

Research methodology in economics

Lecture 1 - Research question

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Office hours (Room 5C.30)
Monday 15:15 – 16:00
Wednesday 12:30 – 13:15

Literature:

- Johnson, J. B., Reynolds, H. T., & Mycoff, J. D. (2015). Political science research methods. Cq Press.
- Friedman, S., Friedman, D., & Sunder, S. (1994). Experimental methods: A primer for economists. Cambridge University Press.
- Puškárová, P. (2019). Elementárium ekonomického výskumu. Bratislava: Vydavateľstvo EKONÓM, 2019

Research paper in economics

- basic structure

1. Title + Abstract
2. Introduction - motivation/problem, goals, research questions
3. Literature review / Analysis of status quo
4. Methodology / Design
5. Hypotheses / Theoretical predictions
6. Data collection and analysis, interpretation of results
7. Conclusions, recommendations / discussion, ideas for future research
8. List of references

Final thesis - topic selection (note: especially important for PhD candidates)

1. Choose a topic that you already understand (and enjoy!!!), to have more time to go deeper, instead of having to learn all from scratch
2. In case you don't understand anything, choose a topic that your advisor understands (while choosing an advisor that is willing to consult with you a lot)
3. In case even your advisor does not understand anything, choose a topic for which a book/extensive literature review paper was published recently
4. In case you still don't have a topic, choose a topic for which you are willing to put together and extensive literature review by yourself

Research question

- Has to be....
 - Relevant - has to deal with some real (economic) issue
 - Important - the issue (e.g. inefficiency) it is dealing with has to be significant
 - Interesting - has to have an audience - there has to be somebody who should be interested in / benefitting from your findings
 - Testable - there has to be a way to answer your question
 - Novel - there has to be some novelty involved, so that you are contributing to the advances in the field
- As a rule of thumb, I think the question is potentially good if it is a “Yes/No + Why” question. That is, you can answer your research question with either “Yes” or “No”, and you can also show the mechanism of the answer - why is it a yes OR why is it a no.

Imagine that you want to know more about why students in your class are late for lectures...

1. “The relationship between student life and class attendance.”
 - Not a great RQ... I mean... it is not even a question :)
2. “What factors influence the student class attendance?”
 - Also not great... even if you find a couple of factors, how can you be sure that these are all? Maybe there are thousands of more important ones you have not identified...
3. “Does the way of how students manage their time influence their class attendance?”
 - Better. You can answer with yes/no. But.. what is “time management”? Your variable is too vague, very unspecific.
4. “Do reminders have an effect on class attendance?”
 - Good one - for empirical research. You can say yes/no, and also have a mechanism - reminders as a counterstrategy for forgetting/procrastination etc.
 - However, if you want to also show causality, then your problem will be that the main variable of interest (setting reminders) is out of your control.
5. “Do university e-mail reminders have an effect on class attendance?”
 - If you want to do experiments, here is your research question. For example, you can send reminders to half of the class and do not send reminders for the rest and then count what percentage of each group shows up.

Research question sources

- Look for...
 - **Curiosity** - maybe you have read/heard about something and you are wondering -> *How does that work?*
 - **Ineffectiveness** - sometimes you may find yourself pissed about something that does not work very well.. -> *Why are they doing it that way? Is there a better way?*
 - **Searching for truth** - sometimes you may feel that somebody is just wrong... -> *I don't believe what they are saying! Is it really how they say it is?*
 - **Competing conclusions** - sometimes there are two ideas/theories that contradict each other... -> *Who/what is lying and who/what is telling the truth?*
 - **New theories** - sometimes you find an attractive theory making clear predictions, but nobody tested the theory yet... -> *Is that a good theory?*
 - **New applications of theories/insights...** -> *does it also work in my environment? does it also apply here?*
 - **Papers that really need replication study** - maybe because of small sample sizes or obsolete methodology -> *Your hypotheses, my design - will your results still hold?*

Literature review

- Once you have well-defined research question, it is time for a literature review - a short “essay” about previous research that is relevant to your research question - what has already been done? What has already been found? How does my research question connect to & expand the literature?
- Literature review will also help you by stopping you from doing things that are not worth your time (if it has already been done a million times and everybody knows what the results will be) and on the other hand, will help you find gaps that are worth digging into. Really good papers actually include ideas for future research/expansion in the discussion section.
- Finally, literature review will provide you good guidance on the methodology/design and analysis of data . If everybody in your field uses same methodology and statistical analysis techniques, there is a good chance that you should use what they use - because there is probably a reason why they use what they use.
- Please use as good sources as possible. That means, you should strive for citing quality peer-reviewed journals only. No wikipedia or “internet” sources.
- Things to try: Google Scholar for paper search, Mendeley for citations and bibliography

Questions?

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