

Government 10: Quantitative Political Analysis

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Correlation

Correlation between variables

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So, when we observe a change in **X**, we also observe a change in our outcome of interest: **Y**

Correlation Examples

$$X \rightarrow Y$$

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Increased Exercise \rightarrow Reduced Death Rate

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Pipe smoking \rightarrow Higher Risk of Death

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“Pipe smoking...was associated with an increased risk of death from cancers of the lung. These risks were generally smaller than those associated with cigarette smoking and similar to or larger than those associated with cigar smoking”

Pipe smoking \rightarrow Higher Risk of Death

Cigarette smoking \rightarrow Lower Risk of Death

Correlation and Causation

Probe this logically...

Correlation and Causation

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Pipe Smoking \rightarrow Death

Correlation and Causation

Probe this logically...

Pipe Smoking \rightarrow Death

What could be wrong here?

Correlation and Causation

Who smokes a pipe?

Correlation and Causation

Who smokes a pipe?



Correlation and Causation

Who smokes a pipe?

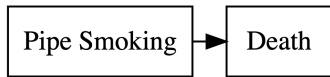


or



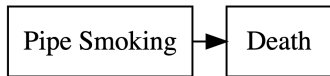
Correlation and Causation

Instead of:

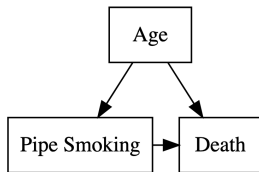


Correlation and Causation

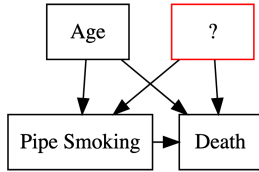
Instead of:



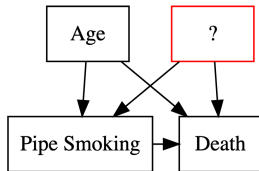
Perhaps:



Correlation and Causation



Correlation and Causation



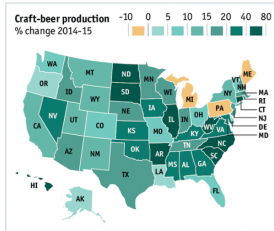
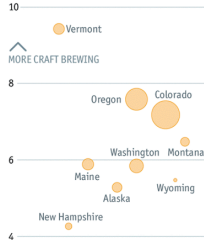
These (unmeasured) variables are known as **confounders**

Some examples of where relationships go wrong

Thou shalt not microbrew

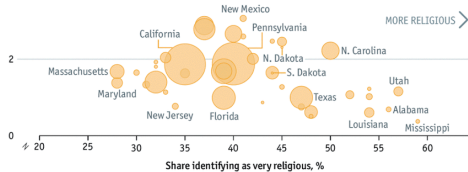
United States craft-beer production and religiosity, 2015

Craft breweries
per 100,000 people*



Barrels
produced,
2015

4m
1m
1,000



Source: Brewers Association; Pew Research Centre

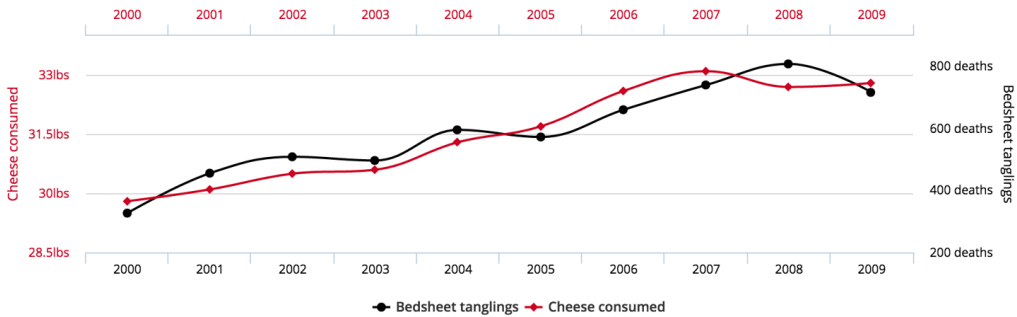
*Aged 21 and over

What else do these states have in common?



Per capita cheese consumption correlates with Number of people who died by becoming tangled in their bedsheets

Correlation: 94.71% (r=0.947091)



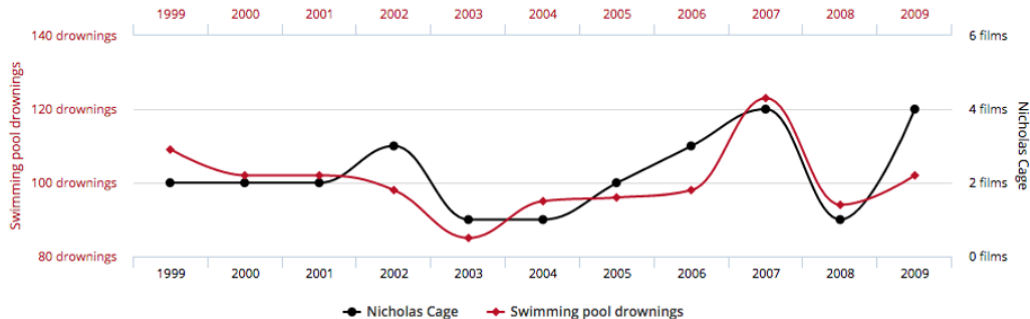
Data sources: U.S. Department of Agriculture and Centers for Disease Control & Prevention

tylervigen.com

Number of people who drowned by falling into a pool correlates with

Films Nicolas Cage appeared in

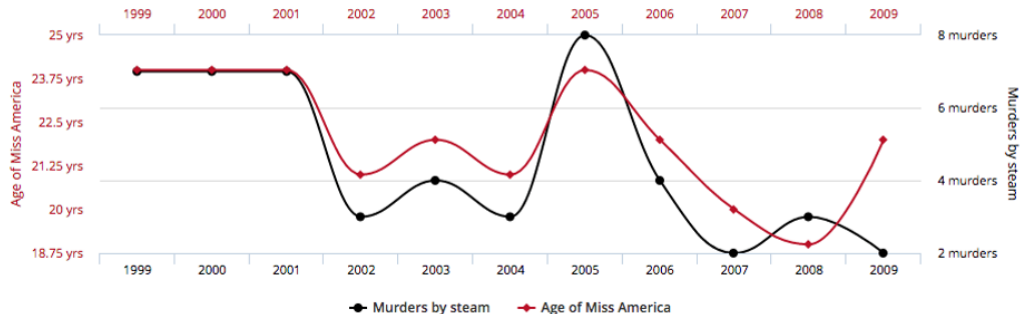
Correlation: 66.6% ($r=0.666004$)



Age of Miss America correlates with

Murders by steam, hot vapours and hot objects

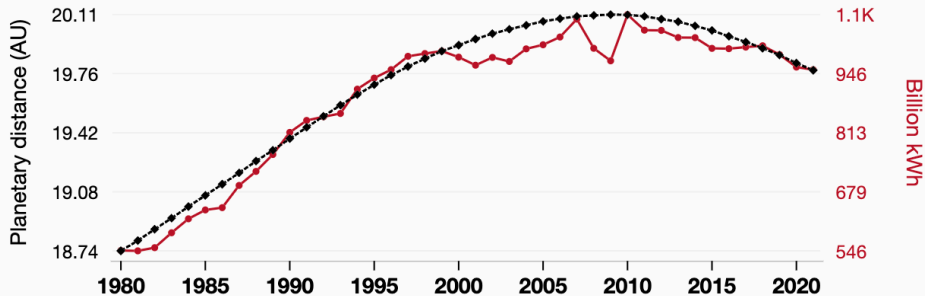
Correlation: 87.01% ($r=0.870127$)



The distance between Uranus and the moon

correlates with

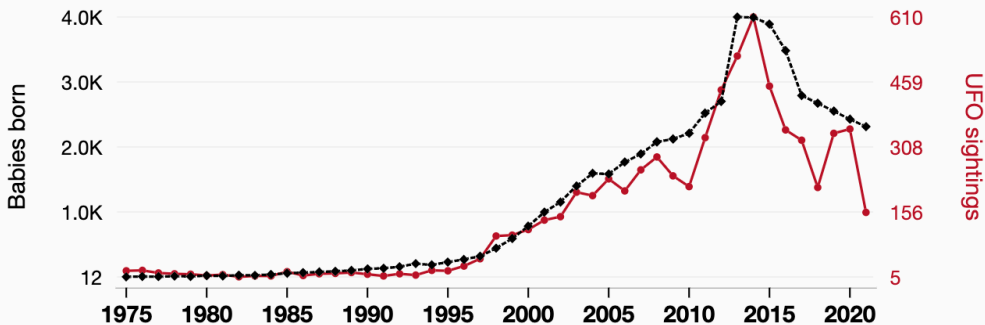
Electricity generation in Japan



Popularity of the first name Camden

correlates with

UFO sightings in Florida



Correlation and Causation

Everything causal is correlated

Correlation and Causation

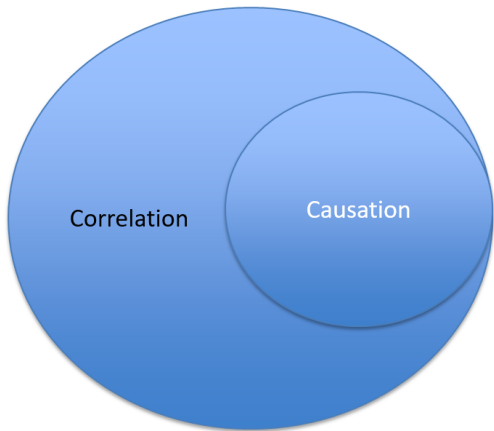
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Correlation and Causation

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Correlation and Causation Example

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How much racial discrimination exists in the labor market?

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How do we test this?

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2. **Experiment: Randomization**

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1. **Observational: 'Controlling'**

- ▶ For variables we can measure, implement designs so that the groups are comparable.

2. **Experiment: Randomization**

- ▶ With a sufficient sample size, random assignment assures that groups are comparable on unobserved factors.

Research Design A - Observational

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2. Randomly sample thousands of employers.
3. Send exactly one resume to each employer.
4. Measure responses

Differences?

Which gives the most precise answer?

Which is the easiest?