

Do Labor Market Policies Have Displacement Effects? Evidence from a Clustered Randomized Experiment: Replication package

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Abstract

This note introduces the replication package for the paper by Crépon, Duflo, Gurgand, Rathelot and Zamora, published in 2013 in the *Quarterly Journal of Economics*.

1 Getting access to the data

The data is the property of the Ministère du travail et de l'emploi, as its data collection has been funded and managed by the Direction de l'Animation de la recherche, des Études et des Statistiques (DARES). Since 2023, the dataset on which the paper is based has been transferred to the data repository Quetelet-Progedo-Diffusion (<https://data.progedo.fr/studies/doi/10.13144/lil-1596>). To obtain access to the data and to the documents describing the data, researchers need to create an account on Progedo and start a “demande” on the Progedo website (<https://commande.progedo.fr/fr/commande/nouvelle>). In “Choisir les enquêtes”, write “lil-1596” (the id of the dataset) in the “Rechercher” box. The complete name of the dataset is “lil-1596 : Enquête auprès des jeunes éligibles à la prestation d’insertion « jeunes diplômés » 2010 (2010, DARES - Ministère du Travail et de l’Emploi)”.

Once the “demande” has been submitted, Progedo will send contractual documents explaining the conditions under which the data can be used. In particular, data access is personal, so research teams need to make sure that all researchers accessing the data sign an agreement. Once all forms have been signed and returned, Progedo will provide access to the data in a matter of days or weeks, depending on their workload.

The dataset is a single csv file of 6 Mb, *jd_publicdata.csv*. It is the dataset containing the data from the experimental design, the different survey waves (4), as well as the local labour market

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unemployment rate and the share of skilled jobseekers among all job seekers looking for the occupation each individual is looking for. In the data package, one can also find a dictionary of the main variables, as well as pdf files of the survey administered to the participants of the experiment.

2 Replication of the main results

We also distribute an R script *replication.R*. Executing the script generates the variables required for the analysis and generates Tables 4 to 6 as well as Figure 2 (charts A to F) from the original paper.

Main variables

anonale	anonymized ID of ALE
noq	ID of 5-uplet
homme	dummy for male
assigned	dummy for assigned to treatment
emploidur	dummy for being employed 8 months after random assignment in a long-term or infinite-term contract
cdd6m	dummy for being employed 8 months after random assignment in a more-than-6-month finite-term contract
ppos	dummy for being in a treated ALE
pnz	ppos minus assigned
ancchom18	number of months in unemployment (at Pole Emploi) in the last 18 months
ancchom182	same, squared
b	Bac +2
b3	Bac +3
b4	Bac +4
b5	Bac +5 or more
supq3	dummy for looking for a job with kappa in the highest quartile
infq1	dummy for looking for a job with kappa in the lowest quartile
sessionAA	dummy for the cohort of enrollment

Table 4 - Reduced form: Impact of program assignment and assignment probability

	Labor market outcome: Long term fixed contract				Labor market outcome: Long term employment			
	(1) All workers	Not employed			(5) All workers	Not employed		
		(2) All	(3) Men	(4) Women		(6) All	(7) Men	(8) Women
Assigned to treatment in 25% area	0.016 (0.012)	0.021 (0.014)	0.037 (0.027)	0.014 (0.016)	0.005 (0.016)	0.023 (0.020)	0.068** (0.032)	0.001 (0.027)
Assigned to treatment in 50% area	0.009 (0.012)	0.015 (0.013)	0.021 (0.021)	0.011 (0.020)	−0.011 (0.016)	−0.002 (0.022)	−0.015 (0.038)	0.006 (0.027)
Assigned to treatment in 75% area	−0.015 (0.016)	0.007 (0.019)	0.061** (0.030)	−0.017 (0.021)	0.025 (0.020)	0.039 (0.028)	0.060 (0.046)	0.026 (0.035)
Assigned to treatment in 100% area	0.010 (0.009)	0.025** (0.010)	0.021 (0.014)	0.028** (0.014)	0.001 (0.011)	0.021 (0.014)	0.001 (0.023)	0.034* (0.018)
25% areas	−0.001 (0.010)	−0.015 (0.011)	−0.040** (0.019)	−0.001 (0.013)	−0.002 (0.012)	−0.011 (0.015)	−0.063*** (0.023)	0.016 (0.020)
50% areas	−0.002 (0.010)	−0.014 (0.013)	−0.026 (0.018)	−0.006 (0.017)	−0.012 (0.013)	−0.027 (0.018)	−0.017 (0.027)	−0.033 (0.023)
75% areas	0.016 (0.016)	−0.007 (0.019)	−0.056** (0.027)	0.013 (0.023)	−0.026 (0.019)	−0.040 (0.025)	−0.061 (0.041)	−0.027 (0.032)
Control Mean	0.199	0.167	0.150	0.178	0.473	0.376	0.396	0.364
Observations	21,431	11,806	4,387	7,419	21,431	11,806	4,387	7,419

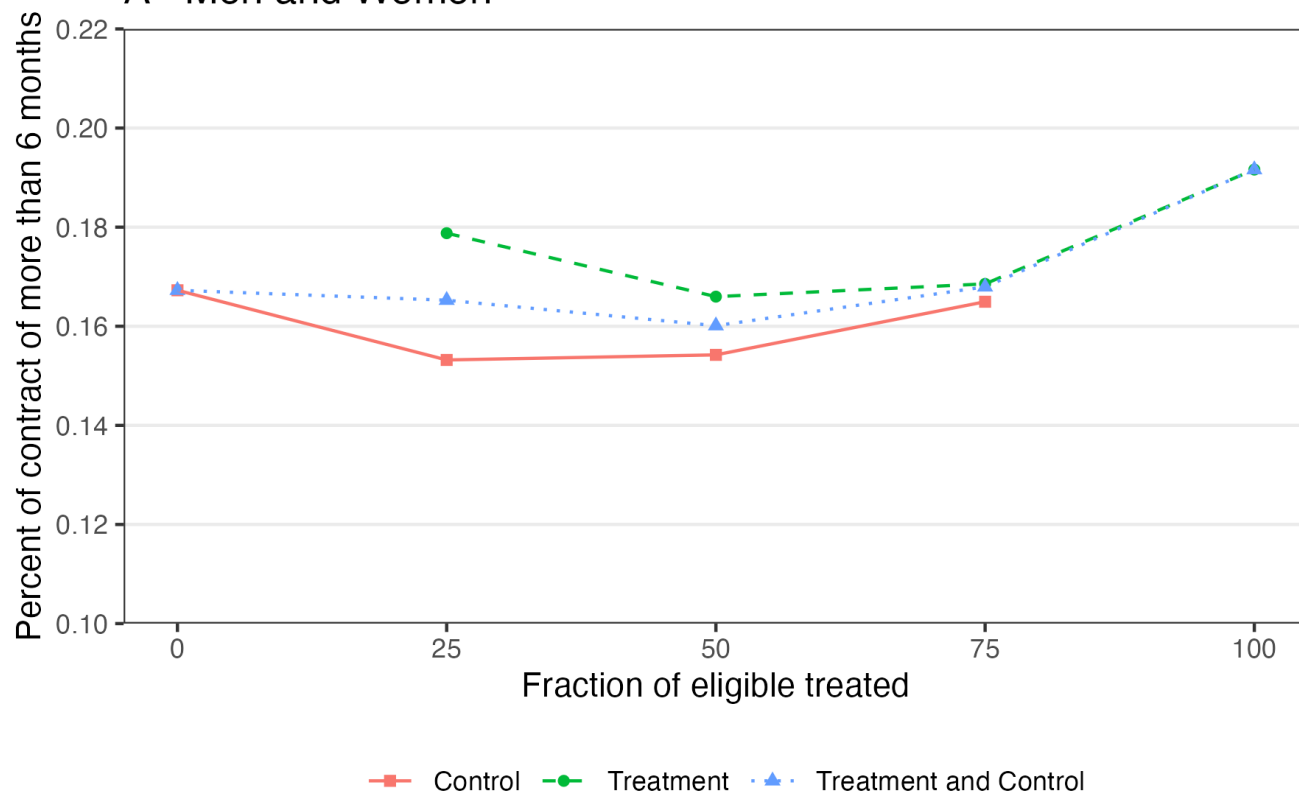
Notes. The table reports OLS regressions of employment outcome variables on program assignment dummies interacted with area assignment probability dummies (see equation (6)). Areas with 0% treatment are the reference. For the list of controls and the definition of the outcomes, see Table III. The dependent variables are measured when surveyed eight months after the random assignment. Columns (2)–(4) and (6)–(8) restrict the sample to job seekers who did not report that they were employed at the time of randomization. Standard errors in parentheses are robust to heteroskedasticity and clustered at the local area level.

Source. Job seekers' register (ANPE) and follow-up survey (DARES).

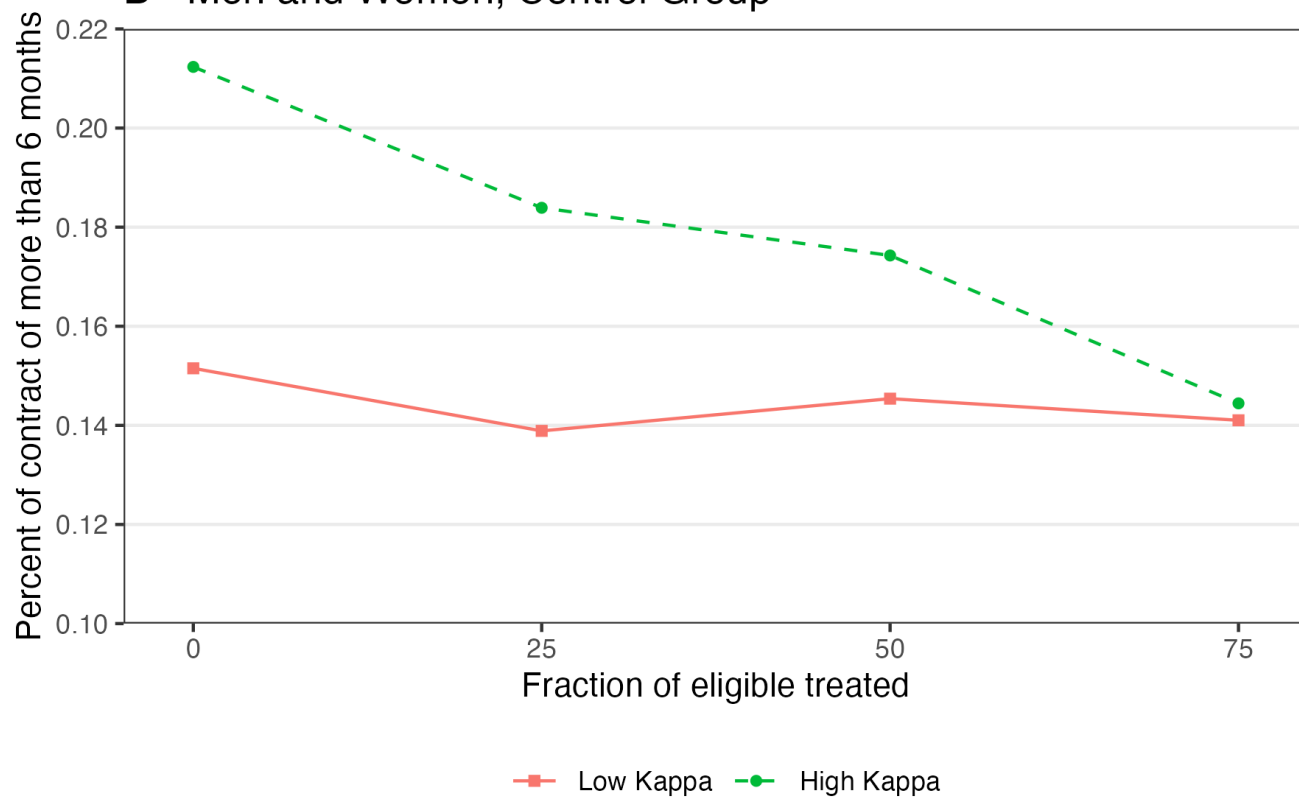
FIGURE II Average Employment Rate, per Group

These figures plot the (unadjusted) average fraction of workers who were employed in a long-term fixed contract eight months after program assignment in the different groups for several categories of treatment and control groups. In Panels B and C, only data on the unassigned worker are used. In Panel B, the low (high) kappa (κ) is for the occupations where the fraction of eligible workers among job seekers in this occupation is in the bottom (top) quartile (see text for details). In Panel C, “weak labor markets” are later cohorts, in regions with unemployment rate above average for the period.

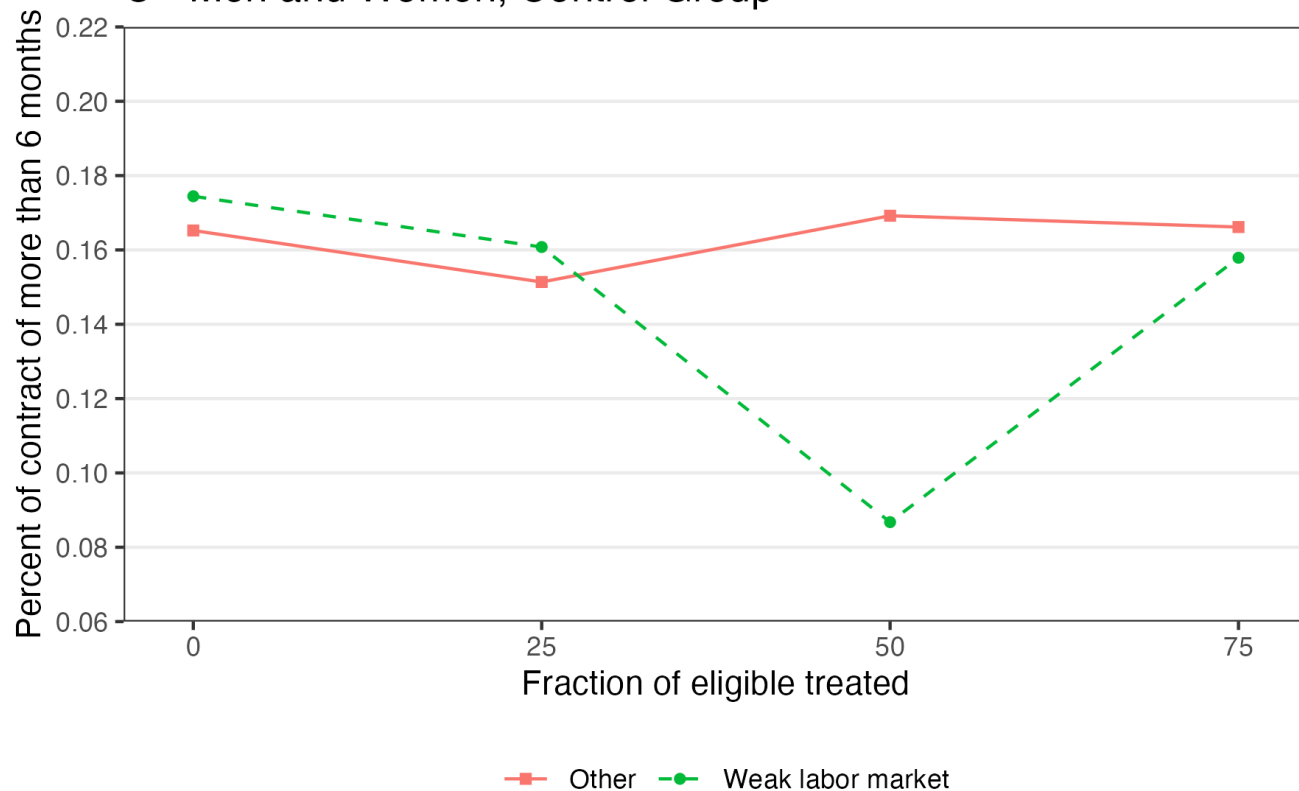
A - Men and Women



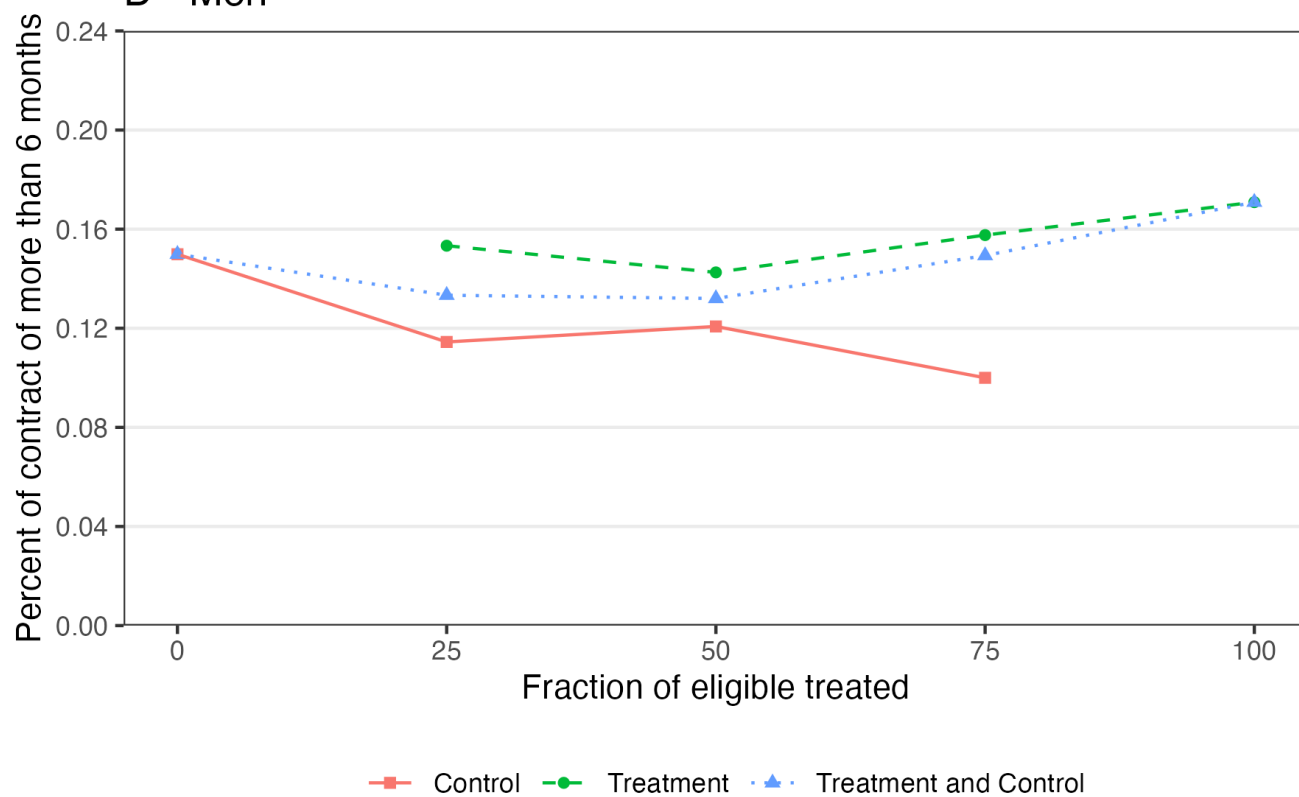
B - Men and Women, Control Group



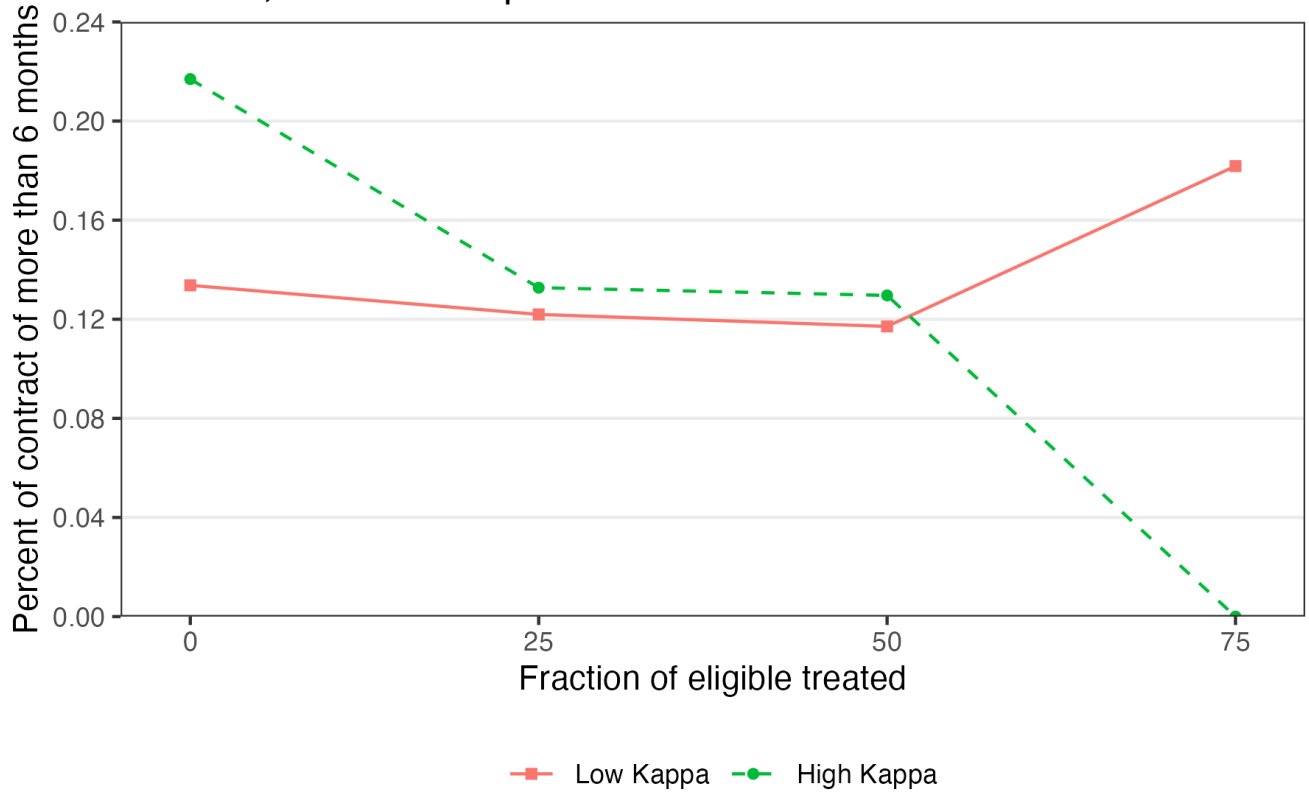
C - Men and Women, Control Group



D - Men



E - Men, Control Goup



F - Men, Control Goup

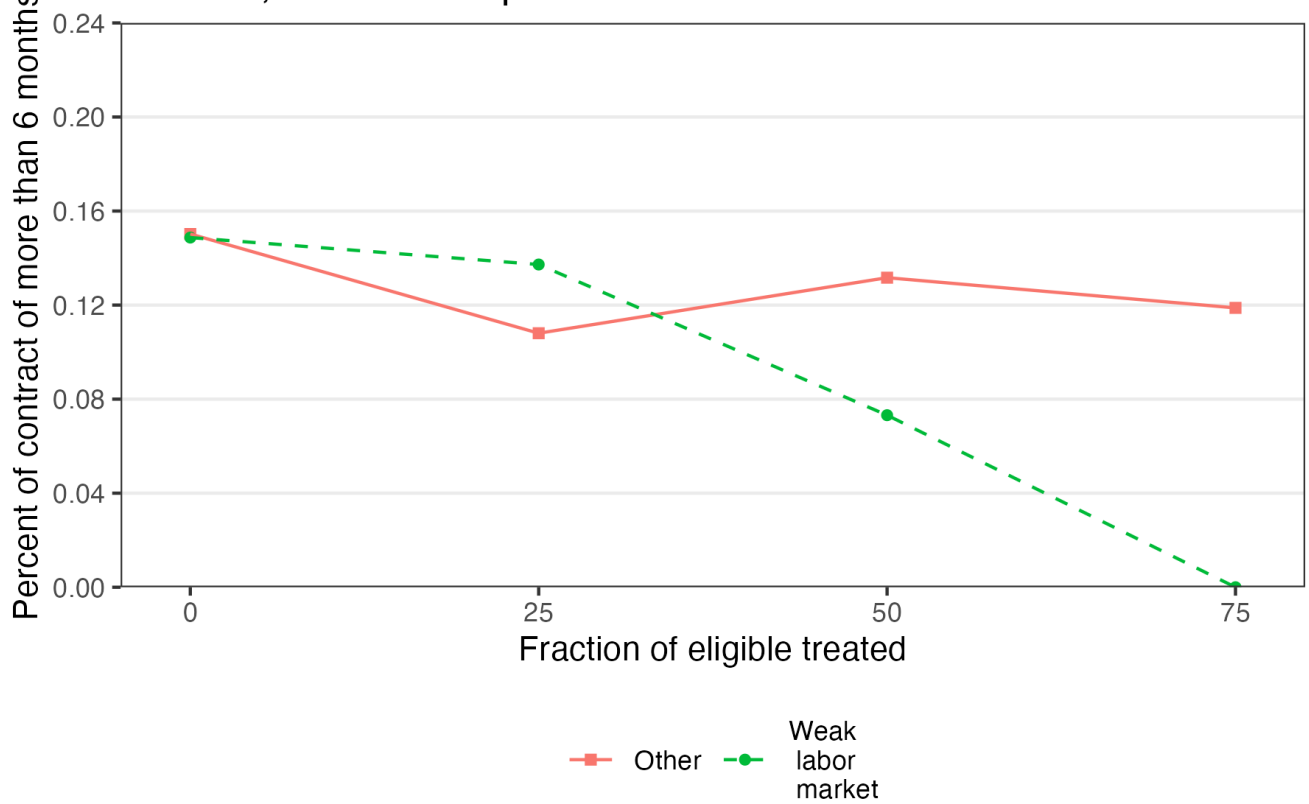


Table 5 - Reduced form: Impact of program, accounting for externalities (By job type: share of job seekers who are eligible for the program)

	Not employed			Not employed, above third quartile		
	(1) All	(2) Men	(3) Women	(4) All	(5) Men	(6) Women
Panel A: Long-term fixed contract						
Assigned to program (β)	0.023*** (0.008)	0.043*** (0.013)	0.013 (0.010)	0.040** (0.016)	0.072** (0.029)	0.021 (0.022)
In a program area (δ)	-0.013 (0.009)	-0.036*** (0.013)	-0.001 (0.012)	-0.040* (0.021)	-0.086** (0.035)	-0.013 (0.027)
Net effect of program assignment ($\beta + \delta$)	0.010 (0.008)	0.007 (0.011)	0.012 (0.011)	-0.000 (0.019)	-0.014 (0.031)	0.008 (0.024)
Control Mean	0.160	0.131	0.177	0.190	0.161	0.204
Panel B: Long-term employment						
Assigned to program (β)	0.025** (0.012)	0.037** (0.018)	0.019 (0.014)	0.018 (0.021)	0.059 (0.039)	-0.000 (0.028)
In a program area (δ)	-0.021* (0.013)	-0.043** (0.020)	-0.010 (0.018)	-0.004 (0.023)	-0.081* (0.047)	0.033 (0.032)
Net effect of program assignment ($\beta + \delta$)	0.003 (0.011)	-0.006 (0.018)	0.009 (0.016)	0.014 (0.019)	-0.022 (0.037)	0.033 (0.026)
Control Mean	0.365	0.372	0.360	0.403	0.408	0.401
Observations	11,806	4,387	7,419	3,066	1,016	2,050

Notes. The table reports OLS regressions of employment outcome variables on a dummy for assigned to the program and a dummy for being in a local area with positive assignment probability (see equation (6)). For the list of controls and the definition of the outcomes, see Table III. The dependent variables are measured when surveyed eight months after the random assignment. The sample is restricted to job seekers who did not report that they were employed at the time of randomization. Columns (1)–(3) include job seekers searching for all kinds of jobs; columns (4)–(6) include only job seekers searching for jobs in which the share of skilled job seekers (κ) is above the third quartile in the distribution of jobs. Standard errors in parentheses are robust to heteroskedasticity and clustered at the local area level. ***indicate a 1% significance (**5% and *10%).

Source. Job seekers' register (ANPE) and follow-up survey (DARES).

Table 6 - Heterogeneity of program effect by area and cohort

	LT FC	LT Empl.	LT FC	LT Empl.	LT FC	LT Empl.
	All		Men		Women	
	(1)	(2)	(3)	(4)	(5)	(6)
Panel A						
Assigned to program (β) bad area, bad cohort	0.058*** (0.018)	0.069*** (0.023)	0.084*** (0.031)	0.112*** (0.036)	0.038 (0.025)	0.038 (0.029)
Assigned to program (β) good area or good cohort	0.016* (0.008)	0.016 (0.013)	0.033** (0.015)	0.019 (0.021)	0.008 (0.011)	0.015 (0.015)
In a program area (δ_1) bad area, bad cohort	-0.043* (0.023)	-0.078*** (0.030)	-0.043 (0.033)	-0.145*** (0.044)	-0.041 (0.031)	-0.034 (0.041)
In a program area (δ_2) good area or good cohort	-0.007 (0.010)	-0.008 (0.014)	-0.034** (0.015)	-0.016 (0.023)	0.008 (0.014)	-0.005 (0.020)
Panel B						
In a program area (δ_1) bad area, bad cohort	-0.042* (0.023)	-0.079*** (0.030)	-0.043 (0.032)	-0.148*** (0.043)	-0.039 (0.031)	-0.035 (0.041)
In a program area (δ_2) good area, bad cohort	-0.024 (0.019)	0.044 (0.028)	-0.048 (0.032)	0.010 (0.043)	-0.008 (0.028)	0.069* (0.041)
In a program area (δ_3) bad area, good cohort	0.009 (0.017)	-0.040 (0.025)	-0.029 (0.026)	-0.062 (0.038)	0.031 (0.023)	-0.027 (0.033)
In a program area (δ_4) good area, good cohort	-0.018 (0.019)	-0.012 (0.023)	-0.035 (0.027)	0.015 (0.046)	-0.011 (0.027)	-0.031 (0.032)
Mean super control	0.167	0.376	0.150	0.396	0.178	0.364
Observations	11,806	11,806	4,387	4,387	7,419	7,419

Notes. The table reports OLS regressions of employment outcome variables on a dummy for assigned to the program and a dummy for being in a local area with positive assignment probability, interacted with bad/good area and bad/good cohort dummies (see equation (9)). In Panel B, estimates related to program assignment are not reported for concision. Bad areas are those with an average unemployment rate during first semester of 2007 that is above the median of our areas. Bad cohorts are cohorts 8–11, that is, entering the experiment in April to July 2008. For the list of controls and the definition of the outcomes, see Table III. The dependent variables are measured when surveyed eight months after the random assignment. The sample is restricted to job seekers who did not report that they were employed at the time of randomization. Standard errors in parentheses are robust to heteroskedasticity and clustered at the local area level. ***indicate a 1% significance (**5%, *10%). *Source.* Job seekers' register (ANPE) and follow-up survey (DARES).