

This document is intended to provide some general guidelines for writing a successful research paper. The following is the excerpt from the syllabus regarding the research paper:

Research Paper: Write a 4-6 page paper on a unique topic that evaluates the effects of public policy using a dynamic model. We will discuss a variety of models that study household and firm decisions – I recommend that you think about how public policy might affect each of these decisions and the corresponding market outcomes. Once you have decided on a topic, identify the question you are addressing, write down and explain the model that you are using, and provide an analysis and conclusion. Graphs, tables, or any other figures should be provided in an appendix. Also, you should write the title of your paper on a cover sheet. The appendix and the cover sheet are not counted towards the required 4-6 pages. Be sure to quote all your sources, and above all, have fun doing this. The research paper is due no later than 12:00PM on **December 1**. Please provide a hard copy and email me a PDF with your computer code.

The research paper should clearly state a research question. An example of a clear research question is: “What is the social welfare gain from switching to the optimal Social Security replacement ratio?” or “How much risk does our current progressive income tax mitigate, relative to a proportional income tax?” or “What are the macroeconomic consequences of the corporate tax reform recently proposed by the House Republicans?” Obviously, you should not pick a topic that directly coincides with one of the assignments, although you might choose a similar topic.

Although the grading of this assignment is subjective, I will be evaluating the project based on the following general criteria:

- Did you clearly state the research question?
- Is the methodology appropriate for the research question?
- Is the model extensive/advanced enough to address the research question?
- Did you answer your research question and communicate the result in a clear manner?

You should determine whether it is appropriate to use general equilibrium or partial equilibrium to answer the research question. If you choose to solve a model in a general equilibrium framework, you should include the changes in prices in your result. Generally, in any model, you will want to include changes in aggregate variables. You should also supplement your findings with graphs depicting simulated agent behavior. When you are discussing your results, you should relate your findings to the real world.

If you have trouble finding parameters for your model, come speak with me, and we will find papers or discuss a methodology for obtaining the parameters. This is an important part of calibrating a dynamic model, and sometimes the approach is not obvious.

I am here to help you with this assignment. To that extent, I recommend that once you have an idea, you speak with me to either refine your research question, or determine whether the project is feasible. As added motivation, if you desire, I am more than happy to promote your research results any way that I can.

Final advice: get an early start. Doing research takes time and effort. It can be an enjoyable and rewarding process, but that is conditional on careful planning.

Good luck, and let me know if you have any questions.