Additional Empirical Exercise 9.2

Use the data set **CollegeDistance** described in Empirical Exercise AEE4.3 to answer the following questions.

a. Discuss the internal validity of the regressions that you used to answer Empirical Exercise 8.3(i). Include a discussion of possible omitted variable bias, misspecification of the functional form of the regression, errors in variables, sample selection, simultaneous causality, and inconsistency of the OLS standard errors.

b. The data set CollegeDistance excluded students from western states; data for these students are included in the data set **CollegeDistanceWest**. Use these data to investigate the (geographic) external validity of the conclusions that you reached in Empirical Exercise AEE8.2 (i).