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Data analysis assignment 3: Due Monday May 13: Write one paragraph summarizing the results

Use the data contained in "*expshare IFLS for econ135x.csv*" (you can open it in Excel; there are about 5,825 household listed), This data contains information on the expenditures and expenditure shares of households in Indonesia in 1993, along with demographic characteristics of the households. We might use the data to test some theories of the household, in particular to ask whether the share of expenditures on luxuries or food depends on the gender of the head of the household and the number of adult women compared with adult men.

Construct a new variable, total adults, and then construct another variable, percent of total adults who are women. Drop the variables adultwom and adultmen. Note that in some cases the percent of adults who are women cannot be constructs because the total number of adults is zero, and you cannot divide by zero. So instead make the percent women be equal to the number of adult women over the total number of adults plus one; i.e. $wom/(adults+1)$

Run three separate regressions explaining the three expenditure shares, using as explanatory variables the total of expenditures, and the demographic variables.

Explain what you find.

Variable	Definition
luxrat	Share of expenditures that are luxury goods
adulrat	Share of expenditures that are adult goods
foodrat	Share of expenditures that are food
EXPEND	Total expenditures of household (in rupiah)
hhasset	Value of household assets
chsize	Total number of children in household
femhh	if male headed households=0, if female headed household=1
adultwom	Number of adult women in household
adultmen	Number of men in household
Kids5	Children aged 1-5 in household
kids610	Children aged 6-10 in household
Kids1014	Children aged 10-14 in household