```
title: "FinalProject"
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output: html_document
```{r setup, include=FALSE}
knitr::opts_chunk$set(echo = TRUE)
library(tidyverse)
library(rstanarm)
library(bayesplot)
library(bayestestR)
library(parameters)
library(knitr)
library(magrittr)
library(ISLR)
library(quantmod)
data comes from ISLR library package, the description is Wage and other data for a group of 3000 male
workers in the Mid-Atlantic region. factors that impact it are
year,age,maritl,race,education,region,jobclass,health,and health_ins.
```{r data}
fpdata <- Wage
```

predicting the wage, I used log wage because it made the model work better as the peak was much lower. also included all the factors that I thought would have the biggest impact. Multiplying them made

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the model worse so I sticked to adding. The prior Summary is to check what the scaling is and to see if
adjustments could be useful.
```{r fit,echo=FALSE,include=FALSE}
wagefit <- stan_glm(logwage~age+education+race+year,data = fpdata, adapt_delta = .99)</pre>
...
```{r prior_summary}
prior_summary(wagefit)
posterior predictive check: A bit of a higher peak and a spike on the bottom right so it fits decently
```{r posterior predictive check plot}
pp_check(wagefit)
trace plots for very important factors to wage
```{r}
plot(wagefit, plotfun = "trace",pars = c("age","education5. Advanced Degree"))
posterior density of the same factors for the trace plots
```{r dens, echo=FALSE}
```

plot(wagefit, plotfun = "dens",pars = c("age","education5. Advanced Degree"))

describe\_posterior(wagefit, ci = .95, centrality = "mean")

```{r posterior}

```
This Proves that Advanced Degrees are very helpful to earning more
```{r probability question,echo=FALSE}
wagefit %>%
as.data.frame() %$%
mean('education5. Advanced Degree' > .5)
This fit is adding grouping to the first fit. Had to add more iterations and chains because it needed more
ESS. Also it takes around 15 minutes to compile
```{r fit2, include=FALSE}
wagefit2 <- stan_glmer(logwage ~ age+education+(1|race)+(1|year),data = fpdata,adapt_delta =
.9999, iter = 4000, chains = 8, cores = 8)
***
```{r prior_summary 2}
prior_summary(wagefit2)
Model Comparison
second fit is better but not by a huge margin, So I did the same analysis to see if there was a difference
```{r loo fit 2}
l1 <- loo(wagefit)</pre>
12 <- loo(wagefit2)</pre>
loo_compare(l1, l2)
```

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pp check is very simiplar
```{r pp check 2}
pp_check(wagefit2)
Much more changes in the posterior because of the grouping.
```{r mean 2}
describe_posterior(wagefit2, ci = .95, centrality = "mean")
Density Plot
```{r dens plot 2}
plot(wagefit2, plotfun = "dens",pars = c("age","education5. Advanced Degree"))
...
Trace Plot
```{r trace plot 2 }
plot(wagefit, plotfun = "trace",pars = c("age","education5. Advanced Degree"))
Advanced Degree proves to be more prevalent.
"\fr probability question 2
wagefit2 %>%
as.data.frame() %$%
mean('education5. Advanced Degree' > .5)
```

On my honor, I have

neither received nor given any unauthorized assistance on this project

Oscar Sucre