Replication of Card ('93) Tables

Philip J. Erickson

Abstract

These are reproduced results from Card (1995), "Using Geographic Variation in College Proximity to Estimate the Return to Schooling."

The results presented in Table 1 are replicated from Card ('95). The data is taken from the file "card.csv" and the variables in said file are defined as follows:

- lwage: logged wages
- educ: years of education
- exper: years of work experience
- expersq: years of word experience squared
- black: black indicator variable
- south: south residence indicator variable
- smsa: Standard Metropolitan Statistical Area (urban) residence indicator
- smsa66: SMSA in 1966 indicator
- reg661-reg668: regional indicators

The two models estimated are identical in all but one aspect: the first was estimated using OLS while the second assumes endogeneity in the effect of education on logged wages and so uses proximity to college (nearc4) as an instrument. The results correspond to those in Card, Table 2: Column 2 and Table 3: Column 5.

Table 1: Wage Determinants

	(1) OLS	(2) 2SLS
Education	0.0747***	0.132*
	(0.00350)	(0.0548)
Experience	0.0848***	0.108***
	(0.00662)	(0.0236)
Experience^2	-0.00229***	-0.00233***
	(0.000317)	(0.000333)
Black	-0.199***	-0.147**
	(0.0182)	(0.0538)
South	-0.148***	-0.145***
	(0.0260)	(0.0272)
SMSA	0.136***	0.112***
	(0.0201)	(0.0316)
SMSA ('66)	0.0262	0.0185
	(0.0194)	(0.0216)
Constant	4.761***	3.583***
	(0.0730)	(0.948)
Regional Dummies	Yes	Yes
Observations	3010	3010
Adjusted R^2	0.296	0.234

Standard errors in parentheses

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Dependent variable in each case are logged wages.