Computer Assignment 1b Econometrics, Sep 2017

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STATA Commands (Pasted Do-file):

```
ranksum del5, by(treatment)
ranksum yearsinprison, by(treatment)
ranksum edu7, by(treatment)
ranksum arousal, by(treatment)
ranksum negaffect, by(treatment)
ranksum risk, by(treatment)

ttest del5, by(treatment)
ttest yearsinprison, by(treatment)
ttest edu7, by(treatment)
ttest arousal, by(treatment)
ttest negaffect, by(treatment)
ttest risk, by(treatment)

gen coin_percent = coin*100

graph bar coin_percent, by(treatment) bar(1, color(green))
     ytitle("Percentage of heads")

reg coin treatment, cluster(id)
reg coin treatment del5 yearsinprison edu7, cluster(id)
reg coin treatment arousal negaffect risk del5 yearsinprison edu7,
     cluster(id)
```

1. Using the nonparametric Wilcoxon rank-sum test as well as the t-test, we find that all of these variables have differences which statistically significantly differ from zero. Even though this might give an indication of failure of randomization, we think this lack of balance however is likely to have occurred by chance.

   In the table below we have included some statistics, found using the `ttest` command, to provide better understanding of the differences and signs of the means of the variables for the treatment and control groups.

	Mean Control Group	Mean Criminal Identity	Difference
del5	0.0870	0.0111	0.0758***
yearsinprison	2.2717	3.0551	-0.7833***
edu7	0.3140	0.4368	-0.1228***
arousal	4.3098	4.6824	-0,3726***
negaffect	4.7880	5.1591	-0.3710***
risk	5.6264	5.1629	0.4635***

2.
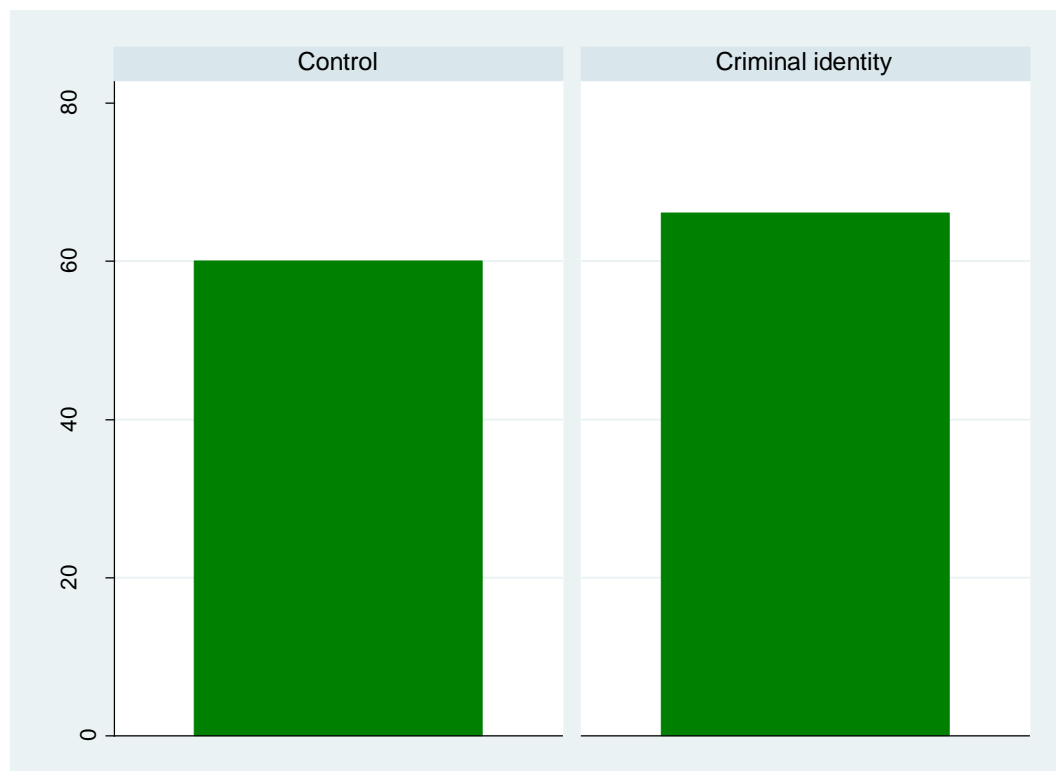
3.

TABLE 1

Regression analysis: criminal identity and cheating

Dependent variable:	(1)	(2)	(3)
		heads = 1	
treatment	0.061**	0.070**	0.072**
	(0.029)	(0.031)	(0.031)
Arousal			-0.011
			(0.007)
negaffect			0.011
			(0.007)
Risk			-0.000
			(0.006)
Additional contols:	No	Yes	Yes
Observations	1820	1730	1630
Subjects	182	173	163