

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

Benjamin Griffy* Adrian Masters†

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1 Data

There are 11 data files available in either Stata or comma-separated formats in this folder. Three are used to generate the empirical quantities and the rest are used as targets in the model estimation. The three used to create empirical targets are

1. `cps_00010.dta`: a cleaned CPS created using “`ReadInAndLabel.do`” in the `dataPrograms` folder.
2. `CPSGenSampFinal.dta`: a sample created using “`FinalClean.do`” of all workers that meet the selection criteria defined in the paper. This includes unemployed and not-in-the-labor-force.
3. `CPSWorkingSampFinal.dta`: a subsample of “`CPSGenSampFinal.dta`” that restricts the sample to only workers who are currently employed.

Of the remaining files, the first 8 are generated directly by the Stata programs in the “`dataPrograms`” subdirectory:

1. `WageDistParams.csv`: the mean and SD of the log-normal distribution of wages.
2. `ModelEmpMoments.csv`: estimated unemployment rate and not-in-the-labor-force rate.

*`bgriffy@albany.edu`. Department of Economics, University at Albany SUNY, 1400 Washington Avenue, Albany, NY 12222, USA

†`amasters@albany.edu`. Department of Economics, University at Albany SUNY, 1400 Washington Avenue, Albany, NY 12222, USA

3. `mwagemass.csv`: the mass of workers at the minimum wage in the CPS.
4. `wageDens.csv` and `wageDensWide.csv`: binned wage density and wage density with wider bins.
5. `JFRMoments.csv`: estimated job-finding rate.

The final two are composed of the previous csvs:

1. `CPSCalib.csv`: the calibration targets for the paper, created by running the code in “`dataPrograms`,” with additional external targets appended.
2. `CPSNonTargeted.csv`: a set of non-targeted moments, created by running the code in “`dataPrograms`,” with additional external targets appended.

The data was obtained from the IPUMS website selecting the following list of variables: `year`, `serial`, `mish`, `hwtfinl`, `hwtsupp`, `cpsid`, `region`, `statefip`, `asecflag`, `month`, `pernum`, `cpsidp`, `wtsupp`, `earnwt`, `wtfnl`, `age`, `sex`, `race`, `educ`, `empstat`, `hourwage`, `paidhour`, `earnweek`.