This homework consists of three multiple-part questions, and is due Tuesday, January 21st, by 5pm. Late homeworks will be penalized one letter grade per day (with homeworks received after 5pm that day counted as late). Due to the large enrollment in our class (approximately 95 people), we will not accept homeworks by email. Homeworks should be roughly 2 typed, double-spaced pages in length.

**Question 1:** In 2009 Richard Florida and Charlotta Mellander published a paper in the *Journal of Economic Geography* entitled “There goes the metro: how and why bohemians, artists, and gays affect regional housing values.” The abstract of that paper reads in part:

> It is often conjectured that artistic, bohemian and gay populations increase housing values in the neighborhoods and communities in which they reside. But these groups are small, and the evidence of their effect on housing prices is anecdotal and limited. We argue that artists, bohemians and gays affect housing values through two kinds of mechanisms: an aesthetic-amenity premium; and a tolerance or open culture premium. To examine this, we introduce a combined measure of bohemian and gay populations – the Bohemian-Gay Index. We conduct statistical analyses to test the performance of this measure against other variables expected to affect housing values – income, wages, technology and human capital. The findings indicate that the Bohemian-Gay Index has a substantial direct relation with housing values across all permutations of the model and across all region sizes. The Bohemian-Gay Index also has a substantial direct correlation with other key variables, particularly income, indicating an additional indirect effect on housing values.

- It is clear from reading this abstract (and almost any abstract for a social science journal article) that Florida and Mellander believe they have uncovered a causal relationship. Rewrite this abstract as a one sentence hypothesis about this causal relationship. What are the dependent and independent variables in this hypothesis?
- What could be a possible causal mechanism for this hypothesis? That is, what is a plausible story for why the independent variable might affect the dependent variable?
- Come up with an alternative explanation for the findings reported in the abstract. What is the causal mechanism behind this alternative explanation?
- What data would you need to test your alternative explanation? What would you expect to see in the data if your alternative explanation was correct?
Question 2: For this question I want you to develop your own hypothesis related to an interesting public policy or political question of your choosing.

- Write a hypothesis that proposes a causal relationship between one dependent and one independent variable. Explain which is the dependent and which is the independent variable in your hypothesis.

- Explain the causal mechanism behind your hypothesis. Why do you believe your independent variable causes changes in your dependent variable?

- Describe what kind of data you would need to test your hypothesis. What would you expect to see in this data if your hypothesis is correct?

- Describe at least one alternative explanation for the relationship you have proposed in your hypothesis. What is the causal mechanism behind this alternative explanation? What kind of data would you need to consider to test this alternative explanation? What would you expect to see in the data if this alternative explanation is correct?

Question 3: Use the JSTOR archive to find one social science paper that is relevant to the hypothesis you have proposed in Question 2. (Information on using JSTOR is available in Johnson and Reynolds Chapter 3, or you can just go to http://www.jstor.org and figure it out. If you are working off campus, see the library website for how to set yourself up to get access to JSTOR from non-UCSB URLs).

- What were the keywords you used for your search?

- What is the title of the paper you selected?

- In a few sentences, explain why this paper is relevant to your hypothesis.