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10/21/2021
Week 8 Reading Questions
ECO 602

Q1: The key differences between the non-parametric model and the parametric model are that in non-parametric function we *cannot* infer or base our answer on assumptions/the characteristics of a population, where we *can* do that with parametric functions.

Q2: The difference between interpolation and extrapolation are that interpolation uses values that are known to predict future data sets, where extrapolation uses known values from previous years to estimate what the new data sets will be.

Q3: Extrapolation has more pitfalls because besides the range of the data you gather, there is no way to check how accurate your data is. There is a larger margin for error.