

Economics 522A, Homework 3

Due Tuesday, February 6

For this assignment, use the data in the file `wage.dat`, available on the course web page. This contains the same CPS data used in Ruud, Ch.1.

To load this data into Matlab/Octave, you can edit the data file in a text editor such as Notepad in Windows, or `pico` in unix, to remove the comments and variable explanations, and then use the Matlab/Octave `load` command.

Reproduce the following Tables and Figures from Ruud, Ch.1, using Matlab/Octave. Provide your code for doing this, with comments to make it clear what you are doing.

1. Table 1.1
2. Table 1.2 (but not the t-statistics)
3. Table 1.3
4. Table 1.4
5. Figure 1.1
6. Figure 1.2
7. Table 1.8 (but not the SSR or R^2 values). For this problem, use the matrix-based expression for $\hat{\beta}$ given in the book and notes.