**OLS with fixed effects**

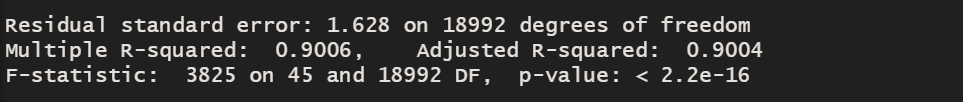
Initial model results:

Text

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Text

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Assumption Checks:

1. Linearity

Observed vs. predicted values

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Residuals vs fitted values

Chart, scatter chart

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1. Normality of Residuals

Plot of histogram of residuals by country

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Qqplot by country

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Shapiro-Wilks normality test by country (p-value) (null hipothesis: normality. We reject the null hypothesis for p<0.05)

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1. Homogeneity of residuals variance

Breusch-Pagan test:

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p-values less than 0.05 suggest variances are significantly different and the homogeneity of variance assumption has been violated.

1. Independence of residuals error terms

Durbin Watson test

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If p-value is less than 0.05, we can reject the null hypothesis and conclude that the residuals in this regression model are autocorrelated.

1. Multicollinearity

VIF

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(I don’t know if its ok to do this test like this for mixed effects. Without the fixed effects these values are ok, so I don’t know if I should delete these)

Model with robust standard errors

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