ECON 209

Introduction to Econometrics: Honors Immigration and Inequality

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1 Introduction

This article is my final project in ECON 209: Honors Econometrics. It is a partial replication and extension of David Card's *Immigration and Inequality*. Like in Card's paper, I estimate the elasticity of substitution between education and income groups using a constant elasticity of substitution (CES) model and linear regression. I also attempt to estimate log-wages with a linear model and produce coverage intervals for the coefficients. Selective inference and multiple testing corrections will be applied to bound the false discovery rate and false coverage rates in the respective models.

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2 Original Paper

3 Data Overview

Data from 'https://www.census.gov/programs-surveys/acs/data/pums.html'.

I download the 1-year ACS surveys from 2007-2015 however only few columns are used. I identified the following variables as relevant from the *PUMS Data Dictionary 2011-2015*. I map these variables from the values in the raw data into units usable by my models.

Table 1: Data Used

Variable Key	Description
WAGP	Wages or salary income past 12 months
CIT	Citizenship status
NATIVITY	Native or Foreign Born
AGEP	Age
SCHL	Years of Schooling
ESR	Employment Status Recode
DECADE	Decade of entry into the United States
ST	State

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Github link: https://github.com/CasperN/Immigration-and-Inequality.git

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