

ECO 721 PSID DATA SET DOCUMENTATION – SPRING 2009

The class data come from the first 20 waves of the Panel Study of Income Dynamics (PSID). The SIPP is a longitudinal survey that interviewed people annually from 1968 to 1996 and has interviewed them biennially since then. In most years, the survey interviews one person per family and asks him or her about the family's economic, programmatic, and demographic circumstances. More information about the survey is available at <http://psidonline.isr.umich.edu/> and at http://www.uncg.edu/bae/people/ribar/teaching/ECO725/notes/intro_PSID.pdf.

The class will be using data from the “family” files of the PSID. The data describe 13,171 families and contains up to 19 years of data for each family. There are a total of 114,221 family-year observations on the file. The file is sorted by INT_ID (a family-specific identifier that was internally created) and the YEAR of the observation. The extract omits data for 1973 because a key analysis variable was missing for that year. The data have also been augmented to include some price index information.

The class will use these data in several lab exercises.

The extract contains a number of measures. The data dictionary for the measures is as follows:

<u>Variable</u>	<u>Description</u>
INT_ID	family identifier (1 – 13171)
YEAR	year of observation (1968 – 1987, excluding 1973)
TVAGE	age of the household head in years (15 – 99)
TVCURMAR	indicator for the household head being currently married (0, 1)
TVFEMALE	indicator for the household head being female (0, 1)
TVNKIDS	number of children in the family (0 – 13)
TVWHITE	indicator for the household head being white (0, 1)
TVBLACK	indicator for the household head being black (0, 1)
TVFDSTD	nominal measure of family food needs (Thrifty Food Plan)
TVFHOME	nominal annual expenditures on food consumed at home Note: data are measured differently in 1968 than in other years
TVFAWAY	nominal annual expenditures on food away from home

Note: no data available for 1968, set to zero

TVFDSTMP	nominal annual value of food stamps
TVFAMINC	nominal annual total family money income
TVHDEMPS	categorical measure of household head's employment status 1 – working or on temporary layoff 2 – looking for work, unemployed 3 – retired or disabled 4 – keeping house 5 – student 6 – other
TVHDANNE	household head's annual earnings
TVHDHEAR	household head's hourly earnings (missing if head doesn't work)
TVHDEDUC	categorical measure of household head's education 1 – completed 0-5 years of school 2 – completed 6-8 years of school 3 – completed some high school but did not graduate 4 – completed high school only 5 – completed high school and obtained some nonacademic training 6 – completed some college but did not graduate 7 – obtained a bachelors degree 8 – obtained an advanced degree 9 – not applicable or don't know
TCPI	CPI-U for all goods (1 = 1982-4)
TCPIFH	CPI-U for food consumed at home (1 = 1982-4)
TCPIFA	CPI-U for food purchased away from home (1 = 1982-4)