner] of the other readings discussed in class. Summaries are to demonstrate familiarity with and discuss critically the required readings. Grading is based on the term paper, presentation, participation and the one-page summaries. The language of the seminar is English.

**Registration**

During the official registration period in January 2019. Students who have received a registration confirmation for the seminar should pick three topics from the list below, rank them according to their preferences (from 1 to 3 with one being the most preferred topic) and send an email to [office.schwerdt@uni-konstanz.de](mailto:office.schwerdt@uni-konstanz.de). Topics are allocated on a “first come, first serve” basis. After the enrolment period students cannot drop the seminar any more. No-shows receive a 5.0.

**Procedure of the seminar**

The seminar starts on April 26 with a preliminary session. This preliminary session introduces basic concepts, present a common conceptual framework for evaluating economic policies and show the key empirical approaches. The key empirical approaches include experiments, instrumental variables, regression discontinuity designs, and difference-in-differences estimation. The preliminary session is obligatory for all participating students.

The deadline for submission of the term paper is June 30, 2019. Students should send an electronic copy of the paper (pdf) to [office.schwerdt@uni-konstanz.de](mailto:office.schwerdt@uni-konstanz.de). The block seminar will take place on July 4 and 5, 2019. Students are expected to prepare one-page summaries for each of the required readings, which should be submitted electronically by July 3, 2019.

**Important dates and deadlines:**

April 26, 2019 10:00 - 12:00

Preliminary session (Room: F208)

June 30, 2019

Deadline for submission of term paper

July 3, 2019

Deadline for submission of one-page summaries

July 4, 2019 9:00 – 18:30

Block seminar (Room: tba)

July 5, 2019 9:00 – 12:30 .

Block seminar (Room: tba)

## Topics and Readings

### **Topic 1: Preferences for redistribution**

Alesina, Alberto, Stefanie Stantcheva, and Edoardo Teso (2018). Intergenerational Mobility and Preferences for Redistribution. *American Economic Review*, 108 (2): 521-54.

### **Topic 2: Preferences for public spending**

Lergetporer, Philipp, Guido Schwerdt, Martin R. West, Katharina Werner and Ludger Woessmann (2018). How Information Affects Support for Education Spending: Evidence from Survey Experiments in Germany and the United States. *Journal of Public Economics*, 167, 138-157.

### **Topic 3: Gender inequalities in education**

Porter, Catherine and Danila Serra (2017). Gender differences in the choice of major: The importance of female role models. Departmental Working Papers 1705, Southern Methodist University, Department of Economics.

### **Topic 4: Education policy: Disadvantaged youth**

Attanasio, Orazio, Adriana Kugler, and Costas Meghir (2011). Subsidizing Vocational Training for Disadvantaged Youth in Colombia: Evidence from a Randomized Trial. *American Economic Journal: Applied Economics*, 3, 188–220.

### **Topic 5: Labor disputes**

Bauernschuster, Stefan, Hener, Timo, and Helmut Rainer (2017). When Labor Disputes Bring Cities to a Standstill: The Impact of Public Transit Strikes on Traffic, Accidents, Air Pollution and Health. *American Economic Journal: Economic Policy*, 9(1), 1-37.

### **Topic 6: Health policy: Smoking bans**

Anger, Silke, Michael Kvasnicka, and Thomas Siedler (2011). One last puff? Public smoking bans and smoking behavior. *Journal of Health Economics*, 30(3), 591-601.

### **Topic 7: Labor market policy: Labor market deregulation**

Lergetporer, Philipp, Jens Ruhose, and Lisa Simon (2018). Entry Barriers and the Labor Market Outcomes of Incumbent Workers: Evidence from a Deregulation Reform in the German Crafts Sector, IZA Working paper 11857.

### **Topic 8: Education policy: Vocational vs. General Education**

Hampf, Franziska and Ludger Wößmann (2017). Vocational vs. General Education and Employment over the Life-Cycle: New Evidence from PIAAC. *CESifo Economic Studies* 63(3), 255–269.

### **Topic 9: Public child care provision**

Bauernschuster, Stefan, Hener, Timo, and Helmut Rainer (2016), Children of a (Policy) Revolution: The Introduction of Universal Child Care and its Effect on Fertility *Journal of the European Economic Association*, 14(4), 975-1005.

### **Topic 10: Education policy: Computers in Classrooms**

Falck, Oliver, Constantin Mang, and Ludger Wossmann (2018). Virtually No Effect? Different Uses of Classroom Computers and their Effect on Student Achievement. *Oxford Bulletin of Economics and Statistics*, 80(1), 01–38.