Assets model

Ivanna Rodriguez
November 18, 2019

Data Prep

```
# reading in the data
bihs <- read.csv('bihs_final.csv')</pre>
bihs_original <- read_excel('../tidy_dataset/BIHS_household_2011_15.xlsx')
# adding house_owned variable to bihs dataset
bihs <- bihs %>% mutate(house_owned = bihs_original$house_owned) %>%
  select(
          fcs,
          year,
          house_owned,
          asset_radio,
          asset_telephone,
          asset_tractor,
          asset_television,
          asset_motorbike,
          asset_cartplough,
          asset_qty_poultry,
          asset_qty_cattle,
          asset_qty_otherlivestock,
          asset_qty_sheepgoat
        ) %>%
 na.omit()
```

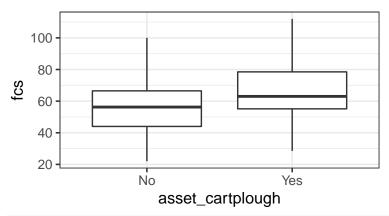
Exploratory plots

```
# whether they owned/rented a house
gf_boxplot(data = bihs, fcs ~ house_owned)

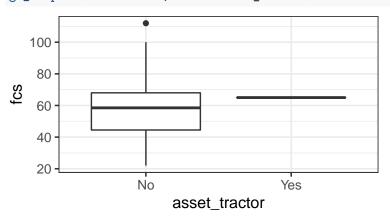
100-
```

```
100 - 80 - 60 - 40 - 20 - free owned house_owned
```

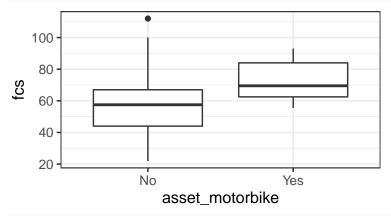
```
# tech assets
gf_boxplot(data = bihs, fcs ~ asset_cartplough)
```



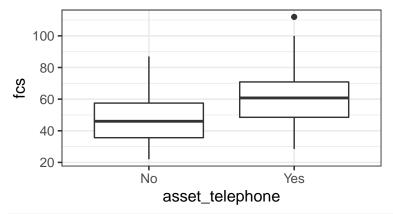
gf_boxplot(data = bihs, fcs ~ asset_tractor)



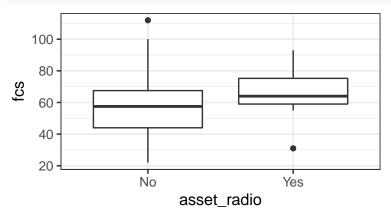
gf_boxplot(data = bihs, fcs ~ asset_motorbike)



gf_boxplot(data = bihs, fcs ~ asset_telephone)



gf_boxplot(data = bihs, fcs ~ asset_radio)



Fitting the model

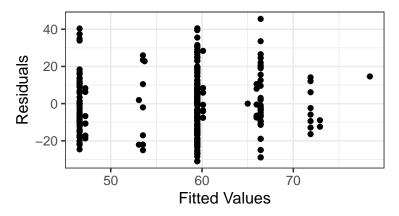
try changing categorical to 1 and 0 $\,$

head(bihs)

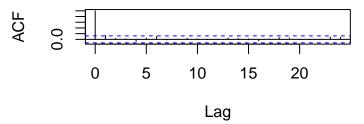
##	fcs y	year	house_ov	wned	asset_radio	asset_telephone	asset_tractor
## 1	59.0 2	2011	70	wned	No	Yes	No
## 2	24.5 2	2011	70	wned	No	No	No
## 3	79.5 2	2011	70	wned	No	Yes	No
## 4	59.5 2	59.5 2011 owned			Yes	Yes	No
## 5	40.5 2	2011	70	wned	No	Yes	No
## 6	87.5 2	2011	70	wned	No	Yes	No
##	asset_	_tele	evision a	asset	_motorbike	asset_cartplough	asset_qty_poultry
## 1			Yes		Yes	No	0
## 2			Yes		No	No	0
## 3			No		No	No	0
## 4			No		No	No	0
## 5			No		No	No	0
## 6			No		No	No	0
##	asset_	_qty_	cattle a	asset	_qty_otherl	ivestock asset_q	ty_sheepgoat
## 1			0			0	0
## 2			0			0	0
## 3			0			0	0
## 4			0			0	0
## 5			0			0	0

```
## 6
                    0
                                             0
                                                                 0
asset_lm <- lm(data = bihs, fcs ~ house_owned + asset_cartplough + asset_tractor + asset_motorbike + as
summary(asset_lm)
##
## Call:
## lm(formula = fcs ~ house_owned + asset_cartplough + asset_tractor +
       asset_motorbike + asset_telephone + asset_radio, data = bihs,
      na.action = "na.fail")
##
##
## Residuals:
      Min
                1Q Median
                                3Q
                                       Max
## -30.982 -11.982 -0.767 10.484 45.577
##
## Coefficients:
##
                       Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                        47.2158
                                    4.3543 10.843 < 2e-16 ***
## house_ownedowned
                        -0.6293
                                    4.4048 -0.143
                                                    0.8865
                                                    0.0132 *
## asset_cartploughYes
                        6.9415
                                    2.7819
                                            2.495
## asset_tractorYes
                        5.5183
                                  16.3227
                                             0.338
                                                     0.7356
## asset_motorbikeYes
                                                     0.0275 *
                       12.4075
                                    5.5977
                                             2.217
## asset_telephoneYes
                       12.8951
                                    2.3477
                                             5.493 9.64e-08 ***
## asset_radioYes
                        6.4970
                                    5.0267
                                             1.292
                                                     0.1974
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 16.27 on 253 degrees of freedom
## Multiple R-squared: 0.1637, Adjusted R-squared: 0.1439
## F-statistic: 8.254 on 6 and 253 DF, p-value: 3.588e-08
# collinearity check
vif(asset_lm)
##
       house_owned asset_cartplough
                                        asset_tractor asset_motorbike
##
           1.036406
                                             1.002997
                            1.029941
                                                              1.028848
##
   asset_telephone
                         asset_radio
##
           1.045979
                            1.005963
```

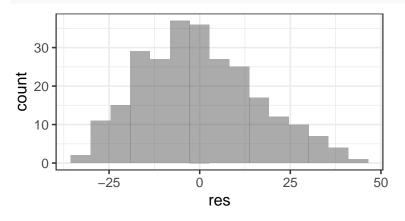
Model assessment



```
# independence
acf(resid(asset_lm), main = '')
```



```
#normality of residuals
gf_histogram(~res, data = bihs, bins = 15) # they look a bit right skewed...
```



Model Assessment

```
AIC_results <- dredge(asset_lm, rank = 'AIC')
head(AIC_results, 7)
## Global model call: lm(formula = fcs ~ house_owned + asset_cartplough + asset_tractor +
##
       asset_motorbike + asset_telephone + asset_radio, data = bihs,
##
       na.action = "na.fail")
##
## Model selection table
      (Int) ass_crt ass_mtr ass_rad ass_tlp ass_trc hos_own df
                                                                   logLik
## 12 46.95
                                                              5 -1091.476
                                                              6 -1090.619
## 16 46.67
## 28 46.94
                                                              6 -1091.424
```

```
## 44 47.65
                                                         + 6 -1091.459
## 32 46.66
                                                            7 -1090.561
## 48 47.20
                                                         + 7 -1090.609
## 14 46.69
                                                            5 -1093.096
        AIC delta weight
## 12 2193.0 0.00 0.287
## 16 2193.2 0.29 0.249
## 28 2194.8 1.89 0.111
## 44 2194.9 1.97 0.107
## 32 2195.1 2.17 0.097
## 48 2195.2 2.27 0.092
## 14 2196.2 3.24 0.057
## Models ranked by AIC(x)
BIC_results <- dredge(asset_lm, rank = 'BIC')
head(BIC_results, 7)
## Global model call: lm(formula = fcs ~ house_owned + asset_cartplough + asset_tractor +
      asset_motorbike + asset_telephone + asset_radio, data = bihs,
##
      na.action = "na.fail")
## ---
## Model selection table
      (Int) ass_crt ass_mtr ass_rad ass_tlp df
                                                 logLik
                                                           BIC delta weight
## 9 47.66
                                         + 3 -1096.764 2210.2 0.00 0.280
## 10 47.01
                                         + 4 -1094.145 2210.5 0.32 0.238
## 12 46.95
                                         + 5 -1091.476 2210.8 0.55 0.213
## 11 47.66
                                         + 4 -1094.647 2211.5 1.33 0.144
## 13 47.34
                                         + 4 -1095.696 2213.6 3.42 0.051
## 14 46.69
                                        + 5 -1093.096 2214.0 3.79 0.042
## 16 46.67
                                         + 6 -1090.619 2214.6 4.39 0.031
## Models ranked by BIC(x)
# best bic model...?
asset_lm_bic <- lm(data = bihs, fcs ~ asset_telephone, na.action = 'na.fail')
summary(asset_lm_bic)
##
## Call:
## lm(formula = fcs ~ asset_telephone, data = bihs, na.action = "na.fail")
## Residuals:
      Min
               1Q Median
                               ЗQ
                                      Max
## -33.151 -13.151 -1.151
                            9.838 50.349
##
## Coefficients:
##
                     Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                       47.662
                                   2.001 23.823 < 2e-16 ***
## asset_telephoneYes
                       13.989
                                   2.328
                                          6.009 6.34e-09 ***
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 16.5 on 258 degrees of freedom
## Multiple R-squared: 0.1228, Adjusted R-squared: 0.1194
## F-statistic: 36.1 on 1 and 258 DF, p-value: 6.342e-09
```

```
asset_lm_all <- lm(data = bihs_original, fcs ~ factor(survey_year) + asset_qty_poultry + asset_qty_catt
summary(asset_lm_all)
##
## Call:
## lm(formula = fcs ~ factor(survey_year) + asset_qty_poultry +
##
      asset_qty_cattle + asset_qty_otherlivestock + asset_qty_sheepgoat +
      memb_total + memb_und15 + memb_15_44 + hhs_total + bio_bio_1 +
##
##
      bio_bio_12, data = bihs_original)
##
## Residuals:
               1Q Median
      Min
                                      Max
## -37.119 -12.054 -0.865 10.595 51.877
##
## Coefficients:
##
                             Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                           -27.596536 270.655923 -0.102 0.918827
## factor(survey_year)2015
                                                 4.806 2.02e-06 ***
                             8.403096
                                      1.748418
## asset_qty_poultry
                             0.098423
                                      0.136666
                                                0.720 0.471744
## asset_qty_cattle
                             2.423539 0.698881
                                                 3.468 0.000569 ***
## asset_qty_otherlivestock -0.162446 0.315243 -0.515 0.606561
## asset_qty_sheepgoat
                        -0.014030 1.046830 -0.013 0.989312
                                                 1.483 0.138553
## memb_total
                            0.976431 0.658199
## memb_und15
                            1.150961 0.849113
## memb_15_44
                                                  1.355 0.175853
                                      1.358407
## hhs total
                                                  5.629 2.97e-08 ***
                            7.646841
## bio bio 1
                            2.180512 10.094620
                                                 0.216 0.829067
                                      0.006454 -1.319 0.187751
## bio_bio_12
                            -0.008513
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 16.24 on 518 degrees of freedom
     (14 observations deleted due to missingness)
## Multiple R-squared: 0.2848, Adjusted R-squared: 0.2696
## F-statistic: 18.76 on 11 and 518 DF, p-value: < 2.2e-16
vif(asset_lm_all)
##
       factor(survey_year)
                                  asset_qty_poultry
                                                           asset_qty_cattle
##
                  1.534704
                                           1.387393
                                                                   1.469670
  asset_qty_otherlivestock
                                asset_qty_sheepgoat
                                                                 memb_total
##
                  1.041566
                                           1.099741
                                                                   3.321780
##
                memb_und15
                                        memb_15_44
                                                                  hhs_total
                  1.885714
##
                                           2.026934
                                                                   1.175876
##
                 bio_bio_1
                                        bio_bio_12
##
                  9.987758
                                          9.892606
asset_lm_all_two <- lm(data = bihs_original, fcs ~ factor(survey_year) + asset_qty_poultry + asset_qty_
summary(asset_lm_all_two)
##
## Call:
## lm(formula = fcs ~ factor(survey_year) + asset_qty_poultry +
```

asset_qty_cattle + asset_qty_otherlivestock + asset_qty_sheepgoat +

```
##
       memb_total + memb_und15 + memb_15_44 + hhs_total + bio_bio_1 +
##
       bio_bio_12 + factor(house_owned) + factor(asset_cartplough) +
       factor(asset_telephone), data = bihs_original)
##
##
## Residuals:
                                 3Q
##
       Min
                1Q Median
                                        Max
   -31.560 -10.627
                   -0.697
                             9.491
                                     44.950
##
## Coefficients:
##
                                  Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                               132.268232 353.041500
                                                        0.375 0.708197
## factor(survey_year)2015
                                             4.567763
                                                        0.618 0.536775
                                  2.824916
## asset_qty_poultry
                                  0.002366
                                             0.240925
                                                        0.010 0.992170
## asset_qty_cattle
                                  2.758238
                                             1.300787
                                                        2.120 0.034833 *
## asset_qty_otherlivestock
                                             0.339079
                                                       -1.077 0.282563
                                 -0.365057
## asset_qty_sheepgoat
                                 -1.411200
                                             2.072145
                                                       -0.681 0.496403
## memb_total
                                 2.758834
                                             1.104307
                                                        2.498 0.013044 *
## memb und15
                                 -1.840420
                                             1.175480
                                                       -1.566 0.118534
## memb_15_44
                                                       -0.918 0.359281
                                 -1.158268
                                             1.261428
## hhs total
                                 4.812035
                                             1.552080
                                                        3.100 0.002126 **
## bio_bio_1
                                 -3.415063
                                           13.176284
                                                       -0.259 0.795681
## bio_bio_12
                                             0.008462
                                                       -1.277 0.202776
                                 -0.010803
                                                       -0.951 0.342340
## factor(house_owned)owned
                                 -4.103573
                                             4.314379
## factor(asset cartplough)Yes
                                                        1.952 0.051926 .
                                  4.990623
                                             2.556769
## factor(asset_telephone)Yes
                                                        3.384 0.000815 ***
                                  8.504240
                                             2.513287
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 15.56 on 285 degrees of freedom
     (244 observations deleted due to missingness)
## Multiple R-squared: 0.2986, Adjusted R-squared: 0.2641
## F-statistic: 8.665 on 14 and 285 DF, p-value: 1.192e-15
vif(asset_lm_all_two)
##
        factor(survey_year)
                                    asset_qty_poultry
                                                               asset_qty_cattle
##
                   3.175399
                                             1.785341
                                                                       2.411222
                                  asset_qty_sheepgoat
   asset_qty_otherlivestock
                                                                     memb_total
##
                   1.094819
                                             1.175269
                                                                       5.405350
##
                 memb und15
                                           memb_15_44
                                                                      hhs_total
##
                   2.550880
                                             2.752706
                                                                       1.334021
##
                  bio_bio_1
                                           bio_bio_12
                                                           factor(house_owned)
##
                  10.335599
                                            10.288256
                                                                       1.095878
                             factor(asset_telephone)
## factor(asset_cartplough)
                   1.312503
                                             1.372369
```

##