**Applications of Econometrics**

**Spring 2023**

**Dr. Kinga Tchórzewska**

**Empirical Group Project Guidelines**

**“Wealth and Health: exploring the relationship between earnings, obesity, and other health outcomes and behaviours.”**

**Aim and Scope**

The group project asks you to apply your knowledge of statistics and econometrics in order to a) explore the relationship between weight for height and earnings, and b) write a policy brief outlining potential government interventions aiming to curb the rise of obesity and its costs.

Among the aims of this group project is to give you the opportunity to further your understanding of econometric analysis, as well as develop the skill of interpretation and reporting of estimation results. Generally speaking, you should showcase your understanding of economics and econometrics used to address the questions at hand.

**Structure and Assessment**

The first part of the project makes up 60% of the project mark, and the second part makes up the remaining 40%.

You can work in groups of 2-4 people, and you are free to choose your project partners.

**Logistics and deadline**

You have until 30th June to submit the project.

You should include your programme (do-file) with your finished project. Make sure you include comments in your do-file, in order to make it more readable. Please do **NOT** include your log file with the finished project. [Tip: Save your commands in do-files as you go along, to avoid nasty surprises in case you need to re-process the data from scratch! In the end, generate a master do-file with all the commands that you use, and add comments to give explanations to the reader.]

The group project should not exceed **20 pages** (including the do-file). Answer the questions using the least space possible for your analysis. Project reports must be typed/word processed in double spacing using a 12 point font on one side of A4 paper with margins of at least one inch at the top/bottom and both sides.

All projects should have a completed ‘declaration of own work’ cover sheet attached.

**Help and computing needs**

The instructor will **NOT** answer any project-related emails; if you have a question, just show up at office hours (Tuesdays 3.30pm) or approach the instructor after the class.

**Feedback**

In this project you will be assessed on many dimensions: first, your answers need to address the question clearly, and they need to make sense and be well-written. In terms of presentation, your analysis should state clearly what you are doing to arrive at the results which you present. You should place emphasis on short, succinct answers that convey the necessary information with as few words as possible. You do NOT need to report everything that Stata output provides you with. Use meaningful variable names, not coded labels. Do not include more than 3 decimal points. You should strive to provide empirical evidence for every claim you make in both parts of the project.

Second, you must demonstrate sound understanding and use of Econometrics. This includes a sound understanding of econometric issues such as cross-sectional limitations, good use of Stata and appropriate use of regression models, careful data examination, as well as a clear and correct interpretation of empirical results.

The second part of the project (policy brief) needs to be well organised, with a clear statement of the research questions. You should not include statistical jargon or undefined variables names from the datasets. It needs to “flow” like a report, and it needs to arrive to a persuasive conclusion. You will also be assessed on your use of outside sources, as well as the inclusion of compelling graphics and tables. If you include other data sources or references in your project, you should mention them under a “References” section at the end of the project, sorted alphabetically by author.