

# Regression

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November 11, 2016

In our basic model we want to see what is the relationship between youth unemployment and voter turnout in General Election in Spain. For this we use the following equation:

$$Turnout_{it} = \beta_0 + \beta_1 Youth\ Unemployment\ Rate_{it} + \epsilon_{it}$$

where  $i$  represents each of the 17 regions plus two Autonomous cities of Spain and  $t$  represents each of the years we have data for  $t = 2004, 2008, 2011, 2015$

```
plot(Reg1, which=1)
```

```
Call: lm(formula = Turnout ~ Unempl_rate_less25, data = Spain_data)
```

```
Residuals: Min 1Q Median 3Q Max -0.16960 -0.03690 0.01063 0.04226 0.09288
```

```
Coefficients: Estimate Std. Error t value Pr(>|t|)
```

```
(Intercept) 0.7992339 0.0171272 46.665 < 2e-16 Unempl_rate_less25 -0.0022214 0.0004454 -4.988  
3.92e-06 — Signif. codes: 0 ‘’ 0.001 ’’ 0.01 ’’ 0.05 ‘.’ 0.1 ‘.’ 1
```

```
Residual standard error: 0.05698 on 74 degrees of freedom Multiple R-squared: 0.2516, Adjusted R-squared:  
0.2415 F-statistic: 24.88 on 1 and 74 DF, p-value: 3.916e-06
```

```
% Table created by stargazer v.5.2 by Marek Hlavac, Harvard University. E-mail: hlavac at fas.harvard.edu  
% Date and time: do., nov. 27, 2016 - 20:36:25
```

Table 1: Basic Regression

	<i>Dependent variable:</i>
	Voter Turnout in General Elections
Youth Unemployment	−0.002*** (0.0004)
Constant	0.799*** (0.017)
Observations	76
R <sup>2</sup>	0.252
Adjusted R <sup>2</sup>	0.241
Residual Std. Error	0.057 (df = 74)
F Statistic	24.877*** (df = 1; 74)
<i>Note:</i>	*p<0.1; **p<0.05; ***p<0.01

Our analysis can also go one step further and include regional fixed effects

$$Turnout_{it} = \beta_0 + \beta_1 Youth\ Unemployment\ Rate_{it} + \delta_i + \epsilon_{it}$$

```
Reg2 <- lm(Turnout ~ Unempl_rate_less25 + Region, data = Spain_data)
```

```
summary(Reg2)
```

```
##
## Call:
## lm(formula = Turnout ~ Unempl_rate_less25 + Region, data = Spain_data)
##
## Residuals:
##      Min       1Q   Median       3Q      Max
## -0.070112 -0.008874 -0.000297  0.008067  0.057838
##
## Coefficients:
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)      0.770601   0.013073   58.945 < 2e-16 ***
## Unempl_rate_less25 -0.001099   0.000187  -5.879 2.39e-07 ***
## RegionAragon        0.011345   0.014922    0.760 0.450292
## RegionAsturias     -0.021044   0.014765   -1.425 0.159627
## RegionBalears     -0.075798   0.014822   -5.114 3.98e-06 ***
## RegionCanarias    -0.071002   0.014701   -4.830 1.10e-05 ***
## RegionCantabria     0.025146   0.014866    1.692 0.096287 .
## RegionCastilla_La_Mancha 0.051866   0.014745    3.518 0.000872 ***
## RegionCastilla_y_Leon  0.031933   0.014800    2.158 0.035262 *
## RegionCatalunya    -0.025340   0.014830   -1.709 0.093046 .
## RegionCeuta        -0.115844   0.014845   -7.804 1.63e-10 ***
## RegionComunitat_Valenciana 0.041221   0.014737    2.797 0.007055 **
## RegionExtremadura    0.036837   0.014701    2.506 0.015154 *
## RegionGalicia       -0.019814   0.014826   -1.336 0.186822
## RegionLa_Rioja      0.040443   0.014875    2.719 0.008708 **
## RegionMadrid        0.042142   0.014869    2.834 0.006377 **
## RegionMelilla      -0.149735   0.014800  -10.117 2.99e-14 ***
## RegionMurcia         0.030969   0.014760    2.098 0.040414 *
## RegionNavarra       -0.008258   0.015049   -0.549 0.585357
## RegionPais_Vasco    -0.038778   0.014889   -2.604 0.011763 *
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.02079 on 56 degrees of freedom
## Multiple R-squared:  0.9246, Adjusted R-squared:  0.8991
## F-statistic: 36.16 on 19 and 56 DF,  p-value: < 2.2e-16
```

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```
Reg3 <- lm(Turnout ~ Unempl_rate_less25 + eight + eleven + fifteen, data = Spain_data)
```

```
summary(Reg3)
```

```
##
## Call:
## lm(formula = Turnout ~ Unempl_rate_less25 + eight + eleven +
##      fifteen, data = Spain_data)
##
## Residuals:
##      Min       1Q   Median       3Q      Max
## -0.132415 -0.036335  0.007654  0.037552  0.090087
##
```

Table 2:

	<i>Dependent variable:</i>	
	Turnout	
	(1)	(2)
Unempl_rate_less25	−0.002*** (0.0004)	−0.001*** (0.0002)
RegionAragon		0.011 (0.015)
RegionAsturias		−0.021 (0.015)
RegionBalears		−0.076*** (0.015)
RegionCanarias		−0.071*** (0.015)
RegionCantabria		0.025* (0.015)
RegionCastilla_La_Mancha		0.052*** (0.015)
RegionCastilla_y_Leon		0.032** (0.015)
RegionCatalunya		−0.025* (0.015)
RegionCeuta		−0.116*** (0.015)
RegionComunitat_Valenciana		0.041*** (0.015)
RegionExtremadura		0.037** (0.015)
RegionGalicia		−0.020 (0.015)
RegionLa_Rioja		0.040*** (0.015)
RegionMadrid		0.042*** (0.015)
RegionMelilla		−0.150*** (0.015)
RegionMurcia		0.031** (0.015)
RegionNavarra		−0.008 (0.015)

```
## Coefficients:
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)    0.8437398  0.0199905  42.207 < 2e-16 ***
## Unempl_rate_less25 -0.0047546  0.0007289  -6.523 8.69e-09 ***
## eight          0.0029997  0.0169314   0.177 0.859881
## eleven         0.0757919  0.0242326   3.128 0.002555 **
## fifteen        0.1033705  0.0260240   3.972 0.000169 ***
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.05181 on 71 degrees of freedom
## Multiple R-squared:  0.4063, Adjusted R-squared:  0.3729
## F-statistic: 12.15 on 4 and 71 DF,  p-value: 1.411e-07
```

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 % Date and time: do., nov. 27, 2016 - 20:36:26

Table 3:

	<i>Dependent variable:</i>	
	Turnout	
	(1)	(2)
Unempl_rate_less25	-0.002*** (0.0004)	-0.005*** (0.001)
eight		0.003 (0.017)
eleven		0.076*** (0.024)
fifteen		0.103*** (0.026)
Constant	0.799*** (0.017)	0.844*** (0.020)
Observations	76	76
R <sup>2</sup>	0.252	0.406
Adjusted R <sup>2</sup>	0.241	0.373
Residual Std. Error	0.057 (df = 74)	0.052 (df = 71)
F Statistic	24.877*** (df = 1; 74)	12.148*** (df = 4; 71)

*Note:* \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

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```
Spain_data["unempl_rich"]<-Spain_data$Unempl_rate_less25 * Spain_data$Rich
```

```
Spain_data["unempl_rich"]<-Spain_data$Unempl_rate_less25*Spain_data$Rich
Reg4 <- lm(Turnout ~ Unempl_rate_less25 + Rich + unempl_rich, data = Spain_data)
```

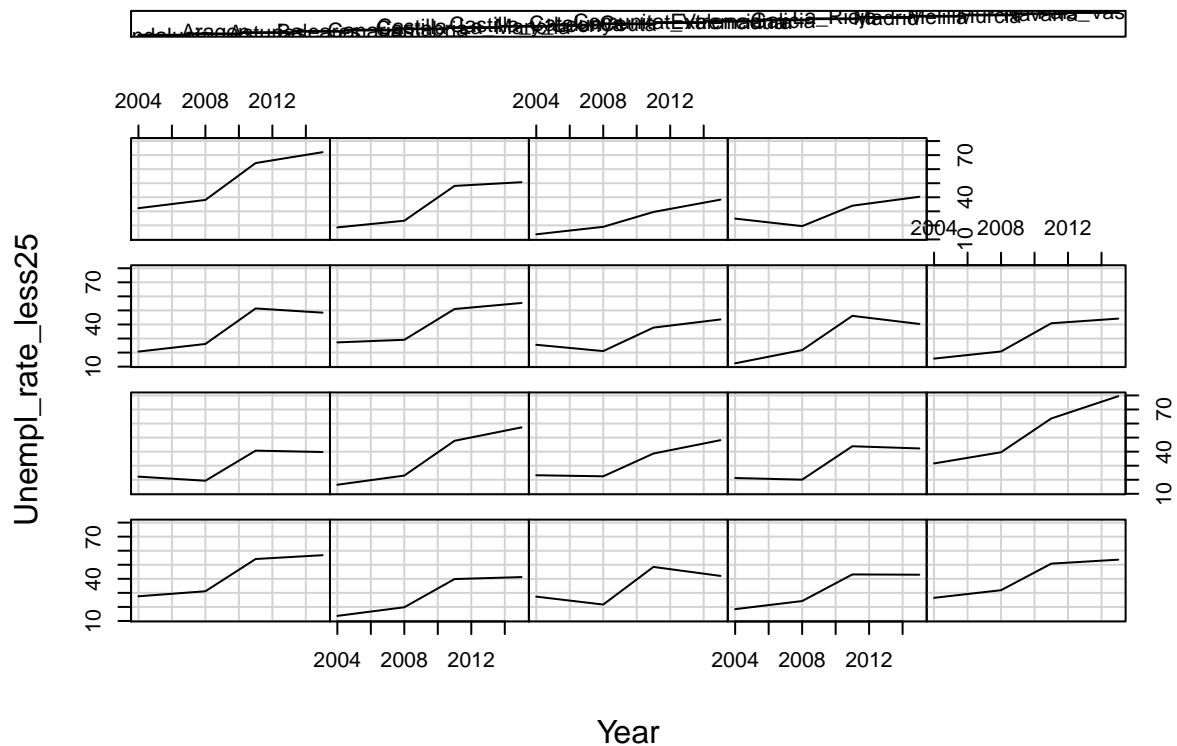
Table 4:

	<i>Dependent variable:</i>		
		Turnout	
	(1)	(2)	(3)
Unempl_rate_less25	−0.002*** (0.0004)	−0.001*** (0.0002)	−0.005*** (0.001)
RegionAragon		0.011 (0.015)	
RegionAsturias		−0.021 (0.015)	
RegionBalears		−0.076*** (0.015)	
RegionCanarias		−0.071*** (0.015)	
RegionCantabria		0.025* (0.015)	
RegionCastilla_La_Mancha		0.052*** (0.015)	
RegionCastilla_y_Leon		0.032** (0.015)	
RegionCatalunya		−0.025* (0.015)	
RegionCeuta		−0.116*** (0.015)	
RegionComunitat_Valenciana		0.041*** (0.015)	
RegionExtremadura		0.037** (0.015)	
RegionGalicia		−0.020 (0.015)	
RegionLa_Rioja		0.040*** (0.015)	
RegionMadrid		0.042*** (0.015)	
RegionMelilla		−0.150*** (0.015)	
RegionMurcia		0.031** (0.015)	
RegionNavarra		−0.008 (0.015)	

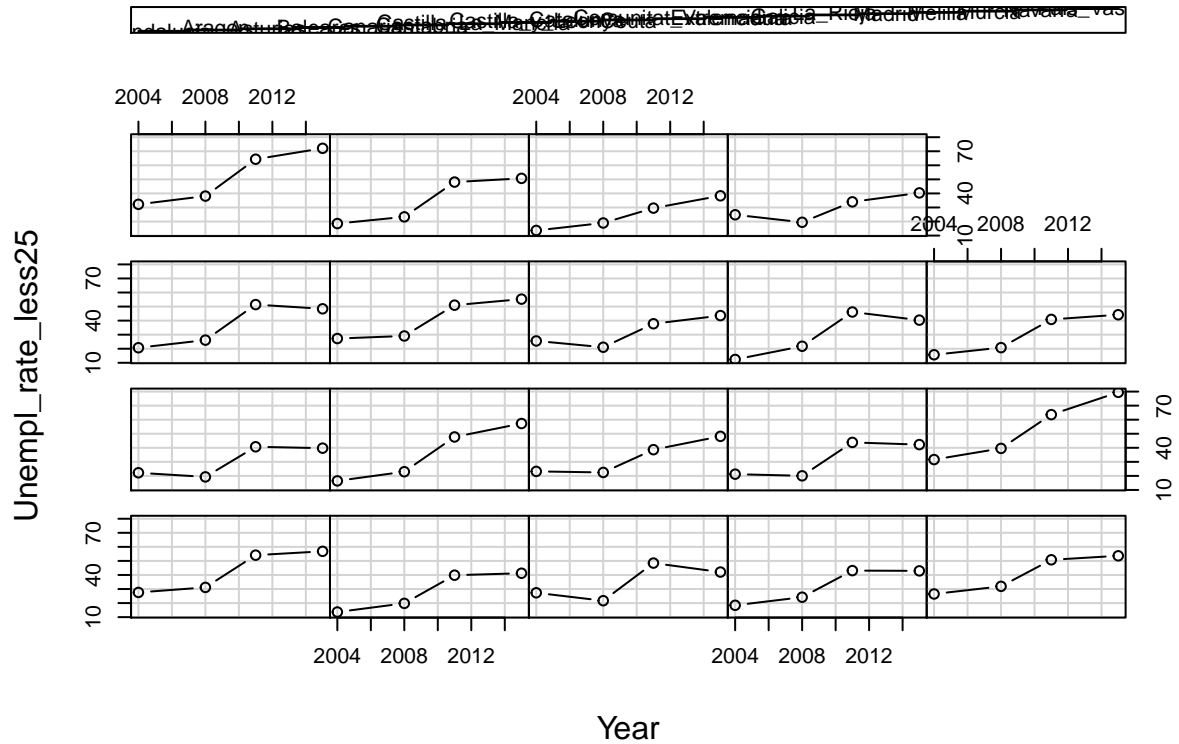
```
summary(Reg4)
```

```
##
## Call:
## lm(formula = Turnout ~ Unempl_rate_less25 + Rich + unempl_rich,
##     data = Spain_data)
##
## Residuals:
##      Min       1Q   Median       3Q      Max
## -0.16602 -0.03755  0.01333  0.04190  0.08534
##
## Coefficients:
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)    0.8109865  0.0248366  32.653 < 2e-16 ***
## Unempl_rate_less25 -0.0026969  0.0005793  -4.656 1.44e-05 ***
## Rich           -0.0446612  0.0352602  -1.267  0.2094
## unempl_rich      0.0018206  0.0009570   1.902  0.0611 .
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.05577 on 72 degrees of freedom
## Multiple R-squared:  0.3024, Adjusted R-squared:  0.2733
## F-statistic: 10.4 on 3 and 72 DF,  p-value: 9.089e-06
```

Given : Region



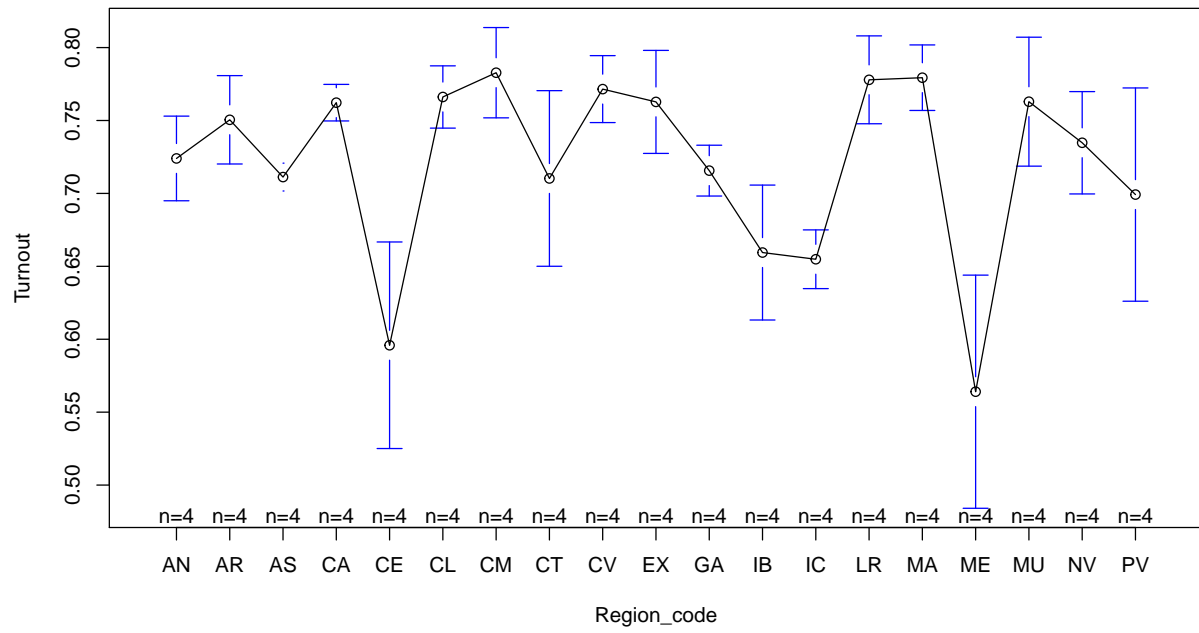
Given : Region



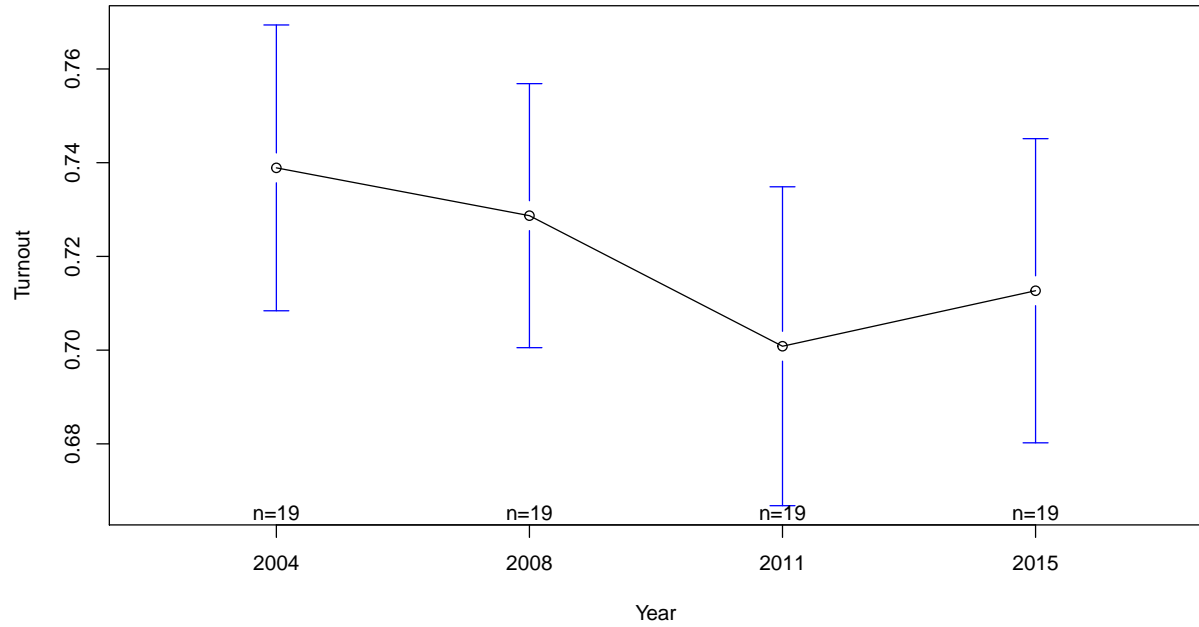
```
## Warning in arrows(x, li, x, pmax(y - gap, li), col = barcol, lwd = lwd, :
## zero-length arrow is of indeterminate angle and so skipped

## Warning in arrows(x, ui, x, pmin(y + gap, ui), col = barcol, lwd = lwd, :
## zero-length arrow is of indeterminate angle and so skipped
```

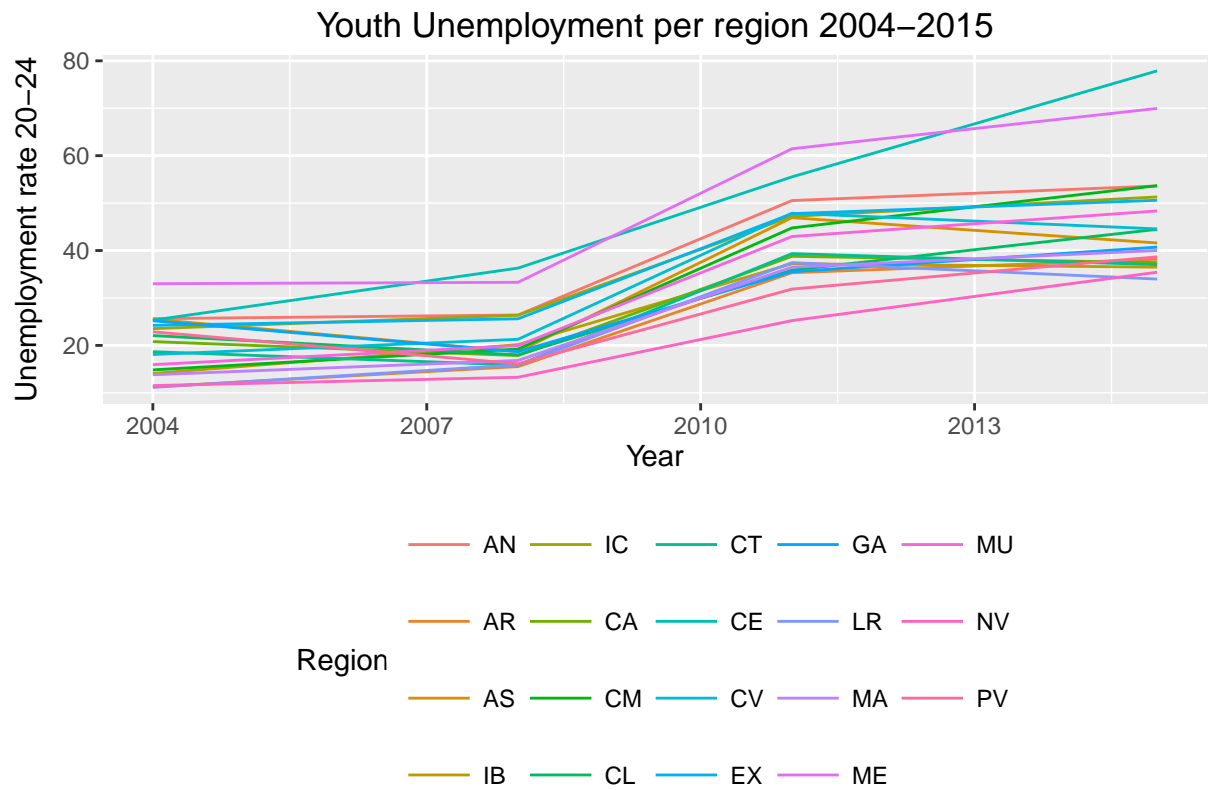
**Heterogeneity across regions**



**Heterogeneity across years**







```

legend.key = element_rect(size = 5, fill = 'white', colour = 'white'), legend.key.size = unit(2.0, 'lines'),
axis.title.y=element_text(margin=margin(10,10,0,10)))

```