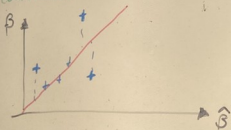


Accuracy:

- Fixed effects β : Error is defined as $\beta - \hat{\beta}$
where β is the true value of the fixed effect \Rightarrow unknown
and $\hat{\beta}$ is the estimate from MFE
- Error can either be positive or negative, simple summation leads to cancellation of positive and negative error contributions



a solution: look at ~~per~~ error variance instead of error.

$$\text{var}(\beta - \hat{\beta}) = \underbrace{\text{var}(\beta)}_{=0} - 2 \underbrace{\text{cov}(\beta, \hat{\beta})}_{=0} + \text{var}(\hat{\beta})$$

because β is fixed