

Diagnostics Assignment
Spring 2020
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Due: March 17, 2020

Using the OECD data extract from the Regression Diagnostics module, I want you to walk me through the process of conceiving, refining, and interpreting an OLS model. In a PDF memo, please answer these questions:

1. Which outcome did you select? Why did it interest you?
2. Which predictors did you choose to model? In a table, explain why you thought each of these predictors could be important.
3. What was the result of your first model? Interpret the sign, size, and significance of your coefficients. Interpret your model's fit.
4. Run the diagnostics discussed in Module 7. For each diagnostic, show your work and interpret your results.
5. After performing your diagnostics and making whatever redresses they imply, explain your final model. Interpret its coefficient and fit.

Your assignment will be graded on the sophistication and thoughtfulness of your modeling choices, your proficiency with these diagnostics, and the overall professionalism that your memo exudes.