TABLE 6.3

Returns to schooling using child labor law instruments

| | Dependent variable | | | |
| | Years of schooling | | Log weekly wages | |
| | (1) | (2) | (3) | (4) |
|---|---|---|---|---|
| A. First-stage and reduced-form estimates | | | | |
| Child labor law req. 7 years | .166 | −.024 | .010 | −.013 |
| | (.067) | (.048) | (.011) | (.011) |
| Child labor law req. 8 years | .191 | .024 | .013 | .005 |
| | (.062) | (.051) | (.010) | (.010) |
| Child labor law req. 9 years or more | .400 | .016 | .046 | .008 |
| | (.098) | (.053) | (.017) | (.014) |
| B. Second-stage estimates | | | | |
| Years of education | | | .124 | .399 |
| | | | (.036) | (.360) |
| State of birth dummies × linear year of birth trends | No | Yes | No | Yes |

*Notes:* This table shows 2SLS estimates of the returns to schooling using as instruments three dummies indicating the years of schooling required by child labor laws as a condition for employment. Panel A reports first-stage and reduced-form estimates controlling for year and state of birth effects and for census year dummies. Columns (2) and (4) show the results of adding state-specific linear trends to the list of controls. Panel B shows the 2SLS estimates of the returns to schooling generated by the first-stage and reduced-form estimates in panel A. Sample size is 722,343. Standard errors are reported in parentheses.