

# Logistic Regression with Small Samples

## (Nearly) Unbiased Estimation with Penalized Maximum Likelihood\*

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### Abstract

In small samples, maximum likelihood estimates of logistic regression coefficients are substantially biased away from zero, perhaps 25 percent or more in plausible scenarios. To reduce this bias, we (re)introduce political scientists to penalized maximum likelihood estimation (Firth 1993), which removes much of the bias from the usual maximum likelihood estimator. Importantly, this bias-correction also greatly reduces the variance of the estimator. Thus, there is no bias-variance tradeoff between the maximum likelihood and penalized maximum likelihood estimator—the penalized estimator reduces bias *and* variance, and by implication, the overall mean-squared error. We use Monte Carlo simulations to show that penalized maximum likelihood estimator eliminates almost all of the bias and greatly reduces the variance of the estimator, which leads to a substantial reduction in the mean-squared error of the estimates. We illustrate the substantive importance of the penalized estimator with replications of Weisiger (2014) and George and Epstein (1992).

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\*We thank Alex Weisiger, Tracy George, and Lee Epstein for making their data available to us. We thank Chris Zorn and participants at the 2015 Annual Meeting of the Society for Political Methodology for helpful comments. We conducted these analyses with R 3.2.2. All data and computer code necessary for replication are available at [github.com/kellymccaskey/small](https://github.com/kellymccaskey/small).

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Maximum likelihood (ML) estimators have become ubiquitous in political science research by allowing researchers to represent a wide range of theoretically motivated data-generating processes (King 1998). Further, ML estimators asymptotically unbiased and asymptotically efficient, but these properties only become relevant in large samples. The small sample properties of these estimators are sometimes quite poor—this is especially the case with logistic regression models.

For logistic regression models with small samples, the ML estimates of the coefficients are substantially biased away from zero. In this paper, we show that a simple penalty applied to the likelihood removes nearly all of the bias in the estimates. Importantly, though, the penalty also dramatically reduces the variance of the ML estimator. Contrary to the emphasis often placed on the small sample *bias*, we show that the small sample *variance* should receive greater attention due to its overwhelming contribution to the mean-squared error of the estimates.

## The Problem

When modeling a binary outcome, the researcher might use logistic regression and model the probability of an event as  $\Pr(y_i) = \Pr(y_i = 1 \mid X_i) = \frac{1}{1 + e^{-X_i\beta}}$ , where  $y$  represents a vector of binary outcomes,  $X$  represents a matrix of explanatory variables and an intercept, and  $\beta$  represents a vector of model coefficients. Using this model, it is straightforward to derive the likelihood function

$$\Pr(y|\beta) = L(\beta|y) = \prod_{i=1}^n \left[ \left( \frac{1}{1 + e^{-X_i\beta}} \right)^{y_i} \left( 1 - \frac{1}{1 + e^{-X_i\beta}} \right)^{1-y_i} \right].$$

As usual, one can take the natural logarithm of both sides to obtain the log-likelihood function

$$\log L(\beta|y) = \sum_{i=1}^n \left[ y_i \log \left( \frac{1}{1 + e^{-X_i\beta}} \right) + (1 - y_i) \log \left( 1 - \frac{1}{1 + e^{-X_i\beta}} \right) \right].$$

The researcher can obtain the maximum likelihood (ML) estimate  $\hat{\beta}^{mle}$  by finding the vector  $\beta$  that maximizes  $\log L$  (King 1998).

Asymptotically, the ML estimator for the logistic regression coefficient vector  $\hat{\beta}^{mle}$  is centered at the true value  $\beta^{true}$ , so that  $E(\hat{\beta}^{mle}) \approx \beta^{true}$  when the sample is large (Wooldridge 2002, pp. 391-395, and Casella and Berger 2002, p. 470). For small samples, though, the asymptotic approximation does not work well—the ML estimates are biased substantially away from zero (Long 1997, pp. 53-54).

Offering a rough heuristic about appropriate sample sizes, (Long 1997, p. 54) writes: “It is risky to use ML with samples smaller than 100, while samples larger than 500 seem adequate.” This presents the researcher with a problem: When dealing with small samples, how can she obtain reasonable estimates of logistic regression coefficients?

## A Solution

The statistics literature offers a simple solution to the problem of bias. Firth (1993) suggests penalizing the usual likelihood function  $L(\beta|y)$  by a factor equal to the square root of the determinant of the information matrix  $|I(\beta)|^{\frac{1}{2}}$ , which produces a “penalized” likelihood function  $L^*(\beta|y) = L(\beta|y)|I(\beta)|^{\frac{1}{2}}$  (see also Kosmidis and Firth 2009 and Kosmidis 2014). It turns out that this penalty is equivalent to Jeffreys’ (1946) prior for the logistic regression model (Firth 1993 and Poirier 1994). Taking logs yields the penalized log-likelihood function.

$$\log L^*(\beta|y) = \sum_{i=1}^n \left[ y_i \log \left( \frac{1}{1 + e^{-X_i\beta}} \right) + (1 - y_i) \log \left( 1 - \frac{1}{1 + e^{-X_i\beta}} \right) \right] + \frac{1}{2} \log |I(\beta)|.$$

Then the researcher can obtain the *penalized* maximum likelihood (PML) estimate  $\hat{\beta}^{pml}$  by finding the vector  $\beta$  that maximizes  $\log L^*$ . Zorn (2005) suggested Firth’s penalty for solving the problem of separation (see also Rainey 2015b), but the broader application to small sample problems seems to have gone unnoticed in political science.

A researcher can implement PML just as easily as ML, but PML estimates of logistic regression

coefficients are both less biased (Firth 1993) and less variable (Kosmidis 2007, p. 49; Copas 1988) than ML estimates.<sup>1</sup> This is important to note. When choosing between estimators, researchers often face a tradeoff between bias and variance (Hastie, Tibshirani, and Friedman 2013, pp. 37-38). But there is no bias-variance tradeoff between ML and PML estimators. The PML estimator exhibits both lower bias *and* lower variance.

The PML estimates of logistic regression coefficients also have lower bias and variance *regardless of the sample size*. That is, the PML estimator *always* outperforms the ML estimator in terms of bias, variance, and mean-squared error. However, the two approaches do converge as the sample size grows, because both approaches are asymptotically unbiased and asymptotically efficient, so that for larger sample, the difference between the two estimators is negligible. However, in small samples, the improvements are substantial.

## Simulations

To demonstrate the substantial improvements in both bias and variance for small sample sizes sometimes found in political science research, we conduct a Monte Carlo simulation comparing the sampling distributions of the ML and PML estimates. These simulations demonstrate two features of the ML and PML estimators:

1. The ML estimator can be quite biased in small samples, sometimes more than 50%. The PML is nearly unbiased, regardless of sample size.
2. The variance of the ML estimator can be three or more times as large as the PML estimator.

Of course, the increased bias and variance of the ML estimator means that the PML estimator will also have a much smaller mean-squared error.

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<sup>1</sup>Further, the penalized maximum likelihood estimates are easy to calculate in R using the `logistf` or `brglm` packages and in Stata with `firthlogit`. See the Section A and Section B of the Appendix, respectively, for an example.

In our simulation, the true data generating process is always  $\Pr(y_i = 1) = \frac{1}{1+e^{-X_i\beta}}$ , where  $i \in 1, 2, \dots, n$  and  $X_i\beta = \beta_{cons} + 0.5x_1 + \sum_{j=2}^k 0.2x_j$ . We consider the coefficient for  $x_1$  as the coefficient of interest. Each fixed  $x_j$  is drawn from a normal distribution with mean of zero and standard deviation of one. The simulation varies the sample size  $n$  from 30 to 210, the number of explanatory variables  $k$  from 3 to 6 to 9, and the the intercept  $\beta_{cons}$  from -1 to -0.5 to 0 (which, in turn, varies the proportion of events from about 28% to 38% to 50%). We simulate 10,000 data sets for each combination of the simulation parameters and estimate the logistic regression coefficients using ML and PML for each data set. We calculate mean and variance of each set of 10,000 coefficient estimates to estimate the mean and variance of the sampling distribution for each estimator.

## Bias

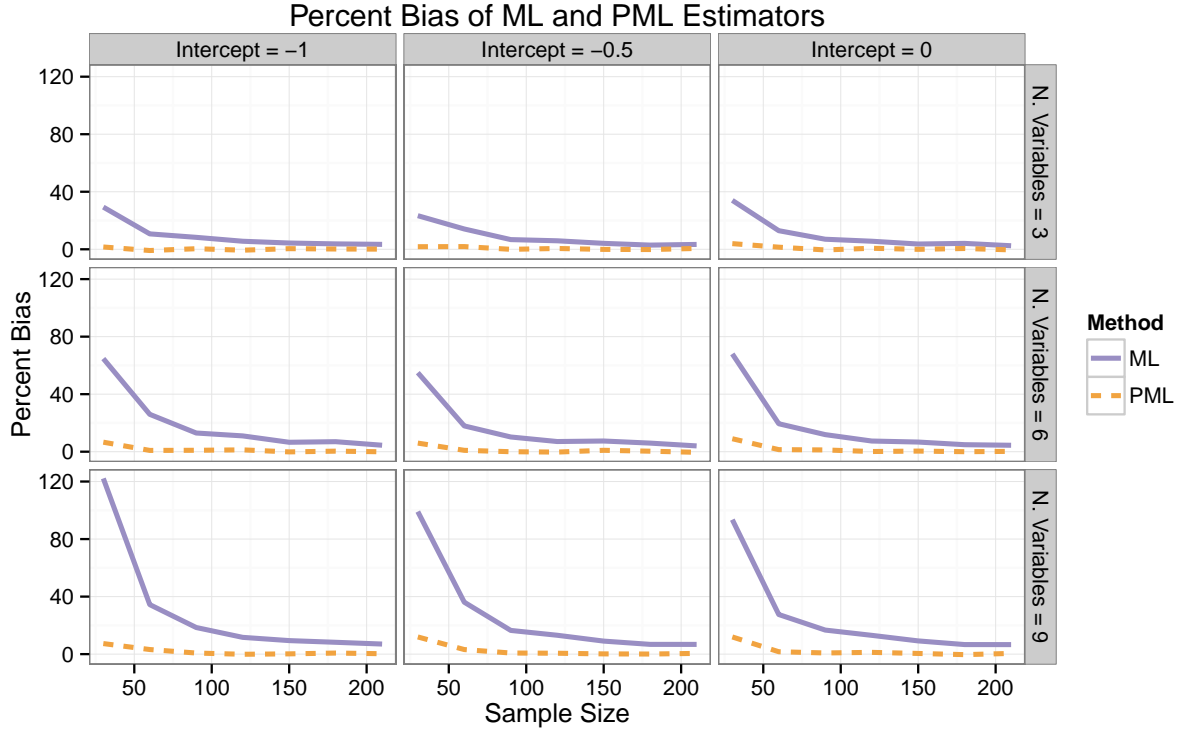
We calculate the percent bias  $= 100 \times \left( \frac{E(\hat{\beta})}{\beta_{true}} - 1 \right)$  as the sample size, the intercept (i.e., proportion of events), and number of explanatory variables vary. Figure 1 shows the results. The sample size varies across the x-axis of each plot and each panel shows a distinct combination of intercept and number of variables in the model. Across the range of the parameters of our sample, the bias of the MLE varies from about 120% (intercept equal to -1, 9 predictors, and 30 observations) to around 2% (intercept equal to zero, 3 predictors, and 210 observations). The bias in the PMLE, on the other hand, is much smaller. For the worst-case scenario with nine variables, 30 observations, and an intercept of -1 (about 11 events), the percent bias in the PMLE is only about seven percent.<sup>2</sup>

## Variance

In many cases, estimators trade off bias and variance, but that is *not* the case for ML and PML. Figure 2 shows that, in addition to nearly eliminating the bias, PML also substantially reduces the

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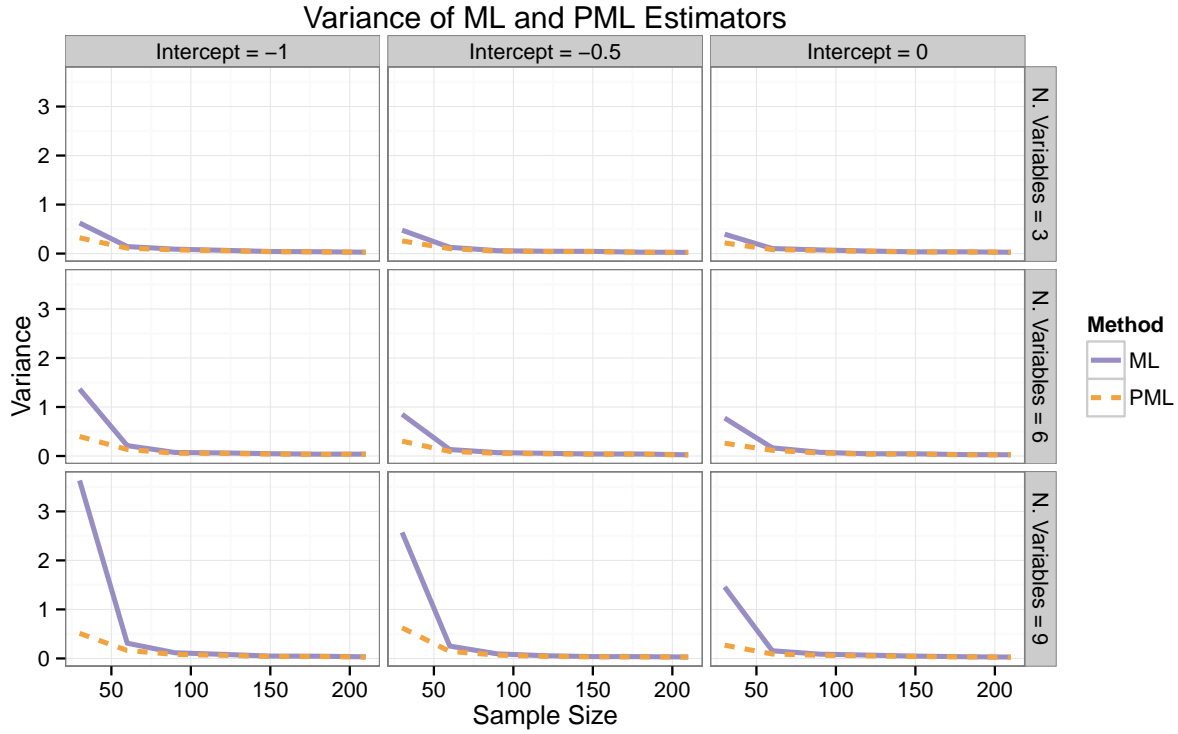
<sup>2</sup>Figures 9 and 10 in Section C of the Appendix show the expected value and (absolute) bias of these estimates.



**Figure 1:** This figure illustrates the substantial bias of  $\hat{\beta}^{mle}$  and the near unbiasedness of  $\hat{\beta}^{pml}$ .

variance of the estimator, especially for small sample sizes (less than about 75 observations in our simulations). For  $N = 30$  and  $\beta_{cons} = -1$  (about 28% events), the variance of the ML estimator is about 95%, 243%, and 610% larger than the PML estimator for 3, 6, and 9 variables, respectively. For  $N = 60$ , the variance is about 30%, 58% and 91% larger, respectively. For a larger sample of  $N = 210$ , the variance is still about 7%, 10%, and 14% larger for the ML estimator.

The smaller variance is perhaps more important than the reduced bias. Rather than focus on how close the averages of the estimates are to the true value (e.g., bias), a more important summary of estimator performance might be how far the estimates are from the true value, on average (e.g., mean-squared error). The mean-squared error (MSE) equals  $\frac{1}{n} \sum_{i=1}^n (\hat{\beta} - \beta^{true})^2 = \text{variance} + \text{bias}^2$ . The large differences in the variance and the relatively smaller differences in bias lead to substantial differences in the MSE of the two estimators.



**Figure 2:** This figure illustrates the smaller variance of  $\hat{\beta}^{pml}$  compared to  $\hat{\beta}^{mle}$ .

## Mean-Squared Error

Although both bias and variance alone are important, perhaps the overall accuracy of the measure defined as the mean-squared error (MSE), where

$$\begin{aligned} MSE(\hat{\beta}) &= E[(\hat{\beta} - \beta^{true})^2] \\ &= Var(\hat{\beta}) + [E(\hat{\beta})]^2. \end{aligned} \quad (1)$$

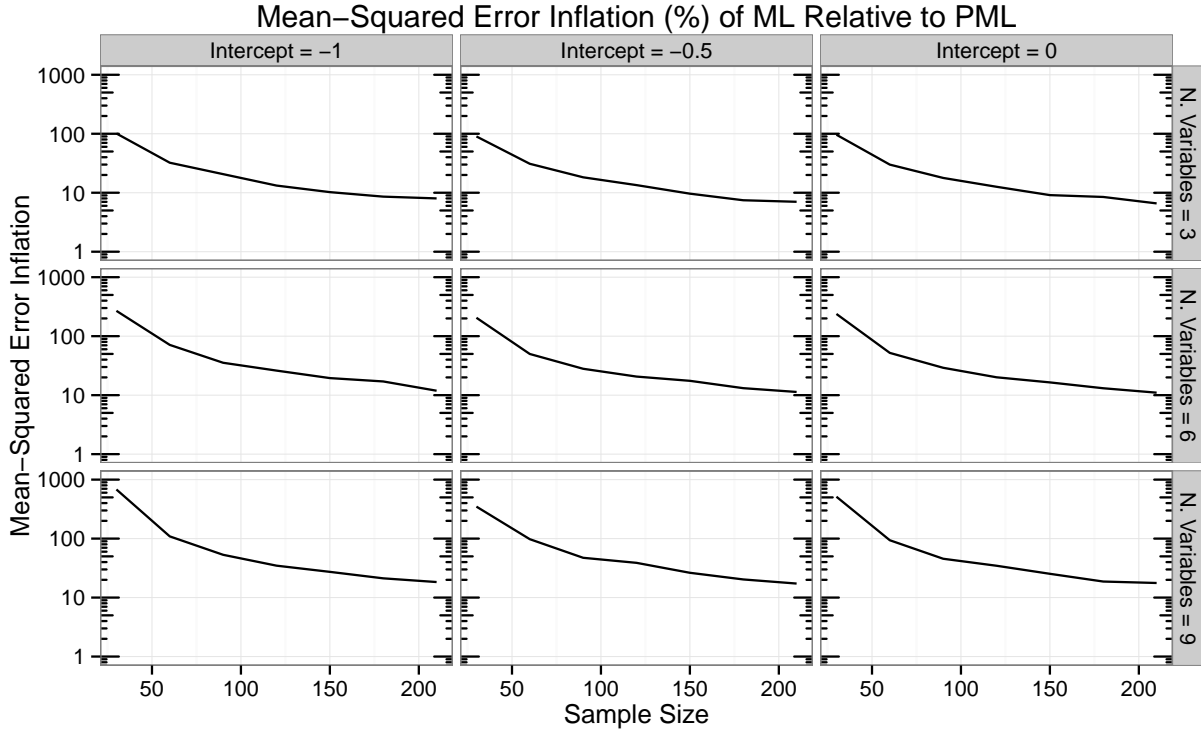
Since the bias and the variance of ML estimators are greater than the PML estimator, it follows the the ML estimator must have a larger MSE, so that  $MSE(\hat{\beta}^{mle}) - MSE(\hat{\beta}^{pml}) > 0$ .

We might, ask though, about the relative contributions of the bias and variance to this difference. Take the percent increase in the MSE for the ML estimator compared to the PML estimator as the

quantity of interest. Refer to this quantity as the “MSE inflation” and denote it as  $MSE^{\uparrow}$ , where

$$MSE^{\uparrow} = 100 \times \frac{MSE(\hat{\beta}^{mle}) - MSE(\hat{\beta}^{pml})}{MSE(\hat{\beta}^{pml})}. \quad (2)$$

Figure 3 shows the MSE inflation for each combination of the parameter simulations. Notice that when  $N = 30$ ,  $k = 9$ , and  $\beta_{cons} = -1$ , the MSE of the ML estimates is about 681% larger than the MSE of the PML estimates. This is a rather extreme case, but the MSE inflation only barely drops below 10% for the most information-rich parameter combinations (e.g.,  $N = 210$ ,  $k = 34$ , and  $\beta_{cons} = 0$ ). The MSE for the ML estimator is more than 100% larger than the PML estimator for about 13% of the combinations, more than 50% larger for about 24% of the combinations, and more than 25% larger for 49% of the combinations.



**Figure 3:** This figure shows the percent increase in the mean square error of  $\hat{\beta}^{mle}$  compared to  $\hat{\beta}^{pml}$ .



Substituting Equation 1 into Equation 2 for  $MSE(\hat{\beta}^{mle})$  and  $MSE(\hat{\beta}^{pml})$  and rearranging, we obtain

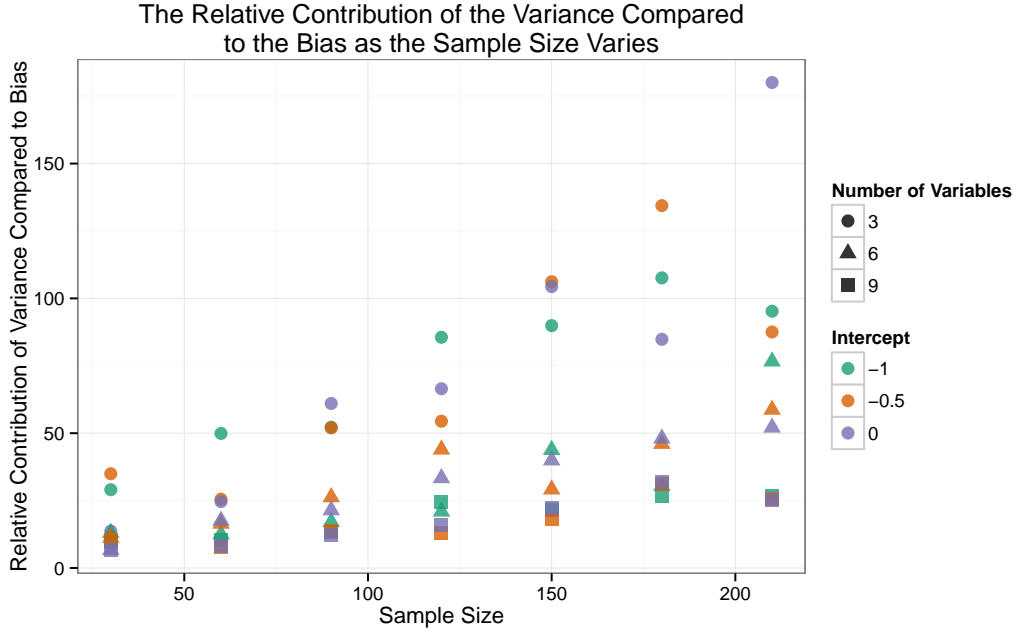
$$MSE^{\uparrow} = 100 \times \overbrace{\frac{Var(\hat{\beta})}{Var(\hat{\beta}^{pml}) + [E(\hat{\beta}^{pml})]^2}}^{\text{contribution of variance}} + 100 \times \underbrace{\frac{[E(\hat{\beta})]^2}{Var(\hat{\beta}^{pml}) + [E(\hat{\beta}^{pml})]^2}}_{\text{contribution of bias}} + 100 .$$

To see the contribution of bias and variance to the total MSE inflation, we can simply plug in the simulation estimates of the bias and variance of each estimator. But notice that we can easily compare the *relative* contributions of the bias and variance using the ratio

$$\text{relative contribution of variance} = \frac{\text{contribution of variance}}{\text{contribution of bias}} . \quad (3)$$

Figure 4 shows the relative contribution of the variance as the sample size increases. Values less than one indicate that the bias makes a larger contribution and values greater than one indicate that the variance makes a larger contribution. In each case, the variance is much larger than one. For  $N = 30$ , the contribution of the variance is between 7 and 36 times larger than the contribution of the bias. For  $N = 210$ , the contribution of the variance is between 25 and 180 times larger than the contribution of the bias. In spite of the attention paid to the small sample *bias* in ML estimates of logistic regression coefficients, the small sample *variance* is a more important problem to address. Fortunately, the PML estimator shrinks the bias to nearly zero and greatly reduces the variance, resulting in a much smaller MSE, especially for smaller samples.

These simulation results show that the bias, variance, and mean-squared error of the ML estimates of logistic regression coefficients are not trivial in small samples. These problems cannot be safely ignored. Fortunately, Firth's (1993) bias correction is nearly trivial to implement, and the improvements are substantial.



**Figure 4:** This figure shows the relative contribution of the variance and bias to the MSE inflation. The relative contribution is defined in Equation 3.

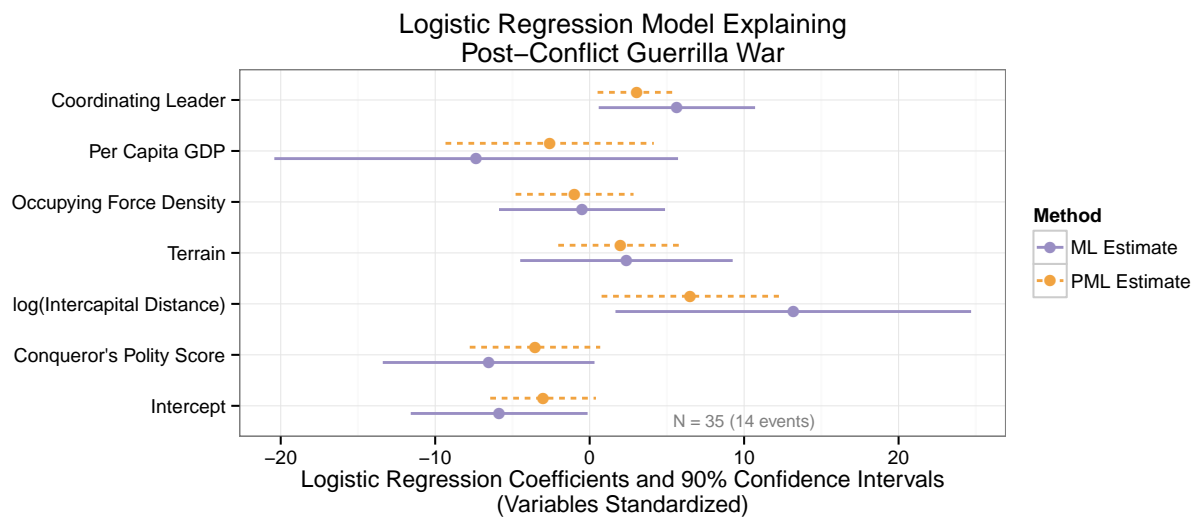
## Replication of Weisiger (2014)

To illustrate the potential importance of using the nearly unbiased PML estimator in an application, we reanalyze a portion of the statistical analysis in Weisiger (2014). Weisiger describes how, after the official end of the war, violence sometimes continues in the form of guerrilla warfare. He argues that resistance is more likely when conditions are favorable for insurgency, such as difficult terrain, a occupying force, or a pre-war leader remains at-large in the country.

Weisiger’s sample consists of 35 observations (with 14 insurgencies). We reanalyze Weisiger’s data using logistic regression to show the substantial difference between the biased, high-variance ML estimates and the nearly unbiased, low-variance PML estimates. (Weisiger uses a linear probability model for in the original analysis, but that leads to probabilities that fall outside the  $[0, 1]$  interval.)<sup>3</sup> Prior to estimation, we standardize the continuous variables to have mean zero

<sup>3</sup>Specifically, we reanalyze the Model 3 in Weisiger’s Table 2 (p. 14). In the original analysis, Weisiger uses a linear probability model. He writes that “I [Weisiger] make use of a linear probability model, which avoids problems

and standard deviation one-half and binary variables to have mean zero (Gelman 2008). Figure 5 shows the coefficient estimates and 90% confidence intervals using ML and PML. Notice that the PML estimates are substantially smaller in many cases. Although the coefficient for terrain only changes by 16%, each of the remaining coefficients changes by more than 45%! The coefficient for per capita GDP shrinks by more the 60% and the coefficient for occupying force density grows by nearly 100%. Also notice that the PML standard errors are much smaller–the ML estimates for the coefficients of a coordinating leader and for the intercapital distance fall outside the PML 90% confidence interval. On average, the PML confidence intervals are about half as wide as the ML confidence intervals.



**Figure 5:** This figure shows the coefficients for a logistic regression model estimated explaining post-conflict guerrilla war estimated with ML and PML. Notice that the PML estimates tend to be much smaller than the ML estimates.

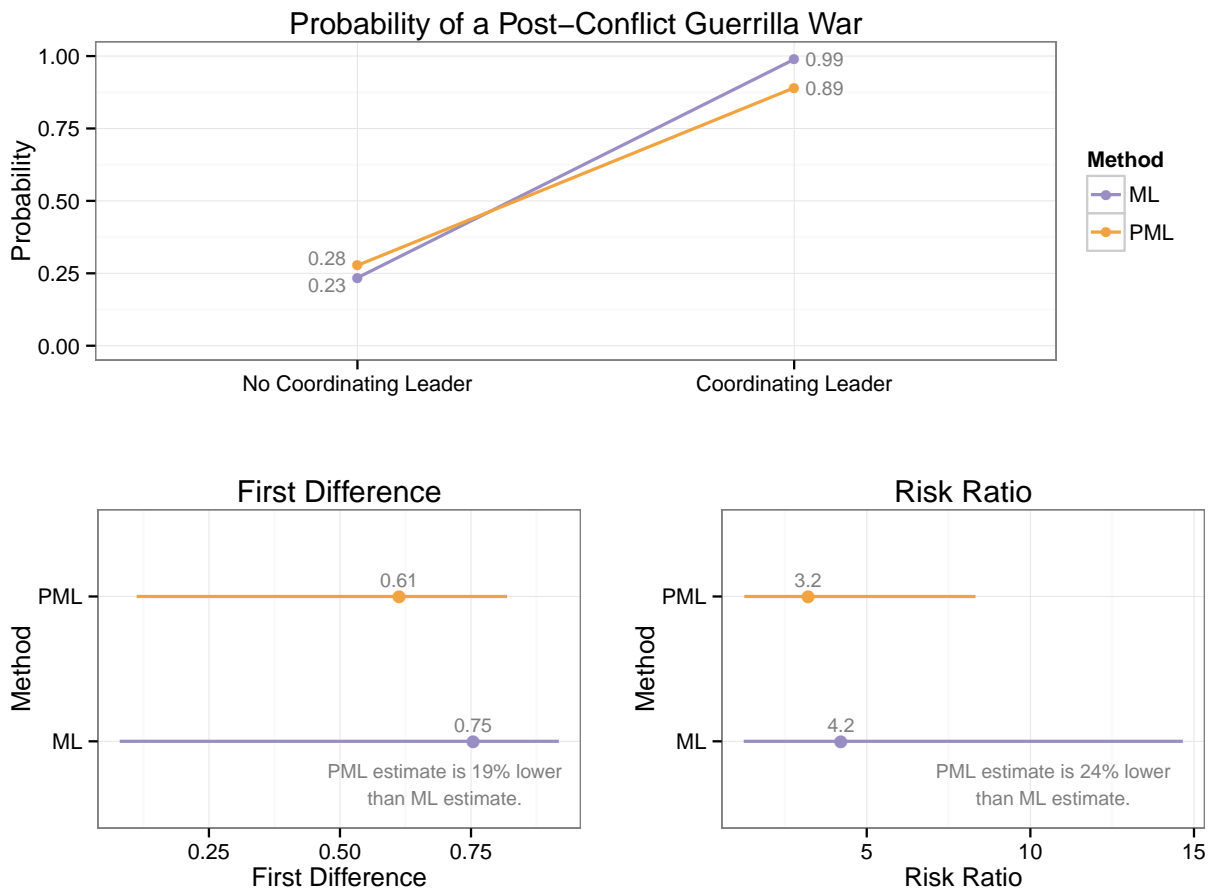
Because we do not know the true model, we cannot know which of these sets of coefficient is with separation but introduces the possibility of non-meaningful predicted probabilities outside the  $[0,1]$  range” (p. 11). As he notes, predictions outside the  $[0, 1]$  interval pose a problem for interpreting the linear probability model. In these data for example, the linear probability model estimates a probability of 1.41 of insurgency in one case. In another, it estimates a probability of -0.22. Overall, 25% of the estimated probabilities based on the linear probability model are larger than one or less than zero. Of course, these results are nonsense. However, because of the well-known small-sample bias, methodologists discourage researchers from using logistic regression with small samples. The PML approach, though, solves the problem of bias as well as nonsense predictions.

better. However, we can use out-of-sample prediction to help adjudicate between these two methods. We use leave-one-out cross-validation and summarize the prediction errors using Brier and log scores, for which smaller values indicate better predictive ability.<sup>4</sup> The ML estimates produce a Brier score of 0.14, and the PML estimates lower the Brier score by 14% to 0.12. The ML estimates produce a log score of 0.58, while the PML estimates lower the log score by 34% to 0.38. The PML estimates outperform the ML estimates for both approaches to scoring, and this provides good evidence that the PML estimates better capture the data generating process.

Because we are using a logistic regression, we might be more interested in *functions* of the coefficients than in the coefficients themselves. For an example, we focus on Weisiger’s hypothesis that there will be a greater chance of resistance when the pre-conflict political leader remains at large in the conquered country. Setting all other explanatory variables at their sample medians, we calculated the predicted probabilities, the first difference, and the risk ratio for the probability of a post-conflict guerrilla war as countries gain a coordinating leader. Figure 6 shows the estimates of the quantities of interest.

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<sup>4</sup>The Brier score is calculated as  $\sum_{i=1}^n (y_i - p_i)^2$ , where  $i$  indexes the observations,  $y_i \in \{0, 1\}$  represents the actual outcome, and  $p_i \in (0, 1)$  represents the estimated probability that  $y_i = 1$ . The log score as  $-\sum_{i=1}^n \log(r_i)$ , where  $r_i = y_i p_i + (1 - y_i)(1 - p_i)$ . Notice that because we are logging  $r_i \in [0, 1]$ ,  $\sum_{i=1}^n \log(r_i)$  is always negative and smaller (i.e., more negative) values indicate worse fit. We choose to take the negative of  $\sum_{i=1}^n \log(r_i)$ , so that, like the Brier score, larger values indicate a worse fit.



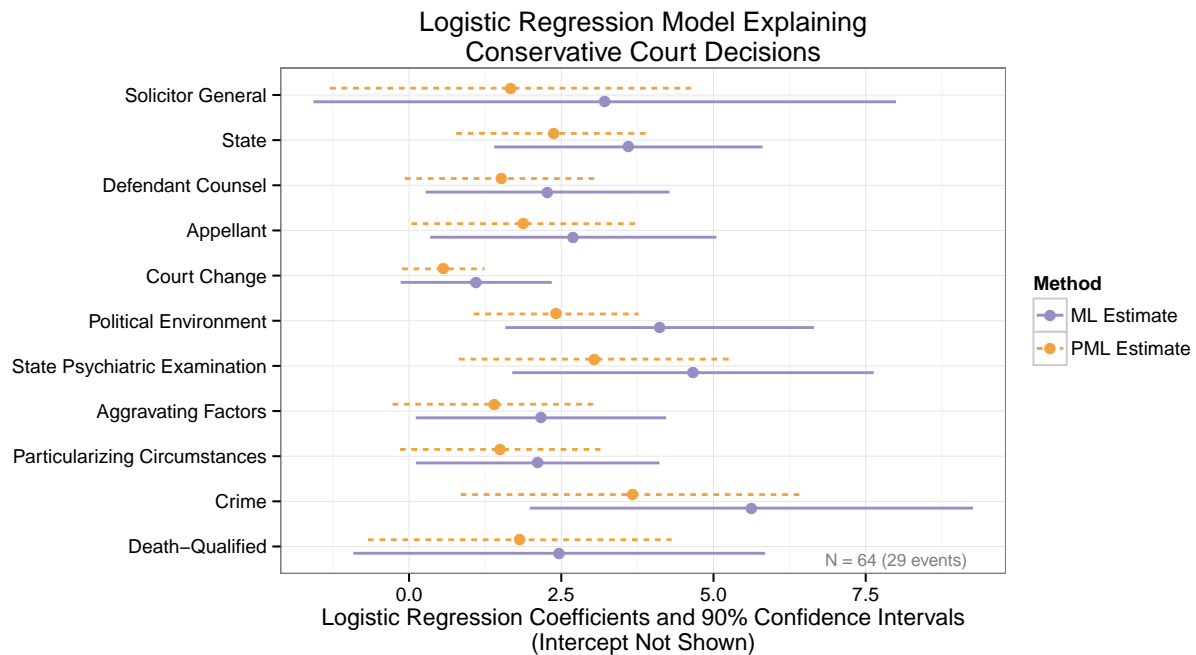
**Figure 6:** This figure shows the quantities of interest for the effect of a coordinating leader on the probability of a post-conflict guerrilla war.

PML pools the estimated probabilities toward zero, so that when a country lacks a coordinating leader, ML suggests a 23% chance of rebellion while PML suggests a 28% chance. On the other hand, when country *does have* a coordinating leader, ML suggests a 99% chance of rebellion of 0.99, but PML lowers this to 89%. Accordingly, PML suggests smaller effect sizes, whether using a first difference or risk ratio. PML shrinks the estimated first difference by 19% from 0.75 to 0.61 and the risk ratio by 24% from 4.2 to 3.2.

## Replication of George and Epstein (1992)

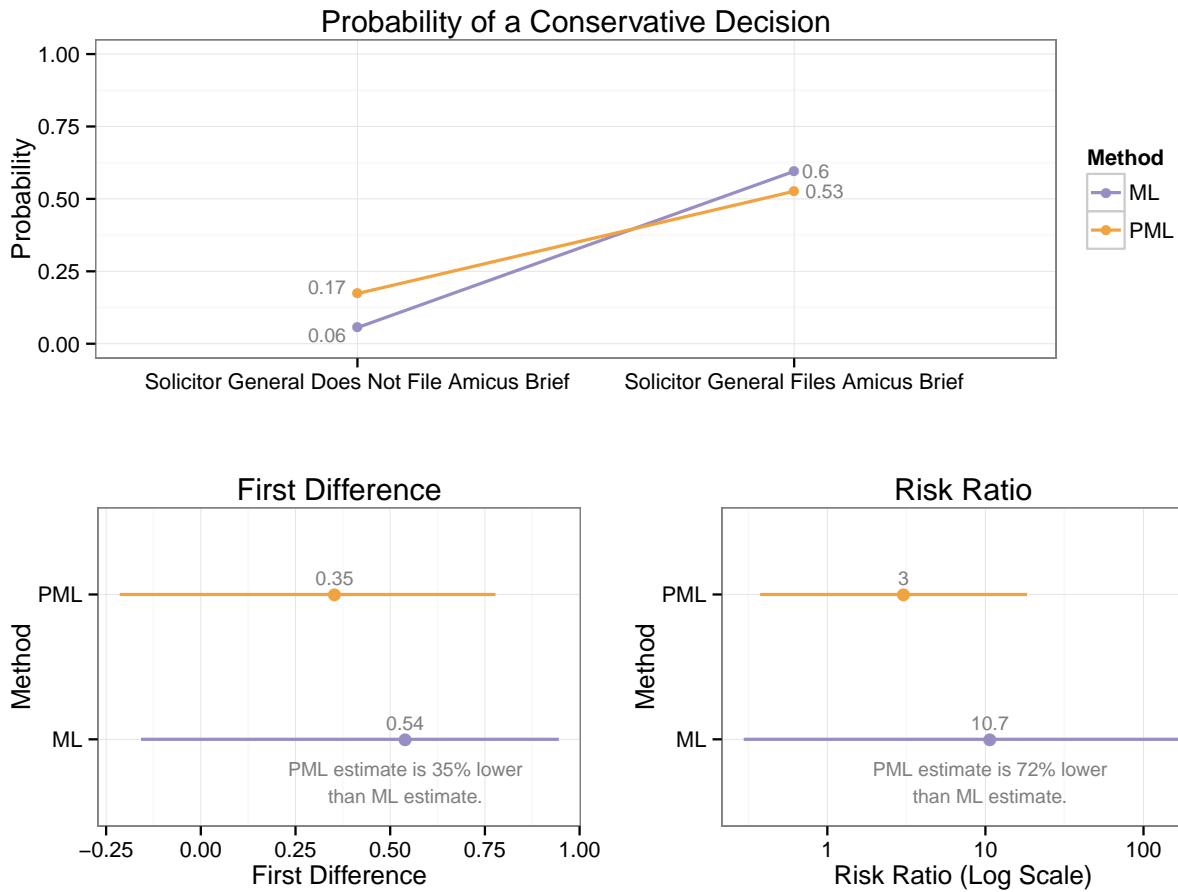
In another application, we reanalyze the statistical analysis of the integrated model of U.S. Supreme Court decisions developed by George and Epstein (1992). The authors combine the legal and extralegal models of Court decision making in order to overcome the complementary idiosyncratic shortcomings of each. The legal model claims *stare decisis*, or the rule of law, as the key determinant of future decisions while the extralegal model takes a behavioralist approach containing an array of sociological, psychological, and political factors.

Like the previous example of the replication of Weisiger (2014), George and Epstein's sample is relatively small, consisting of 64 Court decisions involving capital punishment from 1971 to 1988. They originally use maximum likelihood estimation so we reanalyze their data using both ML and PML to demonstrate the difference in the estimates with such a small sample. Figure 7 illustrates the shift in coefficient estimates. In all cases, the PML estimate is smaller than the ML estimate. Each coefficient decreases by at least 25% with three decreasing by more than 40%: court change, the largest, at 49%, solicitor general at 48%, and political environment with 41%. Additionally, the PML standard errors are all smaller than their ML counterparts.



**Figure 7:** This figure shows the coefficients for a logistic regression model estimating U.S. Supreme Court Decisions by both ML and PML. Note that the PML estimates are smaller with narrower variances than those of ML

We use out-of-sample prediction to evaluate the performance of each model, as we are unable to know the true model. Using leave-one-out cross-validation and summarizing the prediction errors with both Brier and log scores, we can be confident in our assertion that the PML process outperforms the ML. The ML estimates produce a Brier score of 0.17, and the PML estimates lower the Brier score by 8% to 0.16. Similarly, the ML estimates produce a log score of 0.89, while the PML estimates lower the log score by 41% to 0.53.



**Figure 8:** This figure shows the quantities of interest for the effect of the solicitor general filing a brief amicus curiae on the probability of a decision in favor of capital punishment.

Again, because we are using maximum likelihood, we are likely more interested in the functions of the coefficients rather than the coefficients themselves. For instance, we take George and Epstein's integrated model of Court decisions to determine the first difference and risk ratio for the probability of whether or not the Court decided in favor of capital punishment. We take whether or not the solicitor general filed an amicus curiae brief (coded as 1 if yes, 0 otherwise) and hold all other explanatory variables constant at their medians. Figure 8 shows the estimates of the quantities of interest.

As we know, PML pools the estimated probabilities toward, zero such that in the absence of an amicus curiae brief filed by the solicitor general, the PML estimates suggest 17% chance of the



Court deciding in favor of capital punishment while ML estimates a 6% chance. When an amicus curiae brief was filed by the solicitor general, the Court has a 53% chance of deciding in favor of capital punishment as compared to the 60% chance suggested by ML. Thus, PML also provides smaller effect sizes, as well, for both the first difference and the risk ratio. PML decreases the estimated first difference by 35% and the risk ratio by 75%.

## **Recommendations for Applied Researchers**

When using a small sample and a binary outcome variable, researchers face several options. First, researchers might realize that maximum likelihood estimates of logistic regression coefficients are substantial biased and avoid the problem altogether. We see this as the least attractive option. Small data sets can be informative and so avoiding these data sets leads to lost opportunities.

Second, researchers might proceed with the biased and inaccurate estimation using maximum likelihood. We also see this as unattractive, because simple improvements can eliminate the bias and the variance.

Third, researchers might use least squares to estimate a linear probability model (LPM). If the linear model is the correct model in the sense that the probability of an event is a linear function of the explanatory variables, then this approach is reasonable, as long as the researcher takes steps to correct the standard errors. However, in most cases, using an “S”-shaped inverse-link function (i.e., logit or probit) makes the most theoretical sense, so that marginal effects shrink toward zero as the probability of an event approaches zero or one (e.g., Rainey 2015a; Berry, DeMeritt, and Esarey 2010; Long 1997, pp. 34-47). Long (1997, p. 40) writes: “In my [Long’s] opinion, the most serious problem with the LPM is its functional form.” Additionally, the LPM sometimes produces nonsense probabilities that fall outside the  $[0, 1]$  interval and nonsense risk ratios that fall below zero. If researchers are willing to accept these nonsense quantities and assume that the functional form is linear, then the LPM offers a reasonable choice. However, we agree with Long (1997) that without

evidence to the contrary, the logistic regression model offers a more plausible functional form.

Finally, researchers might simply use penalized maximum likelihood, which allows the researcher to keep the theoretically-appealing “S”-shaped functional form, but greatly reduce the bias *and* variance. Indeed, the penalized maximum likelihood estimates are always less biased and always less variable than the maximum likelihood estimates. These improvements are substantial and come at almost no cost to researchers in learning new concepts or software beyond maximum likelihood and simple commands in R and/or Stata.<sup>5</sup> We see this as the most attractive option. Whenever researchers have concerns about bias and variance due to a small sample, a simple change to a penalized maximum likelihood estimator can easily ameliorate any concerns.

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<sup>5</sup>Appendix A offers a quick overview of computing penalized maximum likelihood estimates in R and Appendix B the same in Stata.

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# Online Appendix

## Logistic Regression in Small Samples

### A Penalized Maximum Likelihood Estimation of Logistic Regression Models in R

This example code is available at <https://github.com/kellymccaskey/small/blob/master/R/example.R>.

```
# load data from web
library(readr) # for read_csv()
weisiger <- read_csv("https://raw.githubusercontent.com/kellymccaskey/small/master/weisiger-
replication/data/weisiger.csv")

# quick look at data
library(dplyr) # for glimpse()
glimpse(weisiger)

# model formula
f <- resist ~ polity_conq + lndist + terrain +
  soldperterr + gdppc2 + coord

# ----- #
# pmle with the logistf package #
# ----- #

# estimate logistic regression with pmle
library(logistf) # for logistf()
m1 <- logistf(f, data = weisiger)

# see coefficient estimates, confidence intervals, p-values, etc.
summary(m1)

# logistf does **NOT** work with texreg package
library(texreg)
screenreg(m1)

# see help file for more
help(logistf)

# ----- #
# pmle with the brglm package #
# ----- #

# estimate logistic regression with pmle
library(brglm) # for brglm()
m2 <- brglm(f, family = binomial, data = weisiger)
```

```
# see coefficient estimates, standard errors, p-values, etc.
summary(m2)

# brglm works with texreg package
screenreg(m2)

# see help file for more
help(brglm)
```

## **B Penalized Maximum Likelihood Estimation of Logistic Regression Models in Stata**

This example code is available at <https://github.com/kellymccaskey/small/blob/master/stata/example.do>.  
The example data used is available at <https://github.com/kellymccaskey/small/blob/master/stata/ge.csv>.

```
* set working directory and load data
* data can be found at https://github.com/kellymccaskey/small/blob/master/stata/ge.csv
cd "your working directory"
insheet using "ge.csv", clear

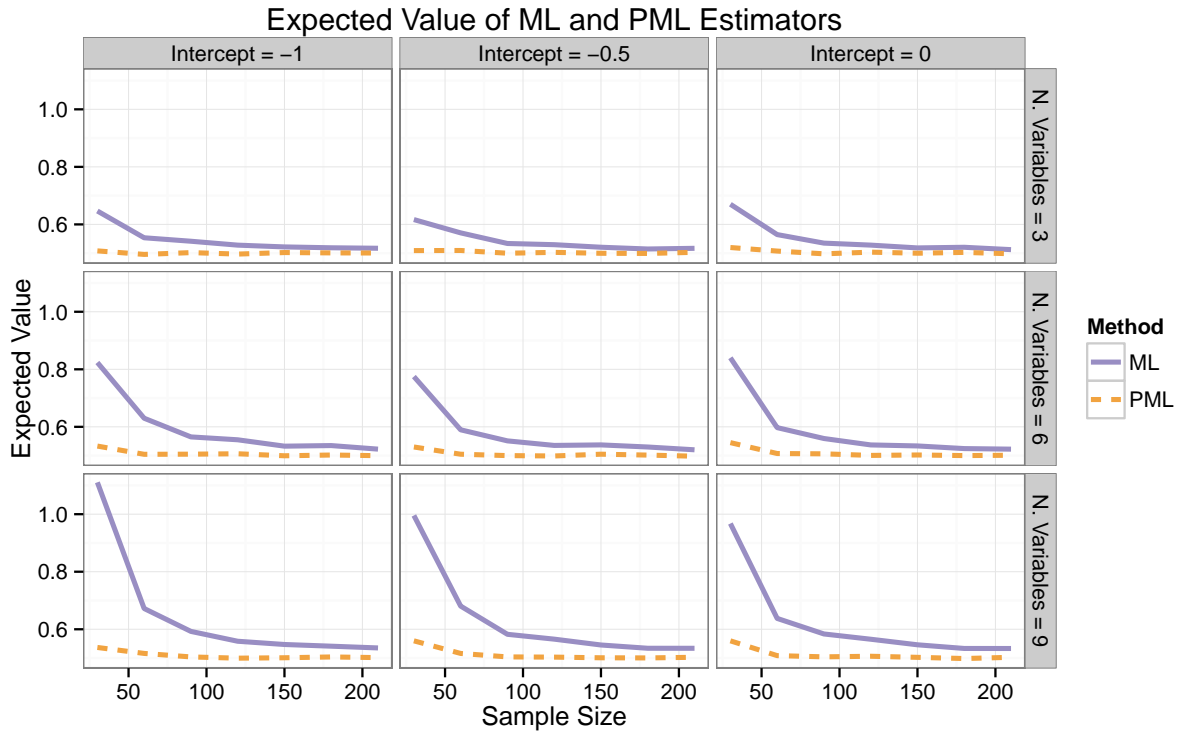
* install firthlogit
findit firthlogit

* estimate logistic regression with pmle
* see coefficient values, standard errors, p-values, etc.
firthlogit court dq cr pc ag sp pe cc ap dc st sg

* see help file for more
help firthlogit
```

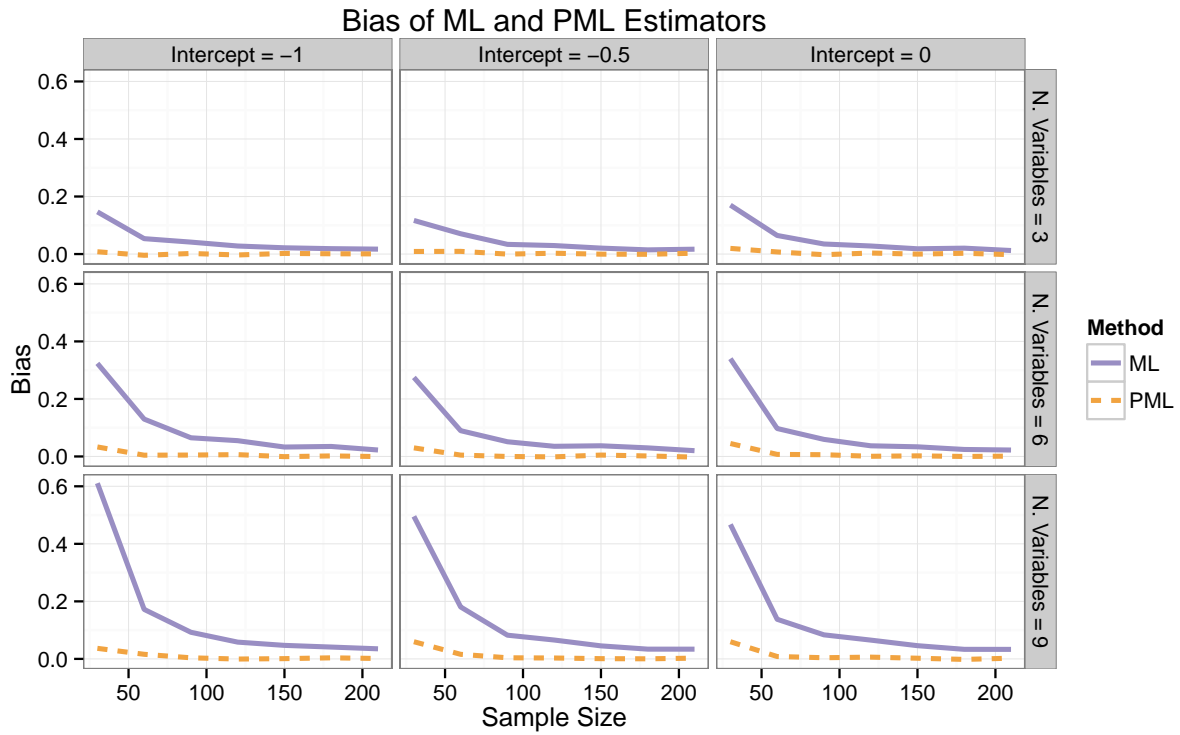
## C Additional Simulation Results

### C.1 Expected Value



**Figure 9:** This figure shows the expected value of  $\hat{\beta}^{mle}$  and  $\hat{\beta}^{pml}$ . The true value is  $\beta = 0.5$ .

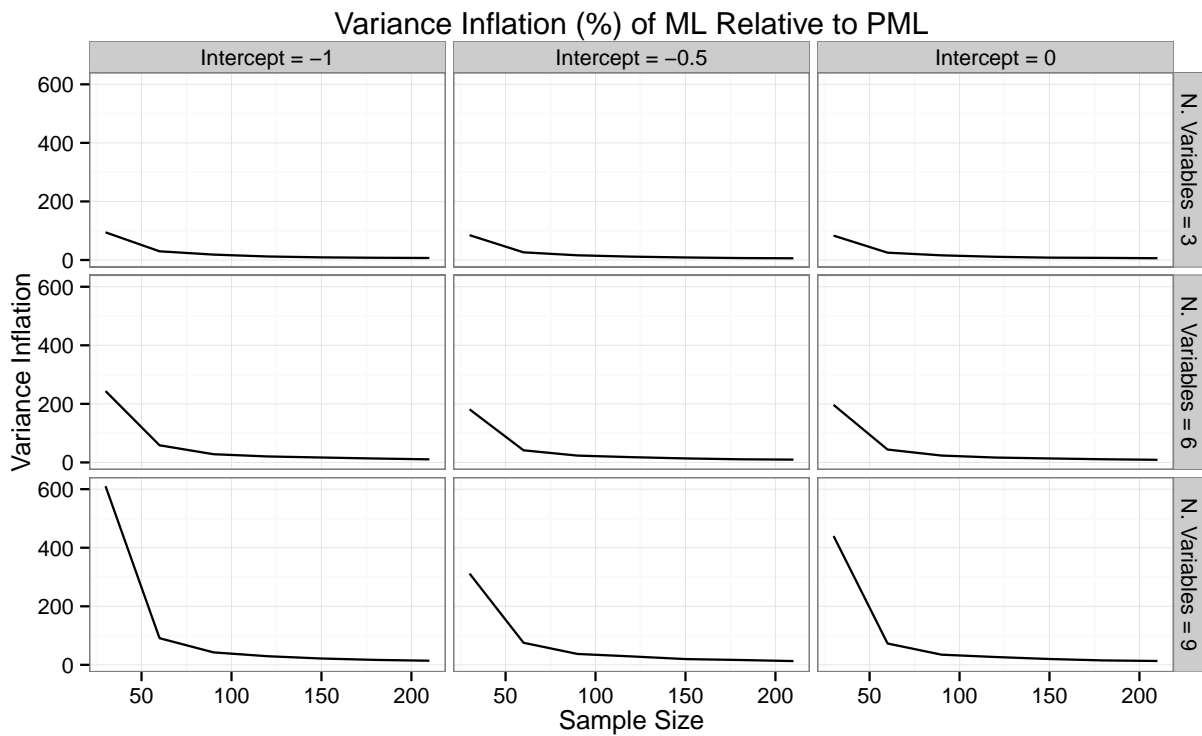
## C.2 Bias



**Figure 10:** This figure shows the bias of  $\hat{\beta}^{mle}$  and  $\hat{\beta}^{pml}$ .

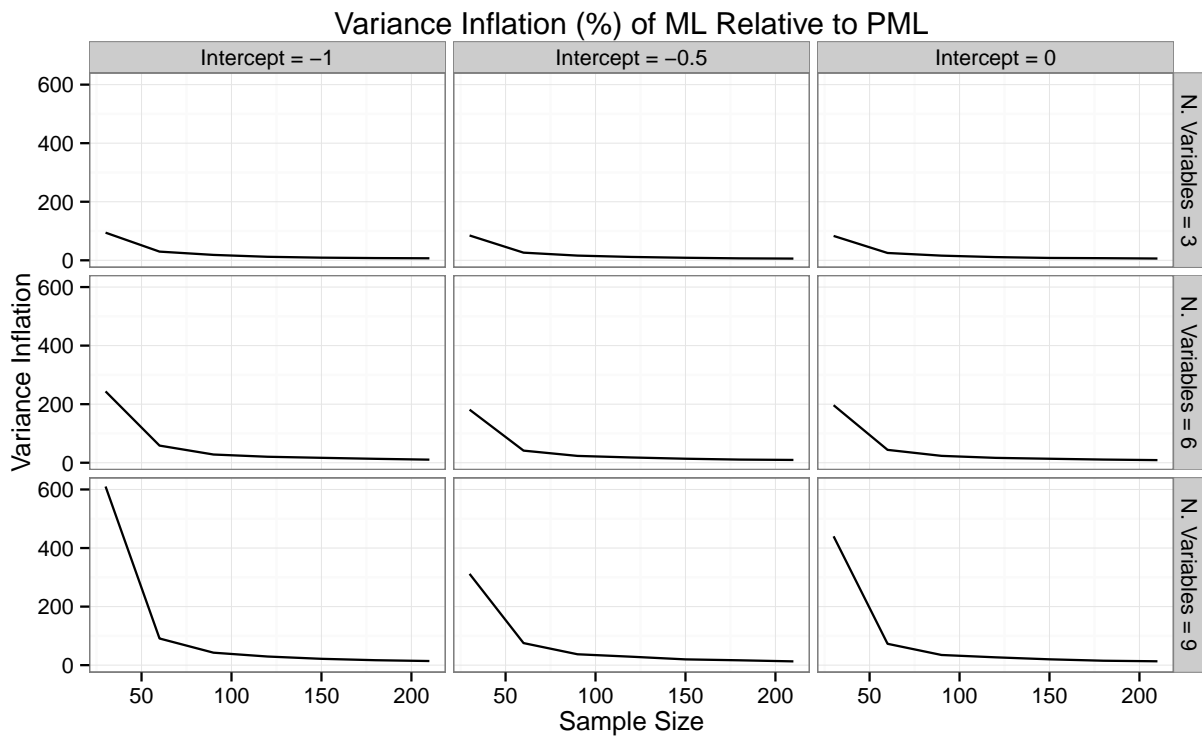


### C.3 Variance Inflation



**Figure 11:** This figure shows the percent inflation in the variance of  $\hat{\beta}^{mle}$  compared to  $\hat{\beta}^{pml}$ .

## C.4 Mean-Squared Error



**Figure 12:** This figure shows the mean-squared error of  $\hat{\beta}^{mle}$  and  $\hat{\beta}^{pml}$ .