

Università degli Studi di Milano
Network for the Advancement of Social and Political studies
APPLIED MULTIVARIATE ANALYSIS
Andrea Ceron
andrea.ceron@unimi.it

FIRST ASSIGNMENT

Using the dataset “satisfaction_with_democracy_europe”

- A) Develop one model to explain “demo_satisfaction” using “gdpchange”, “Freedomofthepress”, and “nonproportionality”. Describe your results (briefly) commenting also the value of the constant.
- B) Perform the full diagnostic commenting on it (looking both for outliers and influential observations, and testing whether the assumptions of the OLS hold true).
- C) Include now in that model (1) another independent variable and (2) one interaction between this and one of the variables already included. Explain the theoretical reasons that brought you to include that specific interaction. Describe the results only with respect to the interaction (also with a graph).
- D) Perform the diagnostic on the new model focusing only on two assumptions of the OLS of your choice.

Send by e-mail a single file (rename it as “Assignment1 NAME SURNAME”). The file should include the answers, the tables/images with the results of the regressions, the diagnostic, the marginal effects of the interaction/quadratic model, and the STATA command that you have used to perform the two tasks (copy-pasted inside the word doc).