```
************Name: Imisi Raphael Aiyetan*********
1
    2
3
    clear all
4
5
6
    set more off
7
    **** We define the number of observation for the uniform
8
    distribution****
    set obs 1000
9
10
    gen a = _n
11
12
    *** We define the disribution in the next line of code****
13
14
    gen t = runiform()
15
16
    **** Generate Y varibale assuming mean = 0 and variance = 1****
17
18
    gen y = 10 + rnormal()
19
20
    **** Generate t1 varibale assuming mean = 0 and variance = 1****
21
22
    gen t1 = t + rnormal()
23
24
    **** Generate t2 varibale assuming mean = 0 and variance = 1****
25
26
27
    gen t2 = t + rnormal()
28
    **** Q1= We run Y on t *****
29
30
     reg y t
31
32
    ***** We define the next line of code how to derive beta1*****
33
34
    mat beta1 = e(b)
35
36
    svmat beta1, names(matcol)
37
38
    scalar beta endog1 = beta1t * (1/(1+1))
39
40
    **** 02 = We run Y on t1 *****
41
42
43
     reg y t1
44
    ***** We define the next line of code on how to derive beta1******
45
46
    mat beta2 = e(b)
47
```

```
48
    svmat beta2, names(matcol)
49
50
    scalar beta_endog2 = beta2t1
51
52
    ****Q3 = We run Y on t2 replacing t1 as an IV to estimate beta
53
    close beta1****
54
    reg y t2
55
56
    scalar list
57
58
59
```