ECON 2B / 2C Assignment Background Sheet February 19, 2019 Matthew J. Holian, PhD, SJSU

This document contains a description of a project I'm working on and how it relates to the two online courses I'm teaching this semester, and a bibliography both classes will use in assignments. The bibliography contains a dozen references to articles published in scholarly journals that I plan on discussing in a book I'm currently writing (see this blog article for details on this project: http://mattholian.blogspot.com/2019/02/the-first-result-from-my-current.html

The unifying theme of the papers in this bibliography is they all analyze microdata (person- or household-level survey data) from the American Community Survey (ACS) collected over the last fifteen years. My initial interest in the ACS sprang from my desire to include a "Big Data" component in my Introduction to Econometrics course to better prepare students to obtain analytics and related in-demand jobs in Silicon Valley. This project represents my initial attempt to bring a big data element in the lower-division statistics course (ECON 2C) in the Economics Department at SJSU. I also aim to use these studies in the microeconomic theory course (ECON 2B) where students are writing case studies. The empirical studies can serve as topics for these cases which are meant to highlight theoretical concepts.

As an example of a study that I plan to describe in my book, Amuedo-Dorantes et al. (2018) is a compelling examination of the causal effect of increased enforcement of immigration laws on the welfare of American-born children of unauthorized parents.² They found increased enforcement of immigration law led to increased poverty in households where at least one worker is likely unauthorized. An ECON 2B case study would describe and interpret the results

¹ John Walker, S. (2014). Big data: A revolution that will transform how we live, work, and think.

² Amuedo-Dorantes, C., Arenas-Arroyo, E., & Sevilla, A. (2018). Immigration enforcement and economic resources of children with likely unauthorized parents. *Journal of Public Economics*, *158*, 63-78.

of this study in very simple and digestible manner, and point out the connection between the empirical result and a microeconomic concept. This micro concept should be from the textbook including a page number to where the concept is discussed.

Make it interesting. If you give me a good idea that I use in the book, I'll acknowledge you by name in it. For example, perhaps you will include a discussion of the controversy surrounding the idea of asking a citizenship question on the 2020 Census (unlike past decennial Censuses, the ACS has contained a question about citizenship since its inception.³)

Another question that interests me includes, did the "back to the cities" phenomenon⁴ cause reductions in commuting and automobile pollution? Perhaps the study by Walker speaks to whether certain demographic groups (in this case, baby boomers) are attracted to cities or more suburban locations. The study by Grazi (the only one below that doesn't use US Census micro data) examines whether urban living causes reductions in gasoline consumption.

Other topics explored in these studies include: wages and internal migration, housing, commuting, energy costs and Greenhouse Gas (GHG) emissions.

Bibliography

Amuedo-Dorantes, C., Arenas-Arroyo, E., & Sevilla, A. (2018). Immigration enforcement and economic resources of children with likely unauthorized parents. *Journal of Public Economics*, *158*, 63-78.

Blau, F. D., Kahn, L. M., Brummund, P., Cook, J., & Larson-Koester, M. (2017). Is There Still Son Preference in the United States? (No. w23816). National Bureau of Economic Research.

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³ "Citizenship Question Controversy Complicating Census 2020 Work, Bureau Director Says" Download Transcript July 11, 2018, 7:05 PM ET Heard on *All Things Considered* .. Supreme Court To Decide Whether 2020 Census Will Include Citizenship Question February 15, 20191:33 PM ET. <a href="https://www.npr.org/2019/02/15/692656180/supreme-court-to-decide-if-2020-census-includes-citizenship-question-www.npr.org/2018/07/11/627350553/citizenship-question-controversy-complicating-census-2020-work-bureau-director-s

⁴ I have written a blog occasionally over the last five years and plan to draw from it for the more popular writing I plan for this book. A relevant blog article of mine is, "The "Decade of the City?" New Census data sheds light" http://mattholian.blogspot.com/2014/05/the-decade-of-city-new-census-data.html

Comolli, C. L., & Bernardi, F. (2015). The causal effect of the great recession on childlessness of white American women. *IZA Journal of Labor Economics*, 4(1), 21.

Frean, M., Gruber, J., & Sommers, B. D. (2017). Premium subsidies, the mandate, and Medicaid expansion: Coverage effects of the Affordable Care Act. *J. of Health Economics*, *53*, 72-86.

Glaeser, E. L., & Kahn, M. E. (2010). The greenness of cities: carbon dioxide emissions and urban development. *Journal of urban economics*, 67(3), 404-418.

Grazi, F., van den Bergh, J. C., & van Ommeren, J. N. (2008). An empirical analysis of urban form, transport, and global warming. *The Energy Journal*, 29(4), 97-123.

Koirala, B. S., Bohara, A. K., & Berrens, R. P. (2014). Estimating the net implicit price of energy efficient building codes on US households. *Energy Policy*, 73, 667-675.

Marshall, M. I., & Flaig, A. (2014). Marriage, children, and self-employment earnings: an analysis of self-employed women in the US. Journal of Family and Economic Issues, 35(3), 313-322.

Sastry, N., & Gregory, J. (2014). The location of displaced New Orleans residents in the year after Hurricane Katrina. *Demography*, 51(3), 753-775.

Sjoquist, D. L., & Winters, J. V. (2015). State merit aid programs and college major: A focus on STEM. Journal of Labor Economics, 33(4), 973-1006.

Winters, J. V. (2016). Is economics a good major for future lawyers? Evidence from earnings data, The Journal of Economic Education, 47:2, 187-191.

Walker, K. E. (2016). Baby boomer migration and demographic change in US metropolitan areas. *Migration Studies*, 4(3), 347-372.

Winters, John V. (2017). Do Earnings by College Major Affect Graduate Migration? The Annals of Regional Science., 59(3), 629-649.

Appendix: Preliminary outline of my book project, with list of relevant variables

Chapter 1 – Introduction: Stories and Statistics

Mi abuela raised three daughters all by herself, with no help. I think about her struggle and I find the strength in myself.

- Talib Kweli

The purpose of this book is to present a meta-analysis of econometric and social science research that shares the theme of utilizing one data source: American Community Survey (ACS) microdata. The lyric above is included as a powerful reminder that the people in our data sets have real lives and aren't "just statistics". But at the same time, the fact that his grandmother's children were all female highlights the usefulness of microdata—we can look in the data set and find examples of a Spanish-speaking single-mom with three daughters, and learn a little about their lives. Thus while this book is indeed a meta-analysis, the real theme of the book is to discuss interesting and important social phenomenon, while highlighting best practices in social science research. The "statistics" angle will be obvious, but there is a "stories" element as well, included both to offer a fuller description of social phenomenon as well as to add interest.

This chapter describes the history of the US Census Bureau from 1790 to the present, the discontinuation of the long-form decennial Census after 2000, and the inception of the ACS. After describing how the data is generated, it turns to how researchers use these data, problems with ACS, 5 how qualitative information reinforces statistical, strengths and weaknesses of

accounts of economic, political, and health status typically reflect the experience of the non-institutionalized members of society included in federally administered surveys that draw their samples from people living in households." (Pettit 2012, p. xii.) Pettit, B. (2012). Invisible men: Mass incarceration and the myth of black

progress. Russell Sage Foundation.

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⁵ It will highlight some of the limitations of survey research. For example, "Survey research offers surprisingly little insight into the health ad well-being of inmates former inmates and their families and communities...Conventional

qualitative research methods, and a preview of the topics in the remaining chapters and how they were chosen.

The book is divided into one introductory chapter, which describes the methods used in writing the stories and gathering the statistics and should be read first, and four topics chapters, each based on a specific set of related topics of social importance; although the topics are interrelated and ideally the chapters are read in order, it will be possible to read select topics chapters in isolation. Preliminary table of contents is shown above.

One of the features of a book that examines studies that use a common data source is that the chapters will naturally tend to be organized around certain variables. Thus in the Chapter Outlines that follow, the main variables used in the studies described in each chapter are listed in a Table of Variable Descriptions. Relevant studies identified as candidates to discuss and replicate are cited.

Chapter 2 - Searching for Higher Ground: Migration and Quality of Life

Citations Related to International and Internal Migration. Blau and Mackie (2017) in their report *The Economic and Fiscal Consequences of Immigration* describe the conclusions of a panel of experts on the economic and fiscal impacts of immigration on the US economy. What have researchers been able to do with ACS data?

Amuedo-Dorantes, C., Arenas-Arroyo, E., & Sevilla, A. (2018). Immigration enforcement and economic resources of children with likely unauthorized parents. *Journal of Public Economics*, 158, 63-78.

Sastry, N., & Gregory, J. (2014). The location of displaced New Orleans residents in the year after Hurricane Katrina. *Demography*, 51(3), 753-775.

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⁶ http://d279m997dpfwgl.cloudfront.net/wp/2016/09/0922_immigrant-economics-full-report.pdf Supports immigration but paints a nuanced picture. Not clear exactly what their objective function looks like. Recommends "...the U.S. Census Bureau to add a question on the birthplace of parents to the American Community Survey (ACS). This addition would permit more accurate monitoring of local populations and labor forces than is possible with the current source of such information, the C PS, which while highly valuable has a considerably small er sample size than the ACS.

Walker, K. E. (2016). Baby boomer migration and demographic change in US metropolitan areas. *Migration Studies*, 4(3), 347-372.

Winters, John V. (2017). Do Earnings by College Major Affect Graduate Migration? The Annals of Regional Science., 59(3), 629-649.

Table: Description of Key Variables Used in Replication of Studies in Chapter 2

Variable	Description
MIGSP	The state in which the respondent lived last year
MIGPUMA	The PUMA in which the respondent lived last year
POBP	Respondent's Place of birth
NATIVITY	Respondent's Country of birth
NOP	Nativity of respondent's parent
CIT	Respondent's Citizenship status
LANP	Language spoken at home

Chapter 3 - Paying the Bills: Jobs, Wages, Schooling and Health Care

Citations related to labor market and acquiring marketable skills to pay the bills; state higher education policies:

Frean, M., Gruber, J., & Sommers, B. D. (2017). Premium subsidies, the mandate, and Medicaid expansion: Coverage effects of the Affordable Care Act. *J. of Health Economics*, *53*, 72-86.

Sjoquist, D. L., & Winters, J. V. (2015). State merit aid programs and college major: A focus on STEM. Journal of Labor Economics, 33(4), 973-1006.

Winters, J. V. (2016). Is economics a good major for future lawyers? Evidence from earnings data, The Journal of Economic Education, 47:2, 187-191.

Table: Description of Key Variables Used in Replication of Studies in Chapter 3

Variable	Description
WKHP	Usual hours worked per week past 12 months
WAGP	Wages or salary income past 12 months
HINCP	Household income (past 12 months)
MAR	Marital status
RAC1P	Race
SCHL	Educational attainment

Chapter 4 - Living and Getting Around: Home, Family & Commuting

Housing costs are primary for those in certain areas. These and other economic variables affect social phenomenon like fertility in complex ways. Citations on Home, Family and Commuting:

Blau, F. D., Kahn, L. M., Brummund, P., Cook, J., & Larson-Koester, M. (2017). Is There Still Son Preference in the United States? (No. w23816). National Bureau of Economic Research.

Comolli, C. L., & Bernardi, F. (2015). The causal effect of the great recession on childlessness of white American women. *IZA Journal of Labor Economics*, 4(1), 21.

Koirala, B. S., Bohara, A. K., & Berrens, R. P. (2014). Estimating the net implicit price of energy efficient building codes on US households. *Energy Policy*, 73, 667-675.

Marshall, M. I., & Flaig, A. (2014). Marriage, children, and self-employment earnings: an analysis of self-employed women in the US. Journal of Family and Economic Issues, 35(3), 313-322.

Table: Description of Key Variables Used in Replication of Studies in Chapter 4

Variable	Description
VALP	Estimated value of owned property
RNTP	Rental costs of rented property
JWTR	Mode of transportation to work (car, bus, etc.)
VEH	# of vehicles
BDSP	# of bedrooms
RMSP	# of rooms
INSP	Insurance costs
CONP	Condo fee
MHP	Mobile home costs

Chapter 5 – And that Takes Resources: The Carbon Footprints of Americans

This chapter will calculate carbon and resource footprints following Glaeser and Kahn (201x). One thing that is difference is that, while Glaeser and Kahn (2010) use US Decennial Census data to measure natural gas, electricity, and use National House Travel Survey data to measure gasoline consumption from driving, I will be using the same source for both measures—the ACS (of course.) In addition, I want to include the indirect emissions associated with things that urbanites consume more of, such as (possibly) Amazon shipments.

Glaeser, E. L., & Kahn, M. E. (2010). The greenness of cities: carbon dioxide emissions and urban development. *Journal of urban economics*, 67(3), 404-418.

Table: Description of Key Variables Used in Replication of Studies in Chapter 5

Variable	Description
Commuting variables	(from Chapter 4)
Household heating and cooling: ELEP	Electricity costs
NATP	Natural gas costs
FULP	Full cost other than gas and electric
GAS	Monthly gas cost
WATP	Water costs

Chapter 6 - Conclusion: What Do We Know and What Should We Do?

At times, our pursuit of the good life threatens the very quality of life we are after. Social science research helps us see the problems more clearly and identify solutions. Return to themes: open cities, migration, jobs, homes, commuting, green cities.

From a methodological standpoint, what do the good studies have in common? Discussion of the best practices.