

Assignment 2

1. Using the data set *dataset_network_interactions* provided in the course demonstration, estimate the spatial Durbin model where the regressors WX are included. Report your estimation results.
2. Change the specification of weights matrix to binary values, i.e., do not row-standardize the weights matrix, and estimate the above spatial Durbin model again. Report your estimation results.
3. Redo 2. by adding an additional regressor of individual network degree. Report your estimation results.