

Notation (Substitute your variable and data names into these symbols when typing code):

dataname = data set name you've used

Y = dependent variable

X₁ = first independent variable

X₂ = second independent variable

X₃ = third independent variable

1. Pull your data into R and then make sure you load mosaic and psych and lmtest

2. Get summary statistics for your data:

```
summary (dataname)
```

```
describe(dataname)
```

3. Run your econometric model:

```
model1 = lm(Y ~ X1 + X2 + X3, data = dataname)
```

```
summary (model1)
```

4. Get the correlation coefficients between your independent variables:

```
cor(dataname$X1, dataname$X2)
```

```
cor(dataname$X1, dataname$X3)
```

```
cor(dataname$X2, dataname$X3)
```

5. **IF** you have time series data, get the Durbin-Watson test statistic:

```
dwtest(model1, order.by=NULL, alternative = "two.sided"), iterations = 15, exact = NULL, tol = 1e - 10)
```

6. Perform the required calculations for the White test for heteroskedasticity:

```
r2 = resid(model1)^2
```

```
model2 = lm(r2~X1 + X1^2 + X2 + X2^2 + X3 + X3^2 + X1*X2 + X1*X3 + X2*X3, data = dataname)
```

```
summary(model2)
```

7. Copy and paste all of your output into Word and attach it to your write up of your project.

