

# Instructions

For this assignment we will use data from Lalonde (1986), that aimed to evaluate the impact of National Supported Work (NSW) Demonstration, which is a labor training program, on post-intervention income levels. Interest is in estimating the causal effect of this training program on income.

First load the packages `tableone` and `Matching`:

```
>install.packages("tableone")
```

```
>install.packages("Matching")
```

```
>install.packages("MatchIt")
```

```
> library(tableone)
```

```
> library(Matching)
```

Now load the `lalonde` data (which is in the `MatchIt` package):

```
>library(MatchIt)
```

```
> data(lalonde)
```

The data have  $n=614$  subjects and 10 variables

**age** age in years.

**educ** years of schooling.

**black** indicator variable for blacks.

**hispan** indicator variable for Hispanics.

**married** indicator variable for marital status.

**nodegree** indicator variable for high school diploma.

**re74** real earnings in 1974.

**re75** real earnings in 1975.

**re78** real earnings in 1978.

**treat** an indicator variable for treatment status.

The *outcome* is  
re78 – post-intervention income.

The *treatment* is  
treat – which is equal to 1 if the subject received the labor training and equal to 0 otherwise.

The potential *confounding variables* are: age, educ, black, hispan, married, nodegree, re74, re75.