Data Science in International Economics Research

DSIER [/dɪˈzaɪər/]

Julian Hinz & Irene lodice

Bielefeld University

What this course is about

- Data science skills complementary to standard econometrics
- Data cleaning and wrangling, visualization, databases, machine learning, etc.
- Research in (broadly defined) International Economics shifts towards empirics
 - \rightarrow We never had this course but wish did.



WHO YOU ARE

NAME / PROGRAM / CODING BACKGROUND

Today's Roadmap

- Course overview
- Course logistics

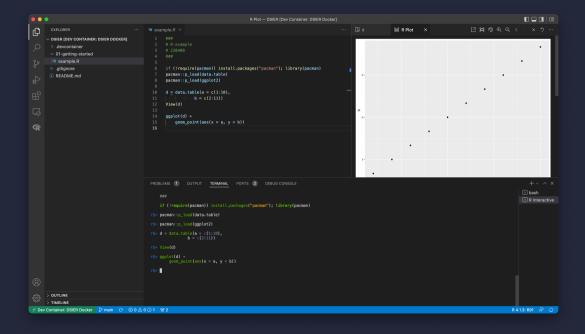


WEEK 1 GETTING STARTED — COURSE OUTLOOK AND GOOD RESEARCH PRACTICE

Week 1: Getting started

Good research practice, this afternoon:

- Reproducibility
- Versioning, Containerization and IDE
 - \rightarrow (Short) introduction to Git, Docker and VSCode
- Set up machine





Week 2: The toolkit — R and the shell

- R basics, 'data.table', 'tidyverse' and 'ggplot2'
- Basic helpful shell commands
- Make and more git



Week 3: Web scraping and APIs

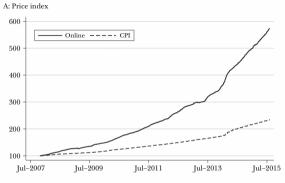
Extracting data from a website

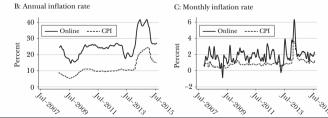
- Get the files for the website from a server
 - \rightarrow API
 - \rightarrow requests, web scraping
- Parse those files (CSS, HTML)

Week 3: Web scraping and APIs

- "One Billion Prices Project": Web-scraped prices for many stores and countries (Rigobon et al., 2016)
- Are online prices different than offline prices?
- Are reported CPIs still "true" today?

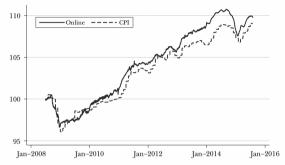
Argentina



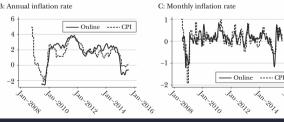


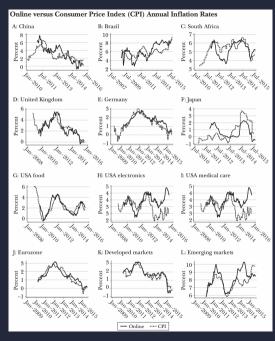
United States





B: Annual inflation rate





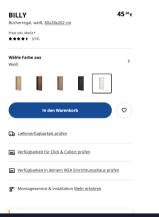




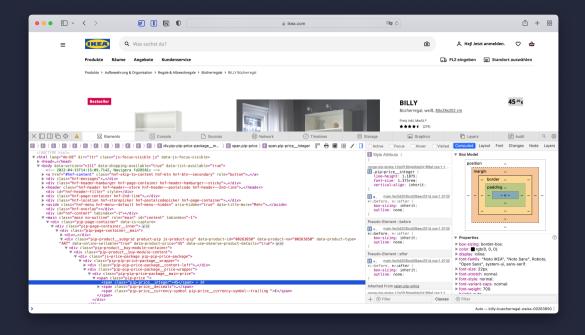




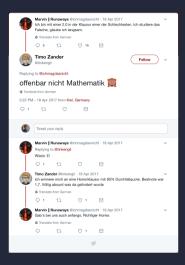














```
example tweet ison
"created_at": "Tue Apr 18 15:22:19 +0000 2017",
"id": 854354410041991168.
"id str": "854354410041991168".
"text": "Gichmandasnicht offenbar nicht Mathematik ...".
"source": "<a href=\"http://taphots.com/tweethot\" rel=\"nofollow\">Tweethot for iOS</a>".
"in_reply_to_status_id_str": "854247992186073088",
"in reply to user id": 2535411248.
"in reply to screen name": "ichmagdasnicht".
 "id": 19030252.
 "id_str": "19030252",
 "description": "PhD-Student | Podcastet bei playtogether-podcast.de | bloggt gelegentlich bei insulinaspekte.de und http://tinkengil.com | http://instagram.com/tinkengil".
 "created at": "Thu Jan 15 17:40:27 +0000 2009".
 "profile background color": "EBEBEB".
 "profile background image url": "http://pbs.twimg.com/profile background images/590786545/5vvvvdxrk528xhz91w86.ipeg".
 "profile background image url https://pbs.twimg.com/profile background images/598786545/5yvyvdxrk528xhz91w86.ipeg".
 "profile image_url": "http://pbs.twimq.com/profile images/549318880876048384/zag6999H normal.jpeg",
 "profile image url https": "https://obs.twimg.com/profile images/549318880876048384/zag6999H normal.ipeg".
```

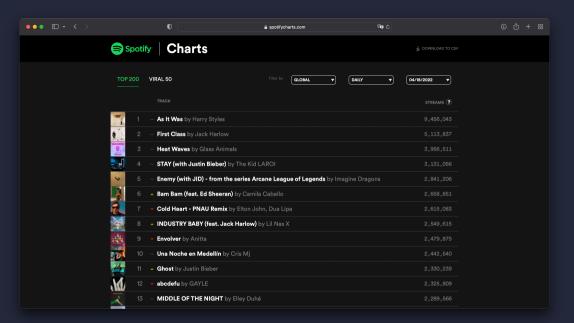
```
"profile background image url": "http://pbs.twimg.com/profile background images/590786545/5vyvydxrk528xhz91w86.jpeg",
"profile background image url https": "https://pbs.twimg.com/profile background images/590786545/5vvvydxrk528xhz91w86.jpeg",
"profile_image_url": "http://pbs.twimg.com/profile_images/549318880876048384/zag6999H_normal.jpeg",
"profile_image_url_https": "https://pbs.twimg.com/profile_images/549318880876048384/zag6999H_normal.jpeg",
"type": "Point".
  10.12301066
"id": "1b9b5e83e647a7ed".
        10.032937
```

"screen_name": "ichmagdasnicht",



Week 4: Social media data

- Twitter, Facebook, Instagram, Spotify, ...
 - \rightarrow Hausmann & Hinz (2017), Bailey et al (2018), ...
- Human-recorded data: (Often) actual humans recording/being recorded what they see, think, listen to, where they are, who they are with, en masse

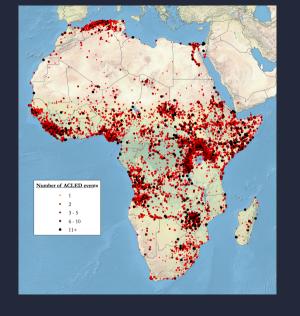




EVENT AND SENSOR DATA

Week 5: Event and sensor data

- Event data is any data that you want to measure about an event
- Sensor data is the output of a device that detects and responds to some type of input from the physical environment.
- Overview of the instruments to tackle counterfactual analysis

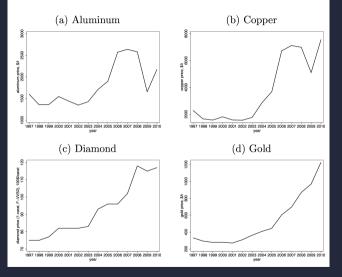


Source: Berman et al. (2017)



Source: Berman et al. (2017)

Figure A.6: Mineral prices (current USD)



Source: Berman et al. (2017)

Week 5: Event and sensor data

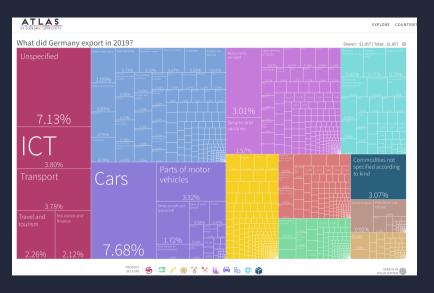
Berman et al. (2017): "This Mine is Mine! How Minerals Fuel Conflicts in Africa"

- Geolocalized data on conflict events in African countries between 1997–2010
- Geolocalized data on mining extraction of 14 minerals (Raw Material Data)
- Mining activity increases the incidence of conflicts at the local level
- then spreads violence across territory and time



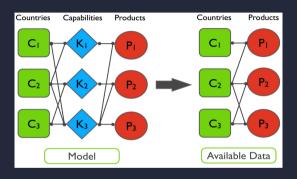


Browse more products here: https://atlas.cid.harvard.edu/



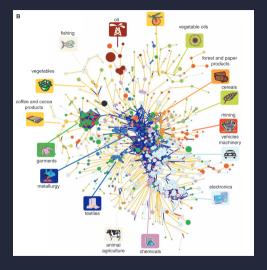
Browse more products here: https://atlas.cid.harvard.edu/

Week 6: Trade network



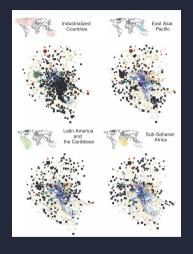
Source: Hidalgo et al. (2009)

Week 6: The Product Space of Trade



Source: Hidalgo et al. (2007)

Week 6: Countries in the Product Space



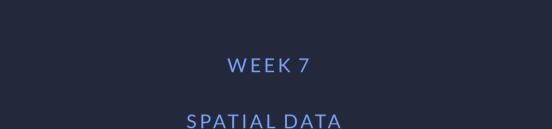
Source: Hidalgo et al. (2007)

Week 6: A glance at BACI

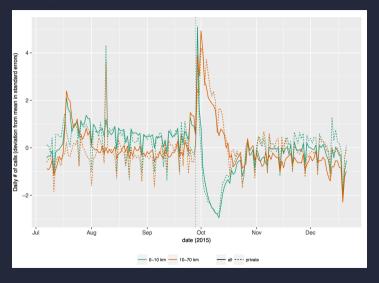
```
> library(vroom)
Rows: 8989697 Columns: 6
Delimiter: "."
chr (1): k # -> product HS6 digits
dbl (5): t, i, j, v, q # -> year, imp. ID, exp. ID, value, quantity
              i k
<dbl> <dbl >
2 2012 4 8 630900 0.11 0.082
```

Week 6: Networks

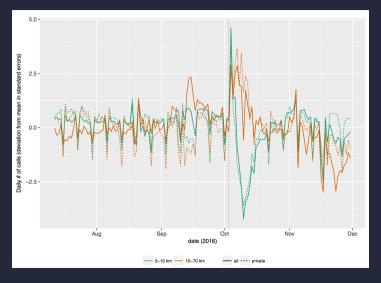
- 1. How to handle trade data as a network
- 2. Which are useful metrics to capture country's performance from what they export?



Week 7: Calls in Afghanistan



Week 7: Calls in Afghanistan



Week 7: Spatial data

- Working definition: Units indexed time and space
- Call Detail Records
 - \rightarrow Blumentock et al. (2012): Firm activity after terror incidents
 - ightarrow Ehrlich et al. (2018, 2020): Real life connections in urban environments
- many other spatial data: Taxi Rides, AIS data, ...

















































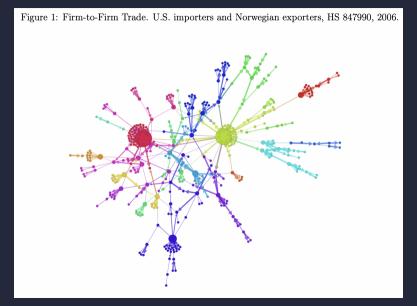
Week 8: Satellite imagery

- Satellite data: "Unbiased" recording of (human) activity / conditions / environment
- Nightlight data: Where do people live / consume / produce?
- Other data: Gas emissions, ship and airplane movements, ...



WEEK 9

- Trade not actually between countries, but firms in countries
- Bernard & Moxnes (2018): Vast majority of trade transactions includes at least one large firm with many trading partners
- Empirical regularities emphasizing firm heterogeneity among both buyers and suppliers

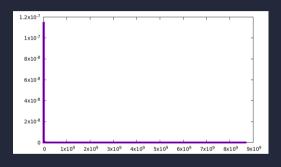


```
pacman::p load(data.table)
data = fread("input/2019 Enero.csv.gz")
head(data)
  FFCH
        ADUA PAISGEN PAISPRO PAISCOM DEPTODES VIATRANS BANDERA REGIMEN
 <int>
       <int>
                <int>
                        <int>
                                 <int>
                                           <int>
                                                    <int>
                                                             <int>
                                                                      char>
                                                                      C662
                                                                      C100
                                                                      C100
                                                                      C100
                                                                      C100
                                                                      C130
 ACUERDO
            PBK
                    PNK
                          CANU
                                  CODA
                                             NABAN
                                                     VAF0D0
                                                               FLETE
                                                                         VACID
   <int>
          <char>
                         char>
                                 char>
                                             <i64>
                                                     <char>
                                                              <char>
                                                                        <char>
                  char>
                                    KG
                                        506900000 10884,48
                                                                     12384,48
                   8.27
                         8.27
                                    KG 3822009000
                                                     1718.5
```

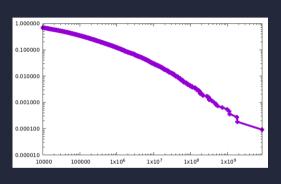
	VAC	CIP	IMP1	OTDER	CLASE	CUIDA	IMP	CU:	IDAEXP	ACTECON	CODADAD	VADUA
	< i6	54>	<i64></i64>	<int></int>	<char></char>	< i	nt>		<char></char>	<int></int>	<int></int>	<char></char>
	405592	296			Р	8	001	IAH	MBURG0		87	12384,48
	61953	312	1177000		Р	11	001	WIE	SBADEN			1972,91
	3004	182	66000		Р	25	126	WALDI	ERSH0F		48	91,75
	6901	176	151000		Р	25	126	WALDI	ERSH0F		48	210,74
5:	7987	770	152000		Р	11	001	IAH	MBURG0			254,67
6:	3156644	160			Р	11	001	T	ORONTO		48	100524
	VRAJUS	E	BASEIVA	0TR0SP	OTROSBA	ASE TO	TAL]	OYAVI	SEGUR	OS OTROS	3	LUIN
	<char></char>		<i64></i64>	<int></int>	<ir< td=""><td>ıt></td><td></td><td><i64></i64></td><td><cha≀</td><td>> <char< td=""><td></td><td>char></td></char<></td></ir<>	ıt>		<i64></i64>	< cha≀	> <char< td=""><td></td><td>char></td></char<>		char>
		40	559296						15	50 (Barrand	quilla
		6	5195312				117	77000	, 2	26 24,22	Bogota	
			345482				0 141000 ,89 0 0		Cart	tagena		
			794176				32	24000	2,0	06 (Cart	tagena
5:			798770				15	52000		L1 () E	Bogota
6 :		315	5664460						125,6	63 2 <i>4</i>	1 Car	tagena ₅₅

```
CODLUIN DEPIM COPAEX TIPOIM PORARA
                                          NTT
                                               DIGV
 <char> <int>
               <int>
                      <int> <char>
                                        <i64>
    BAQ
                                   901052265
    BOG
    CTG
                                 15 900989716
    CTG
                                 15 900989716
    B0G
    CTG
                                   900023785
                                       DEREL
                              RZIMP0
                               <char>
                                      <int>
    AGROPECUARIA BARRAZA PACHECO SAS
ABBOTT LABORATORIES DE COLOMBIA S.A.
            BICTIUAN COLOMBIA S.A.S. 45000
            BICIJUAN COLOMBIA S.A.S. 104000
           JUNGHEINRICH COLOMBIA SAS
                    COLFOODS
                               SAS
```

Colombian firms' export value



Arithmetic scale



Log-log scale

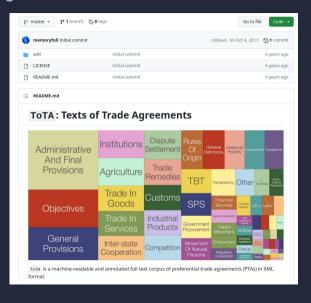


Week 10: Sources of Text Data

Large availability of unstructured text-data from

- websites such as Twitter, Facebook, Google, and Wikipedia
- historical archives and administrative records

Week 10: Trade Agreements as Text Data

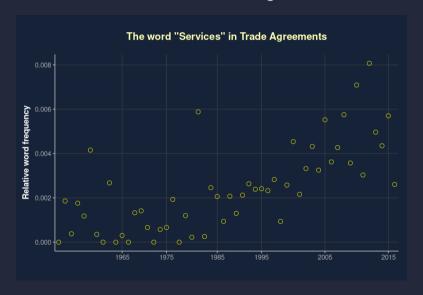


Week 10: Trade Agreements as Text Data

WorldCloud of the document of the Regional Comprehensive Economic Partnership

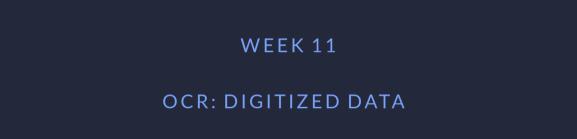


Week 10: Evolution of the content of Trade Agreements over time



Week 10: Overview of the topics

- 1. How to process and extract info from text data
- 2. Applications:
 - 2.1 Measuring Policy Uncertainty from the News (Baker, Bloom et al. 2016)
 - 2.2 Defining competitive clusters by text descriptions of products (Hoberg and Phillips 2016)



Week 11: OCR

- Information (data) recorded for a long time
 - \rightarrow Clay tables, papyrus scrolls, ...
- How to get that information at scale?
 - \rightarrow Optical character recognition
- Dell et al. (2020): "The Development Effects Of The Extractive Colonial Economy: The Dutch Cultivation System In Java"

Names Acc		in poles n do	Kultuur- diendpligtige	Beanstailerriel door iedere dessa	Geeft horsed bulggerinnen	Tervijei ane de
Bens's		fatrick.	haispelsons.	to anderheaden.	per bran.	tactichtic
The bunsport			402	62 %		
Tade		4%		+	1	
andjaranjar		134				
Vahignelov	14			+		
xainal tourningong				4		
spedjarine		6	40		7	
Viele		6/2	20		. 1	
		6		18		
			(19		6	
Chani	N		46	6%		
bockert schanic	*		16			
Eljers korlon		13%				
acabinalane					. 1	
aweer		6%	18			
impingrowe		5%	9			
Ederle Rospo		6			6	
etok lov						
Edoongklinter .		0%			. 6	
objet weter		6%			6	
Goeglang		6	1		6	
Hawd			11			
ledows		5%			9	
		4%	10			
het		4/3		0/2		
Line kulen		2%				
Delipel					4	
Transporter		,	983	145%		

H. Land.

Ferrolg C. Dossa's nan de onderneming dienstbuar, voor arbeid.

Names der	Africad	in pales de	Kultur- dicaspligtige	Bonna valkerriet door ledere dessa	Greft horavel	Verwijning now de
Posi's.	mikerriet- relden.	fobriek.	baispealmen.	te onderhouden.	per beam	terlirhting
Re transport			913	148 1/4		
Monokitri	*	F.5.	10			
Louverry						
Waterrowe	14	4			6	
Adjirobakong			25			
Hakoong			21	3,5		
Timengernyan.			15			
Hindalbakerny.			. 36			
Somotours			00	4 5	6	
ellindoi		1/2	2.0		. 6	
ellatjekan		5%	16	1 2	1	
Vingopadov lingal		6	16	2,15		
Agasfem	d	6	0		9	
Djepiples	A	11/4				
Oledonggalih.	14	1.6				
Balong baryling	14	10%	23		1	
Schik		34	14	1 0		
Runambary		3 /4	34	01 6		
Delik	1/4	4,5	2.2		0	
Eldoni			> 10	6/2		
Umosari	2/2					
Jang bring galat			10	1/2	9	
Getang Keypang						
Stepach keeping	2%	14	. 1	1.5		
Charping .	2		26	4	1	
Jakalan boolon	1%	1	0			
Warov keelml.		14	11	2	19/10	
Fransporters			(1496	223 4		

Figure 1: Counterfactual Factories Example

(a) Real Factory

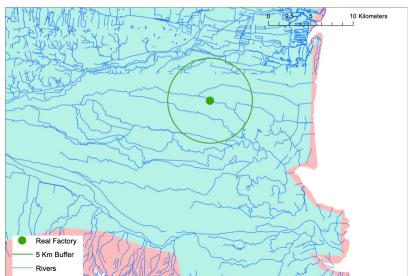
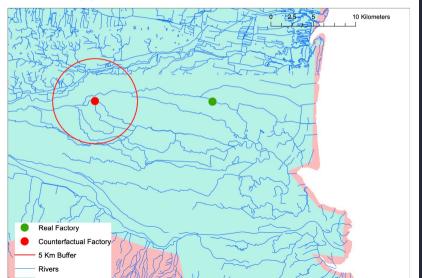


Figure 1: Counterfactual Factories Example

(b) Counterfactual Factory Suitability













PubLayNet

HJDataset

PRImA

Newspaper Navigator

TableBank



Schedule

- Morning session: Introduction to topic and relevant paper(s)
- Afternoon session: Hands-on session with the data
 - \rightarrow Live-coding
- In-person and via Zoom: https://jhi.nz/dsier

Coursework

Course project

- Choose a data (unconventional) dataset and either
 - Open access AWS data
- Replicate a paper or
- Test own hypothesis
- Final product: Report, website, visualizations... and presentation
- Twist: Git repository for all to see

Coursework

Course project

- Choose a data (unconventional) dataset and either
 - Open access AWS data
- Replicate a paper or
- Test own hypothesis
- Final product: Report, website, visualizations... and presentation
- Twist: Git repository for all to see

Further resources

- Website: dsier.julianhinz.com
- Slack: https://dsier23.slack.com
- Lots of references on the website



Data Science in International Economics Research

DSIER [/dɪˈzaɪər/]

Julian Hinz & Irene lodice

Bielefeld University