

Readme for Data Programs for “Labor Market Policy in the Presence of a Participation Externality”

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1 Main code

The code is divided among several functions, organized in a top-down structure. The main file is “CPSMaster.do” which allows you to run individual elements of the code. It sets global paths to be referenced in other files and allows for different users by setting the “i” values to different numbers.

This file allows you to choose whether or not to run four different programs:

1. ReadInAndLabel.do: reads in the .dct file and creates a .dta file.
2. SaveTemp.do: renames the file and moves to temporary folder for consistency throughout.
3. FinalClean.do: creates different samples for analysis.
4. CPS_AnalysisMain.do: runs the analysis in the paper. Creates the targeted moments, the non-targeted moments, as well as several other quantities of interest.

At the top, there are several options that allow the user to run different pieces of the code individually.

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Run them in this order to create the empirical quantities used in the paper or start with the final data included and simply run “CPS_Analysis-Main.do”