Data Assignment Yang Hou

Current Population Survey

Our analysis is based on the data from the January 2016 Current Population Survey (CPS). This survey is a statistical survey sponsored jointly by the U.S. Census Bureau and the U.S. Bureau of Labor Statistics. The dataset itself is stored in multiple places, and can be accessed from either the National Bureau of Economic Research website or the U.S. Census Bureau website.

The Current Population Survey has been used to for many researches. For example:

- 1. Hirsch, Barry T., and David A. Macpherson. "Union membership and coverage database from the current population survey: Note." ILR Review 56.2 (2003): 349-354.
- 2. Burkhauser, Richard V., Kenneth A. Couch, and David C. Wittenburg. "A reassessment of the new economics of the minimum wage literature with monthly data from the Current Population Survey." Journal of Labor Economics 18.4 (2000): 653-680.
- 3. Mellor, Jennifer M., and Jeffrey Milyo. "Income inequality and health status in the United States: evidence from the current population survey." Journal of Human Resources (2002): 510-539.
- 4. Bollinger, Christopher R. "Measurement error in the current population survey: A nonparametric look." Journal of Labor Economics 16.3 (1998): 576-594.
- 5. Jaeger, David A., and Ann Huff Stevens. "Is job stability in the United States falling? Reconciling trends in the current population survey and panel study of income dynamics." Journal of Labor Economics 17.S4 (1999): S1-S28.

This survey is conducted through interview, mostly through phone calls. The methodology for choosing sample from the population is described in the NBER website:

A housing unit in the CPS is interviewed for four consecutive months and then dropped out of the sample for the next eight months and is brought back in the following four months. So, in any given month, one-eighth of the housing units are interviewed for the first month. When the system has been in operation for a full year, four of the eight rotation groups for any month will have been in the survey for the same month, one year ago.

Descriptive statistics:

Variable	Description	25% Quantile	Median	75% Quantile	Mode
HEHOUSUT	Type of	1	1	1	1
	housing unit				
HEFAMINC	Family	6	11	14	-1
	income				
HUBUS	Does anyone	2	2	2	2
	in this				
	household				
	have a				
	business or a				
	farm				
GEREG	Region	2	3	4	3
PEMRITL	Marital status	-1	1	4	1
PESEX	Sex	1	1	2	2
PEAFEVER	Did you every	-1	2	2	2
	serve on				
	active duty in				
	the U.S.				
	armed forces				
PEHSPNON	Hispanic or	1	2	2	2
	Non-Hispanic				

Code book attached as appendix.

Histogram of family income distribution:

