

AAE 724: Practicum for Applied Economists

Syllabus

Spring 2025
Wed 1:00pm – 4:00pm, irregular
Room B30 Taylor Hall

INSTRUCTORS:

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CREDIT HOURS: 4 credits

This class meets in large/small groups and individually over the Fall semester. It carries the expectation that students will work on course learning activities (reading, writing, problem solving, studying, etc.) extensively outside of the classroom, meet with their advisors weekly, and present updates on their projects to the instructors and their classmates about once per month throughout the semester.

INSTRUCTIONAL MODE: Face to face/Virtual

PREREQUISITES:

AAE 637 or AAE 719

COURSE OVERVIEW

This course is part of a series of courses to train students in the quantitative methods typically used by economic analysts in a professional setting. This course provides students with the opportunity to synthesize the material they've learned in their coursework in a start-to-finish econometric analysis similar in scope and timeline to what they often would be expected to do in a professional setting. The final course product is a professional report. Students should think of this report as a professional analyst's master's thesis, which is a demonstration of the student's training and capability for professional work, to be shared with prospective employers.

LEARNING GOALS AND OUTCOMES

The goal of the course is to provide students with an "as if" experience of the professional economic analyst, so that when they leave the course they are prepared to conduct an empirical economic analysis from start to finish.

Learning outcomes:

1. Identify and clarify project objectives.
2. Identify and prepare the data to be used to meet the project objectives.
3. Develop the relevant analytical approach and the models to be used in the analysis.
4. Conduct the analysis and report analysis results and conclusions in a written report.

- Communicate clearly both in written report and oral presentations relevant applied economic and policy issues in the analysis.

RECOMMENDED TEXTBOOKS

While there is no required textbook for this class, students should consider all the material from their previous coursework (e.g., AAE 625, AAE 635, AAE 636, AAE 637, AAE 718, AAE 719) as resources for their projects, including past textbooks, lecture notes, PowerPoint slides, etc.

In addition, we strongly recommend the textbook *The Effect: An Introduction to Research Design and Causality* by Nick Huntington-Klein as an additional resource. The book can be read for free online at this [website](#) or you can purchase a [hard copy](#). In particular, the first five chapters on Designing Research, Research Questions, Describing Variables, Describing Relationships and Identification are particularly useful as you consider how to come up with a research question, work to understand your data, and consider the best methods to analyze your data. Ideally, students would read these chapters before the AAE 724 class starts, or very early in the semester. In addition, there are chapters on each of the main “tools” in the econometrician’s toolkit that students may wish to consider depending on their particular statistical approach, including regression, matching, fixed effects, event studies, difference-in-differences, instrumental variables and regression discontinuity.

CREDITS AND DISTRIBUTION OF EFFORT

Completing the practicum in a single semester requires that the student work steadily on the project throughout the semester. Students will be graded not just on their final reports and presentations, but on intermediate deliverables as well, with grades determined in part by whether the student meets the deadline for each deliverable, and by the student’s in-class feedback provided to students working on other projects. The following table provides a detailed accounting of the required schedule.

The total points in the table sum to 100, the total points for the course. This point allocation can be summarized as follows (tentative schedule):

Date	Activity	Deliverable (Wednesday 11:59 pm)	Points (Total = 100)
Milestone 1			
1/11	Research idea	<ul style="list-style-type: none"> One paragraph of potential research idea 	
1/22	Course logistics meeting	<ul style="list-style-type: none"> Course content and expectation Sample projects Comments on research ideas (one-to-one) 	
2/5	Data description I	Draft project objective section of report: <ul style="list-style-type: none"> At least two paragraphs Research question & hypotheses 	5
2/19	Data description II	Draft data description section of report: <ul style="list-style-type: none"> Identify and eliminate data anomalies and issues Summary statistics (tables and graphs) 	15

Week of 2/26	Presentations + Feedback (meeting)	Prepare slides for presentation on: <ul style="list-style-type: none"> • Research question & hypotheses • Data description 	5
Milestone 2			
3/5	Regression model I	Draft regression model section of report: <ul style="list-style-type: none"> • Modelling approach is consistent with the data & hypotheses 	10
3/19	Regression model II	Resubmit model section of report: <ul style="list-style-type: none"> • Modelling approach is consistent with the data & hypotheses 	15
Milestone 3			
4/2	Regression results I	Draft regression results section of report: <ul style="list-style-type: none"> • Analysis is consistent with research question & hypotheses • Results are based on regression model estimation 	10
Week of 4/16	Group presentations + Feedback (meeting)	Prepare slides for presentation on: <ul style="list-style-type: none"> • Econometric specification • Regression results 	5
4/23	Regression results II	Resubmit draft regression results section of report: <ul style="list-style-type: none"> • Based on feedback from first analysis 	10
Milestone 4			
Week of 4/30	Final presentation (meeting)	Prepare slides for final presentation on: <ul style="list-style-type: none"> • Research question & hypotheses • Data description • Regression model • Regression results • Conclusions & policy implications 	10
5/9	Final report	Submit final report	15

Grades will be calculated based on the following percentages, which will arise from the numerical scores assigned to each assignment indicated in the practicum schedule:

$\leq 100\% \text{ \& } \geq 93\%$	A
$< 93\% \text{ \& } \geq 88\%$	AB
$< 88\% \text{ \& } \geq 83\%$	B
$< 83\% \text{ \& } \geq 78\%$	BC
$< 78\% \text{ \& } \geq 70\%$	C
$< 70\% \text{ \& } \geq 60\%$	D
$< 60\% \text{ \& } \geq 0\%$	F

Data Sources: Examples

[NY Hospital Discharge Data](#)

[Nielsen Scanner Data](#)

[Longitudinal Study of Adolescent to Adult Health](#)

[Harvard Dataverse](#)

[Kaggle](#)

[IPUMS](#)

[St Louis FRED](#)

[World Bank](#)

Project Questions: Examples [\[Source\]](#)

Can You Hear Me Now? An Analysis of the Competitive Nature of the Cellular Phone Industry.

Perceived Corruption and Foreign Investment: Are Investors Vigilant?

Should They Be Mine or Should They Be Ours? An Analysis of Public and Private Property Rights in the Chesapeake Bay Oyster Industry.

Quality Controlled Release Timing in the Motion Picture Industry.

Balanced Teams versus One Player: The Effect of Scoring Distribution on Points Earned in Soccer.

Quality Controlled Release Timing in the Motion Picture Industry.

How Does Legislation Effect Crime?: An Economic Analysis of the Virginia Shall Issue Law.

Competition and Consolidation in the Audit Industry: Comparing Highly Consolidated Client Industries to a Control Group.

Should California Be Farming? A Cost-Benefit Analysis of Agricultural Subsidies in California's Central Valley.

More Project Resources

[Market Basked Analysis](#)

[Industry Applications of Conjoint Analysis](#)

ACADEMIC INTEGRITY

By enrolling in this course, each student assumes the responsibilities of an active participant in UW-Madison's community of scholars in which everyone's academic work and behavior are held to the highest academic integrity standards. Academic misconduct compromises the integrity of the university. Cheating, fabrication, plagiarism, unauthorized collaboration, and helping others commit these acts are examples of academic misconduct, which can result in disciplinary action. This includes but is not limited to failure on the assignment/course, disciplinary probation, or suspension. Substantial or repeated cases of misconduct will be forwarded to the Office of Student Conduct & Community Standards for additional review. For more information, refer to studentconduct.wiscweb.wisc.edu/academic-integrity/.

PLAGIARISM

Plagiarism is a serious offense. All sources and assistance used in preparing documents must be precisely and explicitly acknowledged. Ignorance of what constitutes plagiarism or academic misconduct is not a defense. It is your responsibility to be sure. The internet and artificial intelligence create special risks. Cutting and pasting even a few words from a web page or paraphrasing material without a reference constitutes plagiarism. If you are not sure how to refer to something you find on the internet, you can always give the URL. It is generally better to quote than to paraphrase from material on the web, because in the absence of page numbers it can be hard to find passages that are paraphrased rather than quoted. For more information on writing and source citation, the following may be helpful: <http://writing.wisc.edu/Handbook/Documentation.html>

ACCOMMODATIONS FOR STUDENTS WITH DISABILITIES

McBurney Disability Resource Center syllabus statement: “The University of Wisconsin-Madison supports the right of all enrolled students to a full and equal educational opportunity. The Americans with Disabilities Act (ADA), Wisconsin State Statute (36.12), and UW-Madison policy (Faculty Document 1071) require that students with disabilities be reasonably accommodated in instruction and campus life. Reasonable accommodations for students with disabilities is a shared faculty and student responsibility. Students are expected to inform faculty [me] of their need for instructional accommodations by the end of the third week of the semester, or as soon as possible after a disability has been incurred or recognized. Faculty [I], will work either directly with the student [you] or in coordination with the McBurney Center to identify and provide reasonable instructional accommodations. Disability information, including instructional accommodations as part of a student's educational record, is confidential and protected under FERPA.”
<http://mcburney.wisc.edu/facstaffother/faculty/syllabus.php>

DIVERSITY AND INCLUSION

Institutional statement on diversity: “Diversity is a source of strength, creativity, and innovation for UW-Madison. We value the contributions of each person and respect the profound ways their identity, culture, background, experience, status, abilities, and opinion enrich the university community. We commit ourselves to the pursuit of excellence in teaching, research, outreach, and diversity as inextricably linked goals.”