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# rddtools: tools for Regression Discontinuity Design in R

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**Abstract**

The rddtools package implements functions for handling Regression Discontinuity Design in R.

*Keywords*: RDD, Regression, Discontinuity, Design, R.

## 1. Introduction

The `rddtools` package...

## 2. Design

The package includes the following functions.

## 3. Application

we use the data from the Initiative Nationale du Development Humaine (INDH) a development project in Morocco. The data is included with the `rddtools` package under the name `indh`. We start by loading the package.

```
library(rddtools)
```

```
Loading required package: AER
Loading required package: car
Loading required package: lmtest
```

```
Loading required package: zoo

Attaching package: 'zoo'

The following objects are masked from 'package:base':

    as.Date, as.Date.numeric

Loading required package: sandwich
Loading required package: survival

Warning: package 'survival' was built under R version 3.2.1

Loading required package: np
Nonparametric Kernel Methods for Mixed Datatypes (version 0.60-2)
[vignette("np_faq",package="np") provides answers to frequently asked questions]
IMPORTANT, this is an ALPHA VERSION
                        many changes to the API will follow
```

We can now load the included data set.

```
data("indh")
```

Now that we have loading the data we can briefly inspect the structure of the data.
\begin{CodeChunk}

```
str(indh)
```

\begin{CodeOutput} 'data.frame': 729 obs. of 3 variables: $ choice_pg: int 0 1 1 1 1 1 0 1 0 0 ... $ commune : num 30.1 30.1 30.1 30.1 30.1 ... $ poverty : num 30.1 30.1 30.1 30.1 30.1 ... \end{CodeOutput} \end{CodeChunk}

The `indh` object is a `data.frame` containing 729 observations (representing individuals) of three variables:

- `choice_pg`
- `commune`
- `poverty`

The variable of interest is `choice_pg`, which represent the decision to contibute to a public good or not. The observations are individuals choosing to contribute or not, these individuals are clustered by the variable `commune` which is the municiple structure at which funding was distributed as part of the INDH project. The forcing variable is `poverty` which represents the number of households in a commune living below the poverty threshold. As part of the INDH, commune with a proportion of household below the poverty threshhold greater than 30% were allowed to distribute the funding using a **Community Driven Development** scheme. The cutoff point for our analysis is therefore `30`.

We can now transform the `data.frame` to a special `rdd_data` `data.frame` using the `rdd_data()` function.

```
rdd_dat_indh <- rdd_data(y=choice_pg,
                         x=poverty,
                         data=indh,
                         cutpoint=30 )
```

The structure is similar but contains some additional information.

```
str(rdd_dat_indh)
```

```
Classes 'rdd_data' and 'data.frame':    729 obs. of  2 variables:
 $ x: num  30.1 30.1 30.1 30.1 30.1 ...
 $ y: int  0 1 1 1 1 1 0 1 0 0 ...
 - attr(*, "hasCovar")= logi FALSE
 - attr(*, "labels")= list()
 - attr(*, "cutpoint")= num 30
 - attr(*, "type")= chr "Sharp"
```

In order to best understand our data, we start with an exploratory data analysis using tables...

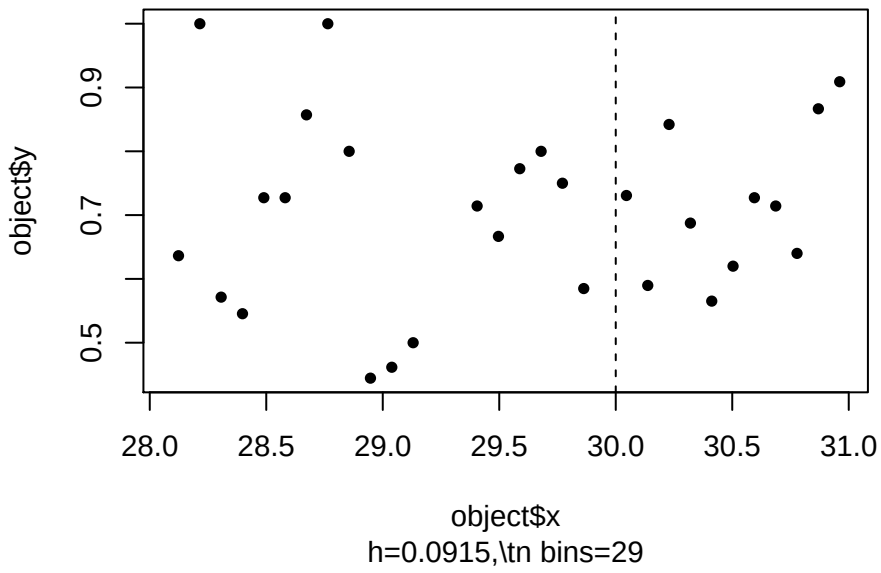
```
summary(rdd_dat_indh)
```

```
### rdd_data object ###

Cutpoint: 30
Sample size:
    -Full : 729
    -Left : 371
    -Right: 358
Covariates: no
```

...and plots.

```
plot(rdd_dat_indh[1:715,])
```




We can now continue with a standard Regression Discontinuity Design (RDD) estimation.

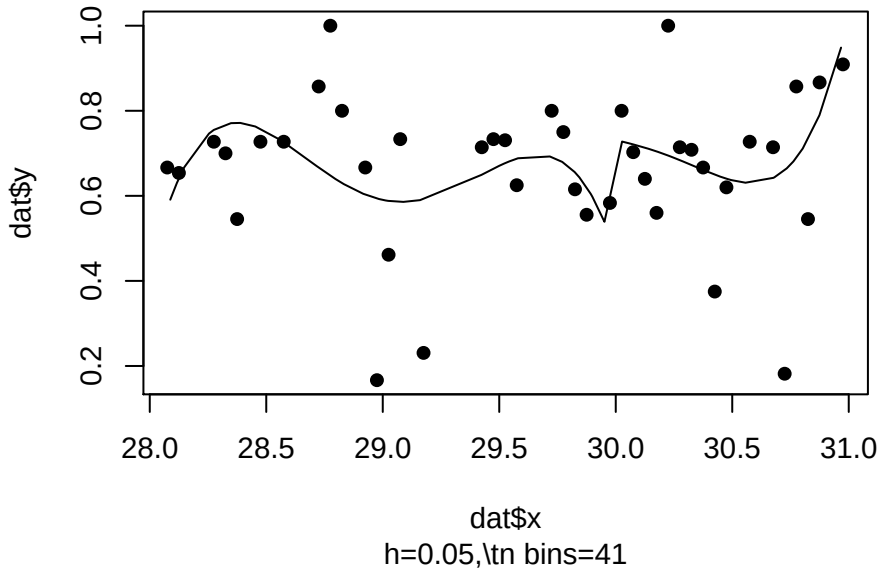
```
(reg_para <- rdd_reg_lm(rdd_dat_indh, order=4))
```

```
### RDD regression: parametric ###
    Polynomial order:  4
    Slopes:  separate
    Number of obs: 729 (left: 371, right: 358)

    Coefficient:
  Estimate Std. Error t value Pr(>|t|)
D  0.26428    0.16590   1.593   0.1116
```

and visualising this estimation.

```
plot(reg_para)
```




In addition to the parametric estimation, we can also perform a non-parametric estimation.

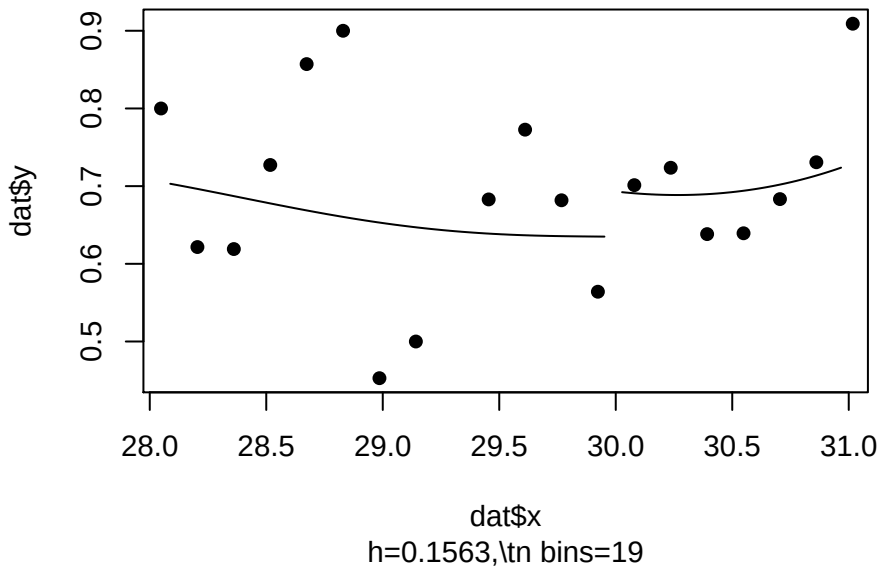
```
bw_ik <- rdd_bw_ik(rdd_dat_indh)
(reg_nonpara <- rdd_reg_np(rdd_object=rdd_dat_indh, bw=bw_ik))
```

```
### RDD regression: nonparametric local linear###
    Bandwidth:  0.7812904
    Number of obs: 467 (left: 146, right: 321)

    Coefficient:
  Estimate Std. Error z value Pr(>|z|)
D 0.178174   0.095319  1.8692  0.06159 .
---
Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
```

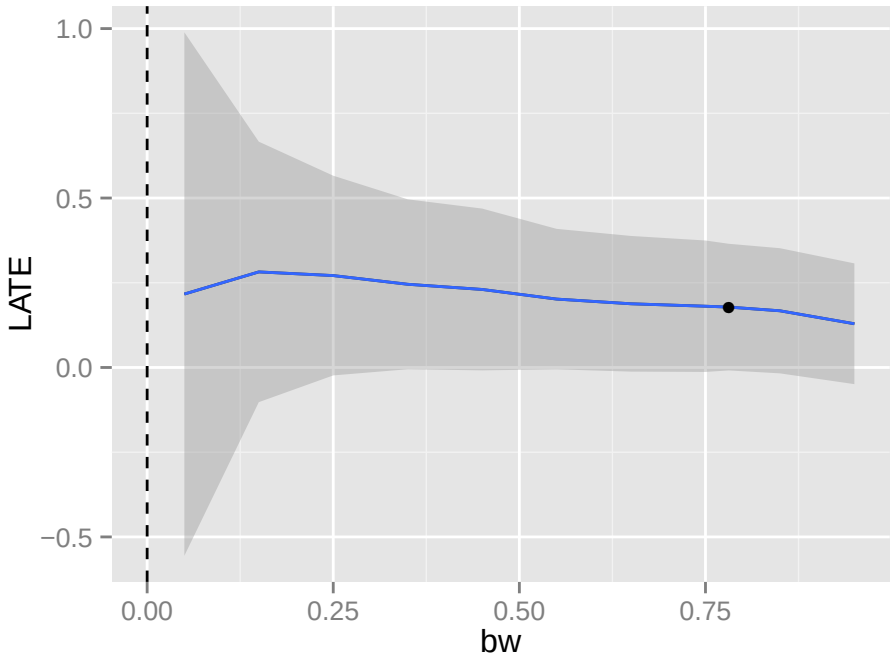
and visualising the non-parametric estimation.

```
plot(reg_nonpara)
```




Sensitity tests.

```
plotSensi(reg_nonpara, from=0.05, to=1, by=0.1)
```



# 4. References

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