

TABLE 10.3 2SLS regressions on six simulated samples with known measurement error

<i>Simulation</i>	<i>Standard deviation of measurement error, $SD(v_i)$</i>	<i>Variance of measurement error, $V(v_i)$</i>	<i>2SLS estimate a of $\alpha = -20,000$</i>	<i>2SLS estimate b of $\beta = 4,000$</i>
1	1.0	1.0	-19,802	3,986.8
2	1.5	2.25	-19,822	3,993.3
3	2.0	4.0	-19,455	3,961.1
4	2.5	6.25	-20,307	4,020.8
5	3.0	9.0	-20,335	4,034.1
6	3.5	12.25	-18,462	3,880.7