Lab 3 (Bhuvnesh Sharma, Weixin Wu)

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Introduction

Crime is huge menace in the society, there have been many attempts in past to reduce crime rates within communities in North Carolina. Traditional politicians and conventional approach has assumed that tough on crime is an effective tool to curb crime. Being tough on crime is regularly misunderstood as longer and mandatory prison sentences. This misguided strategy can lead to state's higher investment on prison infrastructure and also make laws which can promote mandatory prison sentences appear as effective crime fighting tool. The goal of this study is to uncover the real facts around the crime rates within North Carolina to develop effective state policy around to reduce crime rates. Key motivation of the report discover the real drivers and instruments which the policy makers can use and have meaningful impact on crime. Study intends to empower the state politicians, key legislative leaders with key facts which have been based on data and not on conventional empirical narratives. Study intends to discover key variables which have major impact on crime rates in North Carolina. This information would be critical for voters to understand so that they can make an informed decision on a important election issue.

Data Cleansing

```
crimeData <- read.csv("crime_v2.csv")
summary(crimeData)</pre>
```

```
##
         county
                                                              prbarr
                           year
                                         crmrte
##
    Min.
            : 1.0
                      Min.
                              :87
                                    Min.
                                            :0.005533
                                                         Min.
                                                                 :0.09277
##
    1st Qu.: 52.0
                      1st Qu.:87
                                    1st Qu.:0.020927
                                                         1st Qu.:0.20568
##
    Median :105.0
                      Median:87
                                    Median: 0.029986
                                                         Median: 0.27095
##
    Mean
            :101.6
                      Mean
                              :87
                                            :0.033400
                                                                 :0.29492
                                    Mean
                                                         Mean
##
    3rd Qu.:152.0
                      3rd Qu.:87
                                    3rd Qu.:0.039642
                                                         3rd Qu.:0.34438
            :197.0
##
    Max.
                      Max.
                              :87
                                    Max.
                                            :0.098966
                                                         Max.
                                                                 :1.09091
    NA's
                      NA's
                              :6
##
            :6
                                    NA's
                                                         NA's
                          prbpris
##
            prbconv
                                              avgsen
                                                                 polpc
##
                : 5
                       Min.
                               :0.1500
                                          Min.
                                                  : 5.380
                                                             Min.
                                                                     :0.000746
    0.588859022: 2
                                          1st Qu.: 7.340
##
                       1st Qu.:0.3648
                                                             1st Qu.:0.001231
##
                  1
                       Median : 0.4234
                                          Median: 9.100
                                                             Median: 0.001485
##
    0.068376102: 1
                               :0.4108
                                                  : 9.647
                                                                     :0.001702
                       Mean
                                          Mean
                                                             Mean
##
    0.140350997: 1
                       3rd Qu.:0.4568
                                          3rd Qu.:11.420
                                                             3rd Qu.:0.001877
    0.154451996: 1
                               :0.6000
                                                                     :0.009054
##
                       Max.
                                          Max.
                                                  :20.700
                                                             Max.
    (Other)
##
                :86
                       NA's
                               :6
                                          NA's
                                                  :6
                                                             NA's
                                                                     :6
##
       density
                             taxpc
                                                west
                                                                 central
##
    Min.
            :0.00002
                        Min.
                                : 25.69
                                           Min.
                                                   :0.0000
                                                              Min.
                                                                      :0.0000
##
    1st Qu.:0.54741
                        1st Qu.: 30.66
                                           1st Qu.:0.0000
                                                              1st Qu.:0.0000
##
    Median : 0.96226
                        Median : 34.87
                                           Median :0.0000
                                                              Median :0.0000
##
    Mean
            :1.42884
                        Mean
                                : 38.06
                                                   :0.2527
                                                                      :0.3736
                                           Mean
                                                              Mean
                        3rd Qu.: 40.95
##
    3rd Qu.:1.56824
                                           3rd Qu.:0.5000
                                                              3rd Qu.:1.0000
    Max.
            :8.82765
                        Max.
                                :119.76
                                           Max.
                                                   :1.0000
                                                              Max.
                                                                      :1.0000
    NA's
                        NA's
                                           NA's
                                                   :6
                                                              NA's
                                                                      :6
            :6
                                :6
```

```
##
                           pctmin80
        urban
                                                wcon
                                                                  wtuc
##
    Min.
            :0.00000
                                : 1.284
                                                   :193.6
                                                                     :187.6
                        \mathtt{Min}.
                                           Min.
                                                             Min.
                        1st Qu.: 9.845
##
    1st Qu.:0.00000
                                           1st Qu.:250.8
                                                             1st Qu.:374.6
    Median :0.00000
                        Median :24.312
                                           Median :281.4
                                                             Median :406.5
##
##
    Mean
            :0.08791
                        Mean
                                :25.495
                                           Mean
                                                   :285.4
                                                             Mean
                                                                     :411.7
##
    3rd Qu.:0.00000
                        3rd Qu.:38.142
                                           3rd Qu.:314.8
                                                             3rd Qu.:443.4
##
    Max.
            :1.00000
                        Max.
                                :64.348
                                           Max.
                                                   :436.8
                                                             Max.
                                                                     :613.2
##
    NA's
            :6
                        NA's
                                :6
                                           NA's
                                                   :6
                                                             NA's
                                                                     :6
##
          wtrd
                           wfir
                                             wser
                                                                wmfg
##
    Min.
            :154.2
                      Min.
                              :170.9
                                       Min.
                                               : 133.0
                                                          Min.
                                                                  :157.4
    1st Qu.:190.9
                      1st Qu.:286.5
                                        1st Qu.: 229.7
                                                          1st Qu.:288.9
    Median :203.0
                      Median :317.3
                                       Median : 253.2
                                                          Median :320.2
##
            :211.6
                                               : 275.6
##
    Mean
                              :322.1
                                                                  :335.6
                      Mean
                                       Mean
                                                          Mean
    3rd Qu.:225.1
                      3rd Qu.:345.4
                                                          3rd Qu.:359.6
##
                                        3rd Qu.: 280.5
            :354.7
                              :509.5
                                               :2177.1
                                                          Max.
##
    Max.
                      Max.
                                        Max.
                                                                  :646.9
##
    NA's
            :6
                      NA's
                              :6
                                        NA's
                                               :6
                                                          NA's
                                                                  :6
##
          wfed
                                             wloc
                           wsta
                                                               mix
##
            :326.1
                              :258.3
                                                                 :0.01961
    Min.
                      Min.
                                       Min.
                                               :239.2
                                                         Min.
##
    1st Qu.:400.2
                      1st Qu.:329.3
                                        1st Qu.:297.3
                                                         1st Qu.:0.08074
##
    Median :449.8
                      Median :357.7
                                       Median :308.1
                                                         Median: 0.10186
##
    Mean
            :442.9
                      Mean
                              :357.5
                                       Mean
                                               :312.7
                                                         Mean
                                                                 :0.12884
    3rd Qu.:478.0
                      3rd Qu.:382.6
                                        3rd Qu.:329.2
##
                                                         3rd Qu.:0.15175
            :598.0
##
    Max.
                              :499.6
                                               :388.1
                                                                 :0.46512
                      {\tt Max.}
                                       Max.
                                                         Max.
##
    NA's
            :6
                      NA's
                             :6
                                       NA's
                                               :6
                                                         NA's
                                                                 :6
##
       pctymle
##
    Min.
            :0.06216
    1st Qu.:0.07443
##
##
    Median :0.07771
##
    Mean
            :0.08396
    3rd Qu.:0.08350
##
    Max.
            :0.24871
##
    NA's
            :6
```

As shown in the summary table, there are 6 NA's in every variable. After reviewing the data, we found that all NA's are in 6 rows, so we removed those rows as they did not provide any information.

```
crimeData2 <- crimeData[complete.cases(crimeData),]</pre>
```

Variable 'prbcony' was incorrectly displayed as a text field. We converted it to numermic.

```
crimeData2 <- transform(crimeData2, prbconv = as.numeric(as.character(prbconv)))
summary(crimeData2$prbconv)</pre>
```

```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 0.06838 0.34541 0.45283 0.55128 0.58886 2.12121
```

Usually the probability variable should be bound between 0 and 1. However, there is one observation with 'prbarr' (probability of arrest) higher than 1, and 10 observations with 'prbconv' (probability of conviction) higher than 1.

```
nrow(crimeData2[which(crimeData2$prbarr>1),])
## [1] 1
nrow(crimeData2[which(crimeData2$prbconv>1),])
```

[1] 10

Variable 'prbarr' is defined as the ratio of arrests to offenses. One possible explanation for 'prbarr' being greater than 1 is that multiple people who convicted a single crime together is counted as one conviction but multiple arrests.

Variable 'prbconv' is defined as the ratio of convictions to arrests. One possible explanation for 'prbconv' being greater than 1 is that one person who is convicted of multiple crimes but only arrested once.

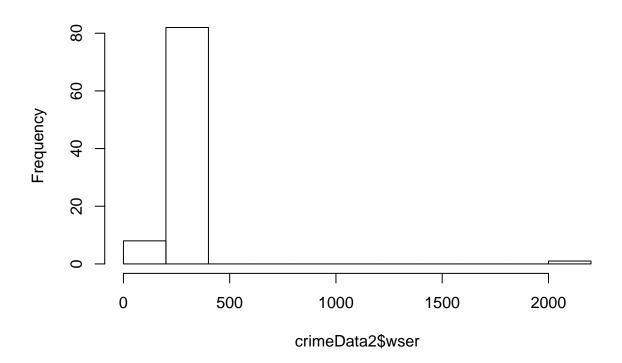
Without further information on the variables, we could not conclude whether these values are invalid. So we left those observations in the data.

Variable 'pctmin80' (percent of minority in 1980) is expressed as percentages. We converted it into decimals to be consistent with variable 'pctymle' (percent of young male).

The max value of variable 'wser' (weekly wage of service industry) is significantly higher than its third quartile. The histogram below shows that the max value (2177.068) is significantly higher than the rest of values.

```
hist(crimeData2$wser, main="Histogram of Weekly Wage in Service Industry")
```

Histogram of Weekly Wage in Service Industry



crimeData2[which(crimeData2\$wser>2000),]

```
##
      county year
                     crmrte
                               prbarr prbconv prbpris avgsen
                                                                   polpc
## 84
               87 0.0108703 0.195266 2.12121 0.442857
                                                          5.38 0.0012221
##
                   taxpc west central urban pctmin80
        density
                                                           wcon
                                                                   wtuc
## 84 0.3887588 40.82454
                                     1
                                           0
                                              64.3482 226.8245 331.565
##
                             wser
                                    wmfg
                                           wfed
                                                  wsta
                                                          wloc
## 84 167.3726 264.4231 2177.068 247.72 381.33 367.25 300.13 0.04968944
         pctymle pctmin80 2
##
```

```
## 84 0.07008217 0.643482
```

We examined County 185, whose wser is 2177.068. We noticed that most other weekly wage variables for County 185 are below the means. You would expect that a richer county would have weekly wage in multiple industries to be higher than the average. So it's very unlikely for a county to have lower than average weekly wage on constructure, transportation, retail, finance, etc. but extremely high weekly wage on the service industry. In addition, an average weekly wage of 2177.068 in 1987 is an unreasonable value. So we believed 2177.068 is erroneous. We removed this observation from the data.

```
crimeData2 <- crimeData2[which(crimeData2$wser<2000),]</pre>
```

Exploratory Data Analysis

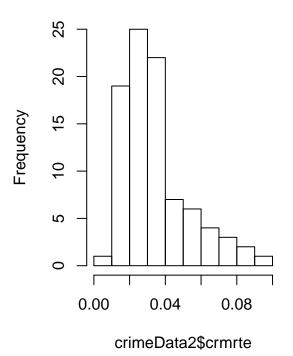
Crimes committed per person (crmrte)

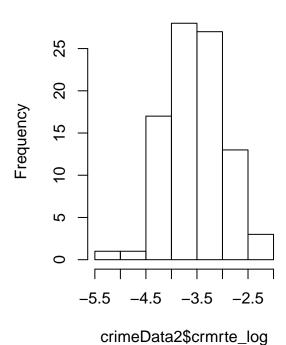
The distribution of crime rate is skewed to the right, so we considered taking the log of crime rate. After the log transformation, the distribution of crmrte_log is closer to normal. Semilogarithmic form is interpretable later in modeling: it tells us what's the percentage change in crime rate in response to a unit change in explantory variables. Our target variable is crmrte_log.

```
par(mfrow=c(1,2))
hist(crimeData2$crmrte, main="Histogram of Crime Rate")
crimeData2$crmrte_log = log(crimeData2$crmrte)
hist(crimeData2$crmrte_log, main="Histogram of Log of Crime Rate")
```

Histogram of Crime Rate

Histogram of Log of Crime Rate



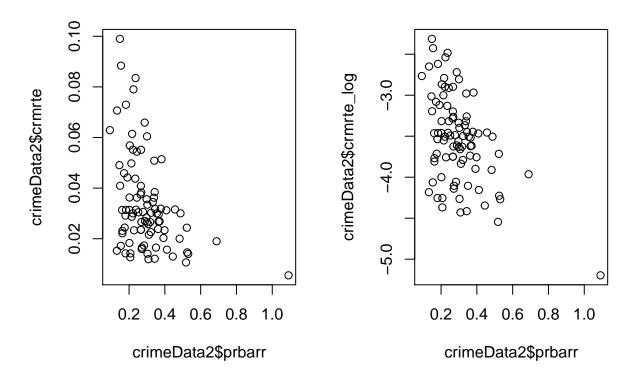


Probability of arrest (prbarr)

The scatter plot of crmrte vs. prbarr on the left shows an exponential decay trend. In addition, the variation of crmrte decreases substantially as prbarr increases. We took the log of crime rate, and then re-graph the scatter plot (shown on the right). The scatter plot of crmrte_log vs. prbarr indicates a more linear relationship and the variation of crmrte_log does not vary as much with prbarr. The correlation coefficient further supports the transformation.

- * The correlation between crmrte and prbarr is -0.41
- * The correlation between crmrte_log and prbarr is -0.50

```
par(mfrow=c(1,2))
plot(crimeData2$prbarr, crimeData2$crmrte)
plot(crimeData2$prbarr, crimeData2$crmrte_log)
```

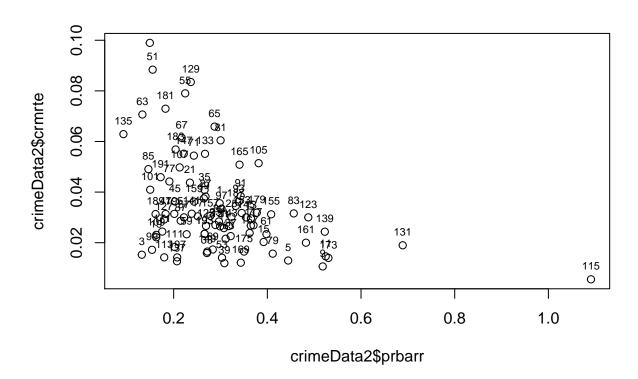


```
cor(crimeData2$prbarr, crimeData2$crmrte)
## [1] -0.4076239
cor(crimeData2$prbarr, crimeData2$crmrte_log)
```

[1] -0.4964904

In addition, we noticed a leveraged data point in the graph, that's County 115. County 115 has significantly higher probability of arrest than all other counties. If we removed County 115 from the data, the correlation coefficient reduced from -0.50 to -0.39. This indicates that County 115 could be an infludential observation. Later when building the model, we will calculate Cook's distance to confirm that County 15 is an influential observation and also address the impact of influential observations to parameter estimates.

```
plot(crimeData2$prbarr, crimeData2$crmrte)
text(crimeData2$prbarr, crimeData2$crmrte, labels = crimeData2$county, cex=0.7, pos=3)
```



```
crimeData3 <- crimeData2[which(crimeData2$county!=115),]
cor(crimeData3$prbarr, crimeData3$crmrte_log)</pre>
```

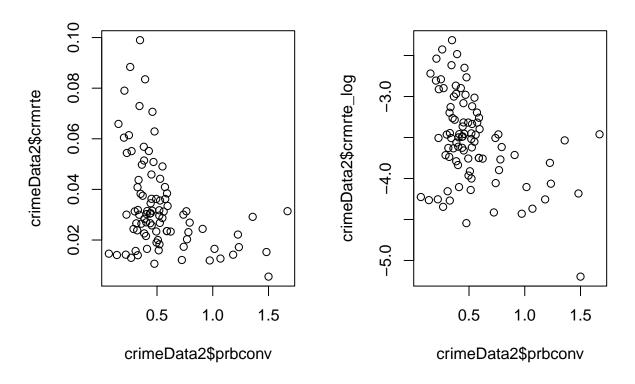
[1] -0.3949839

Probability of conviction (prbconv)

Similar to prbarr, the scatter plot of crmrte vs. prbconv on the left shows an exponential decay trend. In addition, the variation of crmrte decreases substantially as prbconv increases. We took the log of crime rate, and then re-graph the scatter plot (shown on the right). The scatter plot of crmrte_log vs. prbconv indicates a more linear relationship and the variation of crmrte_log does not vary as much with prbconv The correlation coefficient further supports the transformation.

- * The correlation between crmrte and prbarr is -0.37
- * The correlation between crmrte_log and prbarr is -0.41

```
par(mfrow=c(1,2))
plot(crimeData2$prbconv, crimeData2$crmrte)
plot(crimeData2$prbconv, crimeData2$crmrte_log)
```

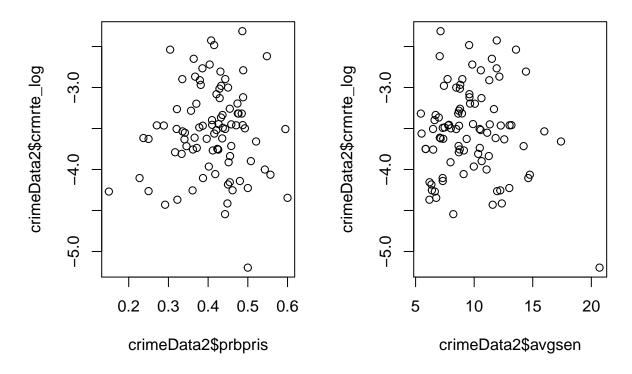


```
cor(crimeData2$prbconv, crimeData2$crmrte)
## [1] -0.3728922
cor(crimeData2$prbconv, crimeData2$crmrte_log)
## [1] -0.4128166
```

Probability of prison (prbpris) | Average sentence days (avgsen)

Neither scatter plots below (prbpris vs. crmrte $_$ log, avgsen vs. crmrte $_$ log) shows obvious relationships. The correlation coefficients0 are only 0.03 and -0.08 respectively.

```
par(mfrow=c(1,2))
plot(crimeData2$prbpris, crimeData2$crmrte_log)
plot(crimeData2$avgsen, crimeData2$crmrte_log)
```



```
cor(crimeData2$prbpris, crimeData2$crmrte_log)

## [1] 0.02938727

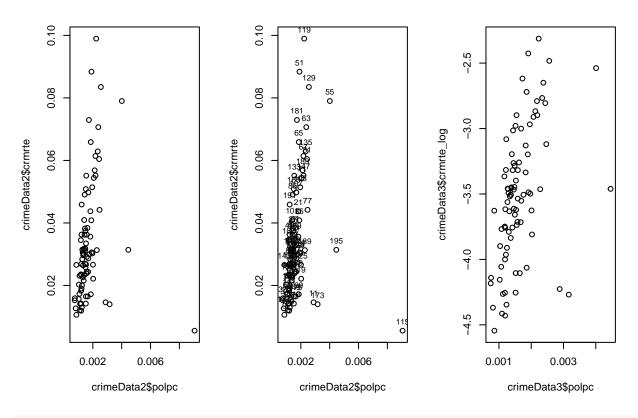
cor(crimeData2$avgsen, crimeData2$crmrte_log)

## [1] -0.07567514
```

Police per capita (polpc)

Similar to probabilities of arrest and conviction, we observed a linear relationship between crime rate and policy per capita in the scatter plot below. The scatter plot also shows that County 15 has significantly higher police per capital than any other counties, County 15 is a highly leveraged observation. In addition, the variation of crmrte increases as proconv increases, which justifies taking the log of crmrte. The correlation between crmrte_log and polpc (after removing County 115) is 0.45.

```
par(mfrow=c(1,3))
plot(crimeData2$polpc, crimeData2$crmrte)
plot(crimeData2$polpc, crimeData2$crmrte)
text(crimeData2$polpc, crimeData2$crmrte, labels = crimeData2$county, cex=0.7, pos=3)
plot(crimeData3$polpc, crimeData3$crmrte_log)
```



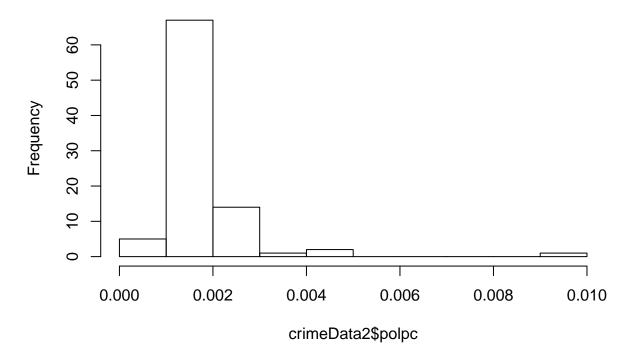
cor(crimeData3\$polpc, crimeData3\$crmrte_log)

[1] 0.453951

We also noticed that the distribution of polpc is highly skewed to the right, so we took the log of polpc. The correlation coefficient (after removing County 115) increased from 0.45 to 0.54.

hist(crimeData2\$polpc, main="Histogram of Police per Capita")

Histogram of Police per Capita



```
crimeData2$polpc_log <- log(crimeData2$polpc)
crimeData3 <- crimeData2[which(crimeData2$county!=115),]
cor(crimeData3$polpc_log, crimeData3$crmrte_log)</pre>
```

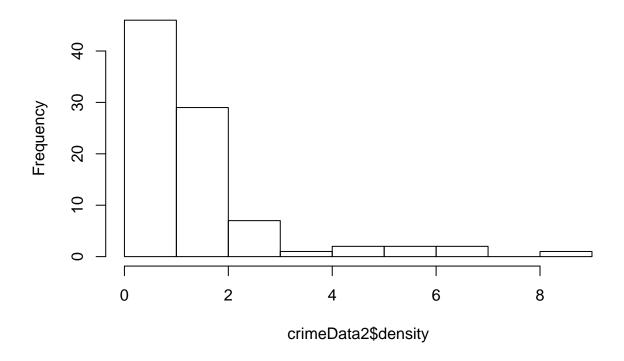
[1] 0.541829

People per square mile (density) | If in SMSA (urban)

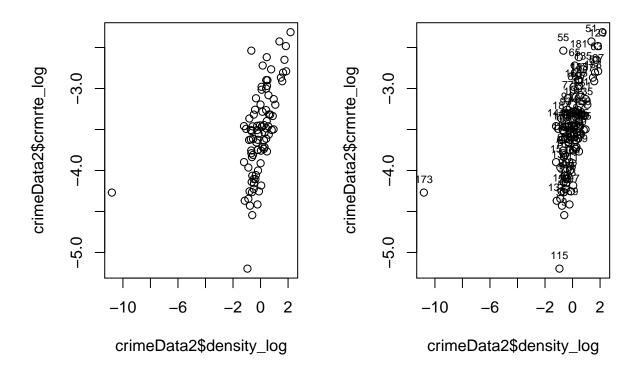
The histogram shows the distribution of density is highly skewed to the right, so we took the log of density. The scatter plot shows County 173 is highly leveraged as it has much lower population density than other counties. Removing County 173 significantly increases correlation coefficient from 0.49 to 0.68. The correlation between density and crmrte_log (without County 173) is 0.63, which is lower than the correlation between density_log and crmrte_log (without County 173) of 0.68. This further confirms that log of density has a stronger linear relationship with log of crime rate than density does.

hist(crimeData2\$density, main="Histogram of People per Square Mile")

Histogram of People per Square Mile



```
crimeData2$density_log <- log(crimeData2$density)
par(mfrow=c(1,2))
plot(crimeData2$density_log, crimeData2$crmrte_log)
plot(crimeData2$density_log, crimeData2$crmrte_log)
text(crimeData2$density_log, crimeData2$crmrte_log, labels = crimeData2$county, cex=0.7, pos=3)</pre>
```



```
crimeData4 <- crimeData2[which(crimeData2$county!=173),]
cor(crimeData2$density_log, crimeData2$crmrte_log)

## [1] 0.4909562
cor(crimeData4$density_log, crimeData4$crmrte_log)

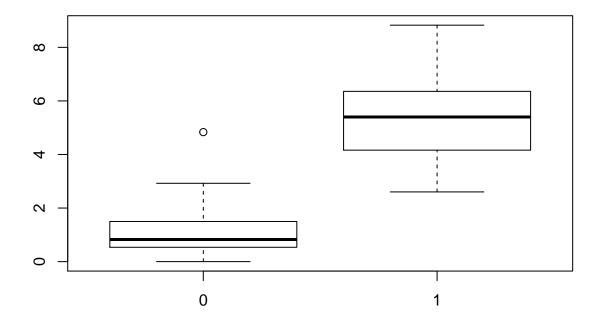
## [1] 0.677355
cor(crimeData4$density, crimeData4$crmrte_log)</pre>
```

[1] 0.6281475

Urban is a binary variable. The box plot shows that the mean and interquartile range of density is significantly different depending on whether county is in urban area or not. Log of density is highly correlated with urban with a correlation coefficient of 0.66. When building the model, we should avoid putting both variables in the model for two reasons:

- 1. Adding the second variable doesn't explain much additional variation of the response variable
- 2. High correlation can greatly increase the standard errors of parameter estimates

boxplot(density~urban, data=crimeData2)



```
cor(crimeData4$urban, crimeData4$density_log)
```

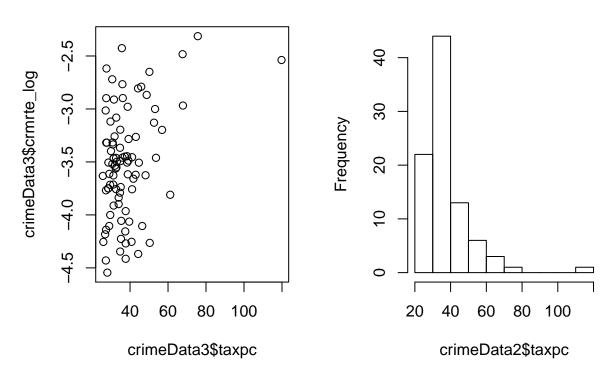
[1] 0.660531

Tax revenue per capita (taxpc)

The scatter plot indicates there may be a weak linear relationship between taxpc and crmrte_log. The histogram of taxpc is skewed to the right, so we considered taking the log of taxpc. However, the correlation between taxpc and crmrte_log (0.37) is slightly higher than the correlation between taxpc_log and crmrte_log (0.36).

```
par(mfrow=c(1,2))
plot(crimeData3$taxpc, crimeData3$crmrte_log)
hist(crimeData2$taxpc, main="Hist. of Tax Revenue")
```

Hist. of Tax Revenue



```
crimeData2$taxpc_log <- log(crimeData2$taxpc)
cor(crimeData2$taxpc, crimeData2$crmrte_log)

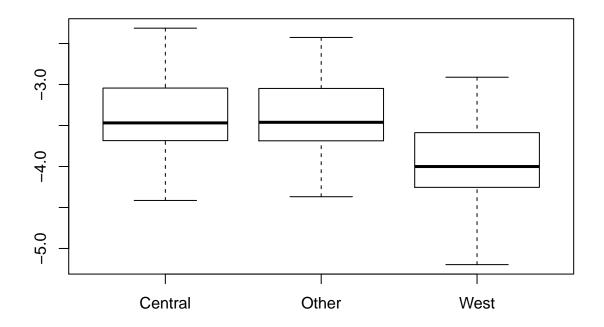
## [1] 0.3711452
cor(crimeData2$taxpc_log, crimeData2$crmrte_log)

## [1] 0.3570773</pre>
```

If in western/central North Carolina

We created a variable, area, to categorize the area counties reside in. Area takes three values: West, Central, and Other. The box plot shows that the mean and interquartile range of crmrte_log is very similar between Central and Other. The crmrte_log for West area is lower than other areas.

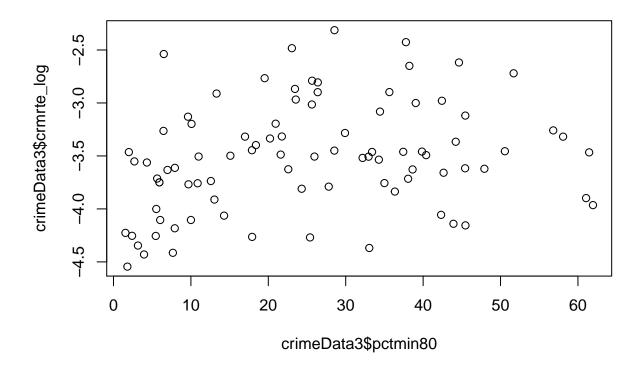
```
crimeData2$area <- ifelse(crimeData2$west==1, "West", ifelse(crimeData2$central==1, "Central", "Other")
boxplot(crmrte_log~area, data=crimeData2)</pre>
```



Percent of minority in 1980 (pctmin80)

The scatter plot shows a weak linear relationship between log of crime rate and percent of minority. Low correlation coefficient (0.3) also confirms that.

plot(crimeData3\$pctmin80, crimeData3\$crmrte_log)



```
cor(crimeData2$pctmin80, crimeData2$crmrte_log)
```

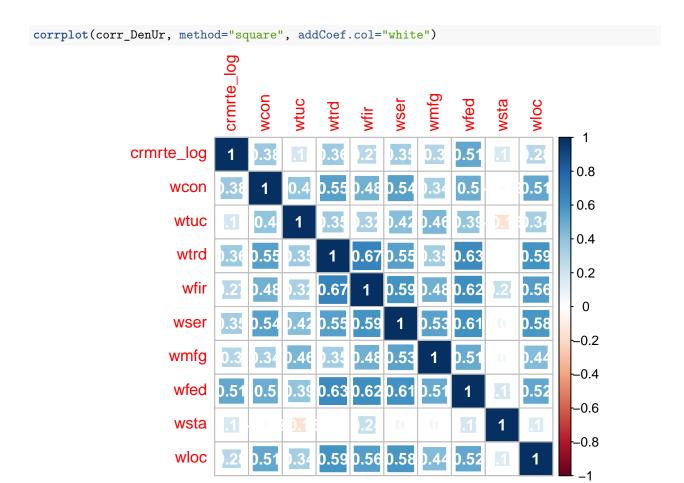
[1] 0.2957882

Weekly wages

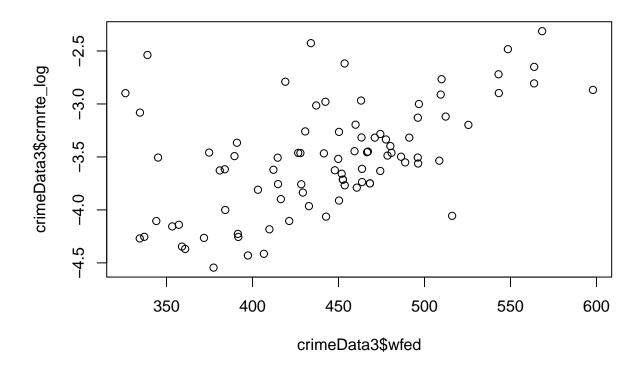
There are nine variables related to weekly wages in the data. They represent weekly wages in different industries. As the correlation matrix shows, most of the weekly wages variables are highly correlated except for wsta. When building the model, we should avoid putting all the correlated variables in the model for the same reason pointed out in the density/urban section of the EDA. We also noticed that log of crime rate has the strongest linear relationship with wfed with correlation coefficient of 0.51.

```
crimeData_temp1 <- crimeData2[,c("crmrte_log","wcon", "wtuc", "wtrd", "wfir", "wser", "wmfg", "wfed", "
corr_DenUr <- cor(crimeData_temp1, use="pairwise")
library(corrplot)</pre>
```

```
## Warning: package 'corrplot' was built under R version 3.4.4
## corrplot 0.84 loaded
```



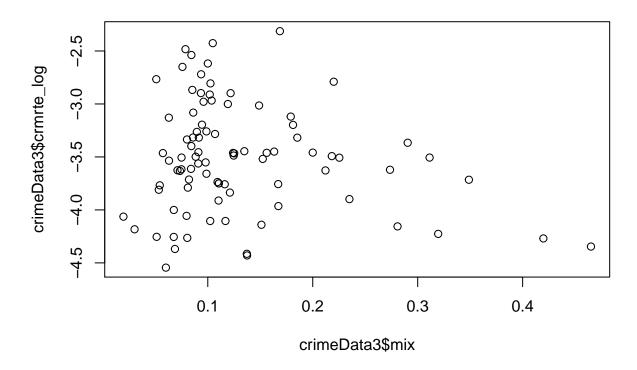
plot(crimeData3\$wfed, crimeData3\$crmrte_log)



Offense mix: face-to-face/other (mix)

The scatter plot doesn't indicate a strong relationship between mix and log of crime rate. The weak correlation coefficient (-0.15) also confirms that.

plot(crimeData3\$mix, crimeData3\$crmrte_log)



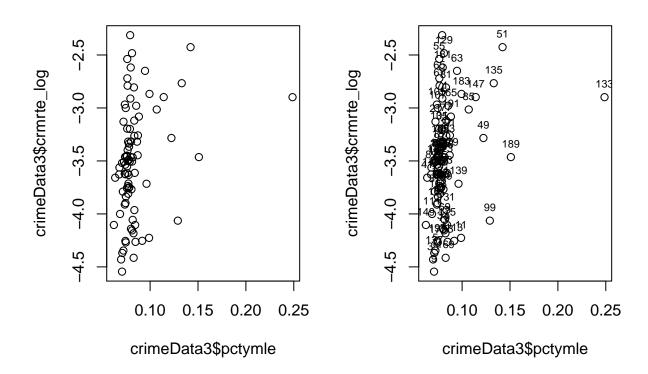
```
cor(crimeData2$mix, crimeData2$crmrte_log)
```

[1] -0.1466527

Percent young male (pctymle)

The scatter plot shows that the majority of counties have 5%-10% of young male. County 133 has significantly higher male percentage than the rest of counties. Log of crime rate doesn't seem to vary by the percent of young male based on the scatter plot, which is also evidented by 0.27 correlation coefficient.

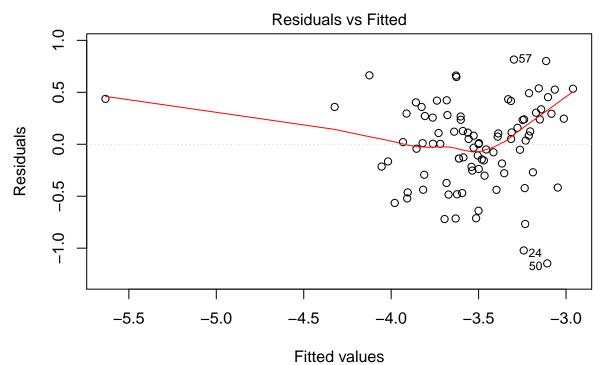
```
par(mfrow=c(1,2))
plot(crimeData3$pctymle, crimeData3$crmrte_log)
plot(crimeData3$pctymle, crimeData3$crmrte_log)
text(crimeData2$pctymle, crimeData2$crmrte_log, labels = crimeData2$county, cex=0.7, pos=3)
```



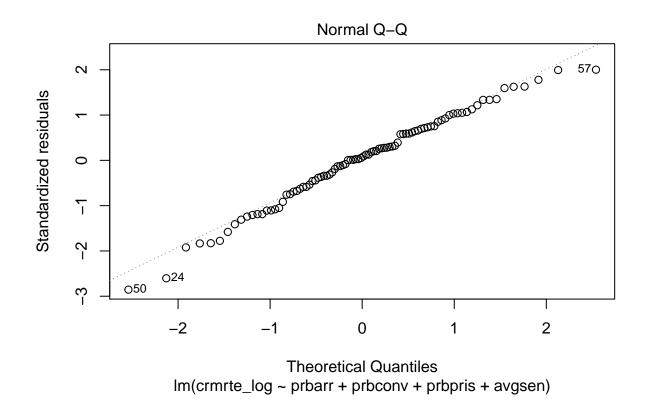
Model Building 1

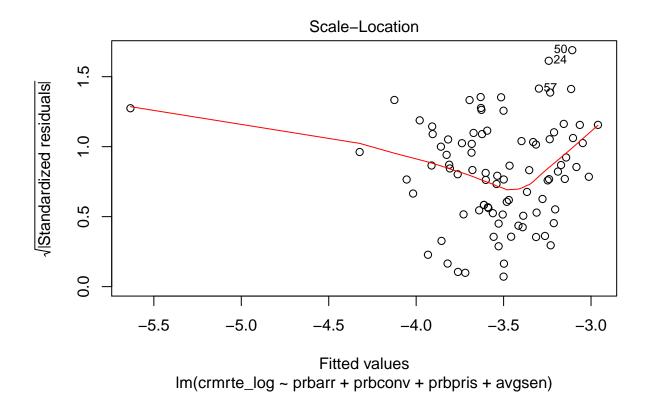
```
model1 <- lm(crmrte_log ~ prbarr+prbconv+prbpris+avgsen, data=crimeData2)</pre>
summary(model1)
##
## Call:
   lm(formula = crmrte_log ~ prbarr + prbconv + prbpris + avgsen,
##
##
       data = crimeData2)
##
##
  Residuals:
##
                1Q
                    Median
                                         Max
##
   -1.1466 -0.2495
                    0.0280
                            0.2785
                                    0.8151
##
## Coefficients:
               Estimate Std. Error t value Pr(>|t|)
                            0.29003 -10.082 3.51e-16 ***
## (Intercept) -2.92426
```

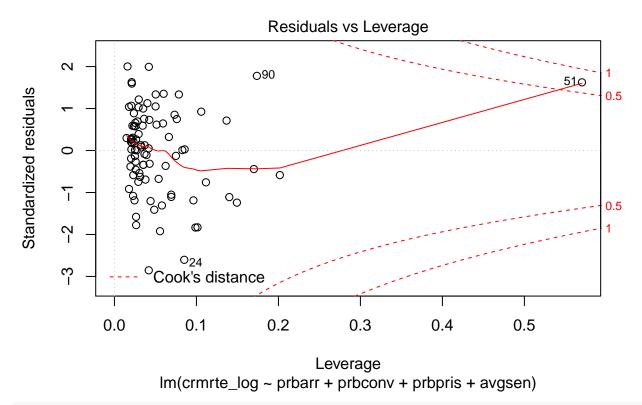
```
-6.492 5.42e-09 ***
## prbarr
               -2.09740
                          0.32308
## prbconv
              -0.79655
                          0.14476
                                   -5.502 3.89e-07 ***
## prbpris
               0.42628
                          0.54316
                                    0.785
                                             0.435
## avgsen
               0.02705
                          0.01630
                                    1.659
                                             0.101
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 0.4104 on 85 degrees of freedom
## Multiple R-squared: 0.4467, Adjusted R-squared: 0.4207
## F-statistic: 17.16 on 4 and 85 DF, p-value: 2.382e-10
plot(model1)
```



Im(crmrte_log ~ prbarr + prbconv + prbpris + avgsen)







AIC(model1)

##

[1] 101.9591

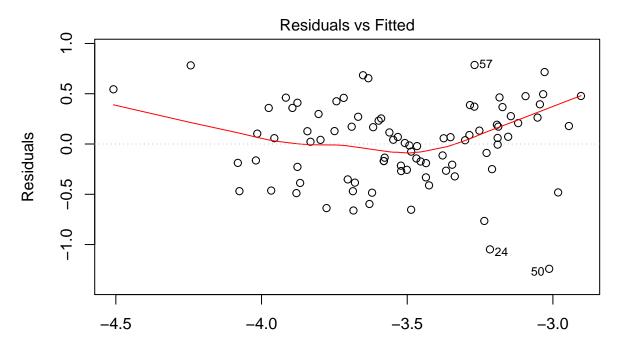
Cook's distance for Observation 51, which is County 115, is close to 1.

```
model2 <- lm(crmrte_log ~ prbarr+prbconv+prbpris+avgsen, data=crimeData3)
summary(model2)</pre>
```

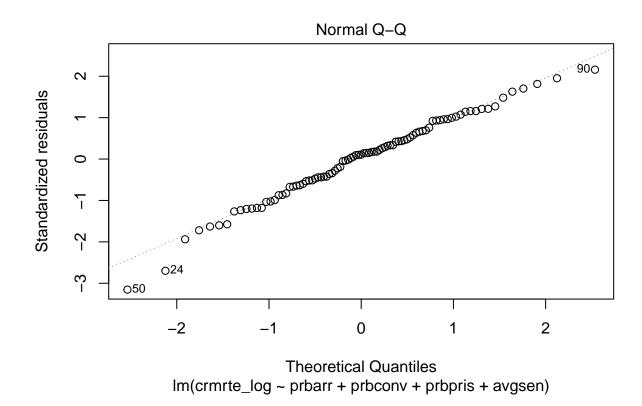
```
## Call:
## lm(formula = crmrte_log ~ prbarr + prbconv + prbpris + avgsen,
##
       data = crimeData3)
##
## Residuals:
##
        Min
                  1Q
                       Median
                                             Max
                                     3Q
   -1.24124 -0.25008
                      0.04216
                               0.27076
                                         0.78591
##
##
## Coefficients:
##
               Estimate Std. Error t value Pr(>|t|)
## (Intercept) -2.59482
                           0.35045
                                    -7.404 9.32e-11 ***
## prbarr
               -2.54560
                           0.42072
                                     -6.051 3.88e-08 ***
## prbconv
               -0.89166
                           0.15463
                                     -5.766 1.31e-07 ***
                                               0.620
## prbpris
                0.27167
                           0.54603
                                      0.498
## avgsen
                0.01738
                           0.01719
                                      1.011
                                               0.315
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
```

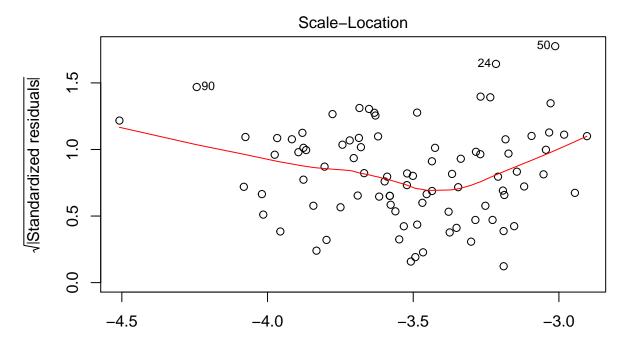
```
## Residual standard error: 0.4064 on 84 degrees of freedom ## Multiple R-squared: 0.3988, Adjusted R-squared: 0.3702 ## F-statistic: 13.93 on 4 and 84 DF, p-value: 9.276e-09
```

plot(model2)

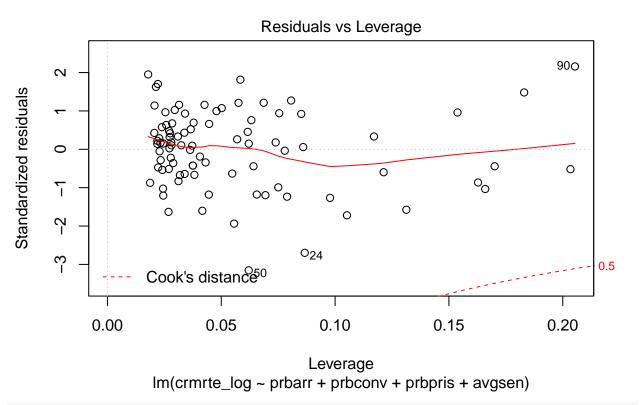


Fitted values
Im(crmrte_log ~ prbarr + prbconv + prbpris + avgsen)





Fitted values
Im(crmrte_log ~ prbarr + prbconv + prbpris + avgsen)



AIC(model2)

[1] 99.14788

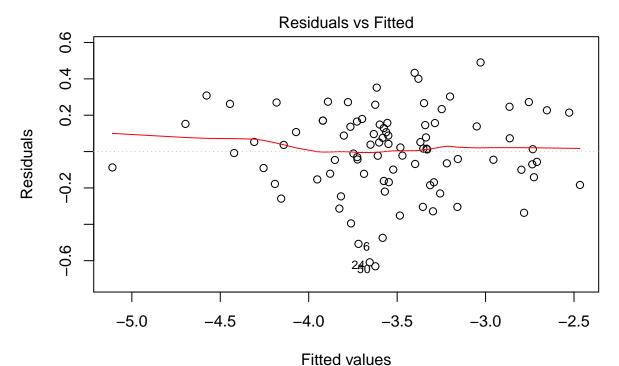
Model Building 2

We put all the variables with correlation higher than 0.25 in the model except for those highly correlated with each other.

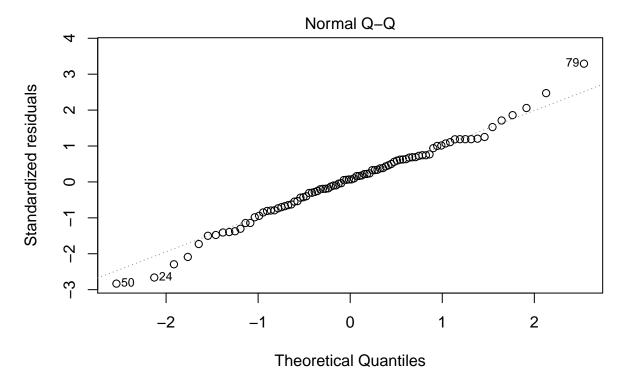
```
model3 <- lm(crmrte_log ~ prbarr+prbconv+polpc_log+density_log+west+pctmin80+wfed+pctymle, data=crimeDa
summary(model3)
```

```
##
## Call:
## lm(formula = crmrte_log ~ prbarr + prbconv + polpc_log + density_log +
       west + pctmin80 + wfed + pctymle, data = crimeData2)
##
##
##
   Residuals:
##
       Min
                1Q
                    Median
                                 3Q
                                        Max
   -0.6308 -0.1365
                    0.0163
                             0.1557
                                     0.4903
##
##
  Coefficients:
                 Estimate Std. Error t value Pr(>|t|)
##
## (Intercept) -0.0029598
                            0.7195529
                                       -0.004 0.996728
                                       -8.740 2.59e-13 ***
## prbarr
               -1.8767158
                            0.2147223
## prbconv
               -0.6657628
                            0.0822699
                                       -8.092 4.94e-12 ***
```

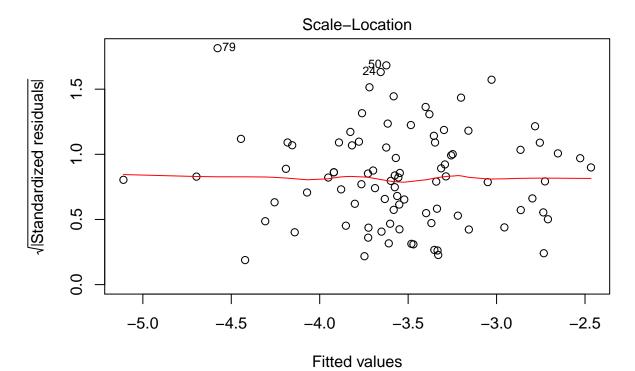
```
## polpc_log
                          0.0790575
                                      6.919 9.66e-10 ***
               0.5469974
                                      3.467 0.000845 ***
## density_log 0.0834697
                          0.0240740
                          0.0818260
                                     -1.239 0.218907
## west
               -0.1013863
## pctmin80
               0.0100117
                          0.0021499
                                      4.657 1.24e-05 ***
## wfed
                0.0013565
                          0.0005629
                                      2.410 0.018214 *
## pctymle
                1.1114048
                          1.1792900
                                      0.942 0.348772
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.2374 on 81 degrees of freedom
## Multiple R-squared: 0.8236, Adjusted R-squared: 0.8062
## F-statistic: 47.29 on 8 and 81 DF, p-value: < 2.2e-16
plot(model3)
```



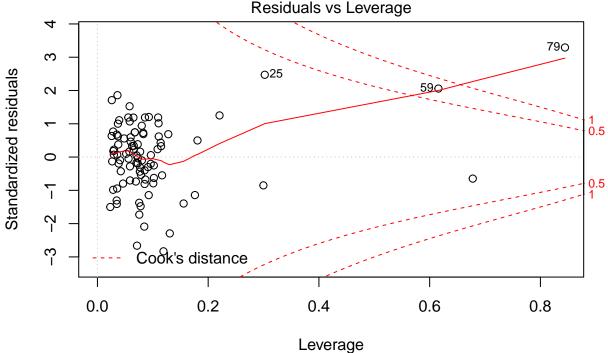
Im(crmrte_log ~ prbarr + prbconv + polpc_log + density_log + west + pctmin8 ...



Im(crmrte_log ~ prbarr + prbconv + polpc_log + density_log + west + pctmin8 ...



Im(crmrte_log ~ prbarr + prbconv + polpc_log + density_log + west + pctmin8 ...



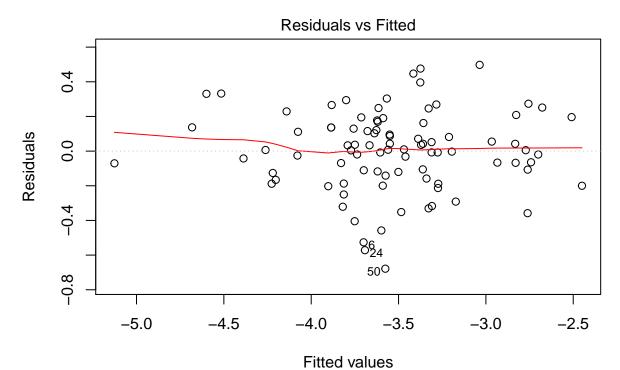
Im(crmrte_log ~ prbarr + prbconv + polpc_log + density_log + west + pctmin8 ...

AIC(model3)

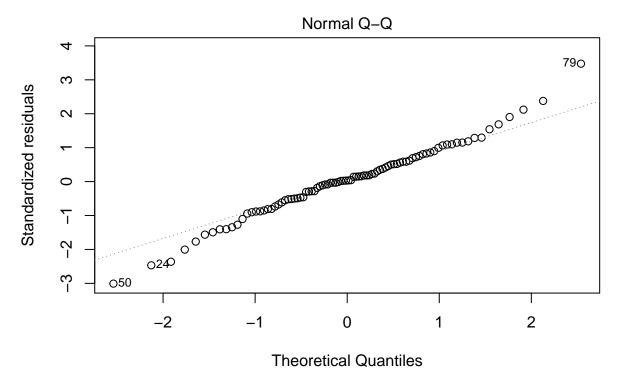
```
## [1] 7.05467
```

```
##
  lm(formula = crmrte_log ~ prbarr + prbconv + polpc_log + density_log +
##
       pctmin80 + wfed, data = crimeData2)
##
  Residuals:
##
##
        Min
                  1Q
                       Median
                                     3Q
                                             Max
   -0.67843 -0.12462
                      0.00721
                              0.13685
                                        0.49760
##
##
  Coefficients:
                 Estimate Std. Error t value Pr(>|t|)
##
## (Intercept)
               0.2856352 0.6382523
                                        0.448
                                                0.6557
## prbarr
               -1.9710692
                           0.2052615
                                      -9.603 4.07e-15 ***
## prbconv
               -0.6832494
                           0.0812484
                                       -8.409 9.92e-13 ***
## polpc_log
                0.5715781
                           0.0758226
                                        7.538 5.36e-11 ***
## density_log 0.0951786
                           0.0228785
                                        4.160 7.71e-05 ***
## pctmin80
                0.0119543
                           0.0015676
                                        7.626 3.60e-11 ***
## wfed
                0.0011925
                           0.0005413
                                                0.0304 *
                                        2.203
## ---
```

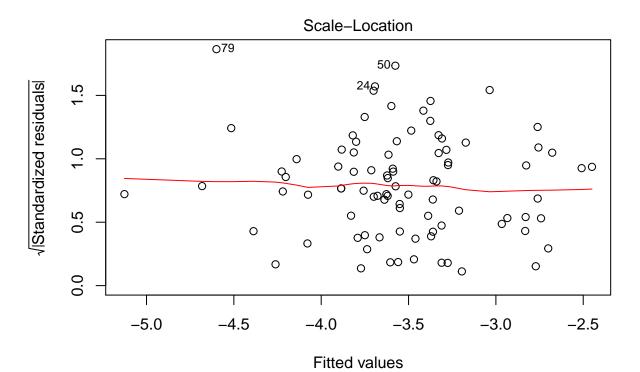
```
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.2379 on 83 degrees of freedom
## Multiple R-squared: 0.8185, Adjusted R-squared: 0.8054
## F-statistic: 62.39 on 6 and 83 DF, p-value: < 2.2e-16
plot(model4)</pre>
```



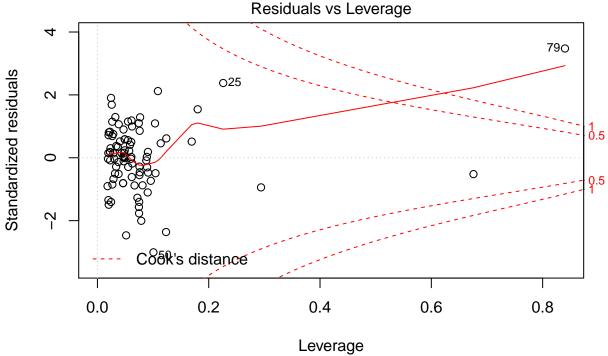
Im(crmrte_log ~ prbarr + prbconv + polpc_log + density_log + pctmin80 + wfe ...



Im(crmrte_log ~ prbarr + prbconv + polpc_log + density_log + pctmin80 + wfe ...



Im(crmrte_log ~ prbarr + prbconv + polpc_log + density_log + pctmin80 + wfe ...



Im(crmrte_log ~ prbarr + prbconv + polpc_log + density_log + pctmin80 + wfe ...

AIC(model4)

[1] 5.629123

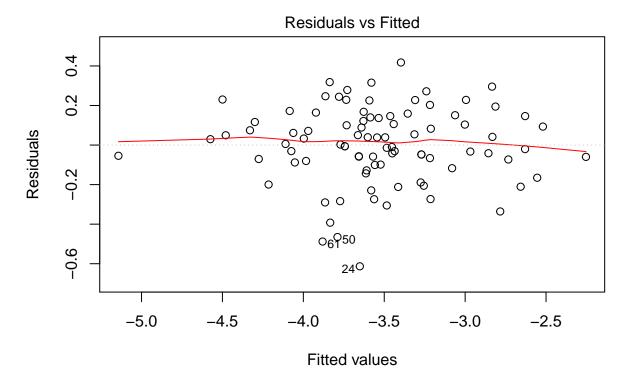
#step(lm(crmrte ~ prbarr+prbconv+prbpris+avgsen+polpc+density+taxpc+west+central+urban+pctmin80_2+wcon+

Model Building 3

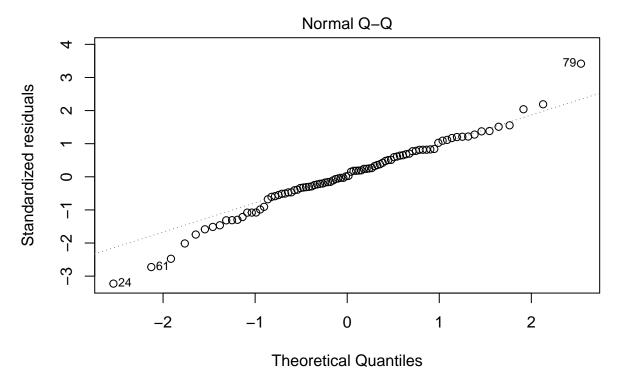
model5 <- lm(crmrte_log ~ prbarr+prbconv+prbpris+avgsen+polpc_log+density_log+taxpc+west+central+urban+
summary(model5)</pre>

```
##
## Call:
## lm(formula = crmrte_log ~ prbarr + prbconv + prbpris + avgsen +
       polpc_log + density_log + taxpc + west + central + urban +
##
       pctmin80_2 + wcon + wtuc + wtrd + wfir + wser + wmfg + wfed +
##
##
       wsta + wloc + mix + pctymle, data = crimeData2)
## Residuals:
        Min
                       Median
                                    3Q
                                             Max
                  1Q
## -0.61315 -0.08608 0.00412 0.13895
                                        0.41759
```

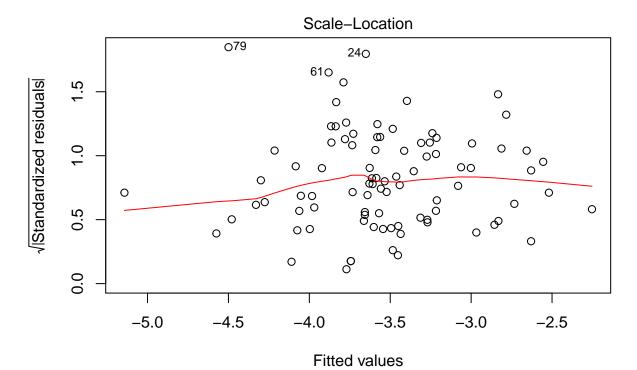
```
##
## Coefficients:
##
             Estimate Std. Error t value Pr(>|t|)
## (Intercept) 0.6276445 1.1166964 0.562 0.575954
## prbarr
           -1.8190558 0.2319943 -7.841 4.66e-11 ***
## prbconv
           -0.6806826   0.3620962   -1.880   0.064479   .
## prbpris
           ## avgsen
## polpc_log
            ## density_log 0.1027477 0.0296220 3.469 0.000919 ***
## taxpc
           0.0019230 0.0026858 0.716 0.476469
## west
           ## central
           -0.0712728 0.0737595 -0.966 0.337376
## urban
            0.1513316  0.1162868  1.301  0.197591
## pctmin80_2  0.9980385  0.2584435  3.862  0.000256 ***
## wcon
            0.0003785 0.0007372
                               0.513 0.609363
## wtuc
           0.0002290 0.0004061
                             0.564 0.574771
## wtrd
           0.0017025 0.0012301
                              1.384 0.170934
## wfir
           ## wser
           -0.0003396 0.0003807 -0.892 0.375514
## wmfg
## wfed
           0.0017580 0.0007518
                              2.338 0.022358 *
## wsta
           -0.0006934 0.0007238 -0.958 0.341539
## wloc
           0.0016561 0.0012970
                               1.277 0.206052
## mix
           -0.0504662 0.4293099 -0.118 0.906774
## pctymle
           2.0567468 1.2692222
                              1.620 0.109827
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.2227 on 67 degrees of freedom
## Multiple R-squared: 0.8716, Adjusted R-squared: 0.8295
## F-statistic: 20.68 on 22 and 67 DF, p-value: < 2.2e-16
plot(model5)
```



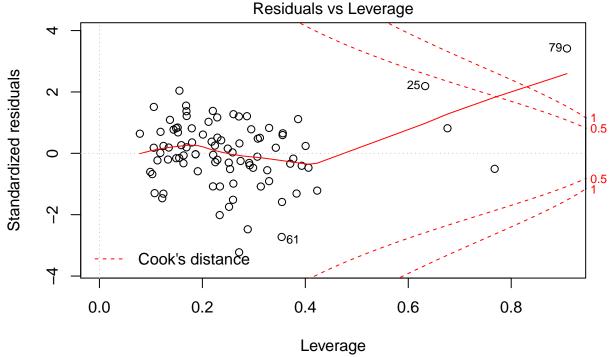
Im(crmrte_log ~ prbarr + prbconv + prbpris + avgsen + polpc_log + density_l ...



Im(crmrte_log ~ prbarr + prbconv + prbpris + avgsen + polpc_log + density_l ...



Im(crmrte_log ~ prbarr + prbconv + prbpris + avgsen + polpc_log + density_l ...



lm(crmrte_log ~ prbarr + prbconv + prbpris + avgsen + polpc_log + density_l ...

AIC(model5)

[1] 6.467861

Model Display

[%] Table created by stargazer v.5.2 by Marek Hlavac, Harvard University. E-mail: hlavac at fas.harvard.edu % Date and time: Sun, Apr 01, 2018 - 5:54:19 PM

| | Dependent variable: crmrte_log | | |
|-----------------------------|---------------------------------|-------------|-------------|
| | | | |
| | (1) | (2) | (3) |
| prbarr | -2.097 | -1.971 | -1.819 |
| prbconv | -0.797 | -0.683 | -0.566 |
| prbpris | 0.426 | | -0.681 |
| avgsen | 0.027 | | -0.027 |
| polpc_log | | 0.572 | 0.602 |
| $density_log$ | | 0.095 | 0.103 |
| pctmin80 | | 0.012 | |
| taxpc | | | 0.002 |
| west | | | -0.068 |
| central | | | -0.071 |
| urban | | | 0.151 |
| pctmin80_2 | | | 0.998 |
| wcon | | | 0.0004 |
| wtuc | | | 0.0002 |
| wtrd | | | 0.002 |
| wfir | | | -0.001 |
| wser | | | -0.002 |
| wmfg | | | -0.0003 |
| wfed | | 0.001 | 0.002 |
| wsta | | | -0.001 |
| wloc | | | 0.002 |
| mix | | | -0.050 |
| pctymle | | | 2.057 |
| Constant | -2.924 | 0.286 | 0.628 |
| Observations R ² | 90 0.447 | 90 0.819 | 90 0.872 |

Omitted Variables