Stata Textbook Examples

Introductory Econometrics: A Modern Approach by Jeffrey M. Wooldridge (1st & 2nd eds.)

Chapter 8 - Heteroskedasticity

Example 8.1: Log Wage Equation with Heteroscedasticity-Robust Standard Errors

use http://fmwww.bc.edu/ec-p/data/wooldridge/WAGE2

gen single=(~married)

gen male=(~female)

gen marrmale=male*married

gen marrfem=female*married

gen singfem=single*female

reg lwage marrmale marrfem singfem educ exper expersq tenure tenursq, robust

Regression with robust standard errors Number of obs = 526F(8, 517) = 51.70Prob > F = 0.0000

R-squared = 0.4609 Root MSE = .39329

lwage	 Coef.	Robust Std. Err.	t 	P> t	[95% Conf	. Interval]
marrmale	.2126756	.0571419	3.72	0.000	.1004167	.3249345
marrfem	1982676	.05877	-3.37	0.001	313725	0828102
singfem	1103502	.0571163	-1.93	0.054	2225587	.0018583
educ	.0789103	.0074147	10.64	0.000	.0643437	.0934769
exper	.0268006	.0051391	5.22	0.000	.0167044	.0368967
expersq	0005352	.0001063	-5.03	0.000	0007442	0003263
tenure	.0290875	.0069409	4.19	0.000	.0154516	.0427234
tenursq	0005331	.0002437	-2.19	0.029	0010119	0000544
_cons	.321378	.109469	2.94	0.003	.1063193	.5364368

reg lwage marrmale marrfem singfem educ exper expersq tenure tenursq

Source	SS	df	MS	Number of obs =	526
	+			F(8, 517) = 55	.25
Model	68.3617614	8	8.54522017	Prob > F = 0.0	000
Residual	79.9680004	517	.154676983	R-squared = 0.4	609

	148.329762	525 .28	 253288		Adj R-squared Root MSE	= 0.4525 = .39329
lwage	Coef.	Std. Err.	 t 	P> t	[95% Conf.	Interval]
marrmale	.2126756	.0553572	3.84	0.000	.103923	.3214283
marrfem	1982676	.0578355	-3.43	0.001	3118891	0846462
singfem	1103502	.0557421	-1.98	0.048	219859	0008414
educ	.0789103	.0066945	11.79	0.000	.0657585	.0920621
exper	.0268006	.0052428	5.11	0.000	.0165007	.0371005
expersq	0005352	.0001104	-4.85	0.000	0007522	0003183
tenure	.0290875	.006762	4.30	0.000	.0158031	.0423719
tenursq	0005331	.0002312	-2.31	0.022	0009874	0000789
_cons	.321378	.100009	3.21	0.001	.1249041	.517852

Example 8.2: Heteroscedastisity-Robust F Statistics

use http://fmwww.bc.edu/ec-p/data/wooldridge/GPA3

reg cumgpa sat hsperc tothrs female black white if term==2, robust

Regression with robust standard errors Number of obs = 366 F(6, 359) = 39.30Prob > F = 0.0000= 0.4006 R-squared Root MSE = .46929Robust cumgpa | Coef. Std. Err. t P>|t| [95% Conf. Interval] .0007641 sat .0011407 .0001915 5.96 0.000 .0015174 -.0085664 .0014179 -6.04 0.000 -.0113548 -.0057779hsperc | .002504 .0007406 .0010475 .0039605 tothrs 3.38 0.001 .3034333 .0591378 5.13 0.000 .1871332 female | .4197334 black | -.1282837 .1192413 -1.08 0.283 -.3627829 .1062155

-0.53 0.598

0.000

6.66

-.2777846

1.036076

.1603411

1.904053

366

reg cumgpa sat hsperc tothrs female black white if term==2

.111392

.2206802

Source | SS df MS Number of obs =

-.0587217

1.470065

white |

_cons

Model Residual 	52.831358 79.062328 	359 .220 	522634 229326 352564		F(6, 359) Prob > F R-squared Adj R-squared Root MSE	= 39.98 = 0.0000 = 0.4006 = 0.3905 = .46929
cumgpa	Coef.	Std. Err.	t	P> t	[95% Conf.	Interval]
sat hsperc tothrs female black white _cons	.00114070085664 .002504 .303433312828370587217 1.470065	.0001786 .0012404 .000731 .0590203 .1473701 .1409896 .2298031	6.39 -6.91 3.43 5.14 -0.87 -0.42 6.40	0.000 0.000 0.001 0.000 0.385 0.677 0.000	.00078960110058 .0010664 .187364341810093359909 1.018135	.0014919006127 .0039415 .4195023 .1615335 .2185475 1.921994

Example 8.3: Heteroskedasticity-Robust LM Statistic

use http://fmwww.bc.edu/ec-p/data/wooldridge/CRIME1

gen avgsensq=avgsen*avgsen

Regression with robust standard errors

reg narr86 pcnv avgsen avgsensq ptime86 qemp86 inc86 black hispan, robust

Number of obs =

2725

					F(8, 2716) Prob > F R-squared Root MSE	= 29.84 = 0.0000 = 0.0728 = .82843
 narr86	 Coef.	Robust Std. Err.	t	P> t	[95% Conf.	Interval]
pcnv	1355954 .0178411	.0336218 .0101233	-4.03 1.76	0.000	2015223 0020091	0696685 .0376913
avgsen avgsensq	0005163	.0002077	-2.49	0.078	0020091	0001091
ptime86	03936	.0062236	-6.32	0.000	0515634	0271566
qemp86	0505072	.0142015	-3.56	0.000	078354	0226603
inc86	0014797	.0002295	-6.45	0.000	0019297	0010296
black	.3246024	.0585135	5.55	0.000	.2098669	.439338
hispan	.19338	.0402983	4.80	0.000	.1143616	.2723985
_cons	.5670128	.0402756	14.08	0.000	.4880389	.6459867

Turning point for avgsen

di _b[avgsen]/(2*_b[avgsensq]) di就是display。
-17.276862

reg narr86 pcnv ptime86 qemp86 inc86 black hispan

Source	SS	df	MS		Number of obs		2725
Model Residual	143.977563 1866.36959	6 2718	23.9962606		F(6, 2718) Prob > F R-squared Adj R-squared	=	34.95 0.0000 0.0716 0.0696
Total	2010.34716	2724	.738012906		Root MSE	=	.82866
narr86	Coef.	Std. E	Err. t	P> t	[95% Conf.	 In	terval]
pcnv ptime86 qemp86 inc86 black hispan _cons	1322784 0377953 0509814 00149 .3296885 .1954509 .5703344	.04034 .0084 .01443 .00034 .04517 .03969	197 -4.45 359 -3.53 104 -4.38 778 7.30 929 4.92	0.000 0.000 0.000 0.000 0.000	2113797 0544566 0792878 0021575 .2411022 .1176195 .49973	- - 	0531771 .021134 .022675 0008224 4182748 2732823 6409388

predict ubar1, resid

quite reg avgsen pcnv ptime86 qemp86 inc86 black hispan

predict r1, r

quite reg avgsensq pcnv ptime86 qemp86 inc86 black hispan

predict r2, r

quite gen ur1 = ubar1*r1

quite gen ur2 = ubar1*r2

gen iota = 1

reg iota ur1 ur2, noconstant

Source	SS	df	MS		Number of obs : F(2, 2723) :	
Model Residual Total	3.99708536 2721.00291 2725.00	2 2723 2725	1.99854268 .999266586 1.00		Prob > F : R-squared : Adj R-squared :	= 0.1355 = 0.0015
iota	Coef.	Std. I	Err. t	P> t	[95% Conf.	Interval]
ur1 ur2	.0277846	.01405		0.048	.0002156	.0553537

scalar hetlm = e(N)-e(rss)

scalar pval = chi2tail(2,hetlm)

display _n "Robust LM statistic : " %6.3f hetlm /*

> */ _n "Under H0, distrib Chi2(2), p-value: " %5.3f pval

Robust LM statistic : 3.997

Under H0, distrib Chi2(2), p-value: 0.136

reg narr86 pcnv ptime86 qemp86 inc86 black hispan

Source	SS	df	MS		Number of obs	
Model Residual	143.977563 1866.36959		9962606 6670196		Prob > F R-squared Adj R-squared	= 0.0000 = 0.0716
Total	2010.34716	2724 .73	8012906		Root MSE	= .82866
narr86	Coef.	Std. Err.	t	P> t	[95% Conf.	Interval]
pcnv ptime86 qemp86 inc86 black hispan _cons	1322784 0377953 0509814 00149 .3296885 .1954509 .5703344	.0403406 .008497 .0144359 .0003404 .0451778 .0396929 .0360073	-3.28 -4.45 -3.53 -4.38 7.30 4.92 15.84	0.001 0.000 0.000 0.000 0.000 0.000	2113797 0544566 0792878 0021575 .2411022 .1176195 .49973	0531771 021134 022675 0008224 .4182748 .2732823 .6409388

predict ubar2, resid

reg ubar2 pcnv avgsen avgsensq ptime86 qemp86 inc86 black hispan

Source	SS	df	MS		Number of obs F(8, 2716)	
Model Residual	2.37155739		296444674 686302664		Prob > F R-squared Adj R-squared	= 0.9025 = 0.0013
Total	1866.36959	2724 .	685157707		Root MSE	= .82843
ubar1	 Coef.	Std. Er	r. t	P> t	[95% Conf.	Interval]
pcnv	003317	.040369	9 -0.08	0.935	0824758	.0758418
avgsen	.0178411	.00969	6 1.84	0.066	0011713	.0368534
avgsensq	0005163	.00029	7 -1.74	0.082	0010987	.0000661
ptime86	0015647	.008693	5 -0.18	0.857	0186112	.0154819
qemp86	.0004742	.014434	5 0.03	0.974	0278295	.0287779
inc86	.0000103	.000340	5 0.03	0.976	0006574	.000678
black	0050861	.045418	8 -0.11	0.911	094145	.0839729
hispan	0020709	.039703	5 -0.05	0.958	0799229	.0757812
_cons	0033216 	.036057	3 -0.09	0.927	0740242	.0673809

scalar lm1 = e(N)*e(r2)

display _n "LM statistic : " %6.3f lm1 /*

LM statistic: 3.5425

Example 8.4: Heteroscedasticity in Housing Price Equation

use http://fmwww.bc.edu/ec-p/data/wooldridge/HPRICE1

reg price lotsize sqrft bdrms

Source	SS	df	MS		Number of obs =	:	88
+					F(3, 84)	=	57.46
Model	617130.701	3	205710.234		Prob > F	=	0.0000
Residual	300723.805	84	3580.0453		R-squared	=	0.6724
+					Adj R-squared	=	0.6607
Total	917854.506	87	10550.0518		Root MSE	=	59.833
·							
price	Coef.	Std.	Err. t	P> t	[95% Conf.	Int	terval]

lotsize	.0020677	.0006421	3.22	0.002	.0007908	.0033446
sqrft	.1227782	.0132374	9.28	0.000	.0964541	.1491022
bdrms	13.85252	9.010145	1.54	0.128	-4.06514	31.77018
_cons	-21.77031	29.47504	-0.74	0.462	-80.38466	36.84404

whitetst, fitted

White's special test statistic: 16.26842 Chi-sq(2) P-value = 2.9e-04

reg lprice llotsize lsqrft bdrms

Source	SS	df	MS		Number of obs	= 88
+					F(3, 84)	= 50.42
Model	5.15504028	3 1	.71834676		Prob > F	= 0.0000
Residual	2.86256324	84 .	034078134		R-squared	= 0.6430
+					Adj R-squared	= 0.6302
Total	8.01760352	87 .	092156362		Root MSE	= .1846
·						
lprice	Coef.	Std. Er	r. t	P> t	[95% Conf.	Interval]
lprice	Coef.	Std. Er	r. t 	P> t	[95% Conf.	Interval]
lprice llotsize	Coef. .1679667	Std. Err		P> t 0.000	[95% Conf. .0918404	Interval]
			2 4.39			
llotsize	.1679667	.038281	2 4.39 2 7.54	0.000	.0918404	.244093

whitetst, fitted

White's special test statistic : 3.447243 Chi-sq(2) P-value = .1784

Example 8.5: Special Form of the White Test in the Log Housing Price Equation

use http://fmwww.bc.edu/ec-p/data/wooldridge/HPRICE1

reg lprice llotsize lsqrft bdrms

Source	s SS	df	MS	Number o	f obs =	88
	-+			F(3,	84) =	50.42
Model	5.15506425	5 3	1.71835475	Prob > F	=	0.0000
Residual	2.86255771	L 84	.034078068	R-square	d =	0.6430
	-+			Adj R-sq	uared =	0.6302
Total	8.01762195	5 87	.092156574	Root MSE	=	.1846

lprice	Coef.	Std. Err.	t	P> t	[95% Conf.	Interval]
llotsize	.167968	.0382811	4.39	0.000	.0918418	.2440941
lsqrft	.7002326	.0928652	7.54	0.000	.5155601	.8849051
bdrms	.0369585	.0275313	1.34	0.183	0177905	.0917075
_cons	5.6107	.6512829	8.61	0.000	4.315553	6.905848

whitetst, fitted

White's special test statistic : 3.447286 Chi-sq(2) P-value = .1784

Example 8.6: Family Saving Equation

use http://fmwww.bc.edu/ec-p/data/wooldridge/SAVING

reg sav inc

Source	SS	df	MS		Number of obs	= 100
+					F(1, 98)	= 6.49
Model	66368437.0	1 663	68437.0		Prob > F	= 0.0124
Residual	1.0019e+09	98 102	23460.8		R-squared	= 0.0621
+					Adj R-squared	= 0.0526
Total	1.0683e+09	99 107	90581.8		Root MSE	= 3197.4
sav	Coef.	Std. Err.	t	P> t	[95% Conf.	Interval]
+						
inc	.1466283	.0575488	2.55	0.012	.0324247	.260832
_cons	124.8424	655.3931	0.19	0.849	-1175.764	1425.449
·						

reg sav inc [aw = 1/inc]

(sum of wgt is 1.3877e-02)

Source	SS	df	MS	Number of obs =	100
 +				F(1, 98) =	9.14
Model	58142339.8	1	58142339.8	Prob > F =	0.0032
Residual	623432468	98	6361555.80	R-squared =	0.0853
 +				Adj R-squared =	0.0760
Total	681574808	99	6884594.02	Root MSE =	2522.2

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sav	Coef.	Std.	 Err.	t	P> t	[95% Conf.	Interval]	
inc	.1717555	.0568	.0568128 3.02		0.003	.0590124	.2844986	
_cons	-124.9528	480.8	606 -0 	. 26	0.796	-1079.205	829.2994 	
eg sav inc si	ze educ age b	lack						
Source	SS	df	MS			Number of obs F(5, 94)		
Model	88426246.4	5	17685249	. 3		Prob > F		
Residual	979841351	94	10423844	. 2		R-squared Adj R-squared		
Total	1.0683e+09	99	10790581	. 8		Root MSE		
sav	Coef.	Std.	 Err.	t	P> t	 [95% Conf.	Interval]	
inc	.109455	.0714	317 1	.53	0.129	0323742	.2512842	
size	67.66119	222.9	642 0	.30	0.762	-375.0395	510.3619	
educ	151.8235	117.2	487 1	. 29	0.199	-80.97646	384.6235	
age	.2857217	50.03	108 0	.01	0.995	-99.05217	99.62362	
black	518.3934	1308.	063 0	.40	0.693	-2078.796	3115.583	
_cons	-1605.416	2830.	707 -0	.57	0.572	-7225.851	4015.019	
	d h	lask f	1 / i	- 1				
eg sav inc si			aw = 1/1110	<i>:</i>]				
sum of wgt is	1.3877e-02	()						
Source	SS	df	MS			Number of obs F(5, 94)		
Model	71020334.9	5	14204067	. 0		Prob > F		
	610554473					R-squared Adj R-squared	= 0.1042	
	681574808					Root MSE		
sav						 [95% Conf.	Interval	
'	.1005179					052866	.2539017	
						241 2056		

http://fmwww.bc.edu/gstat/examples/woo	oldridge/wooldridge8.html	I(第9/13页)	2010/5/19 11:24:20

-6.868501

139.4802

21.74721

137.2842

-1854.814

168.4327

100.5362

41.30598

844.5941

2351.797

-0.04

1.39

0.53

0.16

-0.79

0.968

0.169

0.600

0.871

0.432

-341.2956

-60.26678

-1539.677

-6524.362

-60.1368

327.5586

339.0972

103.7612

1814.246

2814.734

size |

educ

age black

_cons

Example 8.7: Demand for Cigarettes

use http://fmwww.bc.edu/ec-p/data/wooldridge/SMOKE

reg cigs lincome lcigpric educ age agesq restaurn

Source	SS	df	MS		Number of obs	
Model Residual	8003.02506 143750.658		3.83751 .688322		F(6, 800) Prob > F R-squared Adj R-squared	= 0.0000 = 0.0527
Total	151753.683	806 188.	280003		Root MSE	= 13.405
cigs	Coef.	Std. Err.	t	P> t	[95% Conf.	Interval]
lincome lcigpric	.8802689 7508498	.7277838 5.773343	1.21 -0.13	0.227 0.897	5483223 -12.08354	2.30886
educ age	5014982 .7706936	.1670772 .1601223	-3.00 4.81	0.003	8294597 .456384	1735368 1.085003
agesq restaurn	0090228 -2.825085	.001743	-5.18 -2.54	0.000	0124443 -5.007462	0056013 642708
_cons	-3.639884	24.07866	-0.15	0.880	-50.9047	43.62493

Change in cigs if income increases by 10%

display _b[lincome]*10/100
.08802689

Turnover point for age

display _b[age]/2/_b[agesq]
-42.708116

whitetst, fitted

White's special test statistic : 26.57258 Chi-sq(2) P-value = 1.7e-06

gen lubar=log(ub*ub)

qui reg lubar lincome lcigpric educ age agesq restaurn

predict cigsh, xb

gen cigse = exp(cigsh)

reg cigs lincome lcigpric educ age agesq restaurn [aw=1/cigse]

(sum of wgt is 1.9977e+01)

Source	SS	df	MS		Number of obs	= 807 = 17.06
Model Residual	10302.6415 80542.0684		7.10692		Prob > F R-squared Adj R-squared	= 0.0000 = 0.1134
Total	90844.71	806 112	2.710558		Root MSE	= 10.034
cigs	Coef.	Std. Err.	t	P> t	[95% Conf.	Interval]
lincome lcigpric educ age agesq restaurn _cons	1.295241 -2.94028 4634462 .4819474 0056272 -3.461066 5.63533	.4370118 4.460142 .1201586 .0968082 .0009395 .7955047 17.80313	2.96 -0.66 -3.86 4.98 -5.99 -4.35 0.32	0.003 0.510 0.000 0.000 0.000 0.000 0.752	.4374154 -11.69524 6993095 .2919194 0074713 -5.022589 -29.31103	2.153066 5.814684 2275829 .6719755 0037831 -1.899543 40.58169

Example 8.8: Labor Force Participation of Married Women

use http://fmwww.bc.edu/ec-p/data/wooldridge/MROZ

reg inlf nwifeinc educ exper expersq age kidslt6 kidsge6

Source	SS	df	MS		Number of obs F(7, 745)	
Model Residual	48.8080578 135.919698		2442547		Prob > F R-squared	= 0.0000 = 0.2642
Total	184.727756	752 .245			Adj R-squared Root MSE	= 0.2573 = .42713
inlf		Std. Err.	t	P> t	[95% Conf.	Interval]
nwifeinc educ	0034052 .0379953	.0014485	-2.35 5.15	0.019 0.000	0062488 .023515	0005616 .0524756

exper	.0394924	.0056727	6.96	0.000	.0283561	.0506287
expersq	0005963	.0001848	-3.23	0.001	0009591	0002335
age	0160908	.0024847	-6.48	0.000	0209686	011213
kidslt6	2618105	.0335058	-7.81	0.000	3275875	1960335
kidsge6	.0130122	.013196	0.99	0.324	0128935	.0389179
_cons	.5855192	.154178	3.80	0.000	.2828442	.8881943

reg inlf nwifeinc educ exper expersq age kidslt6 kidsge6, robust

Regression wit	th robust sta	Number of obs F(7, 745) Prob > F R-squared		753 62.48 0.0000 0.2642			
					Root MSE	=	.42713
		Robust					
inlf	Coef.	Std. Err.	t	P> t	[95% Conf.	In	terval]
nwifeinc	0034052	.0015249	-2.23	0.026	0063988		0004115
educ	.0379953	.007266	5.23	0.000	.023731	•	0522596
exper	.0394924	.00581	6.80	0.000	.0280864	•	0508983
expersq	0005963	.00019	-3.14	0.002	0009693		0002233
age	0160908	.002399	-6.71	0.000	0208004		0113812
kidslt6	2618105	.0317832	-8.24	0.000	3242058		1994152
kidsge6	.0130122	.0135329	0.96	0.337	013555	•	0395795
_cons	.5855192	.1522599	3.85	0.000	.2866098	•	8844287

Example 8.9: Determinants of Personal Computer Ownership

use http://fmwww.bc.edu/ec-p/data/wooldridge/GPA1

gen parcoll = (mothcoll | fathcoll)

reg PC hsGPA ACT parcoll

Sc	ource	SS	df	MS	Number of obs	=	141
	+				F(3, 137)	=	1.98
N	Model 1.	40186813	3	.467289377	Prob > F	=	0.1201
Resi	dual 32	.3569971	137	.236182461	R-squared	=	0.0415
	+				Adj R-squared	=	0.0205
T	otal 33	.7588652	140	.241134752	Root MSE	=	.48599

PC	 Coef.	Std. Err.	t	P> t	[95% Conf.	Interval]
hsGPA ACT parcoll _cons	.0653943	.1372576	0.48	0.635	2060231	.3368118
	.0005645	.0154967	0.04	0.971	0300792	.0312082
	.2210541	.092957	2.38	0.019	.037238	.4048702
	0004322	.4905358	-0.00	0.999	970433	.9695686

predict phat

gen h=phat*(1-phat)

reg PC hsGPA ACT parcoll [aw=1/h]

(sum of wgt is 6.2818e+02)

Source	SS	df	MS		Number of obs F(3, 137)	
Model Residual	1.54663033 31.7573194		543445 805251		Prob > F R-squared Adj R-squared	= 0.0882 = 0.0464
Total	33.3039497	140 .237	885355		Root MSE	= .48146
PC	Coef.	Std. Err.	t	P> t	[95% Conf.	Interval]
hsGPA ACT parcoll cons	.0327029 .004272 .2151862 .0262099	.1298817 .0154527 .0862918 .4766498	0.25 0.28 2.49 0.05	0.802 0.783 0.014 0.956	2241292 0262847 .04455 9163323	.289535 .0348286 .3858224 .9687521

This page prepared by Oleksandr Talavera (revised 8 Nov 2002)

Send your questions/comments/suggestions to Kit Baum at baum@bc.edu
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