

Problem Set 3

Applied Stats/Quant Methods 1

Due: November 20, 2022

Instructions

- Please show your work! You may lose points by simply writing in the answer. If the problem requires you to execute commands in R, please include the code you used to get your answers. Please also include the `.R` file that contains your code. If you are not sure if work needs to be shown for a particular problem, please ask.
- Your homework should be submitted electronically on GitHub.
- This problem set is due before 23:59 on Sunday November 20, 2022. No late assignments will be accepted.
- Total available points for this homework is 80.

In this problem set, you will run several regressions and create an add variable plot (see the lecture slides) in R using the `incumbents_subset.csv` dataset. Include all of your code.

Question 1

We are interested in knowing how the difference in campaign spending between incumbent and challenger affects the incumbent's vote share.

1. Run a regression where the outcome variable is `voteshare` and the explanatory variable is `difflog`.

```

1 voteshare_model = lm(voteshare ~ difflog, data = mydata)
2 stargazer(voteshare_model, type = "html", out = "model1.html", title = "
  Voteshare and Difflog")

```

Voteshare and Difflog

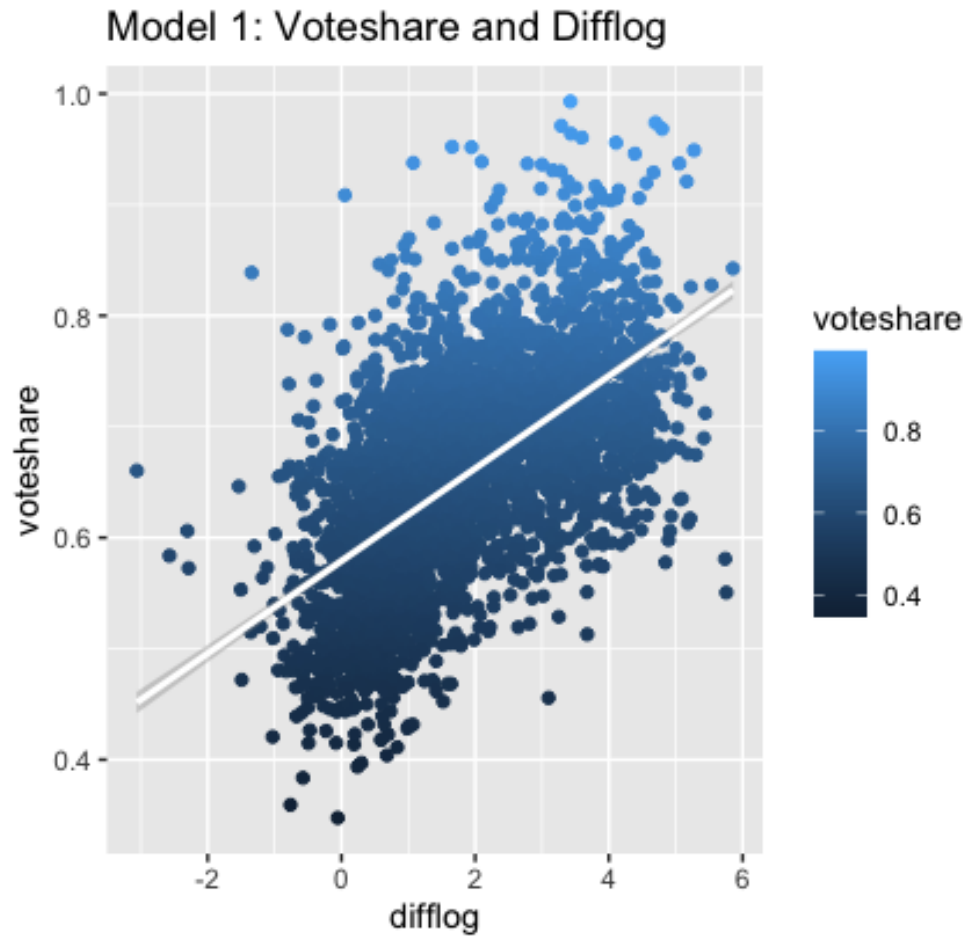
<i>Dependent variable:</i>	
	voteshare
difflog	0.042*** (0.001)
Constant	0.579*** (0.002)
Observations	3,193
R ²	0.367
Adjusted R ²	0.367
Residual Std. Error	0.079 (df = 3191)
F Statistic	1,852.791*** (df = 1; 3191)
<i>Note:</i>	*p<0.1; **p<0.05; ***p<0.01

2. Make a scatterplot of the two variables and add the regression line.

```

1 ggplot(mydata, aes(x = difflog, y = voteshare, color = voteshare)) +
2   geom_point() +
3   geom_smooth(method='lm', color = 'white') +
4   labs(title = "Model 1: Voteshare and Difflog")

```



3. Save the residuals of the model in a separate object.

```
1 model_residuais <- resid(voteshare_model)
2 head(model_residuais)
```

```
-0.0004227622, -0.0316840149, -0.0045514943, 0.0386688767, 0.0355287965,
0.0322832521
```

4. Write the prediction equation.

```
1 #Prediction equation
2 Y = 0.041666 + 0.579031(X)
```

Question 2

We are interested in knowing how the difference between incumbent and challenger's spending and the vote share of the presidential candidate of the incumbent's party are related.

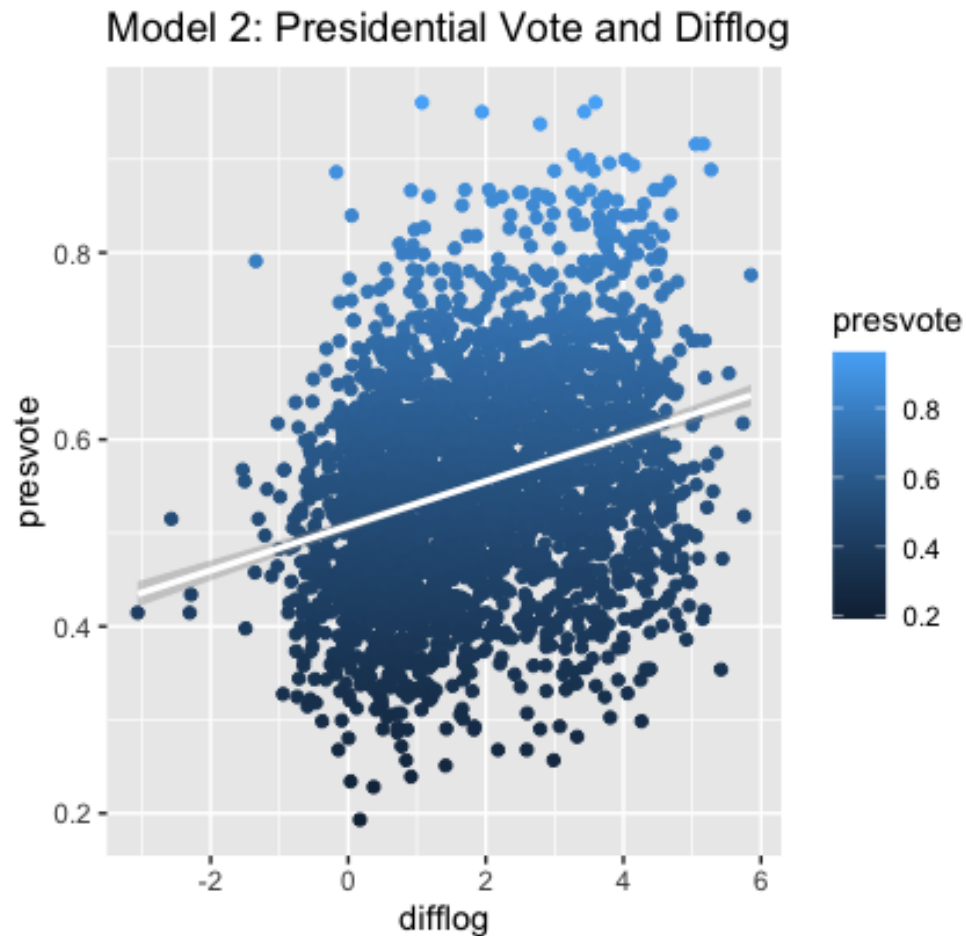
1. Run a regression where the outcome variable is `presvote` and the explanatory variable is `difflog`.

```
1 presidentialvote_model = lm(presvote ~ difflog, data = mydata)
2 summary(presidentialvote_model)
```

Presidential Vote and Difflog	
	<i>Dependent variable:</i>
	presvote
difflog	0.024*** (0.001)
Constant	0.508*** (0.003)
Observations	3,193
R ²	0.088
Adjusted R ²	0.088
Residual Std. Error	0.110 (df = 3191)
F Statistic	307.715*** (df = 1; 3191)
<i>Note:</i>	* p<0.1; ** p<0.05; *** p<0.01

2. Make a scatterplot of the two variables and add the regression line.

```
1 ggplot(mydata, aes(x = difflog, y = presvote, color = presvote)) +  
2   geom_point() +  
3   geom_smooth(method='lm', color = 'white') +  
4   labs(title = "Model 2: Presidential Vote and Difflog")
```



3. Save the residuals of the model in a separate object.

```
1 model2_residuals <- resid(presidentialvote_model)  
2 head(model2_residuals)
```

0.005605594, 0.037578519, -0.053134788, -0.052993694, -0.045842994, 0.074339701

4. Write the prediction equation.

```
1 #Prediction equation
2 Y = 0.023837 + 0.507583(X)
```

Question 3

We are interested in knowing how the vote share of the presidential candidate of the incumbent's party is associated with the incumbent's electoral success.

1. Run a regression where the outcome variable is `voteshare` and the explanatory variable is `presvote`.

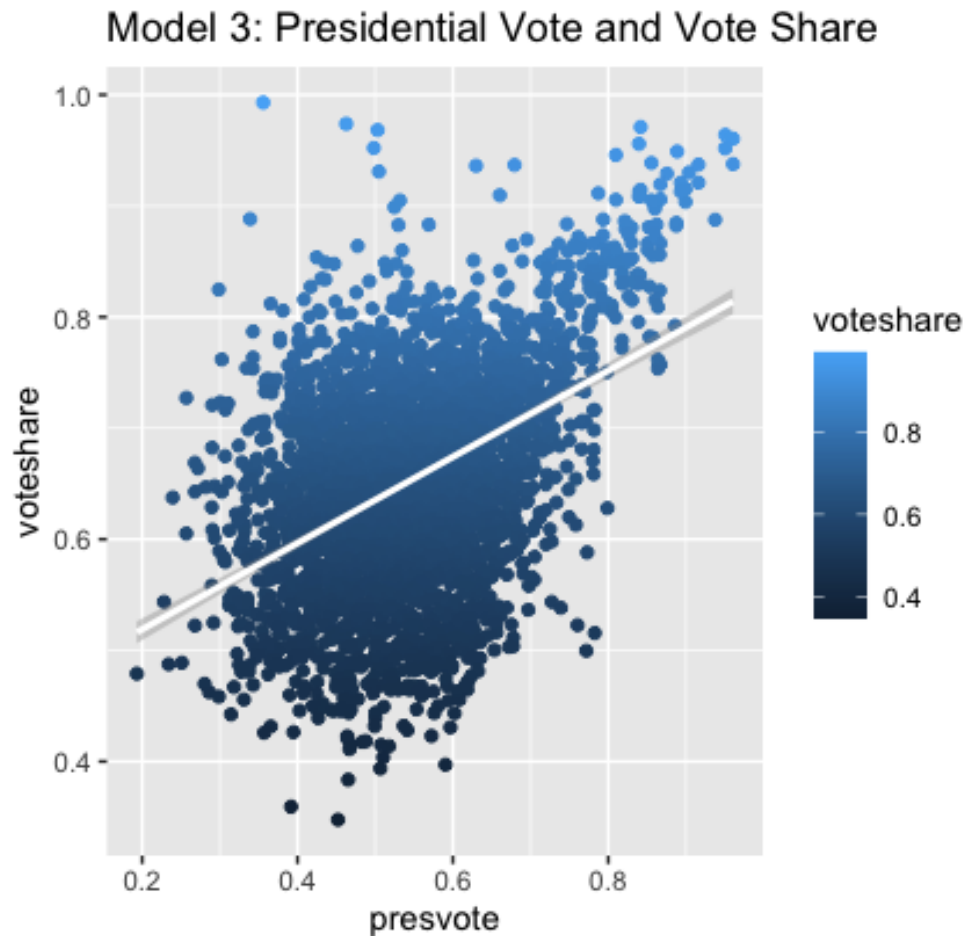
```
1 model3 = lm(voteshare ~ presvote, data = mydata)
2 summary(model3)
```

Presidential Vote and Vote Share

<i>Dependent variable:</i>	
	voteshare
presvote	0.388*** (0.013)
Constant	0.441*** (0.008)
Observations	3,193
R ²	0.206
Adjusted R ²	0.206
Residual Std. Error	0.088 (df = 3191)
F Statistic	826.950*** (df = 1; 3191)
Note:	*p<0.1; **p<0.05; ***p<0.01

2. Make a scatterplot of the two variables and add the regression line.

```
1 ggplot(mydata, aes(x = presvote, y = voteshare, color = voteshare)) +  
2   geom_point() +  
3   geom_smooth(method='lm', color = 'white') +  
4   labs(title = "Model 3: Presidential Vote and Vote Share ")
```



3. Write the prediction equation.

```
1 #Prediction equation  
2  $Y = 0.388018 + 0.441330(X)$ 
```

Question 4

The residuals from part (a) tell us how much of the variation in **voteshare** is *not* explained by the difference in spending between incumbent and challenger. The residuals in part (b) tell us how much of the variation in **presvote** is *not* explained by the difference in spending between incumbent and challenger in the district.

1. Run a regression where the outcome variable is the residuals from Question 1 and the explanatory variable is the residuals from Question 2.

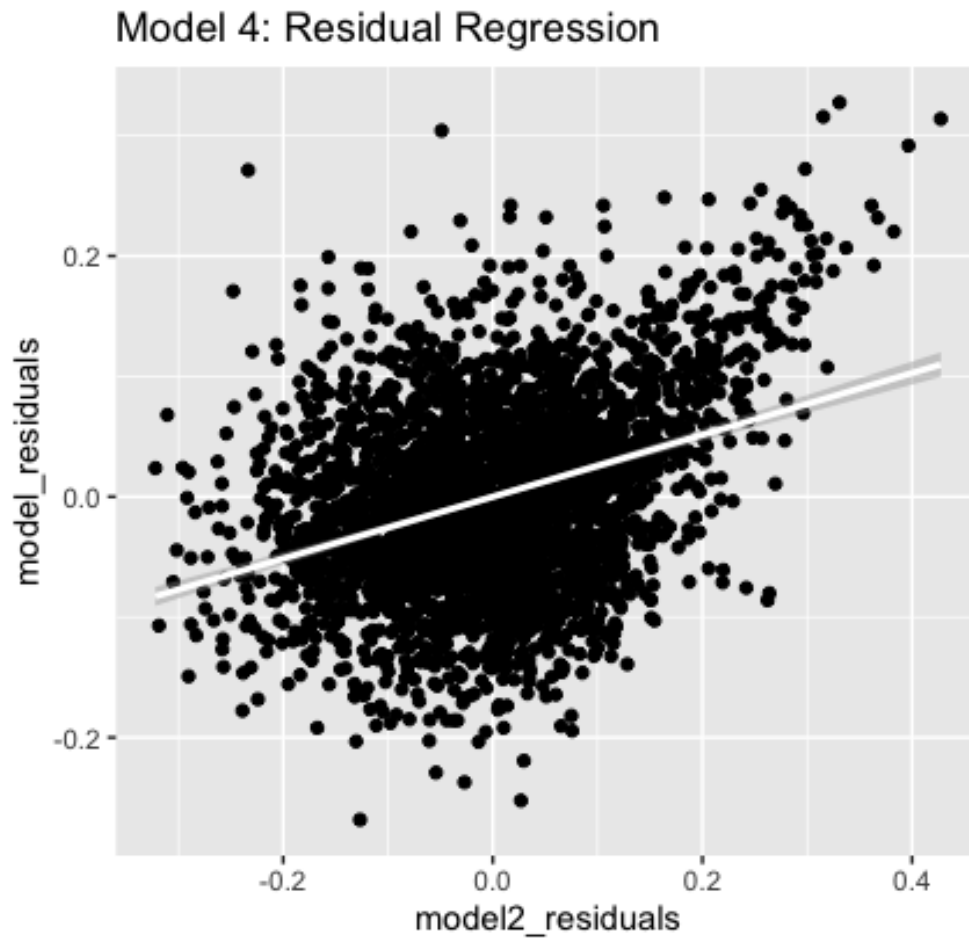
```
1 resreg = lm(model_residuals ~ model2_residuals)
2 summary(resreg)
```

Residual Regression

<i>Dependent variable:</i>	
model_residuals	
model2_residuals	0.257*** (0.012)
Constant	-0.000 (0.001)
Observations	3,193
R ²	0.130
Adjusted R ²	0.130
Residual Std. Error	0.073 (df = 3191)
F Statistic	476.975*** (df = 1; 3191)
<i>Note:</i>	* p<0.1; ** p<0.05; *** p<0.01

2. Make a scatterplot of the two residuals and add the regression line.

```
1 ggplot(resreg, aes(x = model2_residuals, y = model_residuals)) +  
2   geom_point() +  
3   geom_smooth(method='lm', color = 'white') +  
4   labs(title = "Model 4: Residual Regression")
```



3. Write the prediction equation.

```
1 #Prediction equation  
2 Y = 2.569e-01 + (-5.207e-18)(X)
```

Question 5

What if the incumbent's vote share is affected by both the president's popularity and the difference in spending between incumbent and challenger?

1. Run a regression where the outcome variable is the incumbent's `voteshare` and the explanatory variables are `difflog` and `presvote`.

```
1 model5 <- lm(voteshare ~ difflog + presvote, data=mydata)
2 summary(fit)
```

Multi regression

<i>Dependent variable:</i>	
	voteshare
difflog	0.036*** (0.001)
presvote	0.257*** (0.012)
Constant	0.449*** (0.006)
Observations	3,193
R ²	0.450
Adjusted R ²	0.449
Residual Std. Error	0.073 (df = 3190)
F Statistic	1,302.947*** (df = 2; 3190)
<i>Note:</i>	* p<0.1; ** p<0.05; *** p<0.01

2. Write the prediction equation.

```
1 #Prediction Equation
2 Y = 0.449 + 0.0355431(X1) + 0.2568770(X2)
```

3. What is it in this output that is identical to the output in Question 4? Why do you think this is the case?

The residual standard error is the same in this output, as in Question 4.

The residual standard error from Question 4 refers to the unexplained variation in variables 'difflog', 'voteshare', and 'presvote'; this is because in Question 4, the model was a regression of the residuals from two regressions including these variables. The model in Question 5 deals with these same variables too, and the multi regression on these same variables returns an identical residual standard error.