

EconS 582, Fall 2025

Homework #3: Due on October 15th

Discuss the model that you plan to use in order to answer your research question [identified in HW#2]. This is one of the most important steps in designing a theoretical or applied research paper.

- **Theoretical:** clearly identify the model that you plan to use and the specific environment that the model represents (e.g. complete or incomplete information, static or dynamic context, deterministic or stochastic, etc.). Describe all variables in your model, justify your assumptions and provide some intuitions.
- **Empirical:** the proposal should be as explicit as possible, identifying the research sites (or candidates for it); sample size for surveys; method for stratification of samples; frequency of surveys (e.g. one-shot or repeated); and so on. If economic valuation methods are to be used, then the technique/s should be specified and an explanation offered as to how biases, gaps and double counting will be avoided. If more than one technique is to be used, it should be made clear whether the values from multiple techniques will be added to provide full estimates or compared for purposes of crosschecking. Methods for data analysis (e.g. econometric techniques) should also be specified and any biases or potential problems discussed.

In addition, identify research papers that use similar models and discuss the main differences between your model and the existing literature.