M378K Introduction to Mathematical Statistics

Problem Set #1

Probability spaces. Random variables.

1.1. **Probability distributions.** Consider an **outcome space** (also known as a **sample space**) Ω. In statistics, it's convenient to imagine it as containing your entire target population. The individual elements $\omega \in \Omega$ are known in probability as **elementary outcomes**; in statistics, they can frequently (but not always!) be understood as individuals in your target population.

We are usually not interested that much in individual ω, but want to consider **events** E in Ω. In full mathematical generality, the set Ω can be complicated so that the family of all of its subsets is also a complicated object. Due to mathematical difficulties, it is sometimes impossible to measure in any meaningful way absolutely all subsets of Ω [1]. For the purposes of this course, we will not have to dwell on these matters. So, we will refer to any (nice) subset of Ω as an **event**.

[1] See https://en.wikipedia.org/wiki/Banach-Tarski_paradox

We will inherit all the notation and rules from set theory while adding some more vocabulary and context. Most notably, we will consider *intersections, unions*, and *complements* of events. These are best understood via Venn diagrams.

Moreover, in a probabilistic setting, we have the following definition:

Definition 1.1. *Let E and F be two events on the same Ω such that*

$$E \cap F = \emptyset.$$

Then, we say that E and F are mutually exclusive *(or* disjoint*).*

Now, we are ready for the following (crucial!) definition:

Definition 1.2. *Consider a mapping $\mathbb{P}$ from the set of all events on Ω to $\mathbb{R}$. We say that $\mathbb{P}$ is a* probability (distribution, measure) *if it satisfies the following three conditions:*

- $\mathbb{P}[E] \geq 0$ *for all events E;*
- $\mathbb{P}[\Omega] = 1$*;*
- *for all* **pairwise disjoint** *sequences of events $\{E_j : j = 1, 2, \dots\}$, we have that*

$$\mathbb{P}\left[\bigcup_{j=1}^{\infty} E_j\right] = \sum_{j=1}^{\infty} \mathbb{P}[E_j].$$

One immediately useful consequence is the **inclusion-exclusion formula**. This is its simplest version.

Proposition 1.3. *Let E and F be two events on Ω. Then,*

$$\mathbb{P}[E \cup F] = \mathbb{P}[E] + \mathbb{P}[F] - \mathbb{P}[E \cap F].$$

Of course, the above formula can be generalized to arbitrary unions of finitely many events. *Try to figure it out!*

Problem 1.1. Source: An old P exam problem.
For two events A and B, you are given that

$$\mathbb{P}[A \cup B] = 0.7 \quad \textit{and} \quad \mathbb{P}[A \cup B^c] = 0.9.$$

Calculate $\mathbb{P}[A]$.

Solution: We employ the inclusion-exclusion formula twice to obtain this pair of equalities:

$$\mathbb{P}[A \cup B] = \mathbb{P}[A] + \mathbb{P}[B] - \mathbb{P}[A \cap B] = 0.7,$$
$$\mathbb{P}[A \cup B^c] = \mathbb{P}[A] + \mathbb{P}[B^c] - \mathbb{P}[A \cap B^c] = 0.9.$$

Now, we can add the two equations and use the definition of probability to get

$$2\mathbb{P}[A] + 1 - \mathbb{P}[A] = 1.6 \quad \Rightarrow \quad \mathbb{P}[A] = 0.6$$

1.2. **Random variables.** Informally speaking, any ”nice” mapping/function from Ω to a target set $\mathcal{S}$ is a *random element* [2]. When $\mathcal{S}$ is $\mathbb{R}$, we like to use the term *random variable.* When $\mathcal{S}$ is $\mathbb{R}^n$ for some n, we like to use the term *random vector.*

Let’s consider a classroom of students as our Ω and give examples of a

- random element
- random variable
- random vector

[2] In practice, people like to use the term *random variable* even in more general context when there is no source of confusion. We will habitually do this.

To keep track of what values a random variable is ”allowed” to take, we use the following terminology[3]:

Definition 1.4. *Given a set B, we say that a random variable Y is $B-$*valued *if*

$$\mathbb{P}[Y \in B] = 1.$$

[3]Read your lecture notes: https://web.ma.utexas.edu/users/gordanz/notes/discrete_probability_color.pdf