

Exercise 1:

(Applied Microeconomics)

Alexander Eriksson Byström Erik Alm Ramberg Jacob Lindberg
Nathalie Hånell

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1 Descriptive Statistics

1.1 Generating Variables

See STATA code.

1.2 Descriptive Statistics of New Variables

Table 1: Project STAR: Student Characteristics and Joint *P*-values by Grade

Variable	Small	Regular	Regular+Aide	Joint <i>P</i> -value
Panel A: Kindergarten				
Free Lunch	0.468	0.480	0.495	0.246
White/Asian	0.686	0.676	0.660	0.238
Age in 1985	5.257	5.238	5.239	0.341
Average Score	465.803	458.943	459.616	0.000
Class size	15.396	22.375	23.257	0.000
Panel B: Grade 1				
Free Lunch	0.438	0.468	0.440	0.220
White/Asian	0.689	0.630	0.704	0.000
Age in 1985	5.333	5.423	5.424	0.000
Average Score	534.646	519.456	525.740	0.000
Class size	15.690	22.689	23.420	0.000
Panel C: Grade 2				
Free Lunch	0.411	0.428	0.406	0.587
White/Asian	0.684	0.645	0.652	0.033
Age in 1985	5.428	5.517	5.509	0.000
Average Score	588.757	578.729	581.359	0.000
Class size	15.310	23.464	23.469	0.000
Panel D: Grade 3				
Free Lunch	0.383	0.391	0.405	0.614
White/Asian	0.690	0.677	0.656	0.075
Age in 1985	5.487	5.545	5.554	0.003
Average Score	621.863	614.685	614.548	0.000
Class size	15.714	23.610	24.435	0.000

Note: Joint *P*-values refer to the *F*-test for equality of means across the three class types. Average score is the mean of reading and math scaled scores.

Table 2: Panel: Grade k

		Small mean	pval
1			
Free Lunch		0.468	
White/Asian		0.686	
Age in 1985		5.257	
Average Score (Kindergarten)		465.803	
Class size (based on teacher id)		15.396	
2			
Free Lunch		0.480	
White/Asian		0.676	
Age in 1985		5.238	
Average Score (Kindergarten)		458.943	
Class size (based on teacher id)		22.375	
3			
Free Lunch		0.495	
White/Asian		0.660	
Age in 1985		5.239	
Average Score (Kindergarten)		459.616	
Class size (based on teacher id)		23.257	
Total			
Free Lunch		0.482	
White/Asian		0.673	
Age in 1985		5.244	
Average Score (Kindergarten)		461.252	
Class size (based on teacher id)		20.585	

Table 3: Panel: Grade 1

		Small mean	pval
1			
Free Lunch		0.438	
White/Asian		0.689	
Age in 1985		5.333	
Average Score (Grade 1)		534.646	
Class size (based on teacher id)		15.690	
2			
Free Lunch		0.468	
White/Asian		0.630	
Age in 1985		5.423	
Average Score (Grade 1)		519.456	
Class size (based on teacher id)		22.689	
3			
Free Lunch		0.440	
White/Asian		0.704	
Age in 1985		5.424	
Average Score (Grade 1)		525.740	
Class size (based on teacher id)		23.420	
Total			
Free Lunch		0.449	
White/Asian		0.672	
Age in 1985		5.398	
Average Score (Grade 1)		525.847	
Class size (based on teacher id)		20.981	

Table 4: Panel: Grade 2

		Small mean	pval
1			
Free Lunch		0.411	
White/Asian		0.684	
Age in 1985		5.428	
Average Score (Grade 2)		588.757	
Class size (based on teacher id)		15.310	
2			
Free Lunch		0.428	
White/Asian		0.645	
Age in 1985		5.517	
Average Score (Grade 2)		578.729	
Class size (based on teacher id)		23.464	
3			
Free Lunch		0.406	
White/Asian		0.652	
Age in 1985		5.509	
Average Score (Grade 2)		581.359	
Class size (based on teacher id)		23.469	
Total			
Free Lunch		0.414	
White/Asian		0.659	
Age in 1985		5.488	
Average Score (Grade 2)		582.629	
Class size (based on teacher id)		21.075	

Table 5: Panel: Grade 3

		Small mean	pval
1			
Free Lunch		0.383	
White/Asian		0.690	
Age in 1985		5.487	
Average Score (Grade 3)		621.863	
Class size (based on teacher id)		15.714	
2			
Free Lunch		0.391	
White/Asian		0.677	
Age in 1985		5.545	
Average Score (Grade 3)		614.685	
Class size (based on teacher id)		23.610	
3			
Free Lunch		0.405	
White/Asian		0.656	
Age in 1985		5.554	
Average Score (Grade 3)		614.548	
Class size (based on teacher id)		24.435	
Total			
Free Lunch		0.393	
White/Asian		0.673	
Age in 1985		5.530	
Average Score (Grade 3)		616.941	
Class size (based on teacher id)		21.387	