

Problem set to Lecture 3

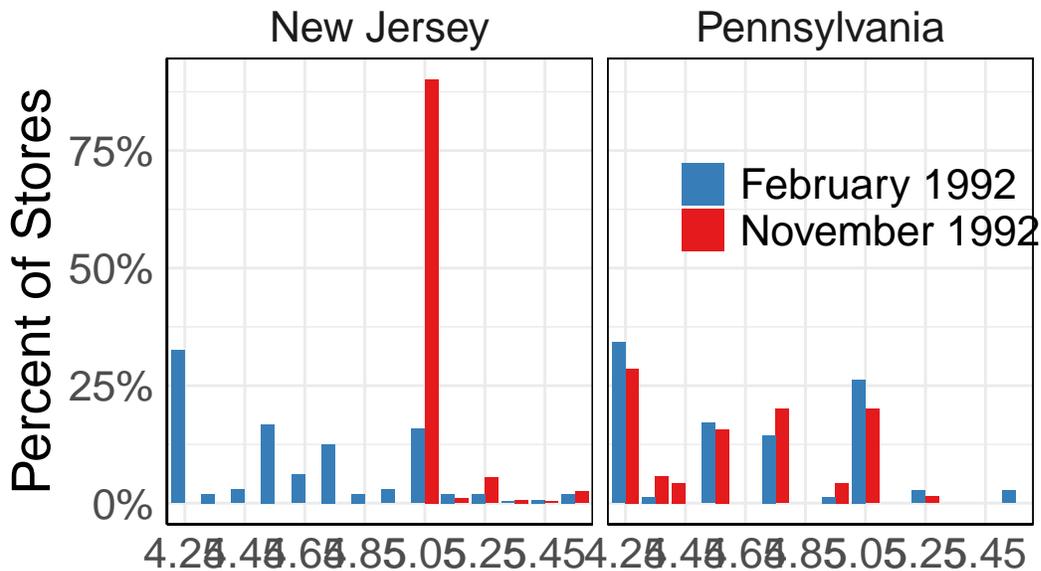
Estimate labour demand elasticity

Important

Upload a log file that includes both the commands and outputs!
Use comments for discussion of results.

Data

This exercise uses public data from Card and Krueger (1994) that can be downloaded from https://davidcard.berkeley.edu/data_sets.html. The ZIP file with dataset contains space-delimited `public.dat` file. You can import it into Stata using `import delimited` command or into R using `read.table()` function. The description of variables (in same order as they appear in the data) is given in `codebook` text file.



Card, David, and Alan B. Krueger. 1994. "Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania." *The American Economic Review* 84 (4): 772–93. <https://www.jstor.org/stable/2118030>.