

Ch: 4 Inference

$\beta \rightarrow$ unknown

test e.g. $\beta = 0$

using $\hat{\beta}$

3 ways of testing

├ is $\hat{\beta}$ too far from hypothesized β
├ how improbable is $\hat{\beta}$
└ is β in $\hat{\beta} - E, \hat{\beta} + E$