

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 included in our study

	count	mean	sd	min	max
Grade A share	6026	.0513	.181	0	1
Grade B share	6026	.202	.335	0	1
Grade C share	6026	.454	.421	0	1
Grade D share	6026	.278	.401	0	1
Dem share	6026	.791	.149	.0415	.979
Median age	6026	36.1	6.49	10.9	72.4
M-F ratio	6026	95.9	20.3	34.7	410
Less HS share	6026	.162	.118	0	.646
HS share	6026	.251	.118	0	.715
Some college share	6026	.259	.0947	.0181	.869
Bachelor's share	6026	.328	.232	.00733	.944
White share	6026	.399	.289	.00122	.955
Black share	6026	.269	.301	0	.976
Asian share	6026	.0888	.132	0	.911
Observations	6026				

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

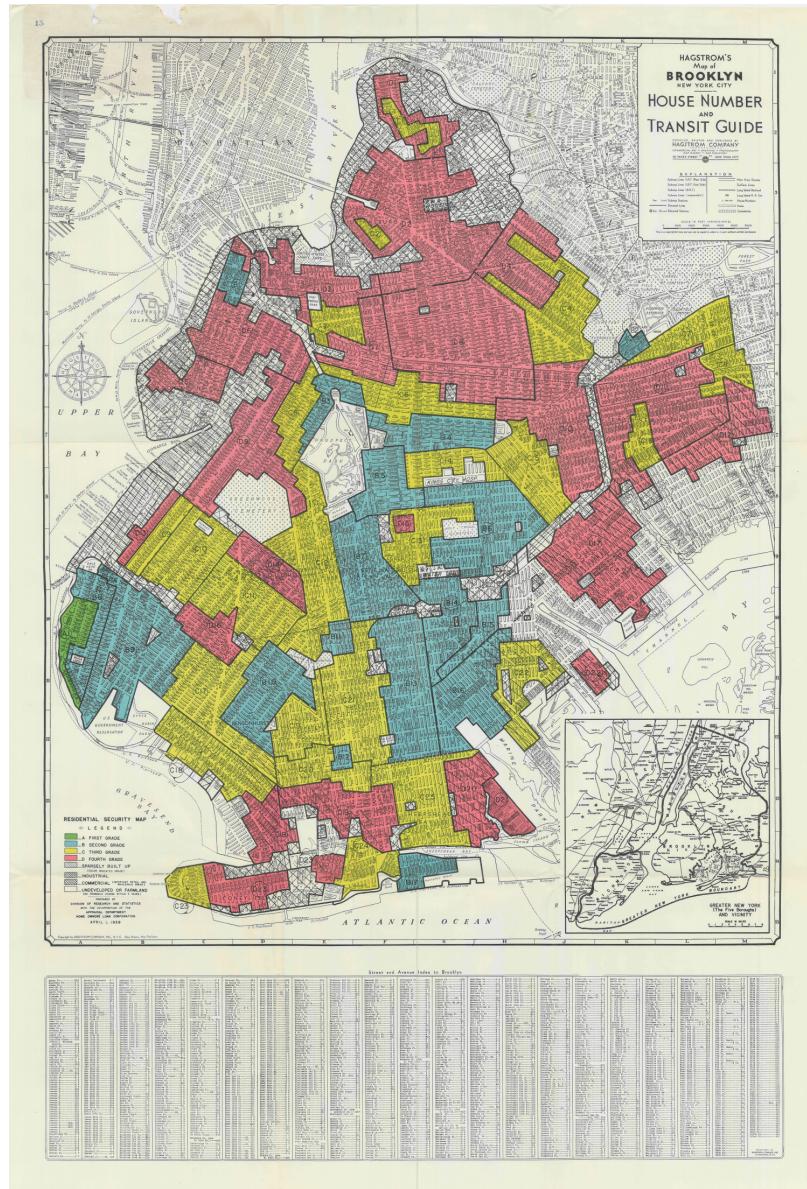


Figure 2: a

3 Regression Analysis

4 Multiple Linear Regression

5 Limitations of Results

6 Conclusion

7 Appendix

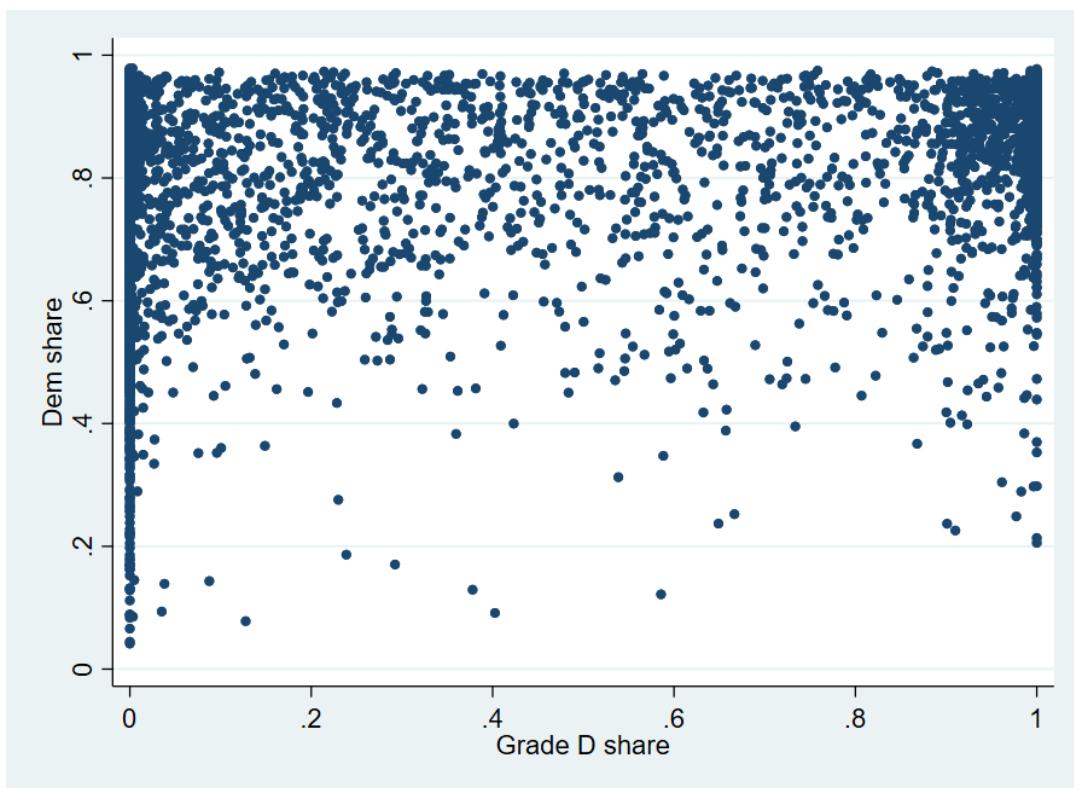


Figure 3: Scatterplot of Democrat vote share on Grade D percentage

	(1) Dem share	(2) Dem share	(3) Dem share	(4) Dem share	(5) Dem share	(6) Dem share
Grade D share	0.0739*** (0.00414)	0.0804*** (0.0179)	0.516*** (0.0774)	0.0317* (0.0176)	0.116*** (0.0385)	0.0803* (0.0434)
Grade C share		0.0222* (0.0114)	0.205*** (0.0551)	0.0158* (0.00925)	0.124*** (0.0366)	
Grade D squared			-1.228*** (0.201)		-0.254** (0.109)	-0.135 (0.0962)
Grade D cubed			0.803*** (0.138)		0.174** (0.0728)	0.0762 (0.0647)
Grade C squared			-0.604*** (0.120)		-0.291*** (0.0684)	
Grade C cubed			0.428*** (0.0801)		0.188*** (0.0441)	
Median income ('000s)				-0.0000210 (0.000261)	-0.0000139 (0.000263)	-0.0000528 (0.000249)
HS share				-0.116*** (0.0370)	-0.117*** (0.0370)	-0.115*** (0.0369)
Some college share				0.0839 (0.0837)	0.0846 (0.0832)	0.0774 (0.0812)
Bachelor's share				0.462*** (0.115)	0.461*** (0.115)	0.458*** (0.114)
White share				-0.530*** (0.148)	-0.528*** (0.148)	-0.528*** (0.149)
Black share				0.0529 (0.0650)	0.0535 (0.0651)	0.0528 (0.0658)
Asian share				-0.328*** (0.0621)	-0.326*** (0.0621)	-0.326*** (0.0614)
Median age				-0.00184*** (0.000558)	-0.00182*** (0.000556)	-0.00192*** (0.000532)
Constant	0.770*** (0.00241)	0.651*** (0.00560)	0.643*** (0.00712)	0.987*** (0.0358)	0.981*** (0.0353)	1.000*** (0.0425)
City fixed effects	No	Yes	Yes	Yes	Yes	Yes
Observations	6026	6026	6026	6026	6026	6026
Adjusted R ²	0.0395	0.263	0.268	0.742	0.742	0.741

Standard errors in parentheses

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

Table 2: Multiple linear regression results