

ECO 735 Homework #3

Assigned January 19, 2012

Due January 24, 2012

1. The notes for this week describe a prototypical three-step procedure for estimating a “second-generation” labor supply model. The steps include estimating a selectivity-corrected wage model, imputing wages, and estimating a censored-regression model of labor supply. Please describe the commands from the Stata statistical package that could be used to implement this procedure. Your description should include any necessary options that must be selected from the command language.