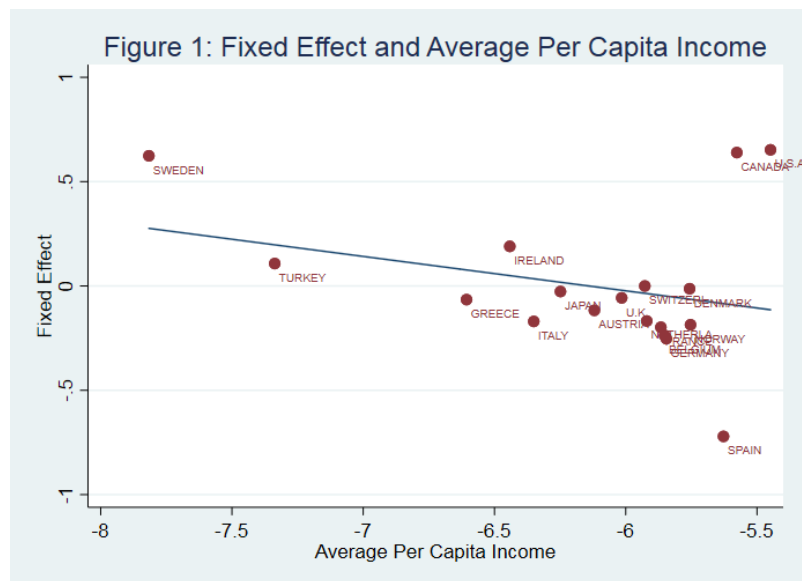


Question 2

(b) Negative correlation between fixed effect and average per capita income.



(c) Yes.

Correlation Table				
	mu_i	lincomep	lrpmg	lcarpcap
mu_i	1			
lincomep	-0.2882	1		
lrpmg	-0.8133	0.4636	1	
lcarpcap	0.2706	0.4801	-0.4039	1