In the final project for the course, I would like you to develop one of your research sketches (or possibly a new idea) into something that could be the basis for the paper. The idea is to do everything except the actual work of generating results. Following are suggested outlines for an empirical and a theoretical project. Try to stay under 10 pages with reasonable font and margins.

**Empirical paper outline**

1. Intro. 5-8 paragraphs, 1-2 pages:
   (a) What you do and what you find in nice short declarative sentences.
   (b) 2-3 paragraphs about why your question and results are important.
   (c) 1-2 paragraph about how you do it.

   This is really safe. You can always write a good introduction this way. You can write a good introduction other ways too, but it’s easy to go off the rails.

2. Background. Explain your problem and establish the main stylized facts that you want the reader to have in mind when you set up your econometric model and theoretical framework.

3. Literature survey. The object of the literature survey is NOT to survey the literature. It is to convince the reader that you are doing something new and interesting, to give the editor a nudge about who you would like your referees to be, and to establish that you have done your homework. It is OK to err on the side of having this section be a LITTLE too long.

4. Data. What would be the perfect data set for this project? How will you approximate this with this data you can actually find? How will you construct your data.

5. Theory. You will probably need a little theory to motivate your research design. Try to write it out. Also describe your research design and try to write out your estimating equation and describe your identifying assumptions.

**Theory paper outline** The first three sections are the same as for an empirical paper. In place of the last two, develop a very simple example to demonstrate the intuition that will drive your results. Then talk about how you would generalize this example if you were to proceed with this project.