**ECO-301: Milestone 2 Directions**

The focus of this analysis involves analyzing key economic themes such as demand, production, cost, and market structure with quantitative techniques like regression analysis and linear programming for a specific company. For purposes of this project you will select a product or service with substantial data.

Some possible topics: unemployment and crime, exports and underdeveloped countries, demand/supply of higher education, air pollution and population, etc.

**You will formulate an introduction and problem statement and collect data sources.**

1. **Introduction and Statement of Problem**
   1. **Introduction and Statement of Problem**: What problem are you trying to solve? This is where you would discuss key information; why the issue/problem is important, sources of data you plan to use, estimation procedure you will use, variables, assumptions, weaknesses of data, etc. (Some possible topics: unemployment and crime, exports and underdeveloped countries, demand/supply of higher education, air pollution and population, etc. )
      1. Introduce and describe the product or service being evaluated. Why the issue/problem is important
      2. Model Formation: This refers to the model, hypothesis, or theoretical framework that will be used to explain and/or forecast some variables. In the usual case, the model will be in the form of functional equations. QD = f(P, Y, …)
      3. Data Sources: Include the sources of data you plant to use, complete description with references.
         1. Variables: What variables are used? Why are the variables used in the model?, Consider relation among measurable variables, what is the impact of an independent variable X on a dependent variable Y, what are some additional independent variable that could influence variable Y
         2. Assumptions of Data: Consider the following in your analysis; accurate/consistent, sample is representative of the population, unbiased, efficient
         3. Weaknesses of Data: Currency, not complete data set, biased selection, not scientifically accurate
         4. Estimation Procedure: Consider what estimation procedure you plan to use (if you are using time series data, be sure to account for the identification problem). Why this particular procedure was chosen.