QE1 GENERAL STRATEGY

General Tips

- Realize all four topics will be graded separately. Do not integrate the areas except where absolutely necessary, repeat yourself if necessary—each grader will NOT read the whole thing, devote enough time to each section to get a passing grade.
- Show your knowledge of the core curriculum on all questions—mention key concepts.
- State the obvious.
- Read the questions very carefully, look for hints to the answers in the questions, and try to think intuitively about the answers if you get stuck.
- Draw on the background materials wherever possible.
- If you can’t handle the numbers, just explain the main concept.

Politics Tips

- Be moderate; stay in the middle.
- Clearly identify your boss’s primary political interests and how others affect those.
- Address public opinion in some way, as well as electoral concerns where appropriate.
- Delineate the pros and cons of each political option, but make a CLEAR, SPECIFIC recommendation.
- Identify winners and losers of policy recommendation, how strong they are, how important they are to you, and how to work with/deal with them.
- Identify possible carrot and stick incentives.
- Outline an implementation strategy—how will your proposal be packaged, spun to media and public, implemented by agencies, etc. What should we do now, later, and not at all?
- Distinguish between long run and short run political effects and strategies.
- Be explicit about the trade-offs between the economically “right” solution and the politically “right” solution.

Stats Tips

- For all data and/or regressions presented try to answer three questions (1) What do the results purport to show (2) Do the results really show that, or is the author’s interpretation wrong (3) Are there confounding factors or problems with the data/regression?
- There should be a regression question and a question requiring a hypothesis test. Hypothesis test will be either (1) Is the mean/proportion different from or equal to some number (usually 0)? (2) Are two means/proportions different from each other? Figure out which, and whether you’re dealing with means or proportions.
- Say what a regression means in English before you begin to analyze it. Also, state the conclusions of your H-tests in English.
- Regression coefficients are usually statistically significant—test only if you have time.
- Common things that might be wrong with the regression: OMB, causation v. correlation, direction of causation, multi-collinearity, sample or selection bias,
mis-specified model, inaccurate data. Also be sure to explain specifically how each would be bad for the model and come up with some specific examples.

**Econ Tips**
- Common concepts: elastic or inelastic supply and demand; dead-weight loss; consumer and producer surplus; efficiency; public goods; externalities
- If you don’t have enough information to come to a conclusion say so

**Psych Tips**
- They are looking for one or both of two things: (1) critique bad behavioral assumptions (2) bring up behavioral issues that are important to the issue but are being ignored by the current policy debate