1. Analyzing the behavior of unemployment rates across U.S. states in March of 2006 is an example of using
   - A) time series data
   - B) panel data
   - C) cross-sectional data
   - D) experimental data
   **Correct answer(s): C**

2. Studying inflation in the U.S. from 1970 to 2006 is an example of using
   - A) randomized controlled experiments
   - B) time series data
   - C) panel data
   - D) cross-sectional data
   **Correct answer(s): C**

3. Analyzing the effect of minimum wage changes on teenage employment across the 48 contiguous US states from 1980 to 2004 is an example of using
   - A) time series data
   - B) panel data
   - C) having a treatment group vs. a control group, since only teenagers receive minimum wages
   - D) cross-sectional data
   **Correct answer(s): B**

4. Panel data
   - A) is also called longitudinal data
   - B) is the same as time series data
   - C) studies a group of people at a point in time
   - D) typically uses control and treatment groups
   **Correct answer(s): A**

5. Econometricians can be defined as follows with the exception of
   - A) the science of testing economic theory
   - B) fitting mathematical economic models to real-world data
   - C) a set of tools used for forecasting future values of economic variables
   - D) measuring the height of economists
   **Correct answer(s): D**

6. To provide quantitative answers to policy questions
A) it is typically sufficient to use economic sense
B) you should interview the policy makers involved
C) you should examine empirical evidence
D) is typically impossible since policy questions are not quantifiable

Correct answer(s): C

7. An example of a randomized controlled experiment is when
   A) households receive a tax rebate in one year but not the other
   B) one U.S. state receives minimum wages and adjacent state does not, and employment differences are observed
   C) random variables are controlled for by holding constant other factors
   D) some 5th graders in a specific elementary school are allowed to use computers at school while others are not, and their end-of-year performance is compared holding constant other factors.

Correct answer(s): D

8. Ideal randomized controlled experiments in economics are
   A) often used by the Federal Reserve to study the effects of monetary policy.
   B) useful because they give a definition of a causal effect.
   C) often performed in practice.
   D) sometimes used by universities to determine who graduates in four years rather than five.

Correct answer(s): B

9. Most economic data are obtained
   A) through textbook examples typically involving ten observation points.
   B) through randomized controlled experiments.
   C) by observing real-world behavior.
   D) by calibration methods.

Correct answer(s): C

10. A graph with "Year" on the horizontal axis and the "U.S. unemployment rate" on the vertical axis is an example of
    A) cross-sectional data
    B) a time-series
    C) longitudinal data
    D) experimental data

Correct answer(s): B