Economics 312 **Spring 2012**
Daily Problem #1 **January 26**

This property of summations is frequently useful in statistics and econometrics, and demonstrating it will allow you to review elements of algebra that we will use in class:

Show that $\sum_{i=1}^{N}\left(x_i-\bar{x}\right)^2=\sum_{i=1}^{N}\left(x_i\right)^2-N\bar{x}^2$, where $\bar{x}\equiv\frac{\sum_{i=1}^{N}x_i}{N}$.