COMM8102, T2 2021

Problem Set #4

- PLEASE READ THE FOLLOWING INSTRUCTIONS.
- Due 6pm, **9 August** 2021 (Sydney time)
- Late submission: 20% penalty for each additional hour
- Submit a hard copy or email the scanned copy of your work to jay.lee@unsw.edu.au
- If you submit electronically, attach a single pdf file (code included) with the file name.

"Lastname-Firstname-zID-PS4.pdf"

- Total 10 points

~~Q1. Exercise 12.9 (1 point)~~

Q2. Exercise 12.12 (2 points)

~~Q3. Consider the potential outcome framework covered in Lecture 7 slides. Let Y_i, D_i, and Z_i be the observed outcome, binary treatment, and binary instrument. Among the four types of individuals in the population, always-takers, compliers, never-takers, and defiers, we assume that there is no defiers in the population. If we observe $(D_i, Z_i) = (1, 1)$ for individual i, what can we say about the individual's type? What about for $(D_i, Z_i) = (0, 1)$, $(D_i, Z_i) = (1, 0)$, and $(D_i, Z_i) = (0, 0)$? (1 point)~~

Q4. Exercise 13.10 (1 point)

Q5. Exercise 13.24 (1 point)

Q6. Exercise 12.25 (a)-(d) (2 points)

Q7. Exercise 13.28. In addition, provide the iterated GMM results. (2 points)