

Title

By: Benjamin Lee (1007236475) & Jacob Li (1006824750)

ECO375: Applied Econometrics

University of Toronto

Department of Economics

March 28, 2023

Abstract:

# 1 Introduction

## 2 Context and Data

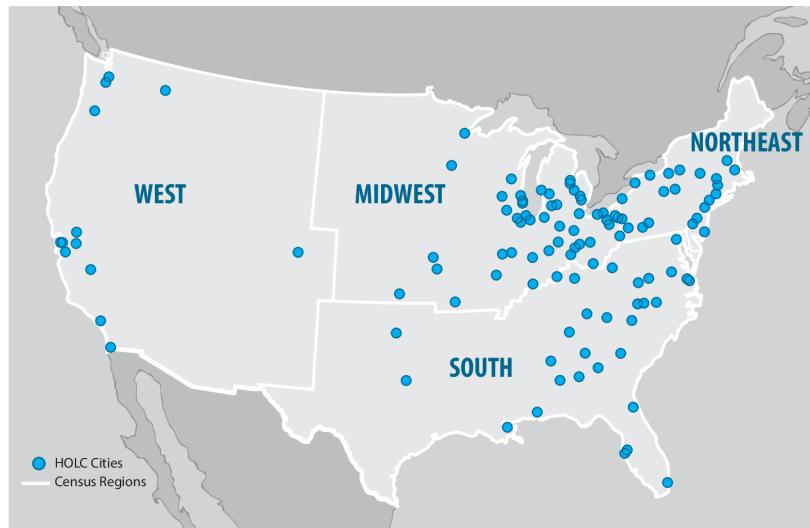


Figure 1: Locations of cities mapped by the HOLC in the 1930s

	count	mean	sd	min	max
Grade A share	6116	.0517	.182	0	1
Grade B share	6116	.201	.334	0	1
Grade C share	6116	.453	.421	0	1
Grade D share	6116	.279	.402	0	1
Dem share	6073	.791	.149	.0415	.979
Median age	6109	36.1	6.51	10.9	72.4
M-F ratio	6109	97	55.4	34.7	3239
Less HS share	6110	.162	.117	0	.646
HS share	6110	.251	.119	0	.715
Some college share	6110	.26	.0955	0	.869
Bachelor's share	6110	.327	.232	0	1
White share	6113	.399	.29	0	.955
Black share	6113	.271	.303	0	.976
Asian share	6113	.088	.131	0	.911
Observations	6116				

Table 1: Summary statistics of census tracts with more than 90% of area in HOLC maps

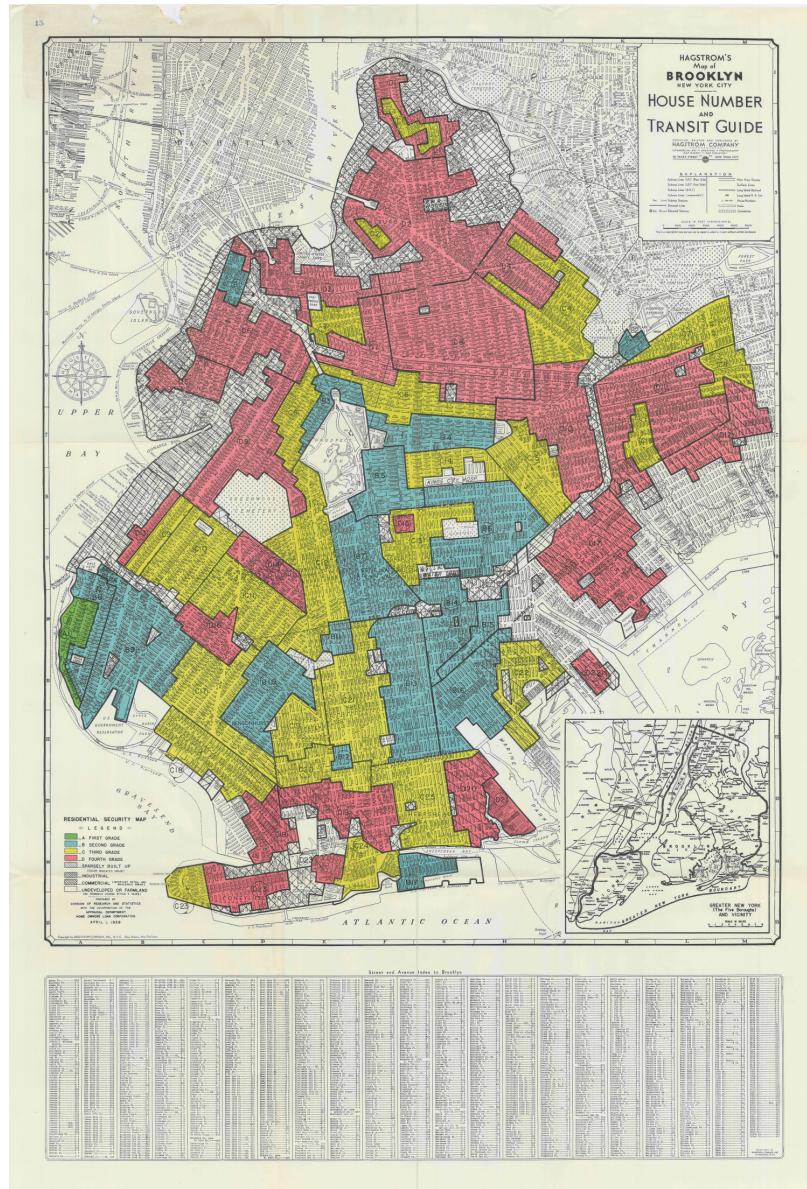


Figure 2: a

### 3 Regression Analysis

### 4 Multiple Linear Regression

### 5 Limitations of Results

### 6 Conclusion

### 7 Appendix

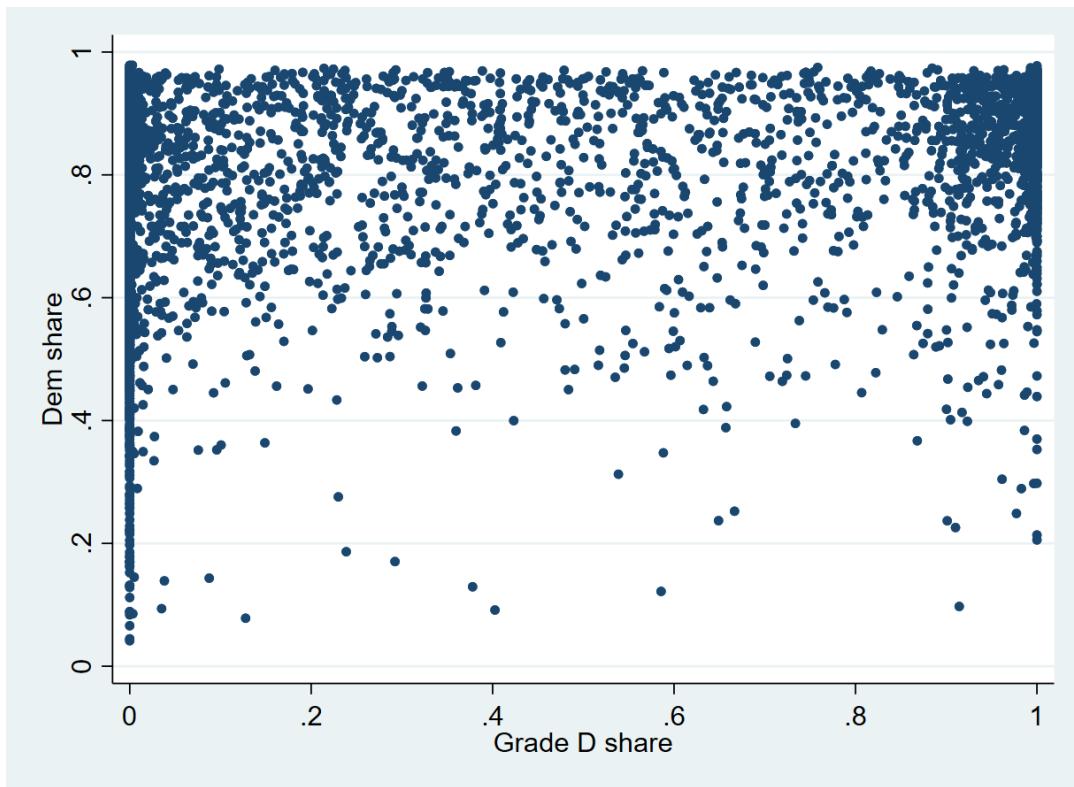


Figure 3: Scatterplot of Democrat vote share on Grade D percentage

	(1) Dem share	(2) Dem share	(3) Dem share	(4) Dem share	(5) Dem share	(6) Dem share	
Grade D share	0.0740*** (0.00414)	0.387*** (0.0735)	0.151*** (0.0533)	0.328*** (0.0900)	0.0803* (0.0434)	0.0212 (0.0142)	
Grade D squared		-0.874*** (0.186)	-0.327*** (0.117)	-0.750*** (0.203)	-0.135 (0.0962)		
Grade D cubed		0.561*** (0.132)	0.204*** (0.0767)	0.488*** (0.141)	0.0762 (0.0647)		
Median income ('000s)			0.00120** (0.000548)	-0.000674** (0.000302)	-0.0000528 (0.000249)	-0.0000575 (0.000247)	
White share				-0.217** (0.100)	-0.528*** (0.149)	-0.529*** (0.149)	
Black share			0.198*** (0.0356)		0.0528 (0.0658)	0.0528 (0.0658)	
Asian share				-0.135*** (0.0473)	-0.326*** (0.0614)	-0.326*** (0.0615)	
Median age			-0.00249*** (0.000593)	-0.00118* (0.000634)	-0.00192*** (0.000532)	-0.00193*** (0.000527)	
HS share					-0.0356 (0.0532)	-0.115*** (0.0369)	-0.115*** (0.0370)
Some college share					0.116 (0.103)	0.0774 (0.0812)	0.0770 (0.0810)
Bachelor's share					0.0328 (0.0357)	0.458*** (0.114)	0.459*** (0.114)
Constant	0.771*** (0.00240)	0.655*** (0.00221)	0.789*** (0.0367)	0.688*** (0.0774)	1.000*** (0.0425)	1.003*** (0.0426)	
City fixed effects	No	Yes	Yes	Yes	Yes	Yes	
Observations	6073	6073	6026	6026	6026	6026	
Adjusted R <sup>2</sup>	0.0397	0.265	0.616	0.288	0.741	0.741	

Standard errors in parentheses

\*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$

Table 2: Multiple linear regression results