

Economics 312 Daily Problem #2

Spring 2020
January 30

Today's daily problem introduces you to a few very basic Stata commands that will be demonstrated in Thursday's class and that you will use over and over this semester. You may find the information you need in order to answer the questions in Stata documentation (perhaps the User's Guide volume) either in paper form or through Stata's online Help menu. To help you find the right documentation, I have included the name of the required Stata command in parentheses at the end of each task. You should not attempt to run these commands in Stata, just write them out for now.

Write a Stata command to perform each of the following tasks:

1. Create a new variable z that is equal to the product of existing variables x and y . (generate)
2. Show basic summary statistics for x , y , and z . (summarize)
3. Run a regression in which y is the dependent variable and x is the independent variable, using only observations for which $x > 0$. (regress)
4. Put the residuals from the previous regression into the variable $uhat$. (predict)
5. Create a scatter-plot with $uhat$ on the vertical axis and x on the horizontal. (scatter)