EDA Crime Lab

Eduarda Espindola, Laura Pintos, Payman Roghani and Pri Nonis 20/11/2018

Crime Lab

Eduarda, Laura, Payman, Pri

Introduction

A lot has been said about crime and its drivers, and the subject is always a concern for policy makers. We are proposing a more data driven approach to the subject, in order to assist the policy makers building a more assertive agenda towards reducing crime rates. While we believe there are many variables affecting crime rates, we choose to focus on those which are easier to change in a shorter period of time, and thus possibly reducing crime rate faster.

Data Cleaning

```
setwd("/Users/eduardaespindola/Documents/Mestrado/W203 - Stats/Lab3/w203-lab3")
crime_data <- read.csv("crime_v2.csv")
head(crime_data)</pre>
```

```
##
     county year
                    crmrte
                              prbarr
                                         prbconv prbpris avgsen
                                                                       polpc
## 1
              87 0.0356036 0.298270 0.527595997 0.436170
                                                             6.71 0.00182786
          1
##
          3
              87 0.0152532 0.132029 1.481480002 0.450000
                                                             6.35 0.00074588
              87 0.0129603 0.444444 0.267856985 0.600000
## 3
          5
                                                             6.76 0.00123431
              87 0.0267532 0.364760 0.525424004 0.435484
## 4
                                                             7.14 0.00152994
## 5
              87 0.0106232 0.518219 0.476563007 0.442623
                                                             8.22 0.00086018
          9
## 6
         11
              87 0.0146067 0.524664 0.068376102 0.500000
                                                           13.00 0.00288203
##
       density
                  taxpc west central urban pctmin80
                                                                   wtuc
## 1 2.4226327 30.99368
                           0
                                    1
                                          0 20.21870 281.4259 408.7245
## 2 1.0463320 26.89208
                                             7.91632 255.1020 376.2542
                           0
                                    1
## 3 0.4127659 34.81605
                           1
                                    0
                                          0
                                             3.16053 226.9470 372.2084
## 4 0.4915572 42.94759
                           0
                                    1
                                          0 47.91610 375.2345 397.6901
## 5 0.5469484 28.05474
                                             1.79619 292.3077 377.3126
                                    0
                           1
## 6 0.6113361 35.22974
                                    0
                                             1.54070 250.4006 401.3378
##
                  wfir
                                          wfed
                                                 wsta
                                                         wloc
         wt.rd
                           wser
                                   wmfg
## 1 221.2701 453.1722 274.1775 334.54 477.58 292.09 311.91 0.08016878
## 2 196.0101 258.5650 192.3077 300.38 409.83 362.96 301.47 0.03022670
## 3 229.3209 305.9441 209.6972 237.65 358.98 331.53 281.37 0.46511629
## 4 191.1720 281.0651 256.7214 281.80 412.15 328.27 299.03 0.27362204
## 5 206.8215 289.3125 215.1933 290.89 377.35 367.23 342.82 0.06008584
## 6 187.8255 258.5650 237.1507 258.60 391.48 325.71 275.22 0.31952664
##
        pctymle
## 1 0.07787097
## 2 0.08260694
## 3 0.07211538
```

```
## 4 0.07353726
## 5 0.07069755
## 6 0.09891920
str(crime_data)
  'data.frame':
                   97 obs. of 25 variables:
   $ county : int 1 3 5 7 9 11 13 15 17 19 ...
             : int 87 87 87 87 87 87 87 87 87 87 ...
   $ crmrte : num 0.0356 0.0153 0.013 0.0268 0.0106 ...
   $ prbarr : num 0.298 0.132 0.444 0.365 0.518 ...
##
   $ prbconv : Factor w/ 92 levels "","`","0.068376102",..: 63 89 13 62 52 3 59 78 42 86 ...
   $ prbpris : num  0.436  0.45  0.6  0.435  0.443  ...
   $ avgsen : num 6.71 6.35 6.76 7.14 8.22 ...
   $ polpc : num 0.001828 0.000746 0.001234 0.00153 0.00086 ...
##
##
   $ density : num 2.423 1.046 0.413 0.492 0.547 ...
## $ taxpc : num
                   31 26.9 34.8 42.9 28.1 ...
## $ west
             : int 0010110000...
##
   $ central : int
                   1 1 0 1 0 0 0 0 0 0 ...
##
   $ urban : int 0000000000...
   $ pctmin80: num
                   20.22 7.92 3.16 47.92 1.8 ...
                    281 255 227 375 292 ...
##
   $ wcon
             : num
##
   $ wtuc
             : num
                    409 376 372 398 377 ...
##
   $ wtrd
                    221 196 229 191 207 ...
             : num
                   453 259 306 281 289 ...
   $ wfir
             : num
                    274 192 210 257 215 ...
##
   $ wser
             : num
##
   $ wmfg
             : num
                    335 300 238 282 291 ...
##
  $ wfed
           : num
                   478 410 359 412 377 ...
  $ wsta
             : num
                    292 363 332 328 367 ...
                    312 301 281 299 343 ...
##
   $ wloc
             : num
##
   $ mix
             : num 0.0802 0.0302 0.4651 0.2736 0.0601 ...
                   0.0779 0.0826 0.0721 0.0735 0.0707 ...
   $ pctymle : num
summary(crime_data)
##
       county
                                                      prbarr
                        year
                                   crmrte
   Min. : 1.0
                                                         :0.09277
                   Min.
                          :87
                               Min.
                                       :0.005533
                                                  Min.
   1st Qu.: 52.0
                   1st Qu.:87
                               1st Qu.:0.020927
                                                  1st Qu.:0.20568
  Median :105.0
                   Median:87
                               Median :0.029986
                                                  Median: 0.27095
  Mean :101.6
##
                   Mean:87
                               Mean
                                      :0.033400
                                                  Mean :0.29492
   3rd Qu.:152.0
                   3rd Qu.:87
                                                  3rd Qu.:0.34438
                                3rd Qu.:0.039642
##
   Max. :197.0
                   Max. :87
                               Max. :0.098966
                                                  Max. :1.09091
   NA's
          :6
                   NA's :6
                                NA's
                                      :6
                                                  NA's
                                                       :6
##
          prbconv
                       prbpris
                                        avgsen
                                                         polpc
                         :0.1500
##
              : 5
                    Min.
                                    Min. : 5.380
                                                     Min. :0.000746
##
   0.588859022: 2
                    1st Qu.:0.3648
                                    1st Qu.: 7.340
                                                     1st Qu.:0.001231
##
              : 1
                    Median :0.4234
                                    Median : 9.100
                                                     Median :0.001485
##
   0.068376102: 1
                    Mean :0.4108
                                    Mean : 9.647
                                                     Mean :0.001702
                    3rd Qu.:0.4568
                                    3rd Qu.:11.420
                                                     3rd Qu.:0.001877
   0.140350997: 1
   0.154451996: 1
                    Max. :0.6000
                                    Max. :20.700
                                                     Max. :0.009054
                                    NA's :6
                                                     NA's :6
##
   (Other)
              :86
                    NA's
                         :6
##
      density
                         taxpc
                                          west
                                                         central
## Min.
                                            :0.0000
                                                            :0.0000
          :0.00002
                    Min. : 25.69
                                    Min.
                                                     Min.
   1st Qu.:0.54741
                    1st Qu.: 30.66
                                     1st Qu.:0.0000
                                                      1st Qu.:0.0000
                                                    Median :0.0000
## Median :0.96226 Median : 34.87
                                     Median :0.0000
```

```
:1.42884
                                : 38.06
                                                   :0.2527
                                                                      :0.3736
##
    Mean
                        Mean
                                           Mean
                                                              Mean
                                           3rd Qu.:0.5000
##
    3rd Qu.:1.56824
                        3rd Qu.: 40.95
                                                              3rd Qu.:1.0000
                                :119.76
##
    Max.
            :8.82765
                        Max.
                                           Max.
                                                   :1.0000
                                                              Max.
                                                                      :1.0000
    NA's
            :6
                        NA's
                                           NA's
                                                   :6
                                                              NA's
##
                                :6
                                                                      :6
##
        urban
                           pctmin80
                                                 wcon
                                                                   wtuc
##
            :0.00000
                                : 1.284
    Min.
                        Min.
                                           Min.
                                                   :193.6
                                                             Min.
                                                                     :187.6
##
    1st Qu.:0.00000
                        1st Qu.: 9.845
                                           1st Qu.:250.8
                                                             1st Qu.:374.6
##
    Median : 0.00000
                        Median :24.312
                                           Median :281.4
                                                             Median:406.5
##
    Mean
            :0.08791
                        Mean
                                :25.495
                                           Mean
                                                   :285.4
                                                             Mean
                                                                     :411.7
##
    3rd Qu.:0.00000
                        3rd Qu.:38.142
                                           3rd Qu.:314.8
                                                             3rd Qu.:443.4
##
    Max.
            :1.00000
                                :64.348
                                           Max.
                                                   :436.8
                                                             Max.
                                                                     :613.2
                        Max.
                                           NA's
                                                             NA's
##
    NA's
            :6
                        NA's
                                :6
                                                   :6
                                                                     :6
##
          wtrd
                           wfir
                                             wser
                                                                 wmfg
##
    Min.
            :154.2
                      Min.
                              :170.9
                                        Min.
                                                : 133.0
                                                           Min.
                                                                   :157.4
                                        1st Qu.: 229.7
##
    1st Qu.:190.9
                      1st Qu.:286.5
                                                           1st Qu.:288.9
##
    Median :203.0
                      Median :317.3
                                        Median : 253.2
                                                           Median :320.2
                                                : 275.6
##
    Mean
            :211.6
                              :322.1
                                                           Mean
                                                                   :335.6
                      Mean
                                        Mean
##
    3rd Qu.:225.1
                      3rd Qu.:345.4
                                        3rd Qu.: 280.5
                                                           3rd Qu.:359.6
##
    Max.
            :354.7
                              :509.5
                                                :2177.1
                                                           Max.
                                                                   :646.9
                      Max.
                                        Max.
##
    NA's
            :6
                      NA's
                              :6
                                        NA's
                                                :6
                                                           NA's
                                                                   :6
##
          wfed
                           wsta
                                             wloc
                                                               mix
##
    Min.
            :326.1
                      Min.
                              :258.3
                                        Min.
                                                :239.2
                                                          Min.
                                                                  :0.01961
##
    1st Qu.:400.2
                      1st Qu.:329.3
                                        1st Qu.:297.3
                                                          1st Qu.:0.08074
##
    Median :449.8
                      Median :357.7
                                        Median :308.1
                                                          Median: 0.10186
##
    Mean
            :442.9
                      Mean
                              :357.5
                                        Mean
                                                :312.7
                                                          Mean
                                                                  :0.12884
##
    3rd Qu.:478.0
                      3rd Qu.:382.6
                                        3rd Qu.:329.2
                                                          3rd Qu.:0.15175
            :598.0
                              :499.6
                                                                  :0.46512
##
    Max.
                      Max.
                                        Max.
                                                :388.1
                                                          Max.
##
    NA's
            :6
                      NA's
                              :6
                                        NA's
                                                :6
                                                          NA's
                                                                  :6
##
       pctymle
##
    Min.
            :0.06216
##
    1st Qu.:0.07443
##
    Median :0.07771
##
    Mean
            :0.08396
##
    3rd Qu.:0.08350
##
            :0.24871
    Max.
    NA's
##
            :6
```

Understanding the meaning of some of the variables, we are able to do some cross checks, and make sure all the data makes sense:

1. County (county): It is the county identifier, and as for the problem statement, we should have only one entry (one row) per county:

```
crime_data[which(is.na(crime_data$county)),]
```

```
##
       county year crmrte prbarr prbconv prbpris avgsen polpc density taxpc
## 92
           NA
                 NA
                          NA
                                  NA
                                                     NA
                                                             NA
                                                                     NA
                                                                              NA
                                                                                     NA
## 93
                          NA
                                  NA
                                                                     NA
                                                                              NA
                                                                                     NA
           NA
                 NA
                                                     NA
                                                             NA
## 94
           NA
                          NA
                                  NA
                                                     NA
                                                             NA
                                                                     NA
                                                                              NA
                                                                                     NA
                 NA
##
   95
           NA
                 NA
                          NA
                                  NA
                                                     NA
                                                             NA
                                                                     NA
                                                                              NA
                                                                                     NA
## 96
           NA
                 NA
                          NA
                                                     NA
                                                             NA
                                                                     NA
                                                                              NA
                                                                                     NA
                                  NA
## 97
           NA
                          NA
                                                             NA
                                                                     NA
                 NA
                                  NA
                                                     NA
                                                                              NA
                                                                                     NA
##
       west
            central
                      urban
                             pctmin80
                                        wcon
                                              wtuc
                                                    wtrd wfir wser
                                                                     wmfg
                                                                           wfed
                                                                                  wsta
## 92
         NA
                   NA
                          NA
                                     NA
                                          NA
                                                NA
                                                      NA
                                                            NA
                                                                  NA
                                                                        NA
                                                                              NA
                                                                                    NA
## 93
         NA
                   NΑ
                          NΑ
                                     NA
                                          ΝA
                                                NA
                                                      NA
                                                            NA
                                                                  NΑ
                                                                        NΑ
                                                                              NA
                                                                                    NA
## 94
         NA
                   NA
                          NA
                                     NA
                                          NA
                                                NA
                                                      NA
                                                            NA
                                                                  NA
                                                                        NA
                                                                              NA
                                                                                    NA
```

```
## 95
         NA
                   NA
                          NA
                                    NA
                                          NA
                                                NA
                                                      NA
                                                                        NA
                                                                              NA
                                                                                    NA
                                                            NA
                                                                  NA
## 96
         NΑ
                   NΑ
                          NΑ
                                                NA
                                                                              NA
                                                                                    NΑ
                                    NA
                                          NA
                                                      NA
                                                            NA
                                                                  NA
                                                                        NA
##
   97
         NA
                   NA
                          NA
                                    NA
                                          NA
                                                NA
                                                      NA
                                                            NA
                                                                  NA
                                                                        NA
                                                                              NA
                                                                                    NA
##
       wloc mix pctymle
## 92
         NA
             NA
                       NA
   93
              NA
##
         NA
                       NA
## 94
         NA
              NA
                       NA
## 95
         NA
              NA
                       NA
## 96
         NA
              NA
                       NA
## 97
         NA
             NA
                       NA
```

We have no data in these 6 rows, so for the purpose of our analysis, we can get it out

```
crime_data<-crime_data[which(!is.na(crime_data$county)),]</pre>
```

Now, we must finally check for duplicate values:

```
crime_data[duplicated(crime_data),]
```

```
##
                               prbarr
      county year
                      crmrte
                                           prbconv prbpris avgsen
                                                                         polpc
         193
               87 0.0235277 0.266055 0.588859022 0.423423
                                                               5.86 0.00117887
## 89
                    taxpc west central urban pctmin80
##
        density
                                                           wcon
                                                                     wtuc
##
  89 0.8138298 28.51783
                                     0
                                            0
                                              5.93109 285.8289 480.1948
                             1
##
          wtrd
                    wfir
                                    wmfg
                                            wfed
                                                   wsta
                                                           wloc
                             wser
                                                                      mix
## 89 268.3836 365.0196 295.9352 295.63 468.26 337.88 348.74 0.1105016
##
         pctymle
## 89 0.07819394
```

We have seen that we have two entries for county 193. The data structure we have should be one row for one county, which is why we are going to discard the extra entry for county 193

```
crime_data<-unique(crime_data)</pre>
```

If we check again for duplicates, it shows us none:

```
crime_data[duplicated(crime_data),]
```

```
##
    [1] county
                                                                   avgsen
                  year
                            crmrte
                                      prbarr
                                                prbconv
                                                         prbpris
                                                                   pctmin80
##
    [8] polpc
                  density
                            taxpc
                                      west
                                                central
                                                         urban
## [15] wcon
                                                                   wfed
                  wtuc
                            wtrd
                                      wfir
                                                wser
                                                         wmfg
## [22] wsta
                  wloc
                            mix
                                      pctymle
## <0 rows> (or 0-length row.names)
```

2. Year (year): we have that all the observations come from the year of 1987, therefore, we should just check if there are other years on this dataset

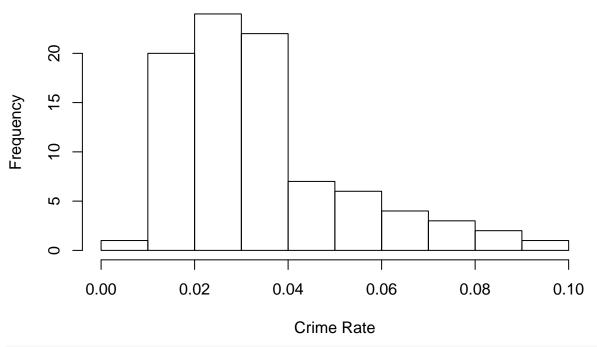
```
summary(crime data$year)
```

```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 87 87 87 87 87 87 87
```

And there we have it, only observations for 1987.

3. Crime Rate (crmrte): It is calculated as ratio of number of reported crimes to the total population of the county. Theoretically, we could have values ranging from zero (no crimes committed in that county in 1987) to infinity (so many crimes committed that the ratio goes to infinity), however both these cases are extremes that don't make any logical sense. So we should check the distribution of this variable to try and spot weird observations:

Crime Rate Distribution



summary(crime_data\$crmrte)

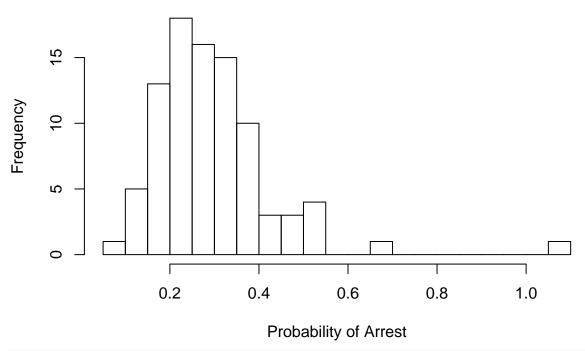
Min. 1st Qu. Median Mean 3rd Qu. Max. ## 0.005533 0.020604 0.030002 0.033510 0.040249 0.098966

There is nothing abnormal with the data, so it is safe to proceed.

4. Probability of arres (prbarr): The probability of arrest is proxied by the ratio of arrests to offenses.

hist(x = crime_data\$prbarr, breaks=20, main = "Probability of Arrest Distribution", xlab = "Probability

Probability of Arrest Distribution



summary(crime data\$prbarr)

```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 0.09277 0.20495 0.27146 0.29524 0.34487 1.09091
```

Probabilities should not be over 100%, so we should take a closer look at the observations where the probability of arrest were higher than 1

```
crime_data[crime_data$prbarr>1,]
```

```
##
                      crmrte prbarr prbconv prbpris avgsen
      county year
                                                                   polpc
## 51
               87 0.0055332 1.09091
                                          1.5
                                                  0.5
                                                        20.7 0.00905433
         115
##
        density
                   taxpc west central urban pctmin80
                                                          wcon
                                                                    wtuc
## 51 0.3858093 28.1931
                                           0
                                             1.28365 204.2206 503.2351
##
                                    wmfg wfed
                                                  wsta
          wtrd
                    wfir
                             wser
                                                         wloc mix
## 51 217.4908 342.4658 245.2061 448.42 442.2 340.39 386.12 0.1 0.07253495
```

For county 115, another thing jumps to the eye, the probability of conviction (prbpris, proxied by the ratio of convictions to arrests), is also higher than 1. Probabilities should range from 0 to 1, however, these anomalies might be due to the way those variables were proxied: probability of arrest is proxied by the ratio of arrests to offenses and the probability of conviction, by the ratio of convictions to arrests. They are not actual probabilities. One may argue that it makes no sense to have more arrests than offenses, or more convictions than arrests, however, we are looking at snapshot of 1987, and arrests made in that year might be referring both to offenses mad in 1987 and previously, which could explain the ration being over than one. The same line of thought applies for the probability of conviction variable: the convictions made in 1987 might be referring both to arrests made in 1987 and previously. For those reasons, we choose not to discard this observation.

5. Probability of Conviction (prbconv): As we have seen previously, the probability of conviction is proxied by the ratio of convictions to arrests.

summary(crime_data\$prbconv)

```
0.068376102 0.140350997 0.154451996 0.203724995
##
##
                          0
                                       1
                                                   1
                                                                1
  0.207830995
                   0.220339 0.226361006 0.229589999 0.248275995 0.259833008
##
                          1
                                       1
                                                   1
                                                                1
             1
  0.267856985 0.271946996 0.28947401 0.300577998 0.308411002 0.314606994
##
                          1
                                       1
                                                    1
   0.322580993 0.325300992 0.327868998 0.328664005 0.334701002 0.340490997
##
##
                          1
                                       1
                                                   1
##
  0.343023002 0.347799987 0.352941006
                                         0.36015299 0.364353001 0.371879011
##
                                       1
                                                   1
      0.381908 0.384236008 0.385495991 0.386925995 0.393413007
##
                                                                     0.401198
                                       1
##
             1
                          1
                                                   1
  0.403780013 \ 0.406780005 \ 0.410596013 \ 0.412698001 \ 0.426777989 \ 0.436441004
             1
                          1
                                       1
                                                   1
                                                                1
   0.438960999 \ 0.443114012 \ 0.443681002 \ 0.449999988 \ 0.450567007 \ 0.452829987
##
             1
                          1
                                       1
                                                   1
                                                                1
   0.457210004\ 0.459215999\ 0.468531013\ 0.476563007\ 0.477732986\ 0.492940009
##
                                       1
                                                   1
             1
                          1
                                                                1
   0.493438005 0.495575011
                            0.50819701 0.515464008 0.520606995 0.520709991
##
                          1
                                       1
                                                   1
             1
                                                                1
  0.522387981 0.525424004 0.527595997 0.528302014 0.548494995 0.549019992
             1
                          1
                                       1
                                                   1
                                                                1
##
   0.559822977 0.571429014 0.573943973 0.588859022 0.589905024 0.595077991
##
             1
                          1
                                       1
                                                   1
                                                                1
    0.62251699 0.722972989 0.736908972 0.739394009 0.763333023 0.769231021
##
             1
                          1
                                       1
                                                   1
                                                                1
## 0.781608999 0.793232977 0.909090996 0.972972989 1.015380025 1.068969965
                                       1
##
                          1
                                                   1
                                                                1
                                                                             1
             1
   1.182929993 1.225610018 1.234380007 1.358139992 1.481480002
                                                                           1.5
                                                                             1
             1
                          1
                                       1
                                                    1
                                                                1
  1.670519948 2.121210098
##
             1
```

The probability of conviction has some weird values, such one that is empty and another one that is '. We should take a look at those observations

crime_data\$prbconv

```
[1] 0.527595997 1.481480002 0.267856985 0.525424004 0.476563007
##
    [6] 0.068376102 0.520606995 0.769231021 0.436441004 1.225610018
   [11] 0.334701002 0.403780013 0.406780005 0.352941006 0.515464008
   [16] 0.325300992 0.385495991 0.972972989 0.452829987 0.450567007
   [21] 0.763333023 0.371879011 0.259833008 0.140350997 0.207830995
  [26] 0.736908972 0.62251699 0.493438005 0.459215999 0.154451996
   [31] 0.248275995 0.739394009 0.229589999 0.528302014 0.308411002
   [36] 0.203724995 0.457210004 0.549019992 0.548494995 0.386925995
   [41] 0.589905024 0.573943973 0.595077991 1.234380007 0.571429014
  [46] 0.384236008 0.364353001 0.781608999 0.522387981 0.220339
                    0.793232977 0.347799987 0.226361006 0.438960999
  [56] 1.358139992 0.393413007 0.495575011 0.271946996 0.477732986
  [61] 1.068969965 0.28947401 0.412698001 0.314606994 0.340490997
## [66] 0.426777989 1.015380025 0.36015299 0.520709991 0.559822977
## [71] 0.443681002 0.492940009 0.50819701 0.401198
                                                      0.468531013
```

```
## [76] 0.322580993 0.722972989 0.909090996 0.327868998 0.410596013
  [81] 0.328664005 0.343023002 0.381908
                                             2.121210098 0.443114012
## [86] 0.300577998 0.449999988 0.588859022 1.670519948 1.182929993
              0.068376102 0.140350997 0.154451996 ... 2.121210098
crime_data[crime_data$prbconv == '' | crime_data$prbconv=='`',]
    [1] county
                                             prbconv
                                                       prbpris
##
                 year
                                    prbarr
                                                                avgsen
                           crmrte
##
    [8] polpc
                 density
                                    west
                                             central
                                                       urban
                                                                pctmin80
                           taxpc
                          wtrd
                                                       wmfg
                                                                wfed
  [15] wcon
                 wtuc
                                    wfir
                                             wser
  [22] wsta
                 wloc
                                    pctymle
## <0 rows> (or 0-length row.names)
```

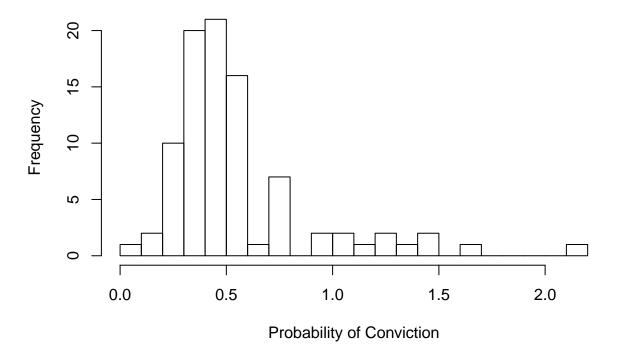
The observations with these weird values have already been discarded on previous analysis, however, they still show up as factors, since they were first loaded like that. One way we could go is transforming that variable into a numeric one

```
crime_data$prbconv<-as.numeric(as.character(crime_data$prbconv))</pre>
```

Now we can perform the usual analysis:

```
hist(x = crime_data$prbconv, breaks=20, main = "Probability of Conviction Distribution", xlab = "Probab
```

Probability of Conviction Distribution



summary(crime_data\$prbconv)

```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 0.06838 0.34422 0.45170 0.55086 0.58513 2.12121
```

Again, we see observations in which the probability of conviction is higher than 1, which shouldn't happen, if they were in fact probabilities. However, as we previously stated, by the method they were proxied, values above 1 are possible. But, nonetheless, we must analyze those cases in more detail.

```
##
                               prbarr prbconv prbpris avgsen
                                                                    polpc
      county year
                     crmrte
## 2
           3
               87 0.0152532 0.132029 1.48148 0.450000
                                                          6.35 0.00074588
## 10
          19
               87 0.0221567 0.162860 1.22561 0.333333
                                                         10.34 0.00202425
## 44
          99
               87 0.0171865 0.153846 1.23438 0.556962
                                                         14.75 0.00185912
## 51
         115
               87 0.0055332 1.090910 1.50000 0.500000
                                                         20.70 0.00905433
##
  56
         127
               87 0.0291496 0.179616 1.35814 0.335616
                                                         15.99 0.00158289
##
  61
         137
               87 0.0126662 0.207143 1.06897 0.322581
                                                          6.18 0.00081426
##
  67
         149
               87 0.0164987 0.271967 1.01538 0.227273
                                                         14.62 0.00151871
##
  84
         185
               87 0.0108703 0.195266 2.12121 0.442857
                                                          5.38 0.00122210
## 90
         195
               87 0.0313973 0.201397 1.67052 0.470588
                                                         13.02 0.00445923
               87 0.0141928 0.207595 1.18293 0.360825
                                                         12.23 0.00118573
## 91
         197
                   taxpc west central urban pctmin80
##
        density
                                                           wcon
                                                                    wtuc
      1.0463320 26.89208
                             0
                                              7.91632 255.1020 376.2542
## 2
                                     1
  10 0.5767442 61.15251
                             0
                                     0
                                           0 24.31170 260.1381 613.2261
  44 0.5478615 39.57348
                                     0
                                             14.28460 259.7841 417.2099
                             1
  51 0.3858093 28.19310
                                     0
                                              1.28365 204.2206 503.2351
                             1
## 56 1.3388889 32.02376
                                     0
                                           0 34.27990 290.9091 426.3901
                             0
## 61 0.3167155 44.29367
                             0
                                     0
                                           0 33.04480 299.4956 356.1254
## 67 0.6092437 29.03402
                             1
                                     0
                                           0 10.00460 223.6136 437.0629
## 84 0.3887588 40.82454
                             0
                                     1
                                           0 64.34820 226.8245 331.5650
## 90 1.7459893 53.66693
                             0
                                     0
                                           0 37.43110 315.1641 377.9356
  91 0.8898810 25.95258
                                     0
                                              5.46081 314.1660 341.8803
                             1
##
          wtrd
                   wfir
                                            wfed
                                                           wloc
                              wser
                                     wmfg
                                                   wsta
## 2
      196.0101 258.5650
                         192.3077 300.38 409.83 362.96 301.47 0.03022670
## 10 191.2452 290.5141
                         266.0934 567.06 403.15 258.33 299.44 0.05334728
                         247.6291 258.99 442.76 387.02 291.44 0.01960784
## 44 168.2692 301.5734
## 51 217.4908 342.4658
                         245.2061 448.42 442.20 340.39 386.12 0.10000000
  56 257.6008 441.1413
                         305.7612 329.87 508.61 380.30 329.71 0.06305506
  61 170.8711 170.9402
                         250.8361 192.96 360.84 283.90 321.73 0.06870229
  67 188.7683 353.2182
                         210.4415 289.43 421.34 342.92 301.23 0.11682243
  84 167.3726 264.4231 2177.0681 247.72 381.33 367.25 300.13 0.04968944
  90 246.0614 411.4330
                         296.8684 392.27 480.79 303.11 337.28 0.15612382
                         212.8205 322.92 391.72 385.65 306.85 0.06756757
## 91 182.8020 348.1432
##
         pctymle
## 2
      0.08260694
## 10 0.07713232
  44 0.12894706
## 51 0.07253495
## 56 0.07400288
## 61 0.07098370
## 67 0.06215772
## 84 0.07008217
## 90 0.07945071
## 91 0.07419893
```

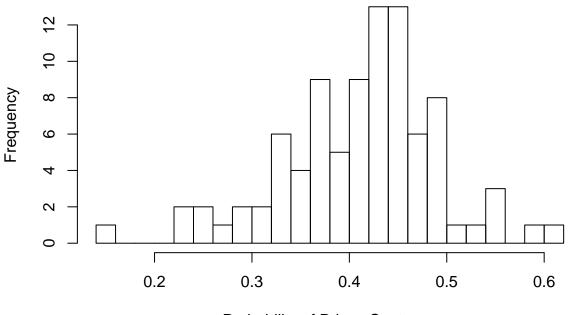
Those observations fall into the same issue we have seen for the probability of arrest variable. By the way they were proxied, the ratio of convictions to arrests in 1987 doesn't necessarily matches convictions in 1987 referring to arrests only made in 1987. There might be some convictions made in 1987 referring to arrests made in previous years in the mix, which is why we decide to keep those observations, as the same effect migh also be present in the observations where the probability of conviction was below 1.

6. Probability of Prison Sentence (prbpris): The probability of prison sentence is proxied by the convictions resulting in a prison sentence to total convictions. In that case, unlike the other two previous variables

we analyzed, the ratio is calculated in the same set of convictions: how many of such set of convictions resulted in a prison sentence. Therefore, for this variable, we should have the values ranging from 0 to a maximum of 1.

hist(x = crime_data\$prbpris, breaks=20, main = "Probability of Prison Sentence Distribution", xlab = "

Probability of Prison Sentence Distribution



Probability of Prison Sentence

```
summary(crime_data$prbpris)
```

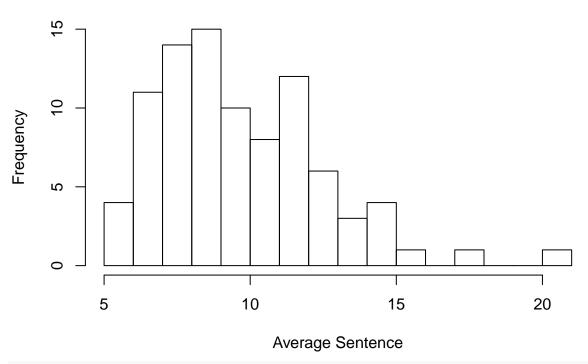
```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 0.1500 0.3642 0.4222 0.4106 0.4576 0.6000
```

The variable behaves as we expected, and we can move on to analyzing other variables.

7. Average Sentence, days (avgsen): The average sentence time in days. This variable doesn't have a theoretical limit, it only shouldn't be negative. So we just need to be wary of outliers and understand if the values are actually true or some sort of measurement mistake.

hist(x = crime_data\$avgsen, breaks=20, main = "Average Sentence Distribution", xlab = "Average Sentence

Average Sentence Distribution



summary(crime_data\$avgsen)

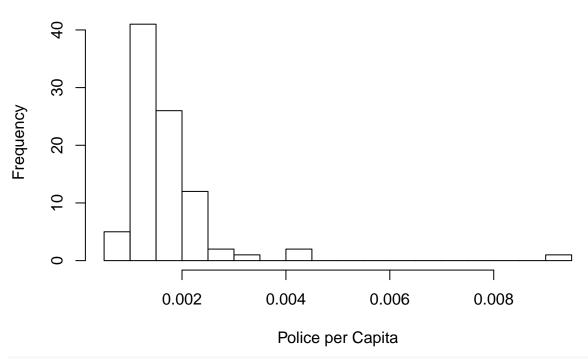
```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 5.380 7.375 9.110 9.689 11.465 20.700
```

The variable behaves as we expected, and we can move on to analyzing other variables.

8. Police per Capita (polpc): The ratio of the number of police officers to the total population of the county. The values must be in the range from 0 (no cops in the county) to 1 (everyone in the county is a cop).

hist(x = crime_data\$polpc, breaks=20, main = "Police per Capita Distribution", xlab = "Police per Capit

Police per Capita Distribution



summary(crime_data\$polpc)

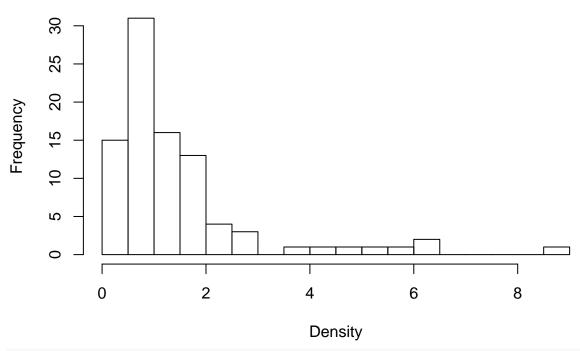
Min. 1st Qu. Median Mean 3rd Qu. Max. ## 0.0007459 0.0012378 0.0014897 0.0017080 0.0018856 0.0090543

The variable behaves as we expected, and we can move on to analyzing other variables.

9. Density (density): People per square mile. This variable should be above zero. Other than that, we should only take a deeper look at outliers.

hist(x = crime_data\$density, breaks=20, main = "Density Distribution", xlab = "Density", ylab = "Freque

Density Distribution



summary(crime_data\$density)

```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 0.00002 0.54718 0.97925 1.43567 1.56926 8.82765
```

There is a strangely small value for the minimum density, so we should take a deeper look:

```
crime_data[crime_data$density<0.0001,]</pre>
```

```
##
                               prbarr prbconv prbpris avgsen
      county year
                      crmrte
                                                                     polpc
               87 0.0139937 0.530435 0.327869
                                                          6.64 0.00316379
  79
                                                   0.15
##
          density
                      taxpc west central urban pctmin80
                                                            wcon
                                                                      wtuc
## 79 2.03422e-05 37.72702
                                       0
                                              0
                                                25.3914 231.696 213.6752
##
                  wfir
                            wser
                                   wmfg
                                          wfed
                                                  wsta
## 79 175.1604 267.094 204.3792 193.01 334.44 414.68 304.32 0.4197531
##
         pctymle
## 79 0.07462687
```

Searching for the FIPS code of this county (173), we see that it is Swain County. That is clearly an arithmetic error, and the true density value is 0.02. So we must correct it

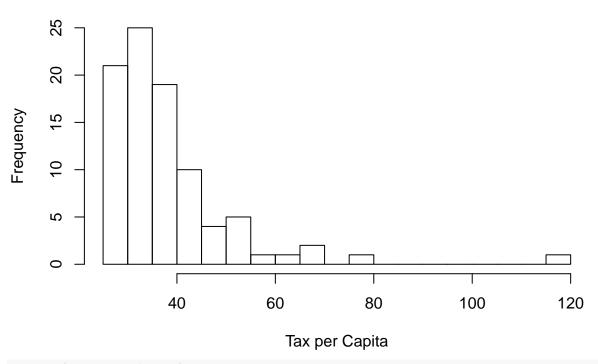
crime_data\$density[crime_data\$density<0.0001]<- crime_data\$density[crime_data\$density<0.0001]*1000
crime_data[crime_data\$county==173,]</pre>

```
##
      county year
                     crmrte
                              prbarr prbconv prbpris avgsen
                                                                    polpc
## 79
         173
               87 0.0139937 0.530435 0.327869
                                                  0.15
                                                          6.64 0.00316379
##
                   taxpc west central urban pctmin80
        density
                                                          wcon
## 79 0.0203422 37.72702
                                           0 25.3914 231.696 213.6752
                             1
                                     0
                                          wfed
                  wfir
                           wser
                                   wmfg
                                                 wsta
##
  79 175.1604 267.094 204.3792 193.01 334.44 414.68 304.32 0.4197531
##
         pctymle
## 79 0.07462687
```

10. Tax Revenue per Capita (taxpc): This variable should be above zero. Other than that, we should only take a deeper look at outliers.

hist(x = crime_data\$taxpc, breaks=20, main = "Tax per Capita Distribution", xlab = "Tax per Capita", yl

Tax per Capita Distribution



summary(crime_data\$taxpc)

```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 25.69 30.73 34.92 38.16 41.01 119.76
```

The observation in which tax per capita is almost 120 catches the eye, and so we should take a deeper look at that one.

crime_data[crime_data\$taxpc>100,]

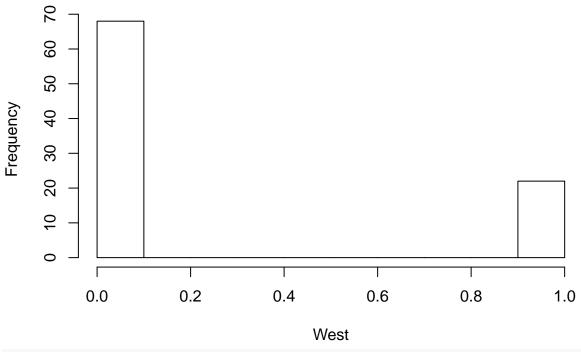
```
##
                               prbarr prbconv prbpris avgsen
      county year
                     crmrte
                                                                     polpc
## 25
                  0.0790163 0.224628 0.207831 0.304348
                                                                0.00400962
        density
##
                   taxpc west central urban pctmin80
                                                           wcon
## 25 0.5115089 119.7615
                                              6.49622 309.5238 445.2762
##
                   wfir
                                                   wsta
                                                          wloc
          wtrd
                                    wmfg
                                           wfed
## 25 189.7436 284.5933 221.3903 319.21 338.91 361.68 326.08 0.08437271
##
         pctymle
## 25 0.07613807
```

The other variables seem to be ok, so, it is safe to keep these observation.

11. West (west) / 12. Central (central) / 13. Urban (urban): Binary variables that indicate if the county is on West North Carolina, Central North Carolina or in SMSA. All of them should be either 0 or 1 for each observation.

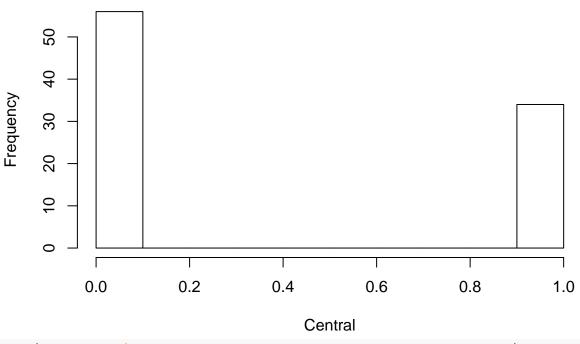
```
hist(x=crime_data$west, main = "West", xlab= "West", ylab= "Frequency")
```





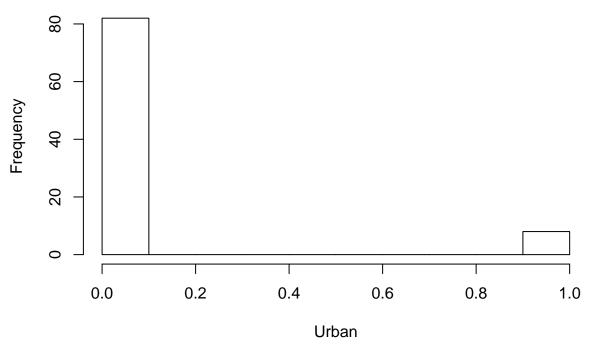
hist(x=crime_data\$central, main = "Central", xlab= "Central", ylab= "Frequency")

Central



hist(x=crime_data\$urban, main = "Urban", xlab= "Urban", ylab= "Frequency")

Urban

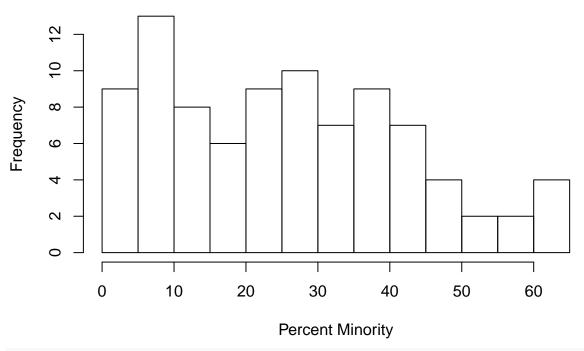


The variables behave as we expected, and we can move on to analyzing other variables.

14. Percent Minority, 1980 (pctmin80): Percentage of population within minority groups in the year of 1980. It should be between 0 and 1, because it represents the fraction of the population that is within minority groups

hist(x = crime_data\$pctmin80, breaks=20, main = "Percent Minority Distribution", xlab = "Percent Minori

Percent Minority Distribution



summary(crime_data\$pctmin80)

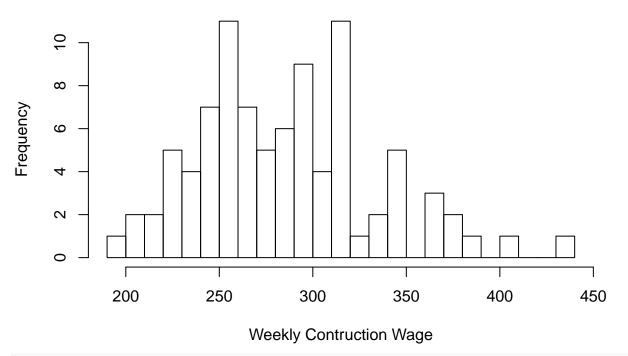
```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 1.284 10.024 24.852 25.713 38.183 64.348
```

The variable behaves as we expected, and we can move on to analyzing other variables.

15. Weekly Wage, Contruction (wcon) / 16. Weekly Wage, Transportation, Utilities and Community (wtuc) / 17. Weekly Wage, Wholesale and Retail Trade (wtrd) / 18. Weekly Wage, Financial, Insurance and Real Estate (wfir) / 19. Weekly Wage, Service Industry (wser) / 20. Weekly Wage, Manufacturing (wmfg) / 21. Weekly Wage, Federal Employees (wfed) / 22. Weekly Wage, State Employees (wsta) / 23. Weekly Wage, Local Government Employees (wloc): All of these variables refer to the average weekly wage in different sectors of the economy. We should check for outliers, and if they do happen, investigate them more deeply.

hist(x = crime_data\$wcon, breaks=20, main = "Weekly Contruction Wage Distribution", xlab = "Weekly Cont.

Weekly Contruction Wage Distribution

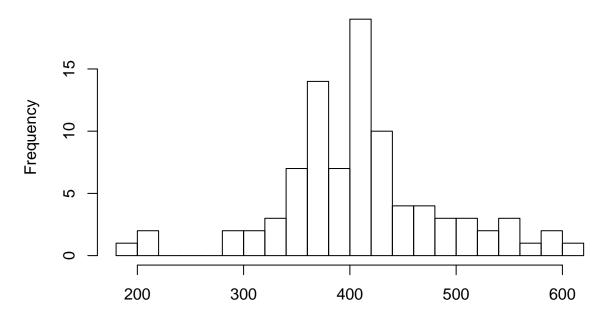


summary(crime_data\$wcon)

Min. 1st Qu. Median Mean 3rd Qu. Max. ## 193.6 250.8 281.2 285.4 315.0 436.8

hist(x = crime_data\$wtuc, breaks=20, main = "Weekly Transportation, Utilities and Community Wage Distri

Weekly Transportation, Utilities and Community Wage Distribution

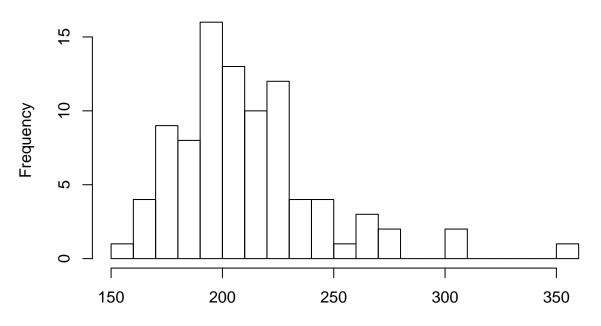


Weekly Transportation, Utilities and Community Wage

```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 187.6 374.3 404.8 410.9 440.7 613.2
```

hist(x = crime_data\$wtrd, breaks=20, main = "Weekly Wholesale and Retail Trade Wage Distribution", xlab

Weekly Wholesale and Retail Trade Wage Distribution



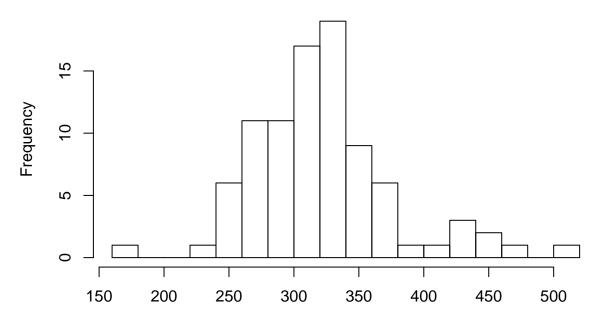
Weekly Wholesale and Retail Trade Wage

```
summary(crime_data$wtrd)
```

Min. 1st Qu. Median Mean 3rd Qu. Max. ## 154.2 190.7 203.0 210.9 224.3 354.7

hist(x = crime_data\$wfir, breaks=20, main = "Weekly Financial, Insurance and Real Estate Wage Distribut

Weekly Financial, Insurance and Real Estate Wage Distribution

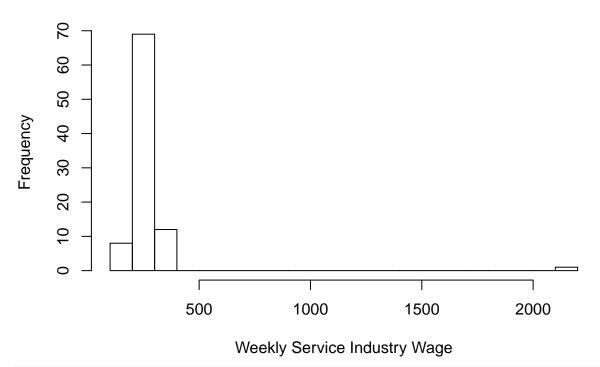


Weekly Financial, Insurance and Real Estate Wage

```
summary(crime_data$wfir)

## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 170.9 285.6 317.1 321.6 342.6 509.5
hist(x = crime_data$wser, breaks=20, main = "Weekly Service Industry Wage Distribution", xlab = "Weekly
```

Weekly Service Industry Wage Distribution

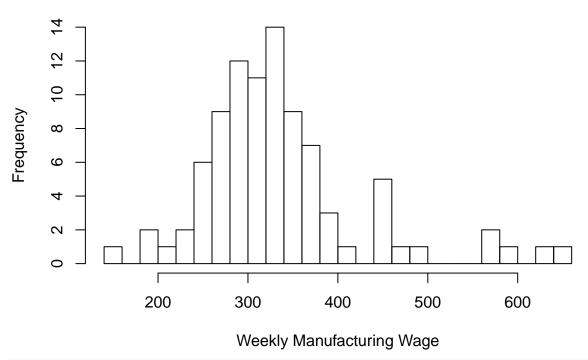


summary(crime_data\$wser)

Min. 1st Qu. Median Mean 3rd Qu. Max. ## 133.0 229.3 253.1 275.3 277.6 2177.1

hist(x = crime_data\$wmfg, breaks=20, main = "Weekly Manufacturing Wage Distribution", xlab = "Weekly Manufacturing Wage Distribution",

Weekly Manufacturing Wage Distribution



```
summary(crime_data$wmfg)
```

Min. 1st Qu. Median Mean 3rd Qu. Max. ## 157.4 288.6 321.1 336.0 359.9 646.9

hist(x = crime_data\$wfed, breaks=20, main = "Weekly Federal Employees Wage Distribution", xlab = "Weekly

Weekly Federal Employees Wage Distribution

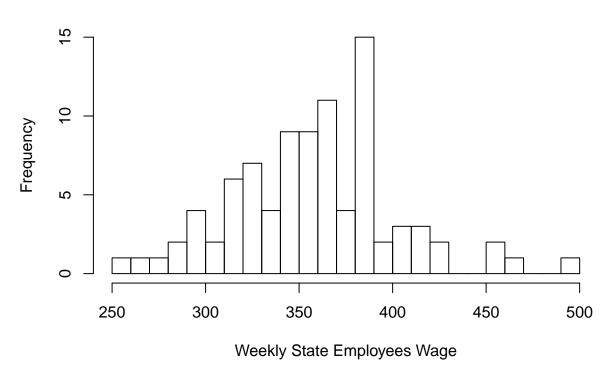


summary(crime_data\$wfed)

Min. 1st Qu. Median Mean 3rd Qu. Max. ## 326.1 398.8 448.9 442.6 478.3 598.0

hist(x = crime_data\$wsta, breaks=20, main = "Weekly State Employees Wage Distribution", xlab = "Weekly Wage Dist

Weekly State Employees Wage Distribution

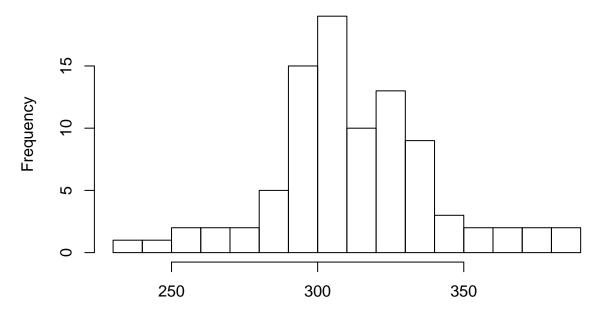


summary(crime_data\$wsta)

Min. 1st Qu. Median Mean 3rd Qu. Max. ## 258.3 329.3 358.4 357.7 383.2 499.6

hist(x = crime_data\$wloc, breaks=20, main = "Weekly Local Government Employees Wage Distribution", xlab

Weekly Local Government Employees Wage Distribution



Weekly Local Government Employees Wage

388.1

```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
```

312.3

307.6

For the service industry, there is one observation in particular that catches the eye, which is way above the second largest value. For that, we take a deeper look

328.8

```
crime_data[crime_data$wser>2000,]
```

297.2

summary(crime data\$wloc)

239.2

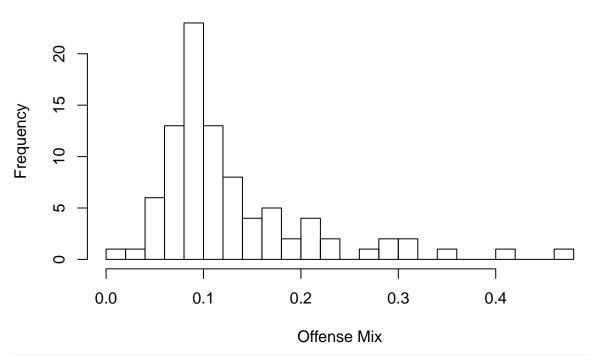
##

```
##
                               prbarr prbconv prbpris avgsen
      county year
                      crmrte
                                                                    polpc
## 84
                  0.0108703 0.195266 2.12121 0.442857
                                                          5.38 0.0012221
##
        density
                    taxpc west central urban pctmin80
                                                           wcon
                                                                    wtuc
## 84 0.3887588 40.82454
                                     1
                                            0
                                               64.3482 226.8245 331.565
##
                                    wmfg
          wtrd
                    wfir
                             wser
                                            wfed
                                                   wsta
                                                          wloc
## 84 167.3726 264.4231 2177.068 247.72 381.33 367.25 300.13 0.04968944
##
         pctymle
## 84 0.07008217
```

It is county 185, Warren County. The only sector that has a weekly wage so much higher than for the other counties is the service industry, with all other sectors having a weekly wage very close to the state average. One might wonder if this county is particularly attractive for tourism, or some other sort of services, to explain such a difference. That is not the fact: Warren county is a center of tobacco and cotton plantations, educational later textile mills (https://en.wikipedia.org/wiki/Warren_County,_North_Carolina). It is very likely a dot was misplaced, and the actual value is 217.7068 instead of 2177.068. However, since we cannot atest that with certainty, we will leave the value as it is, and will not discard the observation.

24. Offense mix, face-to-face / other (mix): Represents the ratio of criminal offenses made face-to-face (such as armed robbery) to other types. The values can range within any positive number, however, we should dig deeper in the case of outliers.

Offense Mix Distribution



summary(crime_data\$mix)

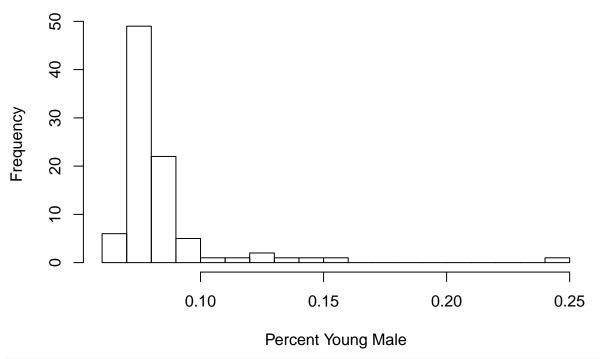
```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 0.01961 0.08060 0.10095 0.12905 0.15206 0.46512
```

The variable behaves as we expected, and we can move on to analyzing other variables.

25. Percent Young Male (pctymle): Represents the percent of the population composed by males between the age of 15 and 24. Should be a number between 0 and 1.

hist(x = crime_data\$pctymle, breaks=20, main = "Percent Young Male Distribution", xlab = "Percent Young

Percent Young Male Distribution



summary(crime_data\$pctymle)

Min. 1st Qu. Median Mean 3rd Qu. Max. ## 0.06216 0.07437 0.07770 0.08403 0.08352 0.24871

The variable behaves as expected and now we can finally move on to the research question.

Research Question

As previously stated in our introduction, we are mainly focused on generating actionable insights for reducing crime in a shorter term, therefore, our research question will be focused on the effect variables that are easier to adjust in a smaller time range.

Does a tougher criminal justice system leads to a reduction in crime rates?

For the variables we have, a "tougher criminal justice system" means:

- Higher Sentence Times (avgsen)
- More Police Offices per Capita (polpc)

Those are the variables our team assessed to be of easier action towards change. Policy makers can act upon proposing higher sentence times for crimes, and also hiring more police officers.

Our output variable will be the Crime Rate (crmrte)

Model Building

Model 1: Only with the key explanatory variables:

EDA

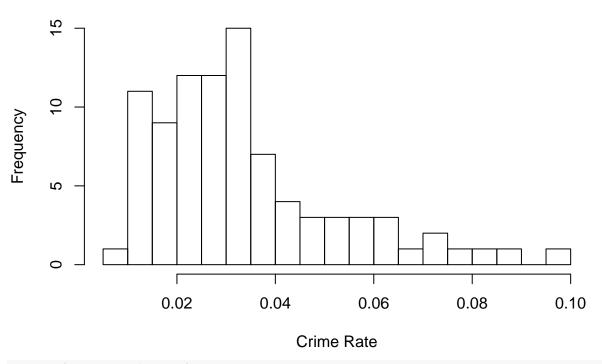
To build our first model, we must investigate our key explanatory variables, and if needed, propose transformations towards our model building.

The output variable: Crime Rate (crmrte)

Let's take a look at how the Crime Rate Variable is distributed:

hist(x=crime_data\$crmrte, main = "Crime Rate Distribution", xlab = "Crime Rate", ylab = "Frequency", br

Crime Rate Distribution



summary(crime_data\$crmrte)

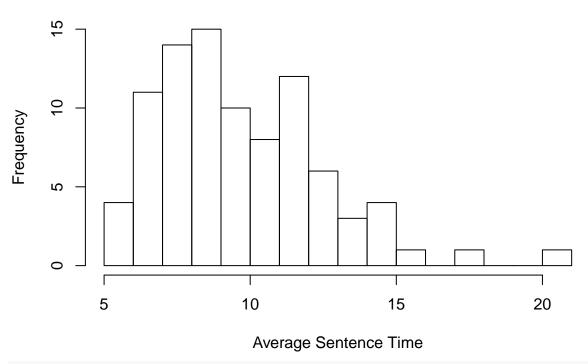
Min. 1st Qu. Median Mean 3rd Qu. Max. ## 0.005533 0.020604 0.030002 0.033510 0.040249 0.098966

We have a slightly left skewed distribution, however, with the number of observations we have (90 after data cleaning), it is safe to call upon the central limit theorem and assume normality.

Key Variables - Average Sentence Time (avgsen):

hist(x=crime_data\$avgsen, main="Average Sentence Time Distribution", xlab= "Average Sentence Time", yla

Average Sentence Time Distribution



summary(crime_data\$avgsen)

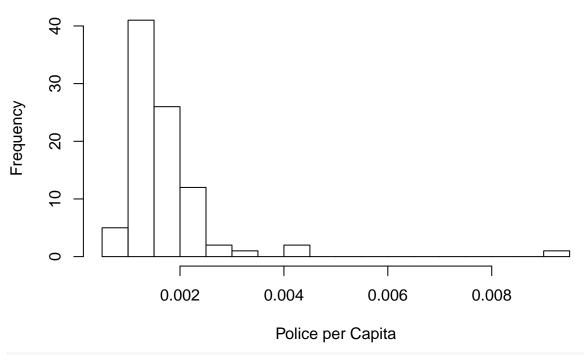
```
## Min. 1st Qu. Median Mean 3rd Qu. Max.
## 5.380 7.375 9.110 9.689 11.465 20.700
```

For this variable we also have a slight left skew, however, the same line of thought we had for crime rate is applicable to average sentence time: the number of observations allows us to call upon the central limit theorem and assume normality.

Key Variables - Police per Capita (polpc):

hist(x=crime_data\$polpc, main="Police per Capita Distribution", xlab= "Police per Capita", ylab="Frequents"

Police per Capita Distribution



summary(crime_data\$polpc)

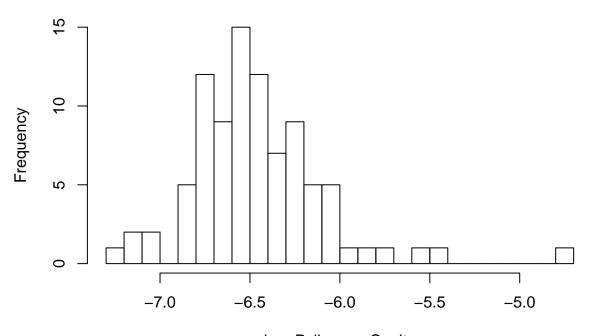
Min. 1st Qu. Median Mean 3rd Qu. Max. ## 0.0007459 0.0012378 0.0014897 0.0017080 0.0018856 0.0090543

We have a considerate left skew. In this case, the number of observations is not enough to make us comfortable in calling upon the central limit theorem, and therefore, we choose to try some variable transformations.

Log Transformation

hist(x=log(crime_data\$polpc), main="Log of Police per Capita Distribution", xlab= "Log Police per Capit

Log of Police per Capita Distribution



Log Police per Capita

```
summary(log(crime_data$polpc))
```

```
## Min. 1st Qu. Median Mean 3rd Qu. Max. ## -7.201 -6.694 -6.509 -6.458 -6.274 -4.705
```

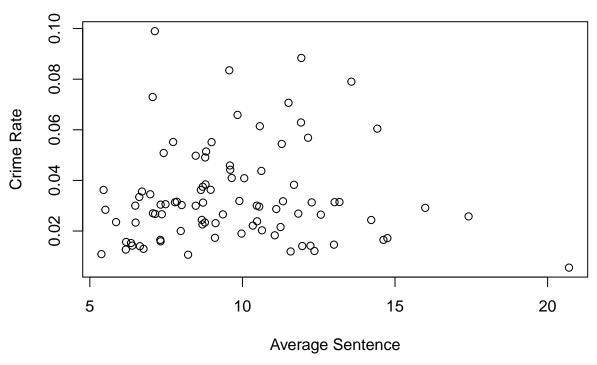
This transformation gives us a distribution much closer to normality, and therefore, we will use the transformed variable log(crime_date\$polpc) in our model building.

```
crime_data$logpolpc<-log(crime_data$polpc)</pre>
```

Displaying linear relations

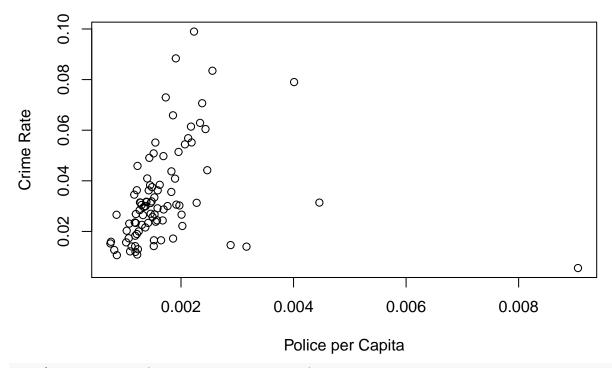
plot(x = crime_data\$avgsen, y=crime_data\$crmrte, main = "Average Sentence vs Crime Rate", xlab="Average

Average Sentence vs Crime Rate



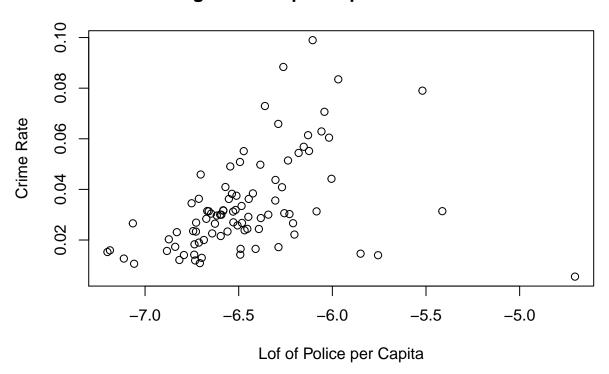
plot(x = crime_data\$polpc, y=crime_data\$crmrte, main = "Police per Capita vs Crime Rate", xlab="Police per Capita vs Crim

Police per Capita vs Crime Rate



plot(x = crime_data\$logpolpc, y=crime_data\$crmrte, main = "Log of Police per Capita vs Crime Rate", xla

Log of Police per Capita vs Crime Rate



Model Creation

Signif. codes:

##

As we have explained in our EDA, we will model the crime rate as a function of Average Sentence Time, and our transformed variable for Police per Capita, Log of Police per Capita (logpolpc). Let us first create the model:

model1<-lm(crmrte ~ avgsen + logpolpc, data = crime_data)</pre>

Residual standard error: 0.01731 on 87 degrees of freedom
Multiple R-squared: 0.1791, Adjusted R-squared: 0.1602
F-statistic: 9.489 on 2 and 87 DF, p-value: 0.0001871

```
summary(model1)
##
## Call:
## lm(formula = crmrte ~ avgsen + logpolpc, data = crime_data)
##
## Residuals:
##
                    1Q
                           Median
                                          3Q
   -0.055954 -0.009502 -0.002033
##
                                   0.007589
##
## Coefficients:
                 Estimate Std. Error t value Pr(>|t|)
##
  (Intercept)
##
                0.1987068
                            0.0388093
                                         5.120 1.81e-06 ***
               -0.0012378
                            0.0007198
                                        -1.720
                                                  0.089 .
## avgsen
## logpolpc
                0.0237214
                            0.0054511
                                         4.352 3.67e-05 ***
##
```

By the coefficients generated by our model, we can analyze them as follows: - By each day added to the

0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

average sentence time, there is an impact of reducing the crimes per person (the crime rate) in 0.0012378. In a county which has a population of 10,000 people, that would mean minus 12 crime offenses. - By every cop added to the police force of the county, considering the current number of cops as n, the crime rate would be increased by $(\log(n+1)-\log(n))*0.0237214$

That poses us with a surprising result: even though increasing sentence time seems to actually impact crime rates negatively, the increase in the number of cops will lead to higher crime rates, though the increase in crime rate will be smaller with each cop added, that is a surprising finding, contrary to what we believed to be true when posing our research question, however, it is perfectly consistent to what we have observed in the scatterplots.

Model 2: Adding covariates to the mix

In this other part of the model, we are adding some more explanatory variables to our model. Because of our surprising discover regarding the apparent relation between police per capita and the crime rate, we are interested in understanding what could impact police force effectiveness towards crime. We have the data for the average weekly wage in each county for government workers, in the three spheres of power: federal, state and local. Therefore, since police officers are government workers, we are adding these three variables to the mix, as proxies for police force income, in order to understand whether or not better paid police might result in better crime rates.

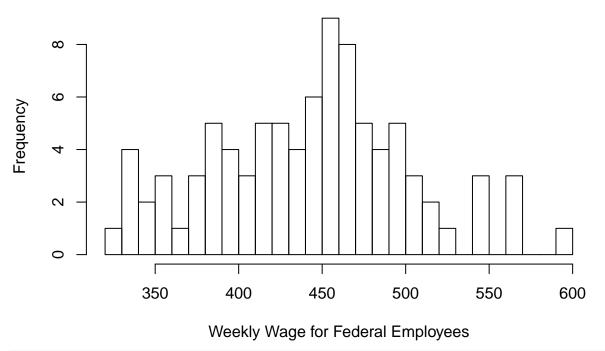
EDA

We are adding three new variables to the mix: Weekly Wage for Federal Employees, Weekly Wage for State Employees, and Weekly Wage for Local Government Employees. So we will explore the relation these variables share with our key explanatory variables and with our outcome variable.

Weekly Wage for Federal Employees (wfed)

hist(x=crime_data\$wfed, main= "Weekly Wage for Federal Employees Distribution", xlab = "Weekly Wage for

Weekly Wage for Federal Employees Distribution



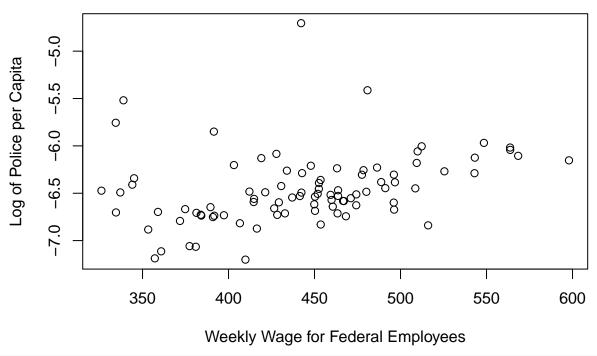
plot(x=crime_data\$wfed, y=crime_data\$avgsen, xlab="Weekly Wage for Federal Employees", ylab="Average Sentence Sente

Weekly Wage for Federal Employees vs Average Sentence



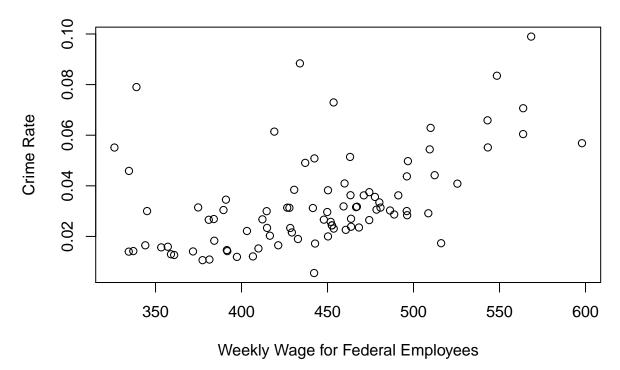
plot(x=crime_data\$wfed, y=crime_data\$logpolpc, xlab="Weekly Wage for Federal Employees", ylab="Log of P

Weekly Wage for Federal Employees vs Log of Police per Capita



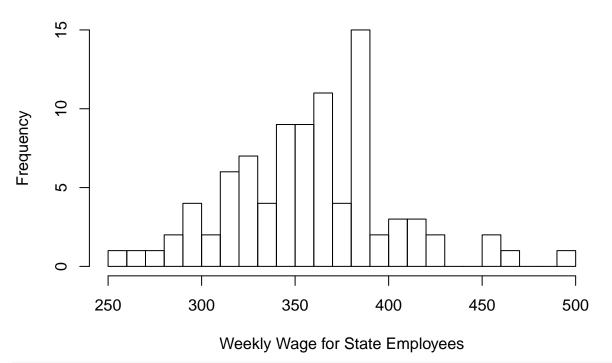
plot(x=crime_data\$wfed, y=crime_data\$crmrte, xlab="Weekly Wage for Federal Employees", ylab="Crime Rate

Weekly Wage for Federal Employees vs Crime Rate



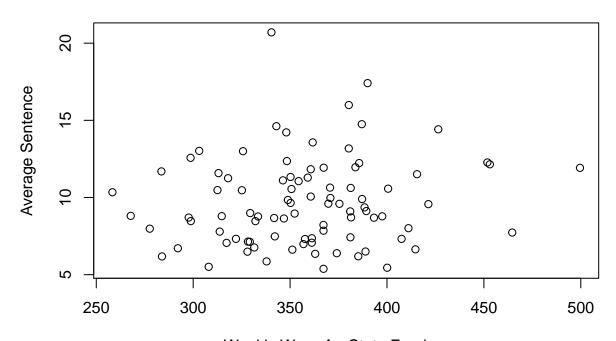
The variable in question has a fairly normal distribution, and by the scatterplots, we observe that it seems to have no relation to average sentence time, however, positively correlated to the log of police per capita and with the crime rate, which seems to go in the other direction of what we initially thought.

Weekly Wage for State Employees Distribution



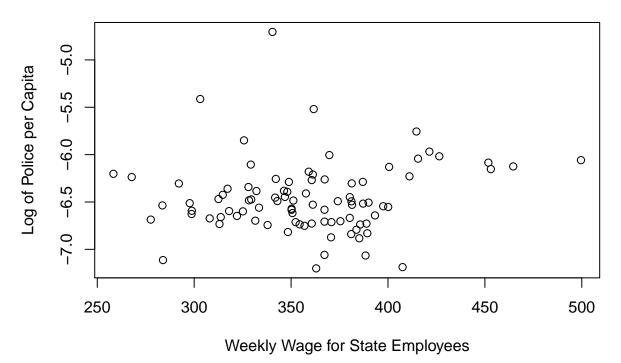
plot(x=crime_data\$wsta, y=crime_data\$avgsen, xlab="Weekly Wage for State Employees", ylab="Average Sent

Weekly Wage for State Employees vs Average Sentence



Weekly Wage for State Employees

Weekly Wage for State Employees vs Log of Police per Capita



plot(x=crime_data\$wsta, y=crime_data\$crmrte, xlab="Weekly Wage for State Employees", ylab="Crime Rate",

Weekly Wage for State Employees vs Crime Rate

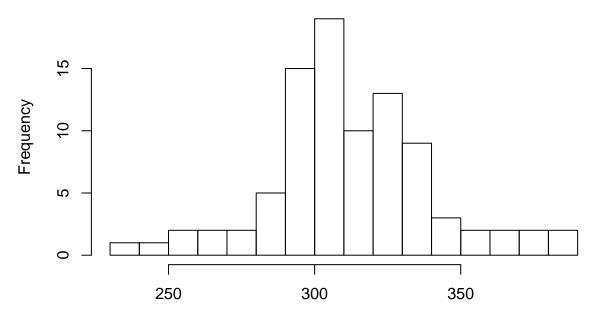


The weekly wage for state employees has a slight left skewed distribution, however, it is safe to assume

normality on basis of the central limit theorem. As for its relation with the key explanatory variables and with the output variable, there seems to be none, however, we might uncover something interesting while building our model.

hist(x=crime_data\$wloc, main= "Weekly Wage for Local Government Employees Distribution", xlab = "Weekly

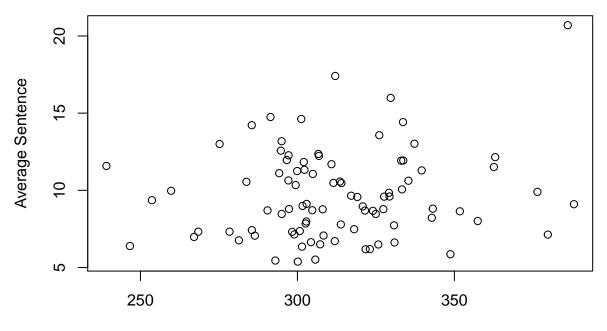
Weekly Wage for Local Government Employees Distribution



Weekly Wage for Local Government Employees

plot(x=crime_data\$wloc, y=crime_data\$avgsen, xlab="Weekly Wage for Local Government Employees", ylab="A

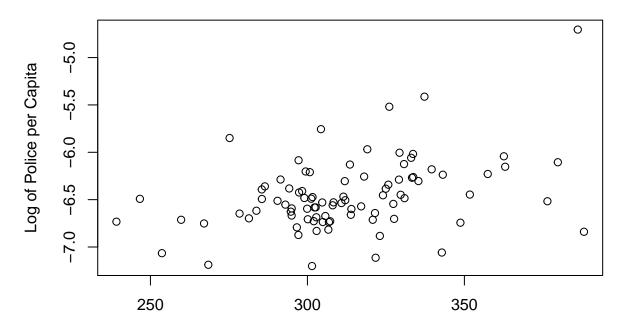
Weekly Wage for Local Government Employees vs Average Sentenc



Weekly Wage for Local Government Employees

plot(x=crime_data\$wloc, y=crime_data\$logpolpc, xlab="Weekly Wage for Local Government Employees", ylab=

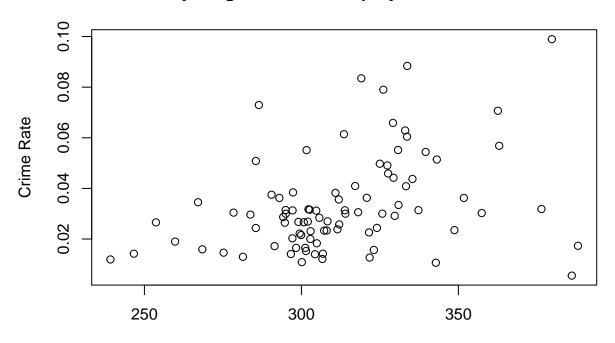
Weekly Wage for Local Government Employees vs Log of Police per Ca



Weekly Wage for Local Government Employees

plot(x=crime_data\$wloc, y=crime_data\$crmrte, xlab="Weekly Wage for Local Government Employees", ylab="C

Weekly Wage for State Employees vs Crime Rate



Weekly Wage for Local Government Employees

The weekly wage for local government employees has a fairly normal distribution, and by the looks of the scatter plots, it doesn't have any clear relation with our key explanatory variables, however, it seems as it has a positive correlation with our output variable, crime rate, contradicting our initial belief that better paid police force would imply in lower crime rates.

Model Creation

We are simply adding three more variables to our model (wfed, wsta, wloc), since our EDA didn't show any need for transformation on these variables

```
model2<-lm(crmrte ~ avgsen + logpolpc + wfed + wsta + wloc, data = crime_data)
summary(model2)</pre>
```

```
##
## Call:
## lm(formula = crmrte ~ avgsen + logpolpc + wfed + wsta + wloc,
##
       data = crime_data)
##
##
  Residuals:
##
         Min
                     1Q
                           Median
                                          3Q
                                                   Max
   -0.043834 -0.008424 -0.004316
                                   0.007387
##
##
## Coefficients:
##
                 Estimate Std. Error t value Pr(>|t|)
  (Intercept)
                7.489e-02
                            4.986e-02
                                        1.502 0.136868
  avgsen
               -1.355e-03
                            6.574e-04
                                        -2.061 0.042425 *
                1.672e-02
                            5.362e-03
                                        3.117 0.002500 **
## logpolpc
                            3.308e-05
                                        3.528 0.000682 ***
## wfed
                1.167e-04
                5.030e-05
                            3.950e-05
                                        1.274 0.206323
## wsta
## wloc
                3.220e-05 7.253e-05
                                        0.444 0.658199
```

```
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.01572 on 84 degrees of freedom
## Multiple R-squared: 0.3465, Adjusted R-squared: 0.3076
## F-statistic: 8.909 on 5 and 84 DF, p-value: 8.087e-07
```

By the coefficients generated by our model, we can analyze them as follows: - By each day added to the average sentence time, there is an impact of reducing the crimes per person (the crime rate) in 0.001355. In a county which has a population of 10,000 people, that would mean minus 14 crime offenses. - By every cop added to the police force of the county, considering the current number of cops as n, the crime rate would be increased by $(\log(n+1)-\log(n))*0.01672$. - By every dollar added to the weekly wage of federal employees, the crime rate would be increased by 0.0001167. In a county with a population of 10,000 people, that would mean 2 more crimes. - By every dollar added to the weekly wage of state employees, the crime rate would be increased by 0.00005030. In a county with a population of 20,000 people, that would mean an increase of 1 crime. - By every dollar added to the weekly wage of local government employees, the crime rate would be increased by 0.00003220. In a county with a population of 30,000 people, that would mean an increase of 1 crime.

That is also a surprise in terms of our inital beliefs: higher wages for cops not only don't decrease crime rates, but increase them!

Model 3: Everything

```
model3<-lm(crmrte ~ . , data = crime_data)
summary(model3)</pre>
```

```
##
## Call:
## lm(formula = crmrte ~ ., data = crime data)
##
## Residuals:
##
                       1Q
                              Median
                                              3Q
                                                        Max
   -0.0169396 -0.0038826 -0.0005496
                                      0.0045378
                                                  0.0220260
##
## Coefficients: (1 not defined because of singularities)
##
                 Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                2.144e-02
                           7.374e-02
                                        0.291 0.772173
## county
                9.164e-06
                            1.644e-05
                                        0.557 0.579194
## year
                        NA
                                   NA
                                            NA
                                                     NA
               -5.067e-02
                            1.132e-02
                                       -4.474 3.16e-05 ***
## prbarr
## prbconv
                            4.230e-03
               -1.856e-02
                                       -4.389 4.28e-05 ***
## prbpris
                3.992e-03
                            1.224e-02
                                        0.326 0.745307
## avgsen
               -3.991e-04
                            4.296e-04
                                       -0.929 0.356302
                            3.781e+00
                                        1.718 0.090536 .
## polpc
                6.497e+00
## density
                5.280e-03
                            1.385e-03
                                        3.813 0.000308 ***
## taxpc
                1.634e-04
                            1.027e-04
                                        1.590 0.116714
               -2.784e-03
                            4.024e-03
                                       -0.692 0.491541
## west
## central
               -4.236e-03
                            2.838e-03
                                       -1.492 0.140420
## urban
                3.510e-04
                            6.300e-03
                                        0.056 0.955737
## pctmin80
                3.183e-04
                            9.609e-05
                                        3.313 0.001513 **
## wcon
                2.107e-05
                            2.844e-05
                                        0.741 0.461504
## wtuc
                5.689e-06
                           1.550e-05
                                        0.367 0.714849
## wtrd
                2.816e-05 4.777e-05
                                        0.589 0.557646
```

```
-3.494e-05 2.751e-05 -1.270 0.208561
-2.091e-06 5.876e-06 -0.356 0.723075
## wfir
## wser
## wmfg
             -8.662e-06 1.454e-05 -0.596 0.553513
## wfed
              2.906e-05 2.880e-05 1.009 0.316711
## wsta
             -2.409e-05 2.690e-05 -0.896 0.373778
## wloc
              1.508e-05 4.945e-05 0.305 0.761388
## mix
             -1.914e-02 1.578e-02 -1.213 0.229544
             9.860e-02 4.723e-02 2.088 0.040755 *
## pctymle
## logpolpc
             1.024e-03 9.606e-03 0.107 0.915414
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 0.008406 on 65 degrees of freedom
## Multiple R-squared: 0.8553, Adjusted R-squared: 0.8019
## F-statistic: 16.01 on 24 and 65 DF, p-value: < 2.2e-16
```