

Angrist and Evans (1998)

- ▶ Research question: what is the effect of fertility on the labor supply of women?
- ▶ Regressions of Employment on # of Children likely to be subject to omitted variable biases...
- ▶ Let's make things concrete:
 - ▶ We have a sample of mothers with at least two children
 - ▶ $D_i = \mathbf{1}(\text{Having a third birth})$.
 - ▶ $Z_{i1} = \mathbf{1}(\text{Having twins in the second birth})$
 - ▶ $Z_{i2} = \mathbf{1}(\text{First two births have the same gender})$