Homework Solutions Chapter 2 – Page 136

Exercise 53

- (a) Jane's decision is to reject H_0 . She decides that the purse contains four \$1 bills.
- (b) Yes. Statistically significant means different enough from that the null hypothesis would lead you to expect that you would reject it in favor of the alternative hypothesis. That is exactly what happened.
- (c) No. The two remaining bills could be \$ bills and they could be \$5 bills.
- (d) Because Jane rejected the null hypothesis, she may have made a Type I error.