Homework 11

No due date. For test prep only.

1. Using Leinhardt and Wasserman's data on infant mortality rates (Leinhardt data found in the car library), regress infant morality on income and dummy regressors for region. Using the methods discussed in class, check the model for evidence of non-normal errors and non-constant error variance. If appropriate, use techniques discussed in class to account and/or correct for these issues.

2. Define the following terms and discuss the effect each of these could have on how you interpret the results of a linear regression model. How might you "fix" each problem?

   - Multicollinearity

   - Heteroskedasticity

   - Influential Data