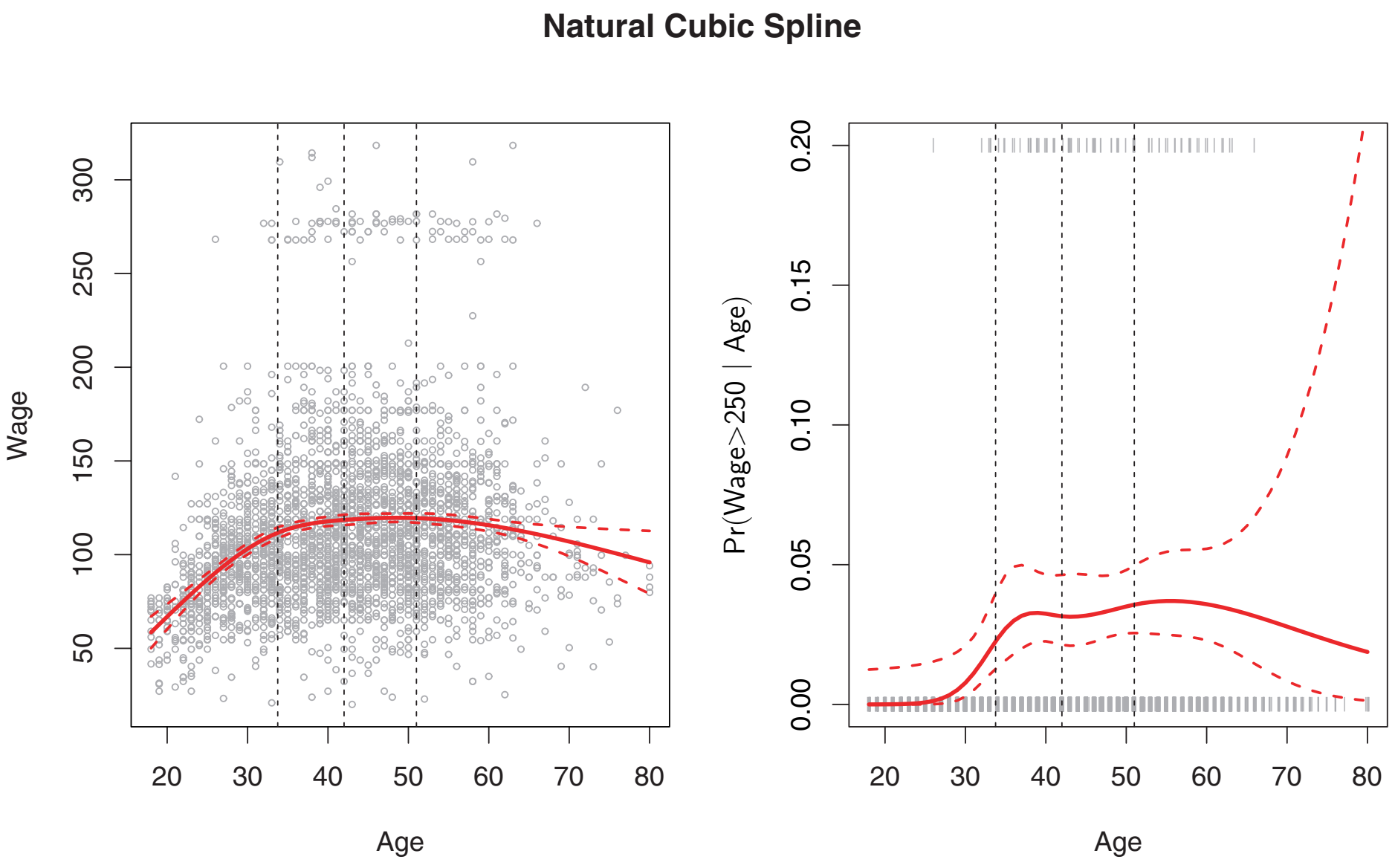

FIGURE 7.5. *A natural cubic spline function with four degrees of freedom is fit to the* `Wage` *data.* Left: *A spline is fit to* `wage` *(in thousands of dollars) as a function of* `age`. Right: *Logistic regression is used to model the binary event* `wage>250` *as a function of* `age`. *The fitted posterior probability of* `wage` *exceeding* $250,000 *is shown.*