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. quietly: xtreg nat_rate repdem , fe i(muniID)

. estimates store FE

.

. quietly: xtreg nat_rate repdem , re i(muniID)

. estimates store RE

. hausman FE RE
```

	—— Coefficients ——		(b-B) Difference	sqrt(diag(V_b-V_B)) S.E.
	(b) FE	(B) RE		
repdem	3.0228	2.859397	.1634027	.0304517

b = consistent under Ho and Ha; obtained from xtreg
 B = inconsistent under Ha, efficient under Ho; obtained from xtreg

Test: Ho: difference in coefficients not systematic

$$\begin{aligned}\chi^2(1) &= (b-B)'[(V_b-V_B)^{-1}](b-B) \\ &= 28.79\end{aligned}$$