

Article Review Instruction Summary

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A few points to discuss:

- Research question
- Research design
- Identification strategy
- Interpret the results

How to read an empirical paper:

- Basically, we look for four main things
 - Research question
 - outcome, policy variable(s) (treatment variable(s))
 - what is the causal effect does the paper try to get at?
 - Main results
 - Look for table or figure with the main findings – interpret in economic term
 - Data source
 - Where the data come from?
 - Identification strategy
 - How does the paper get the results/findings
- First, skim the paper to find out there four main things

My way to read the paper (probably many of empirical people do the same):

- First, I look for the main equation to identify outcome and the main policy variables.
 - This is to identify the research question and the causal relation between outcome and policy variables.
- Then, I look for identification strategy – to determine whether I can believe the findings.
 - Look for the source of exogenous variation (of policy variable)
 - IV, natural experiment, RD design,
 - Some knowledge on institutional details to see whether the exogeneity is valid.
- Then, look for the main findings from the Tables
 - Tables and figures
- Robustness check
 - Rule out Alternative explanation
 - Falsification test or Placebo test

Skills we focus

- 1 Learn about empirical paper's **structure**
- 2 Pin down identification strategy in the paper
- 3 Evaluate the identification strategy – is the estimated effect causal?
- 4 Trace the data sources if possible
- 5 Interpret the results in the table
- 6 Discuss the results by relating to previous research

New contribution of your research

- ① Typically, a new contribution in an empirical paper comes from
 - ① new idea
 - ② new dataset
 - ③ new methodologies
 - ④ new interpretation of the results
 - ⑤ combination of a few elements above is most common

My experience

- ① Most research questions have already studied by someone else
 - ① For a policy evaluation, the first study may investigate the effect of a policy on outcome
 - ② I usually investigate why this effect is realized by estimating heterogeneous effect of the policy – typically done with subsample estimations or an interaction-term model estimation
 - ③ I also look at the effect to those recipients of the policy but the ones next to them (called indirect effect or spillover effect)