Probability Review

ICPSR

Applied Bayesian Modeling
Random Variables

• Flip a coin. Will it be heads or tails?
• The outcome of a single event is random, or unpredictable
• What if we flip a coin 10 times? How many will be heads and how many will be tails?
• Over time, patterns emerge from seemingly random events. These allow us to make probability statements.
Heads or Tails?

A coin toss is a random event [H or T] unpredictable on each toss but a stable pattern emerges of 50:50 after many repetitions.

• The French naturalist, Buffon (1707-1788) tossed a coin 4040 times; resulting in 2048 heads for a relative frequency of $\frac{2048}{4040} = .5069$
Heads or Tails?

• The English mathematician John Kerrich, while imprisoned by Germans in WWII, tossed a coin 5,000 times, with result 2534 heads. What is the Relative Frequency?
• $\frac{2,534}{5,000} = 0.5068$
Kerrich. That’s it.
Heads or tails?

- A computer simulation of 10,000 coin flips yields 5040 heads. What is the relative frequency of heads?
- $\frac{5040}{10,000} = .5040$
Each of the tests is the result of a sample of fair coin tosses.

Sample outcomes vary.
- Different samples produce different results. True, but the law of large numbers tells us that the greater the number of repetitions the closer the outcomes come to the true probability, here .5.

A single event may be unpredictable but the relative frequency of these events is lawful over an infinite number of trials\repetitions.
Random Variables

• "X" denotes a random variable. It is the outcome of a sample of trials.
• “X,” some event, is unpredictable in the short run but lawful over the long run.
• This “Randomness” is not necessarily unpredictable. Over the long run X becomes probabilistically predictable.
• We can never observe the "real" probability, since the "true" probability is a concept based on an infinite number of repetitions/trials. It is an "idealized" version of events.
To figure the odds of some event occurring you need 2 pieces of information:

1. A list of all the possibilities – all the possible outcomes (sample space)

2. The number of ways to get the outcome of interest (relative to the number of possible outcomes).
Take a single Dice Roll

• Assuming an evenly-weighted 6-sided dice, what are the odds of rolling a 3?

• How do you know?
  – 6 possible outcomes (equally likely)
  – 1 way to get a 3
  – $p(\text{Roll}=3) = 1 / 6$
• What are the chances of rolling numbers that add up to “4” when rolling two six-sided dice?

• What do we need to know?
  – All Possible Outcomes from rolling two dice
  – Outcomes that would add up to 4
How Many Ways can the Two Dice Fall?

Let’s say the dice are different colors (helps us keep track.

The White Dice could come out as:

We know how to figure out probabilities here, but What about the other dice?
• When the white die shows \[ \square \], there are six possible outcomes.

• When the white die shows \[ \square \], there are six more possible outcomes.

• We then just do that for all six possible outcomes on the white die
• Remember the Question: What is the probability of Rolling numbers that sum to 4?

• What do we need to know?
  – All Possible Outcomes from rolling two dice
    • (36--Check Previous Slide)
  – How many outcomes would add up to 4?

Our Probability is 3/36 = .08333
Probability = \frac{\text{Frequency of Occurrence}}{\text{Total \# outcomes}}

\text{Frequency of occurrence} = \# \text{ of ways this one event could happen}

\text{Total \# outcomes} = \# \text{ ways all the possible events could happen}

Probability of a 7 is 6 ways out of 36 possibilities \quad \rightarrow \quad p=0.166
Frequency of Sum of 2 Dice

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Probability</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>p = .056</td>
</tr>
<tr>
<td>3</td>
<td>p = .083</td>
</tr>
<tr>
<td>4</td>
<td>p = .111</td>
</tr>
<tr>
<td>5</td>
<td>p = .139</td>
</tr>
<tr>
<td>6</td>
<td>p = .167</td>
</tr>
</tbody>
</table>

SUM OF 2 DICE

2.0  4.0  6.0  8.0  10.0  12.0
Review of Set Notation

• Capital Letters sets of points
• Lower case letters represent elements of the set
• For example:
  \[ A = \{a_1, a_2, a_3\} \]
Subsets

• Let S denote the full sample space (the set of all possible elements)

• For two sets A and B, if every element of A is also an element in B, we say that A is a subset of B \( A \subset B \)
Union

• The union of two arbitrary sets of points is the set of all points that are in at least one of the sets $A \cup B$
Intersection

- The intersection of two arbitrary sets of points is the set of all points that are in both of the sets $A \cap B$.
Mutual Exclusivity

• Two events are said to be disjoint or mutually exclusive if none of the elements in set A appear in set B.
Independence

• We will give a more rigorous definition later, but...

• Two events are independent if the occurrence of A is unaffected by the occurrence or nonoccurrence of B.

• Example: You flip a coin—what is the probability of heads?

• You flip it 10 times, getting heads each time. What is the probability of getting heads again?
Axioms for Probabilities

- The conventional rules for probabilities are named the Kolmogorov Axioms. They are:
  1. $P(A) \geq 0$
  2. $P(S) = 1$
  3. If $A_1, A_2, A_3, \ldots$ are pairwise mutually exclusive events in $S$, then:

$$P(A_1 \cup A_2 \cup A_3 \cup \ldots) = \sum P(A_i)$$
Rules for Calculating Probabilities

• Simple Additive rule for disjoint events
  – a.k.a. the “or” rule

\[ P(A \cup B) = P(A) + P(B) \]
Example:

• One community is 75% white (non-hispanic), 10% black (non-hispanic), and 15% hispanic. They choose their mayor at random to maximize equality.

• What is the probability that the next mayor will be non-white?

\[
P(\text{Black } \cup \text{ Hispanic}) = P(\text{ Black}) + P(\text{ Hispanic})
\]

\[
P(\text{Black } \cup \text{ Hispanic}) = .1 + .15
\]

\[
P(\text{Black } \cup \text{ Hispanic}) = .25
\]
Rules for Calculating Probabilities

• Simple Multiplicative rule for independent events
  – a.k.a. the “and” rule

\[ P(A \cap B) = P(A) \times P(B) \]
Example:

- Suppose in that same mythical community (75% white, 10% black, 15% Hispanic) there was an even division of males and females. What is the probability of a white male mayor?

\[ P(\text{White } \cap \text{ Male}) = P(\text{White}) \times P(\text{Male}) \]
\[ P(\text{White } \cap \text{ Male}) = (.75) \times (.5) \]
\[ P(\text{White } \cap \text{ Male}) = .375 \]
Rules for Calculating Probabilities

• The Complement Rule

\[ P(A^C) = 1 - P(A) \]
Rules for Calculating Probabilities

• Additive rule for events that are not mutually exclusive events

\[ P(A \cup B) = P(A) + P(B) - P(A \cap B) \]
Rules for Calculating Probabilities

• Multiplicative rule for conditional events

\[ P(A \cap B) = P(A) \cdot P(B \mid A) \]
Conditional Probability

- Under some circumstances the probability of an event depends on another event.
- An unconditional probability asks what the chances are of rain tomorrow (event A).
  \[ P(A) \]
- A conditional probability says, “Given that rained today (event B), what are the chances of rain tomorrow? (event A)”
  - \( P(A|B) \)
Computing Conditional Probabilities

\[ P(B \mid A) = \frac{P(B \cap A)}{P(A)} \]
Independence

• Two events are said to be independent if

\[ P(A | B) = P(A) \]

• Otherwise, the events are dependent
Bayes’ Rule

• Suppose we knew $P(B|A)$ but wanted to know $P(A|B)$?

$$P(B_j | A) = \frac{P(B_j)P(A | B_j)}{\sum_{i=1}^{k} P(B_i)P(A | B_i)}$$
Example

• Suppose you have been tested positive for a disease; what is the probability that you actually have the disease? Suppose the probability of having the disease is .01. The test is 95% accurate, and you tested positive. Do you have the disease?

• We know:
  – The probability of anyone having the disease (.01)
  – The probability of testing positive for the disease conditional on having the disease (.95)

• We want to know the probability of having the disease if you tested positive for it…
Bayes’ Rule

\[
P(\text{HaveIt} \mid \text{TestPos}) = \frac{P(\text{HaveIt}) \cdot P(\text{TestPos} \mid \text{HaveIt})}{P(\text{HaveIt}) \cdot P(\text{TestPos} \mid \text{HaveIt}) + P(\text{NoHaveIt}) \cdot P(\text{TestPos} \mid \text{NoHaveIt})}
\]

\[
P(\text{HaveIt} \mid \text{TestPos}) = \frac{.01 \cdot .95}{.01 \cdot .95 + .99 \cdot .05} = \frac{.0095}{.0095 + .0495} = \frac{.0095}{.059} \approx .161
\]
What? .161? Why so low?

• Out of 100 people who take this test, we expect only 1 would have the disease.
• However, 5 people would test positive even if they didn’t have the disease.
• Out of those 6 people, only 1 actually has the disease…
Political Application

In a certain population of voters, 40% are Republican and 60% are Democrats. It is reported that 30% of Republicans and 70% of Democrats support a particular issue. A randomly selected person is found to favor the issue—what is the conditional probability that they are a Democrat?
Work it out

• We want to know $P(\text{Dem} \mid F\_\text{issue})$

$$P(Dem \mid F\_\text{issue}) = \frac{P(Dem)P(F\_\text{issue} \mid Dem)}{P(Dem)P(F\_\text{issue} \mid Dem) + P(\text{Rep})P(F\_\text{issue} \mid \text{Rep})}$$

$$P(Dem \mid F\_\text{issue}) = \frac{.6 \cdot .7}{.6 \cdot .7 + .4 \cdot .3} = \frac{.42}{.42 + .12} \approx .778$$