

Lina Clifford

Week 8: Reading Questions

ECO 602 – Analysis of Environmental Data

Due 10/30/2022

**Q1 (1 pt.): Describe the key difference between the non parametric model (Ch. 7.1) and the parametric model (Ch. 8.1)**

The key difference between the non-parametric and the parametric model is that parametric models require addressing both the stochastic and deterministic parts of the model while non-parametric inference, on the other hand, is best when the probability distribution for the stochastic part of the model is unknown or not possible to identify.

**Q2 (1 pt.): What is the difference between interpolation and extrapolation?**

Extrapolation is a prediction outside or beyond the range of the data while interpolation is prediction within the range of the data.

**Q3 (1 pt.): Explain why extrapolation has more pitfalls than interpolation.**

Extrapolation has more pitfalls than interpolation because if the wrong model is chosen during extrapolation, hugely different predictions beyond the data's range may result as those predictions are not limited to the data's range.