

# Pretend Econ 448 Paper

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## Introduction to Quarto

Quarto enables you to weave together content and executable code into a finished document. To learn more about Quarto see <https://quarto.org>.

## Running Code

When you click the **Render** button a document will be generated that includes both content and the output of embedded code. You can embed code like this:

```
1 + 1
```

```
[1] 2
```

You can add options to executable code like this

```
[1] 4
```

The `echo: false` option disables the printing of code (only output is displayed).

## Introduction

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## Data

This report uses data from the U.S. National Longitudinal Survey of Young Men (NLSYM) in 1976.

## Results

### Summary Statistics

Summary statistics are shown for African Americans and all other races in Table 1, the mean wage is XX. And mean years of education is YY. Phasellus sodales ligula vel ante rhoncus, ut rhoncus turpis rutrum. Maecenas laoreet congue eros. Etiam egestas vehicula sem in auctor. Nam non bibendum diam. In ac ipsum vehicula, aliquet ante at, tincidunt est. Sed sit amet elit interdum, tincidunt lectus quis, posuere risus. Aliquam erat volutpat. Maecenas id vestibulum leo, ut semper neque. Aenean non orci venenatis, cursus sem sed, scelerisque nibh. Aliquam porttitor rhoncus condimentum. Quisque sem arcu, facilisis a ipsum at, fermentum auctor ex.

Table 1: Summary Statistics by Race

	Other				African American			
	Mean	SD	Min	Max	Mean	SD	Min	Max
Wage (cents/hour)	633.87	268.20	112.00	2404.00	498.28	201.61	167.00	1442.00
Years Experience	14.09	2.27	8.00	18.00	12.98	2.06	9.00	18.00
Years Education	8.33	3.74	0.00	19.00	9.20	3.64	2.00	19.00
Age	28.42	3.02	24.00	34.00	28.18	2.88	24.00	34.00

## Visualizing Results

Next, we show mean wages by race and years of education in Figure 1. This figure shows that wages increase in education, but there are persistent pay gaps by race across all values of education.

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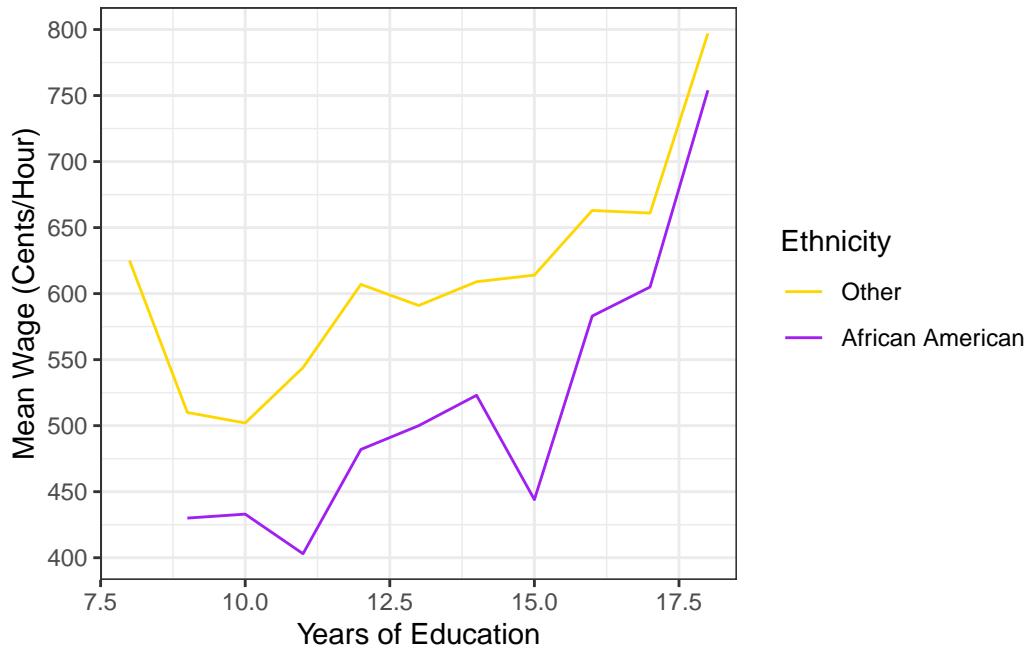


Figure 1: Mean Wages by Race and Years of Education

## Ordinary Least Squares Results

First, we estimate the regression in Equation 1. In this model,  $Y_i$  is the log of individual i's wage,  $X_i$  person i's education in years, and  $Z_i$  are covariates, including race, age, work experience in years, residence in a city, and residence in the southern U.S.

$$y_i = \alpha + \beta * X_i + \theta * Z_i + \epsilon_i \quad (1)$$

Table 2: Association Between Schooling and Log(Wage)

	No Covariates	Covariates
Years of Schooling	0.040*** (0.004)	0.074*** (0.005)
Experience		0.043*** (0.003)
African American		-0.172*** (0.025)
Lives in City		0.157*** (0.019)
Lives in South		-0.086*** (0.018)
Constant	5.778*** (0.056)	4.888*** (0.081)
Num.Obs.	2033	2033
R2 Adj.	0.047	0.208

+ p <0.1, \* p <0.05, \*\* p <0.01, \*\*\* p <0.001

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The results of the OLS regression with and without covariates are given in Table 2 below. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Nulla ultrices, urna vel gravida semper, mauris est vestibulum turpis, non varius nulla augue id ex. Vestibulum et mi et libero fermentum pretium a id orci.

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## Discussion and Limitations

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## **Conclusion**

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