

Prelude to Discussion of Standardized Coefficients

Following are results of two bivariate and one multivariate logistic regressions using a data set I constructed:

```
. use http://www.nd.edu/~rwilliam/xsoc73994/statafiles/standardized.dta
. logit ybinary x1, nolog
```

```
Logit estimates                               Number of obs   =           500
                                                LR chi2(1)      =           161.77
                                                Prob > chi2     =           0.0000
Log likelihood = -265.54468                    Pseudo R2      =           0.2335
```

```
-----+-----
ybinary |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-----+-----
      x1 |   .7388678   .072961    10.13   0.000   .5958668   .8818687
      _cons |  -.0529777   .105911    -0.50   0.617  -.2605593   .154604
```

```
. logit ybinary x2, nolog
```

```
Logit estimates                               Number of obs   =           500
                                                LR chi2(1)      =           160.35
                                                Prob > chi2     =           0.0000
Log likelihood = -266.25298                    Pseudo R2      =           0.2314
```

```
-----+-----
ybinary |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-----+-----
      x2 |   .4886751   .0482208   10.13   0.000   .3941641   .5831861
      _cons |  -.0723833   .1058261    -0.68   0.494  -.2797986   .135032
```

```
. logit ybinary x1 x2, nolog
```

```
Logit estimates                               Number of obs   =           500
                                                LR chi2(2)      =           443.39
                                                Prob > chi2     =           0.0000
Log likelihood = -124.73508                    Pseudo R2      =           0.6399
```

```
-----+-----
ybinary |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-----+-----
      x1 |   1.78923    .1823005    9.81   0.000   1.431927   2.146532
      x2 |   1.173144   .1207712    9.71   0.000   .9364369   1.409851
      _cons |  -.2144856   .1626906   -1.32   0.187  -.5333532   .1043821
```

Usually, when we add variables to a model (at least in OLS regression), the effects of variables added earlier goes down. However, in this case, we see that the coefficients for x1 and x2 increase (seemingly) dramatically when both variables are in the model, i.e. in the separate bivariate regressions the effects of x1 and x2 are .7388678 and .4886751, but in the multivariate regressions the effects are 1.78923 and 1.173144, more than twice as large as before. This leads to two questions:

1. If we saw something similar in an OLS regression, what would we suspect was going on? In other words, in an OLS regression, what can cause coefficients to get bigger rather than smaller as more variables are added?
2. In a logistic regression, why might such an interpretation be totally wrong? 😊