

Seminar: Seminar Empirical Economics

Overview:

The goal of the seminar is for students to conduct independent applied economic research. The seminar will include two conceptual sessions, providing detailed instructions and help students get started on their project, and a block seminar in which students will present their seminar papers and discuss the work of their peers. We will discuss several data sources that students can use in their own applied research. The main theme of the seminar will be natural resource economics. The effect of natural resources on growth, institutions, conflict and the natural resource curse. However, the topic is only to illustrate applied research in a certain area. The tools acquired in this seminar are supposed to equip students with the skillset to answer their own research questions and prepare them to write a Master thesis in applied economics. Students are encouraged to take part in the accompanying tutorial that provides an introduction into the statistical package R.

Timetable:

- **November 1st 12:45-14:15:** How to plan an empirical research project. Identifying a specific (manageable) question, structuring of a project (paper), sources.
- **November 15th 12:45-14:15:** Causality, Omitted Variable Bias, Identification Strategies
- **Block Seminar:** Beginning of February (TBA)

Grading:

- **Seminar paper (15-20 pages) 55%:** The paper will be written during the Semester. Topics will be agreed upon between 15th November and 12th December in the office hours.
- **Presentation of Seminar paper 20%:** Each student will present their seminar paper (15min) during the block seminar.
- **Discussion of another student's paper 12.5%:** Each student will be assigned the seminar paper of another student to discuss in the block seminar (5min).
- **Participation 12.5%:** Participation in the Q&A during the block seminar is highly encouraged.

Selected literature:

Arezki, Rabah, Valerie A. Ramey, and Liugang Sheng (2017). News shocks in open economies: Evidence from giant oil discoveries. *The Quarterly Journal of Economics* 132 (1), 103-155.

Arezki, R., S. Bhattacharyya, N. Mamo, et al. (2015). Resource discovery and conflict in Africa: What do the data show? Centre for the Study of African Economies, University of Oxford.

Berman, N. and M. Couttenier (2015). External shocks, internal shots: The geography of civil conflicts. *Review of Economics and Statistics* 97 (4), 758–776.

Berman, N., M. Couttenier, D. Rohner, and M. Thoenig (2017). This mine is mine! How minerals fuel conflicts in Africa. *American Economic Review* 107 (6), 1564–1610.

Bhattacharyya, Sambit, and Roland Hodler. "Natural resources, democracy and corruption." *European Economic Review* 54.4 (2010): 608-621.

Bhattacharyya, S., L. Conradie, R. Arezki, et al. (2016). Resource discovery and the politics of fiscal decentralization.

Bodea, C., M. Higashijima, and R. J. Singh (2016). Oil and civil conflict: Can public spending have a mitigation effect? *World Development* 78, 1–12.

Brollo, F., T. Nannicini, R. Perotti, and G. Tabellini (2013). The political resource curse. *The American Economic Review* 103 (5), 1759–1796.

Carreri, M. and Q. Dube (2017), Do natural resources influence who comes to power and how? *Journal of Politics*, 79 (2), 502-518.

Caselli, F. and T. Cunningham (2009). Leader behavior and the natural resource curse. *Oxford Economic Papers* 61 (4), 628–650.

Caselli, F., M. Morelli, and D. Rohner (2015). The geography of interstate resource wars. *Quarterly Journal of Economics* 130 (1), 267–315.

Caselli, F. and A. Tesei (2016). Resource windfalls, political regimes, and political stability. *Review of Economics and Statistics* 98 (3), 573–590.

Cust, J., T. Harding, et al. (2014). Institutions and the location of oil exploration. *OxCarre Research Paper* 127.

Dreher, A. and M. Kreibaum (2016). Weapons of choice: The effect of natural resources on terror and insurgencies. *Journal of Peace Research*, 539–553.

Gylfason, Thorvaldur (2001). Natural resources, education, and economic development. *European Economic Review* 45.4-6 (2001), 847-859.

Haber, Stephen, and Victor Menaldo (2011). Do natural resources fuel authoritarianism? A reappraisal of the resource curse. *American political science Review* 105 (1), 1-26.

Hartwick, John M (1990). Natural resources, national accounting and economic depreciation. *Journal of public Economics* 43 (3), 291-304.

Hodler, R. (2006). The curse of natural resources in fractionalized countries. *European*

Economic Review 50 (6), 1367–1386.

Hotelling, Harold (1931). The economics of exhaustible resources. *Journal of Political Economy* 39 (2), 137-175.

Lei, Y.-H. and G. Michaels (2014). Do giant oilfield discoveries fuel internal armed conflicts? *Journal of Development Economics* 110, 139–157.

Ross, M. L. (2004). How do natural resources influence civil war? Evidence from thirteen cases. *International organization* 58 (1), 35–67.

Ross, M. L. and E. Voeten (2016). Oil and international cooperation. *International Studies Quarterly* 60 (1), 85–97.

Sachs, Jeffrey D., and Andrew M. Warner. "The big push, natural resource booms and growth." *Journal of development economics* 59.1 (1999): 43-76.

Sachs, Jeffrey D., and Andrew M. Warner (2001). The curse of natural resources. *European economic review* 45 (4-6), 827-838.

Smith, Vernon L. (1968). Economics of production from natural resources." *The American Economic Review* 58 (3), 409-431.

Stiglitz, Joseph. (1974). Growth with exhaustible natural resources: efficient and optimal growth paths. *The Review of Economic Studies* 41, 123-137.

Torvik, Ragnar (2002). Natural resources, rent seeking and welfare. *Journal of development economics* 67 (2), 455-470.

Van der Ploeg, Frederick (2011). Natural resources: curse or blessing?. *Journal of Economic Literature* 49 (2), 366-420.

Van der Ploeg, F. and D. Rohner (2012). War and natural resource exploitation. *European Economic Review* 56 (8), 1714–1729.