

# How Responsive is Investment in Schooling to Changes in Redistributive Policies and in Returns?

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Instructions for data and replication package (Prepared by Elinor Cohen, completed February 19, 2014) All the statistical work has been done using Stata 11 SE.

## **Documentation for Replication**

### ***Folders and Files***

The root folder has four subfolders:

1. **Data** – this folder contains the data file (.dta) that Stata reads. This is a student-level data file that contains all the necessary data for replicating the paper's tables 1-4. Tables 5-6 can be replicated after getting permission from the National Insurance Institute (NII) in Israel to access in their protected lab the Post-Secondary data.
2. **Programs** – this folder contains the programs (.do files) that produce the tables.
3. **Results** – this folder contains the tables stored in MS-Excel format. It also contains a subfolder named "automatic" that will contain the output created by the programs automatically (before copying and pasting them to the tables in the results folder).
4. **Logs** – this folder will contain the log files of Stata.

### ***Data Structure***

There is one student-level dataset that contains all the necessary data for replicating the paper's tables. The file name is kibbutzim.dta.

Variable labels reveal information on their meanings, as the context in the programs should.

The true Kibbutz's and student's codes (IDs) were replaced by fictitious ones for privacy reasons.

### ***Determining the Samples***

As discussed in the paper, treated Kibbutzim are those that reformed in 1998-2000 and the control Kibbutzim who reformed in 2003-2004. The variable "ref9800" is an indicator variable for the Kibbutzim who reformed in 1998-2000 and the variable "ref0304" is an indicator for the Kibbutzim who reformed in 2003-2004. The "before" and "after" periods are determined by the variable "year" – the year where the student entered 10<sup>th</sup> grade. The paper

compares students who entered 10<sup>th</sup> grade in 1995-1996 ("Before" period) and students who entered 10<sup>th</sup> grade in 1999-2000 ("After" period). Most of the tables use the sample that contains the years 1995,1996,1999,2000 and Kibbutzim that have the value 1 for "ref9800" or "ref0304".

### ***Recreating the Tables***

All tables were created in Stata and reformatted to Excel. The following table describes each table and links it to the appropriate program file, found in the programs subfolder.

<b>Table</b>	<b>Description</b>	<b>Program File</b>	<b>Notes</b>
<b>1</b>	Balancing Tests of Students' Characteristics and Outcomes in Treatment and Control Kibbutzim	Table_1.do	
<b>2</b>	Treatment-Control Differences in Pre-Reform Time Trends in Schooling Outcomes, 10th Grade Students in 1993-1998	Table_2.do	
<b>3</b>	Difference in Differences Estimates	Table_3.do	
<b>4</b>	Controlled Difference in Differences Estimates by Level of Intensity of Exposure to Full Differential Pay	Table_4.do	
<b>5</b>	The Effect of the Pay Reform on Post-Secondary Schooling	Table_5.do	This table can be replicated by getting permission from the NII to access in their protected lab the Post-Secondary data. The log file used to prepare this table is found at the logs folder and is called "Table_5.txt"

Within the program file you will find satisfactory comments. When you run the files, make sure to change the **cd** line in every code you use. Set it to the root folder to which you extracted the files (the one under which programs, data, logs, and results folders exist).

## ***Results***

The Excel file "Kibbutzim\_Tables" which is located in the results subfolder contains the formatted tables as they appear in the paper.