

The attached who.csv dataset contains real-world data from 2008. The variables included follow.

Country: name of the country

LifeExp: average life expectancy for the country in years

InfantSurvival: proportion of those surviving to one year or more

Under5Survival: proportion of those surviving to five years or more

TBFree: proportion of the population without TB.

PropMD: proportion of the population who are MDs

PropRN: proportion of the population who are RNs

PersExp: mean personal expenditures on healthcare in US dollars at average exchange rate

GovtExp: mean government expenditures per capita on healthcare, US dollars at average exchange rate

TotExp: sum of personal and government expenditures.

1. Provide a *scatterplot* of $\text{LifeExp} \sim \text{TotExp}$, and run simple linear regression. Do not transform the variables. Provide and interpret the F statistics, R^2 , standard error, and p-values only. Discuss whether the assumptions of simple linear regression met.
2. Raise life expectancy to the 4.6 power (i.e., $\text{LifeExp}^{4.6}$). Raise total expenditures to the 0.06 power (nearly a log transform, $\text{TotExp}^{0.06}$). Plot $\text{LifeExp}^{4.6}$ as a function of $\text{TotExp}^{0.06}$, and re-run the simple regression model using the transformed variables. Provide and interpret the F statistics, R^2 , standard error, and p-values. Which model is "better?"
3. Using the results from 3, forecast life expectancy when $\text{TotExp}^{0.06} = 1.5$. Then forecast life expectancy when $\text{TotExp}^{0.06} = 2.5$.
4. Build the following multiple regression model and interpret the F Statistics, R^2 , standard error, and p-values. How good is the model?

$$\text{LifeExp} = b_0 + b_1 \times \text{PropMd} + b_2 \times \text{TotExp} + b_3 \times \text{PropMD} \times \text{TotExp}$$

5. Forecast LifeExp when $\text{PropMD} = .03$ and $\text{TotExp} = 14$. Does this forecast seem realistic? Why or why not?