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 $//github.com/mullja21/Mullens_Chang_Jenkins_872_EDA_Final.git$

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1 Rationale and Research Questions

Question 1: Was the year-over-year change in public investment in lower-carbon energy RD&D significant during the Obama administration?

2 Dataset Information

The dataset utilized in this analysis was downloaded from International Energy Agency. The IEA's Energy Technology RD&D (Research, Development, & Demonstration) Budgets database provides spending information by energy technology in IEA countries from 1974 to 2022. Data is collected from central or federal government budgets and state-owned companies. Spending categories encompass renewables, nuclear power, fossil fuels, hydrogen, fuel cells, and energy efficiency.

3 Data Wrangling

Downloaded the Energy Technology RD&D (Research, Development, & Demonstration) Budgets. After importing the data to GitHub and Rstudio, the raw dataset was wrangled to suit our analysis. A new data frame was created by extracting the desired years (1985-2015), currency (USD 2021 prices and exchange rates), and economic indications (Total, Fossil Fuels, and Unallocated) for each country. A variable for year-over-year percentage (YoY) difference was created to normalize all comparisons.

```
#create new data frame, change column names
RDD.newcolnames <- RDD.raw %>%
  row to names(row number = 1)
#The column names were imported improperly. The first row contains the correct
#column names, so we used the janitor package since they have a function that
#will replace the column names with the first row.
RDD.countries <-
  filter(RDD.newcolnames,
         Country == "Germany" | Country == "United States",
         Currency == "USD (2021 prices and exchange rates)") %>%
  rename("Economic.Indicators" = "Economic Indicators")
RDD.final <- RDD.countries %>%
  filter(Economic.Indicators == "Total Budget" | Economic.Indicators == "Unallocated " |
  select("Country", "Currency", "Economic.Indicators", "1985", "1986", "1987", "1988", "
RDD.transpose <- data.frame(t(RDD.final))</pre>
#In our final data frame, we want each year to have its own row; however,
#in the original dataset, each year was a column. We transposed it.
colnames(RDD.transpose) <- c("Germany.FossilFuels", "Germany.Unallocated", "Germany.Tota
RDD.transpose.rows <- RDD.transpose[!(row.names(RDD.transpose) %in% c("Country", "Curren
RDD.transpose.rows <- RDD.transpose.rows %>%
  mutate_at(1:6, as.numeric)
#creating frame for US Data
RDD.US <- data.frame(Year=c("1985", "1986", "1987", "1988", "1989", "1990", "1991", "199
```

```
Fossil.Fuel= RDD.transpose.rows$US.FossilFuels,
                     Unallocated= RDD.transpose.rows$US.Unallocated,
                     Total.Budget= RDD.transpose.rows$US.TotalBudget) %>%
 mutate(Low.Carbon.Energy = c(Total.Budget-Fossil.Fuel-Unallocated)) %>%
 mutate(Percent.Change = ((Low.Carbon.Energy -
                              lag(Low.Carbon.Energy))/lag(Low.Carbon.Energy))*100) %>%
 mutate(Country = "US")
#creating frame for Germany Data
RDD.Germany <- data.frame(Year=c("1985", "1986", "1987", "1988", "1989", "1990", "1991",
                          Fossil.Fuel= RDD.transpose.rows$Germany.FossilFuels,
                          Unallocated= RDD.transpose.rows$Germany.Unallocated,
                          Total.Budget= RDD.transpose.rows$Germany.TotalBudget) %>%
 mutate(Low.Carbon.Energy = Total.Budget-Fossil.Fuel-Unallocated) %>%
 mutate(Percent.Change = ((Low.Carbon.Energy -
                              lag(Low.Carbon.Energy))/lag(Low.Carbon.Energy))*100) %>%
 mutate(Country = "Germany")
#Adding date column to US data frame and transforming it into date object. Also
#adding a column to denote pre or Obama era for graphing.
RDD.US.Eras <- RDD.US %>%
 mutate(Date = ymd(paste0(RDD.US$Year, "-01-01"))) %>%
 mutate(Era = ifelse(Year <= 2008, "Pre", "Obama"))</pre>
#creating one data frame for US and Germany data
US.and.Germany.RDD <- rbind(RDD.Germany, RDD.US)</pre>
#Adding Date column to US and Germany dataframe. Formatting so that column is
#transformed to date class
US.and.Germany.RDD <- US.and.Germany.RDD %>%
 mutate(Date = ymd(pasteO(US.and.Germany.RDD$Year, "-01-01"))) %>%
 mutate(Era = ifelse(Year <= 2008, "Pre", "Obama"))</pre>
#file for Us and Germany
write.csv(US.and.Germany.RDD, row.names = FALSE, file = "./Processed_Data/US.and.Germany
#File for US alone with eras
write.csv(RDD.US.Eras, row.names = FALSE, file = "./Processed_Data/US.Eras.RDD.csv")
```

4 Exploratory Analysis

```
#US Data Set
dim(RDD.US.Eras)
## [1] 31 9
colnames(RDD.US.Eras)
## [1] "Year"
                           "Fossil.Fuel"
                                                "Unallocated"
## [4] "Total.Budget"
                           "Low.Carbon.Energy" "Percent.Change"
## [7] "Country"
                           "Date"
                                                "Era"
head(RDD.US.Eras)
#US and Germany
dim(US.and.Germany.RDD)
## [1] 62 9
colnames(US.and.Germany.RDD)
## [1] "Year"
                           "Fossil.Fuel"
                                                "Unallocated"
                           "Low.Carbon.Energy" "Percent.Change"
## [4] "Total.Budget"
## [7] "Country"
                           "Date"
head(US.and.Germany.RDD)
#creating Germany Data summary
Germ.summary <- US.and.Germany.RDD %>%
  filter(Country== "Germany") %>%
  select(Fossil.Fuel, Low.Carbon.Energy, Total.Budget, Percent.Change) %>%
  summary()
kable(Germ.summary, caption = "Summary Statistics for Germany")
```

Table 1: Summary Statistics for Germany

Fossil.Fuel	Low.Carbon.Energy	Total.Budget	Percent.Change
Min.: 1.968	Min.: 284.2	Min.: 300.1	Min. :-36.4805
1st Qu.: 18.518	1st Qu.: 461.5	1st Qu.: 481.2	1st Qu.:-10.2964
Median: 38.642	Median : 586.7	Median : 639.6	Median : 0.7250
Mean: 70.604	Mean: 703.0	Mean: 789.3	Mean: -0.4935
3rd Qu.: 61.380	3rd Qu.: 860.2	3rd Qu.:1003.4	3rd Qu.: 7.0978
Max. :299.784	Max. :1780.8	Max. :2080.6	Max. : 46.6672
NA	NA	NA	NA's :1

Table 2: Summary Statistics for US pre-Obama administration

	Fossil.Fuel	Low.Carbon.Energy	Total.Budget	Percent.Change
	Min.: 262.0	Min. :2865	Min. :3128	Min. :-15.829
-	1st Qu.: 537.4	1st Qu.:3130	1st Qu.:3803	1st Qu.: -5.289
	Median : 598.6	Median :3386	Median :4120	Median : -2.426
	Mean: 653.4	Mean :3500	Mean :4153	Mean: 0.767
	3rd Qu.: 697.9	3rd Qu.:3605	3rd Qu.:4506	3rd Qu.: 6.630
	Max. :1603.3	Max. :4789	Max. :5498	Max. : 27.712
	NA	NA	NA	NA's :1

```
#creating US Pre Obama summary
US.Pre.summary <- US.and.Germany.RDD %>%
  filter(Country== "US") %>%
  filter(Era== "Pre") %>%
  select(Fossil.Fuel, Low.Carbon.Energy, Total.Budget, Percent.Change) %>%
  summary()
kable(US.Pre.summary, caption = "Summary Statistics for US pre-Obama administration")
```

```
#creating Obama admin summary
US.Obama.summary <- US.and.Germany.RDD %>%
  filter(Country== "US") %>%
  filter(Era== "Obama") %>%
  select(Fossil.Fuel, Low.Carbon.Energy, Total.Budget, Percent.Change) %>%
  summary()
kable(US.Obama.summary, caption = "Summary Statistics for Obama administration")
```

Table 3: Summary Statistics for Obama administration

Fossil.Fuel	Low.Carbon.Energy	Total.Budget	Percent.Change
Min.: 371.6	Min. :5303	Min.: 5869	Min. :-34.043
1st Qu.: 435.7	1st Qu.:6438	1st Qu.: 6873	1st Qu.: -4.974
Median : 483.7	Median :6616	Median: 7099	Median : -1.910
Mean :1011.9	Mean :6692	Mean: 7704	Mean: 8.170
3rd Qu.: 587.6	3rd Qu.:7006	3rd Qu.: 7496	3rd Qu.: 17.600
Max. :4181.8	Max. :8040	Max. :12222	Max.: 67.887

```
#US Line Plot
RDD.US.Eras.Line.plot <- ggplot(RDD.US.Eras, aes(x = Date)) +</pre>
 geom line(aes(y = Total.Budget, color= "Total.Spending")) +
 geom line(aes(y = Fossil.Fuel, color= "Fossil.Fuels")) +
 geom_line(aes(y = Low.Carbon.Energy, color= "Low.Carbon")) +
 theme(axis.text.x = element text(angle = 90, vjust = 0.5, hjust=1, size = 9)) +
 scale color manual(name = "Proportion of \n RDD Spending", values= c(
    "Fossil.Fuels" = "midnightblue",
    "Low.Carbon" = "darkolivegreen3",
    "Total.Spending" = "sienna3")) +
 scale x date(date breaks = "3 years", date labels = "%Y") +
 labs(title = "Proportion of \n United States RDD \n Spending 1985-2015",
       y="Amount in USD (2021 \n Prices and Exchange Rates)",
       x="Year",
       color= "Legend Title")
print(RDD.US.Eras.Line.plot)
```

Warning: Using 'size' aesthetic for lines was deprecated in ggplot2 3.4.0. ## i Please use 'linewidth' instead.

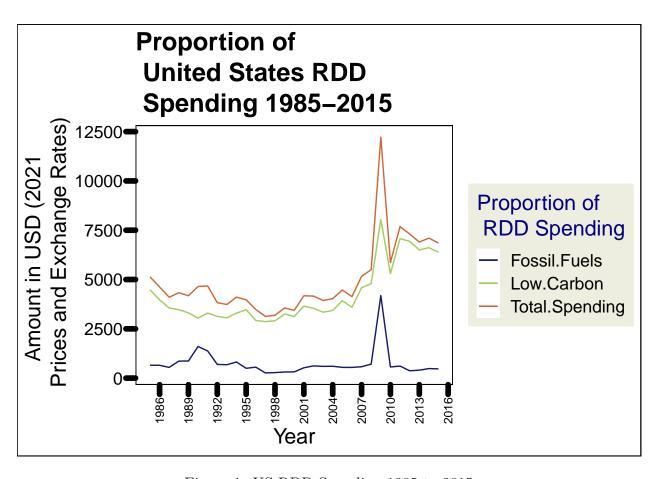


Figure 1: US RDD Spending 1985 to 2015

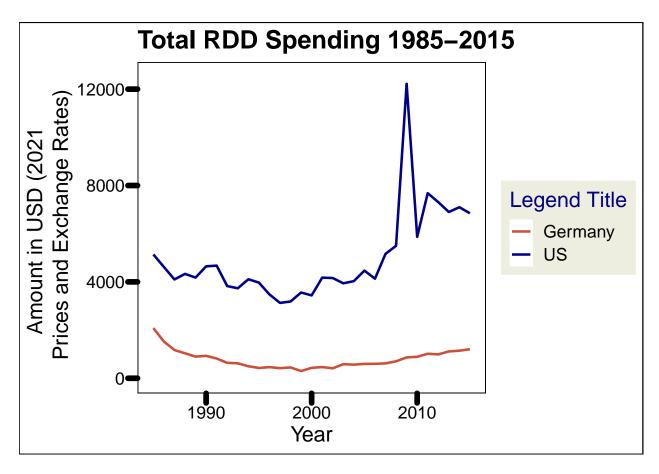


Figure 2: US and Germany Total RDD Spending 1985 to 2015. Line graph used to visualize potential trends.

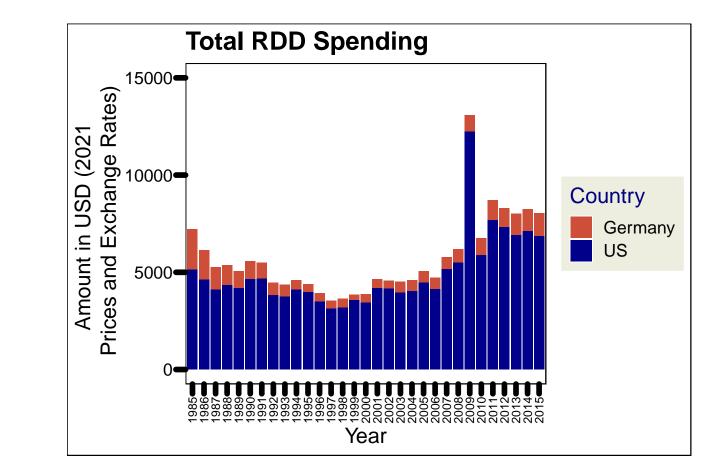


Figure 3: US and Germany Total RDD Spending 1985 to 2015. Bar graph used to visually compare relative magnitude of total spending.

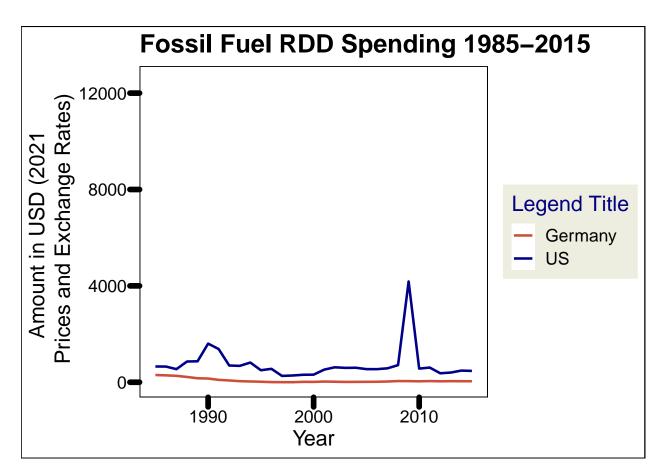


Figure 4: US and Germany Fossil Fuel RDD Spending 1985 to 2015. Line graph used to visualize potential trends.

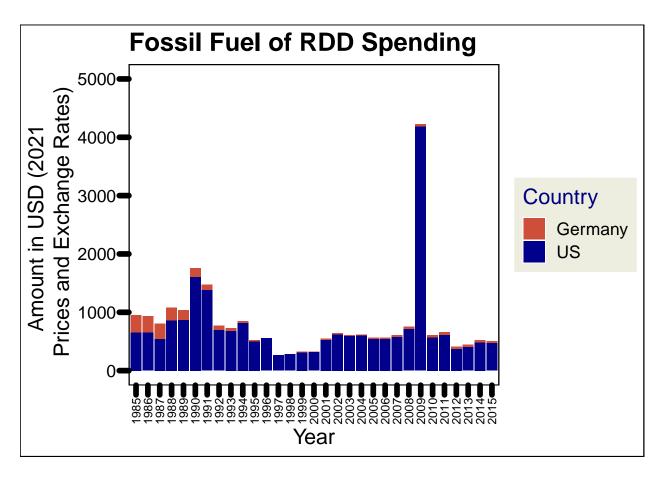


Figure 5: US and Germany Fossil Fuel RDD Spending 1985 to 2015. Bar graph used to visually compare relative magnitude of total spending.

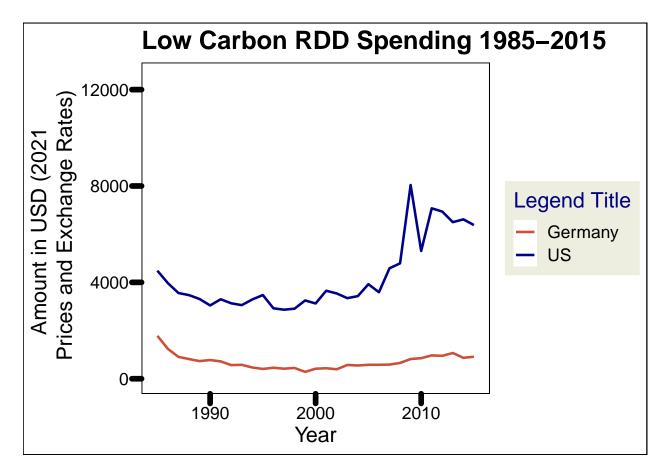


Figure 6: US and Germany Low Carbon Spending 1985 to 2015. Line graph used to visualize potential trends.

```
# Create the US and Germ Low Carbon bar plot
US.Germ.low.carbon.Bar.plot <- ggplot(US.and.Germany.RDD, aes(x = Year, y= Low.Carbon.En
geom_bar(stat= "identity", position = "stack") +
geom_bar(stat= "identity", position = "stack") +
scale_fill_manual(values = c("tomato3", "darkblue")) +
ylim(0, 11000) +</pre>
```

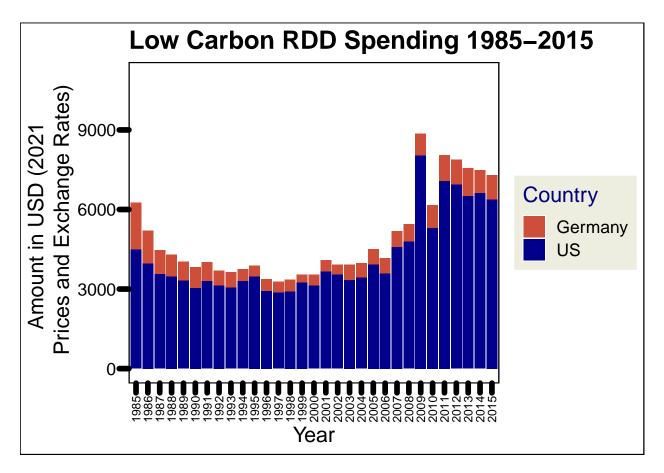


Figure 7: US and Germany Low Carbon RDD Spending 1985 to 2015, Bar graph used to visually compare relative magnitude of total spending.

5 Analysis

Our analysis of this dataset focuses on comparing the mean investment YoY difference of the Pre-Obama era and the mean investment YoY difference of the Obama era. However, we need to ensure any changes in investment is unique to the Obama administration and not occurring globally. Therefore, we will also utilize t-tests to compare US investments to Germany's within the same time period.

```
#plotting the pre-Obama data
RDD.US.Eras.plot <- RDD.US.Eras %>%
 ggplot(
         aes(x=Date,
             y= Percent.Change,
             color= Era)) +
 geom_line() +
 geom point() +
 geom_smooth(data = subset(RDD.US.Eras, Era == "Pre"), method = "lm", se=FALSE, color=
 geom_smooth(data = subset(RDD.US.Eras, Era == "Obama"), method = "lm", se=FALSE, color
 labs(title = "Year-over-Year Percent Change in Public \n Low-Carbon Energy RD&D \n Spe
       y="YoY Percent Change",
       x="Year") +
 scale color manual(values = c("darkblue", "darkgreen")) +
 scale_x_date(date_breaks = "2 years", date_labels = "%Y") +
 our theme +
 theme(axis.text.x = element_text(angle = 90, vjust = 0.5, hjust=1))
print(RDD.US.Eras.plot)
## 'geom smooth()' using formula = 'y ~ x'
## Warning: Removed 1 rows containing non-finite values ('stat smooth()').
## 'geom smooth()' using formula = 'y ~ x'
## Warning: Removed 1 row containing missing values ('geom line()').
## Warning: Removed 1 rows containing missing values ('geom point()').
#plotting the data
US.Germany.RDD.plot <- ggplot(US.and.Germany.RDD,</pre>
                              aes(x = Date,
                                  y = Percent.Change,
```

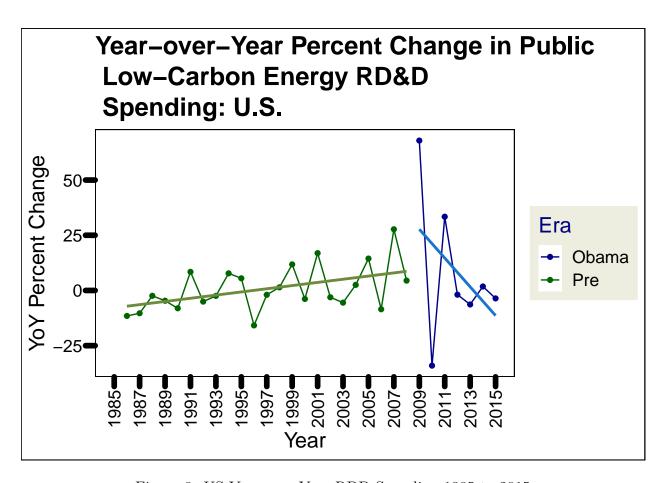


Figure 8: US Year over Year RDD Spending 1985 to 2015

```
color = Country)) +
 geom_line() +
 geom_point() +
 geom_smooth(data = subset(US.and.Germany.RDD, Country == "Germany"), method = "lm", se
 geom smooth(data = subset(RDD.US.Eras, Country == "US"), method = "lm", se=FALSE, colo
 scale_color_manual(values = c("tomato3", "darkblue")) +
 labs(title = "YoY Change in Public Low-Carbon \n Energy RD&D Spending: \n US vs. Germa
       y="Year-over-Year Percent Change",
       x="Year") +
 scale_x_date(date_breaks = "2 years", date labels = "%Y") +
 our_theme +
 theme(axis.text.x = element_text(angle = 90, vjust = 0.5, hjust=1))
print(US.Germany.RDD.plot)
## 'geom_smooth()' using formula = 'y ~ x'
## Warning: Removed 1 rows containing non-finite values ('stat_smooth()').
## 'geom_smooth()' using formula = 'y ~ x'
## Warning: Removed 1 rows containing non-finite values ('stat smooth()').
## Warning: Removed 2 rows containing missing values ('geom_line()').
## Warning: Removed 2 rows containing missing values ('geom point()').
#plotting the data
US.Germany.RDD.pre.plot <- US.and.Germany.RDD %>%
 filter(Era == "Pre") %>%
 ggplot(aes(x = Date,
             y = Percent.Change,
             color = Country)) +
 geom_line() +
 geom point() +
 geom_smooth(data = subset(US.and.Germany.RDD, Country == "Germany" & Era == "Pre"), me
 geom_smooth(data = subset(RDD.US.Eras, Country == "US" & Era == "Pre"), method = "lm",
 scale color manual(values = c("tomato3", "darkblue")) +
 labs(title = "YoY Change in Public Low-Carbon \n Energy RD&D Spending: \n US vs. Germa
       y="Year-over-Year Percent Change",
       x="Year") +
```

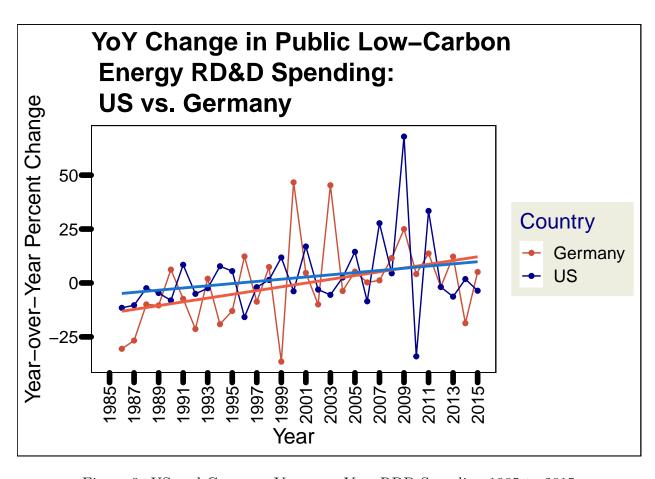


Figure 9: US and Germany Year over Year RDD Spending 1985 to 2015

```
scale x date(date breaks = "1 years", date labels = "%Y") +
 our theme +
 theme(axis.text.x = element_text(angle = 90, vjust = 0.5, hjust=1, size=9))
print(US.Germany.RDD.pre.plot)
## 'geom_smooth()' using formula = 'y ~ x'
## Warning: Removed 1 rows containing non-finite values ('stat_smooth()').
## 'geom_smooth()' using formula = 'y ~ x'
## Warning: Removed 1 rows containing non-finite values ('stat_smooth()').
## Warning: Removed 2 rows containing missing values ('geom_line()').
## Warning: Removed 2 rows containing missing values ('geom point()').
#plotting the data
US.Germany.RDD.Obama.plot <- US.and.Germany.RDD %>%
 filter(Era == "Obama") %>%
 ggplot(aes(x = Date,
            y = Percent.Change,
            color = Country)) +
 geom line() +
 geom_point() +
 geom smooth(data = subset(US.and.Germany.RDD, Country == "Germany" & Era == "Obama"),
 geom smooth(data = subset(RDD.US.Eras, Country == "US" & Era == "Obama"), method = "lm
 scale_color_manual(values = c("tomato3", "darkblue")) +
 labs(title = "YoY Change in Public Low-Carbon \n Energy RD&D Spending: \n US vs. Germa
       y="Year-over-Year Percent Change",
       x="Year") +
 scale x date(date breaks = "1 years", date labels = "%Y") +
 our_theme +
 theme(axis.text.x = element text(angle = 90, vjust = 0.5, hjust=1, size=9))
print(US.Germany.RDD.Obama.plot)
## 'geom_smooth()' using formula = 'y ~ x'
## 'geom smooth()' using formula = 'y ~ x'
```

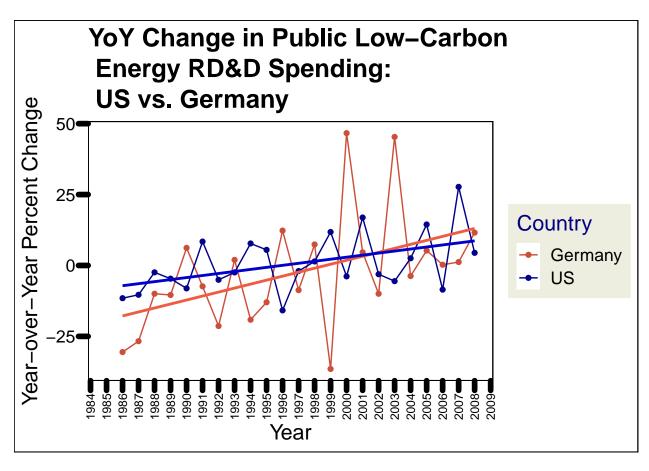


Figure 10: US and Germany Year over Year RDD Spending 1985 to 2008

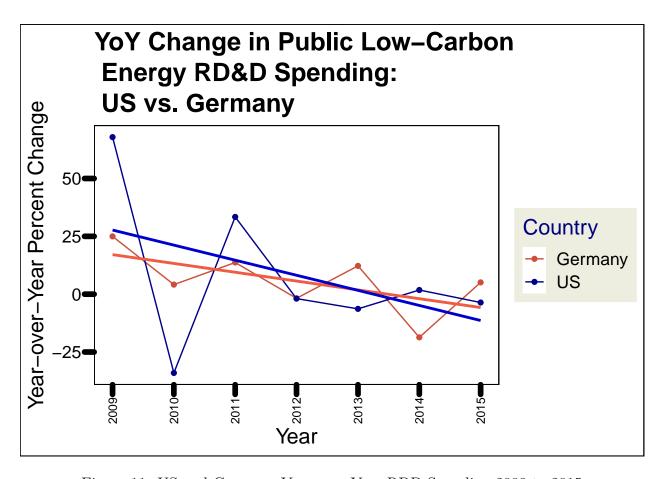


Figure 11: US and Germany Year over Year RDD Spending 2009 to 2015

```
# T-test #1) U.S. Public Low-Carbon Energy RD&D Spending: Pre-Obama (1985-2008) vs. du
        #Alternative hypothesis == YoY change in public spending on lower-carbon energ
        #Run two-sample T-test on US RDD "Eras" data to determine if mean YoY change i
US.Pre.v.Post.Obama.ttest <- t.test(RDD.US.Eras$Percent.Change ~</pre>
                                      RDD.US.Eras$Era)
US.Pre.v.Post.Obama.ttest
##
## Welch Two Sample t-test
##
## data: RDD.US.Eras$Percent.Change by RDD.US.Eras$Era
## t = 0.58747, df = 6.3612, p-value = 0.5771
## alternative hypothesis: true difference in means between group Obama and group Pre is
## 95 percent confidence interval:
## -23.01113 37.81629
## sample estimates:
## mean in group Obama mean in group Pre
             8.1695963
##
                                 0.7670191
         #The p-value is 0.5771 which is greater than 0.05 so we must accept our null
# T-test #2) Pre-Obama Public Low-Carbon RD&D Spending (1985-2008): U.S. vs Germany
         #Alternative hypothesis == Prior to Obama's inauguration (in the period spann
          ##^ this hypothesis would mean that our null hypothesis is: prior to obama a
Pre.2009.US.Germany.RDD <- filter(US.and.Germany.RDD, Year %in% c(1985:2008))
Pre.2009.US.Germany.ttest <- t.test(Pre.2009.US.Germany.RDD$Percent.Change ~
                                      Pre. 2009. US. Germany. RDD$Country)
Pre. 2009. US. Germany. ttest
##
## Welch Two Sample t-test
```

##

```
## data: Pre.2009.US.Germany.RDD$Percent.Change by Pre.2009.US.Germany.RDD$Country
## t = -0.66411, df = 32.7, p-value = 0.5113
## alternative hypothesis: true difference in means between group Germany and group US i
## 95 percent confidence interval:
## -12.743123
                6.472836
## sample estimates:
## mean in group Germany mean in group US
                                    0.7670191
             -2.3681247
##
      #The p-value is 0.5113 which is greater than 0.05 so we must accept our null hyp
      #NOTES FROM GOOGLE RE: NULL: If the p-value is below your threshold of significa
#-----
# T-test #3) Obama-era Public Low-carbon RD&D Spending (2009-2015): United States vs.
            ##Alternative Hypothesis == during the Obama presidency (2009-2015), the m
Post.2009.US.Germany.RDD <- filter(US.and.Germany.RDD, Year %in% c(2009:2015))
Post.2009.US.Germany.ttest <- t.test(Post.2009.US.Germany.RDD$Percent.Change ~
                                     Post. 2009. US. Germany. RDD $Country)
Post. 2009. US. Germany. ttest
##
## Welch Two Sample t-test
## data: Post.2009.US.Germany.RDD$Percent.Change by Post.2009.US.Germany.RDD$Country
## t = -0.18605, df = 8.0331, p-value = 0.857
## alternative hypothesis: true difference in means between group Germany and group US i
## 95 percent confidence interval:
## -33.51499 28.50738
## sample estimates:
## mean in group Germany mean in group US
##
               5.665790
                                     8.169596
```

#The p-value is 0.857 which is greater than 0.05 so the null hypothesis is a

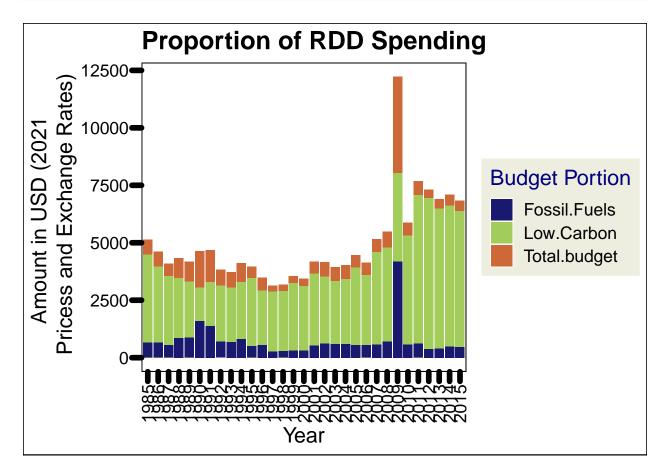
6 Summary and Conclusions

#Scripts, data and code The repository linked at the beginning contains both the raw data, wrangled data, and code utilized. They are found in their respective folders.

#Quality assurance Please note that any conclusions created by this report are limited as only one source of data and one variable were utilized. Further examination of additional metrics and countries are recommended for future analyses.

#Appendix

```
# Create the combined bar plot
RDD.US.Eras.Bar.plot <- ggplot(RDD.US.Eras, aes(x = Year)) +
    geom_bar(aes(y = Total.Budget, fill = "Total.budget"), stat= "identity", position = "i
    geom_bar(aes(y = Low.Carbon.Energy, fill = "Low.Carbon"), stat= "identity", position =
    geom_bar(aes(y = Fossil.Fuel, fill = "Fossil.Fuels"), stat= "identity", position = "
```



7 References

<add references here if relevant, otherwise delete this section>