Thoughts and suggestion from sheya

Suggestions

1. I would suggest we should use the dummy8090 as the reference year because it is the earliest year and would be more intuitive to understand the trend in the data

2. no geographic variation was accounted for in the model: we need to control different states, so we could explore if there is any difference in min wage between states

Interpretation

1. Based on the current regression result: one dollar increase in the mini.wage would be associated with 0.47407 percentage-point increases in unemployment rate

Results

To confirm my intuition, I conduct a pilot study on adding different states as a dummy variable, in the attached txt file. The reference time is 80-90, time 2,3,4 corresponding to 90-00, 00-10, and 10-18 respectively.