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. ***** OUTPUT FILE: ASHENFELTER & ROUSE DATASET*****
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. * STATA 10.0 CODE
. * copyright C 2008 by Tito Boeri & Jan van Ours
. * "THE ECONOMICS OF IMPERFECT LABOR MARKETS"
. * by Tito Boeri & Jan van Ours (2008)
. * Princeton University Press
.
. *Chapter 8 Education and Training
. *BOX 8.1 Returns to Schooling: Using Data on Identical Twins, page 168
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. *Article:
. * Income, Schooling, and Ability: Evidence from a New Sample of Identical
Twins
. * by Orley Ashenfelter and Cecilia Rouse, The Quarterly Journal of Economics,
. * Vol. 113, No. 1. (Feb., 1998), pp.253-284.
.
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. *VARIABLE DESCRIPTION
. *first (mean) first
. *educ Twin1 Educ
. *educt Twin1 Report of Twin2 Educ
. *hrwage (mean) hrwage
. *lwage (mean) lwage
. *age (mean) age
. *white (mean) white
. *female (mean) female
. *selfemp (mean) selfemp
. *uncov (mean) uncov
. *married (mean) evmarried
. *tenure (mean) tenure
. *nsibs (mean) nsibs
. *daded (mean) daded
. *momed (mean) momed
. *educt_t Twin2 Report of Twin1 Educ
. *educ_t Twin2 Educ
. *lwage_t Sibling's Wage
. *age2 Age, squared
. *twoplus Interviewed more than once
. *aeduct Twin-Reported Avg. Educ
. *dlwage 1st Diff. Log Wage
. *deduc Own-Report 1st Diff in Educ
. *deduct Twin-Report 1st Diff in Educ
. *dceduc Twin1-Report 1st Diff in Educ
. *dceduct Twin2-Report 1st Diff in Educ
. *cseduc Twin1 Report of Average
. *cseduct Twin2 Report of Average
. *dcsumint Twin1 Report of Avg. x Twin1 Re
. *dcsuminz Twin2 Report of Avg. x Twin2 Re
. *duncov 1st diff in Union
. *dmarried 1st Diff in Ever-married
. *dtenure 1st Diff in Job Tenure
. *pedhs Parents Ed = HS
. *pedcl Parents Ed = HS+
. *dcpedhs Parents Ed = HS x Twin1 Diff in
. *dcpedhst Parents Ed = HS x Twin2 Diff in
. *dcpedcl Parents Ed = HS+ x Twin1 Diff i
. *dcpedclt Parents Ed = HS+ x Twin2 Diff i
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. use "C:\ashenfelter.dta", replace
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. sum
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Variable	Obs	Mean	Std. Dev.	Min	Max
first	340	1	0	1	1
educ	680	14.02892	2.073351	8	18
educt	680	13.95551	2.102178	8	18
hrwage	680	14.43777	13.01629	2.059872	133.3333
lwage	680	2.44096	.6208546	.7226437	4.892852
age	680	38.07524	11.55581	18	70.80048
white	680	.9191176	.2701428	0	1
female	680	.595098	.4905677	0	1
selfemp	680	.1230392	.3188692	0	1
uncov	680	.2262255	.4140276	0	1
married	680	.6392157	.4787051	0	1
tenure	672	8.337991	8.713086	.007	55
nsibs	465	3.564516	2.212603	1	15
daded	664	12.09613	3.044445	0	18
momed	665	12.09148	2.49102	0	18
educt_t	680	13.95551	2.102178	8	18
educ_t	680	14.02892	2.073351	8	18
lwage_t	680	2.44096	.6208546	.7226437	4.892852
age2	680	1583.064	962.8419	324	5012.708
twoplus	680	.2441176	.429879	0	1
aeduct	680	13.99222	2.048018	8.75	18
dlwage	680	0	.5151618	-2.109747	2.109747
deduc	680	0	1.472321	-6	6
deduct	680	0	1.520929	-6	6
dceduc	680	.0734069	1.445236	-6	6
dceduct	680	-.0734069	1.445236	-6	6
cseduc	680	13.99222	1.958773	8	18
cseduct	680	13.99222	1.958773	8	18
dcsumint	680	.9670292	20.99823	-90	90
dcsuminz	680	-.9670292	20.99823	-90	90
duncov	680	0	.4737419	-1	1
dmarried	680	0	.3618169	-1	1
dtenure	666	0	7.685646	-30	30
pedhs	670	.4358209	.4962344	0	1
pedcl	670	.2925373	.4552676	0	1
dcpedhs	670	.0400498	.9315627	-5	6
dcpedhst	670	-.0400498	.9315627	-6	5
dcpedcl	670	.009204	.6906185	-4	4
dcpedclt	670	-.009204	.6906185	-4	4

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. global pindiv "age age2 female white"
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. reg lwage educ $pindiv
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Source	SS	df	MS	Number of obs =	680
Model	88.6616896	5	17.7323379	F(5, 674) =	69.06
				Prob > F =	0.0000

Residual		173.065976	674	.256774445		R-squared	=	0.3388
-----+-----								
Total		261.727666	679	.38546048		Adj R-squared	=	0.3339
						Root MSE	=	.50673

lwage		Coef.	Std. Err.	t	P> t	[95% Conf. Interval]
educ		.1099923	.0095578	11.51	0.000	.0912256 .128759
age		.1039422	.0104989	9.90	0.000	.0833277 .1245567
age2		-.0010635	.0001261	-8.43	0.000	-.0013111 -.0008159
female		-.317994	.0400314	-7.94	0.000	-.3965951 -.2393928
white		-.1000952	.0722105	-1.39	0.166	-.2418798 .0416894
_cons		-1.094912	.2612391	-4.19	0.000	-1.607853 -.581972

. reg dlwage dceduc (dceduct) if first==1,noconstant

Instrumental variables (2SLS) regression

Source		SS	df	MS	Number of obs =	340	
-----+-----							
Model		3.29999374	1	3.29999374	F(1, 339) =	.	
Residual		86.8004968	339	.256048663	Prob > F =	.	
-----+-----							
Total		90.1004906	340	.265001443	R-squared =	.	
						Adj R-squared =	.
						Root MSE =	.50601

dlwage		Coef.	Std. Err.	t	P> t	[95% Conf. Interval]
dceduc		.0877677	.0249433	3.52	0.000	.0387047 .1368308

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