

HOMEWORK 2

ECN 607 – Applied Microeconometrics
Prof. Bruce Blonigen

Due Date: Thursday, Jan. 22

Write a referee's report on the attached article. In other words, pretend you have been sent the paper by a top field journal to critique the paper. They always ask for a recommendation about whether to publish the paper or not, but you don't need to say anything about that for this assignment

How should you write the report and what things should you include? Your report should be 3-4 pages (double-spaced). Things you should comment on include:

- A) The originality and creativity of the idea.
- B) Organization of the paper.
- C) Does the author effectively motivate the paper and highlight the important results?
- D) Are there technical errors in the theory or empirical specification?
- E) For theory papers: How realistic are the model assumptions, especially the assumptions that are crucial to the papers results?
- F) For empirical papers: Is the empirical specification appropriate for the process generating the data? How well does the empirical specification fit theory? Are you sufficiently convinced that the empirical results are accurate or are there sensitivity tests you could recommend. (For example, has the author left out a regressor that theory would suggest is an important determinant.)
- G) Has the author missed important cites in the literature?
- H) Are there extensions you would recommend that would be interesting in the paper or as a suggestion for future work?

Of course, given this course's subject matter, you should certainly focus a significant portion of your comments on the empirical methodology, presentation of statistical results, properties of the data, etc. You may find the McCloskey and Ziliak article we are discussing in class helpful for your referee comments. In addition, you should check out the following web links with excellent advice on presentation of empirical results and refereeing:

<http://economics.ca/cje/en/referees.php>

http://faculty.haas.berkeley.edu/levine/unix/cheap_advice.html#results