

An introduction to Bayesian inference (solutions)

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```
library(rstan)
library(shinystan)
library(ggplot2)
library(dplyr)
```

Exercise 1:

The prior on μ can be interpreted as follows: the mean of the prior is our best guess as to the value of μ , while standard deviation of the prior represents the amount of uncertainty we have regarding this guess. In this case our prior guess about μ is -1, far from the true value of 2, and the disagreement between the prior and likelihood will result in a posterior that is a compromise between the two. Copy the functions above and modify them to answer the following questions:

1. What happens to the posterior if you decrease the standard deviation of the prior on μ to 0.1? Why?
2. What happens to the posterior if you change the mean of the prior on μ to 2? Why?
3. What happens to the posterior if you simulate new data, but increase the number of data points to 10? Why?

Redfine functions that that I can supply values for the prior parameters:

```
# simulate some data
set.seed(101)
fake_data <- rnorm(n = 3, mean = 2, sd = 2)
fake_data # look at it
```

```
## [1] 1.3479270 3.1049237 0.6501123
```

```
# a function that returns the likelihood for given values of mu and sigma
likelihood <- function(mu, sigma, data_values){
  prod( dnorm(data_values, mean = mu, sd = sigma) )
}

# a function that returns the prior for given values of mu and sigma
prior <- function(mu, sigma,
                  mu.prior.mean = -1,
                  mu.prior.sd = 1,
                  sigma.prior.sd = 1){
  # normal prior on mu, half-normal prior on sigma
  dnorm(mu, mean = mu.prior.mean, sd = mu.prior.sd) *
  2*dnorm(abs(sigma), mean = 0, sd = sigma.prior.sd)
}
```

```

# a function that computes the unnormalized posterior
# given the functions likelihood(), prior() defined above
posterior <- function(mu, sigma, data_values,
                      mu.prior.mean = -1,
                      mu.prior.sd = 1,
                      sigma.prior.sd = 1){
  likelihood(mu, sigma, data_values) *
  prior(mu, sigma, mu.prior.mean, mu.prior.sd, sigma.prior.sd)
}

```

Might as well automate the plot, too:

```

bayes_plot <- function(data_values,
                      mu.prior.mean = -1,
                      mu.prior.sd = 1,
                      sigma.prior.sd = 1){
  expand.grid(mu = seq(-4, 5, 0.1), sigma = seq(0.01, 4, 0.1)) %>%
    rowwise() %>%
    mutate(likelihood = likelihood(mu, sigma, data_values),
           prior = prior(mu, sigma, mu.prior.mean, mu.prior.sd, sigma.prior.sd),
           posterior = posterior(mu, sigma, data_values, mu.prior.mean, mu.prior.sd, sigma.prior.sd)) %>%
    ggplot(aes(x=mu, y=sigma)) +
    stat_contour(geom="polygon", aes(z = likelihood, alpha = ..level..),
                color="blue", fill="dodgerblue") +
    stat_contour(geom="polygon", aes(z = prior, alpha = ..level..),
                color="darkgoldenrod", fill="goldenrod") +
    stat_contour(geom="polygon", aes(z = posterior, alpha = ..level..),
                color="purple", fill="magenta") +
    xlim(-4,5) + ylim(0, 4) + theme_minimal() +
    theme(legend.position = "none", panel.border=element_rect(fill=NA))
}

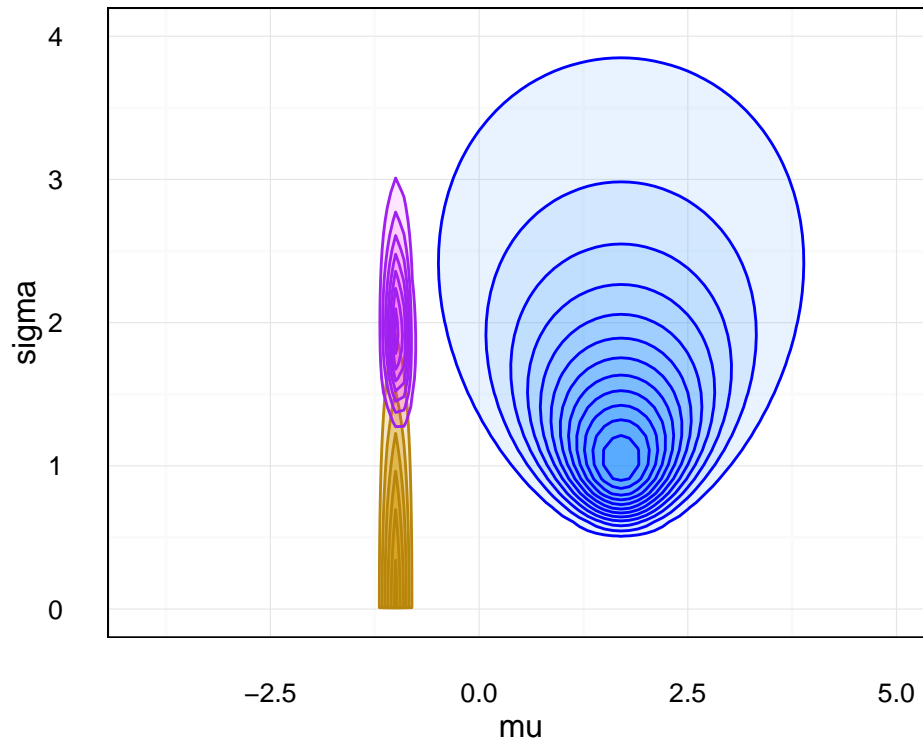
```

Now with prior standard deviation of μ as 0.1, the prior has a stronger influence on the posterior. Essentially, this is because we've ‘increased’ our belief in our prior guess at μ .

```

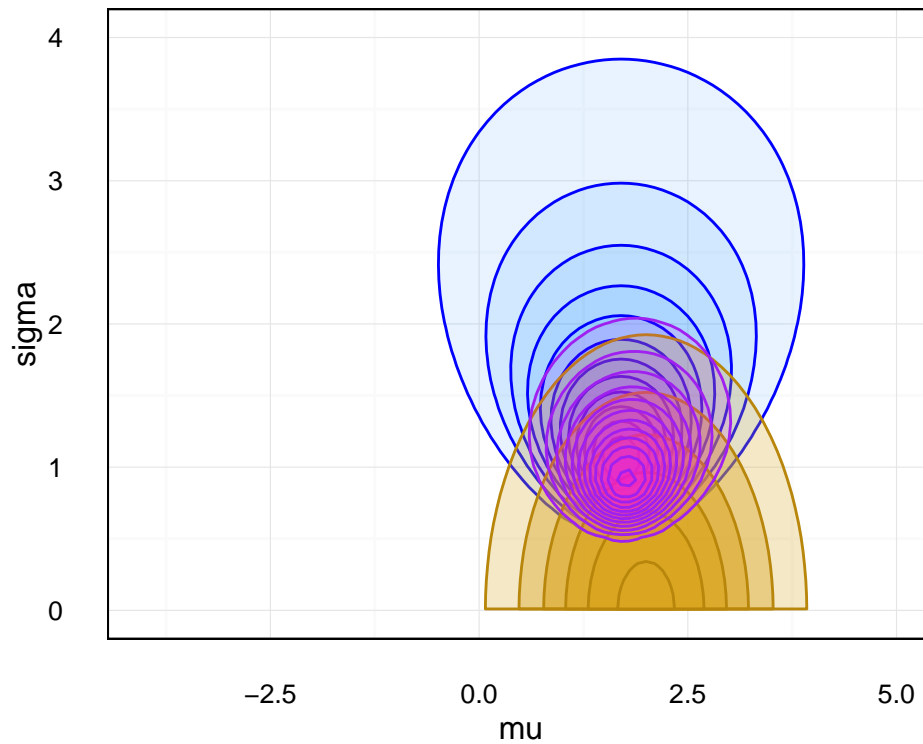
bayes_plot(fake_data, mu.prior.sd = 0.1)

```



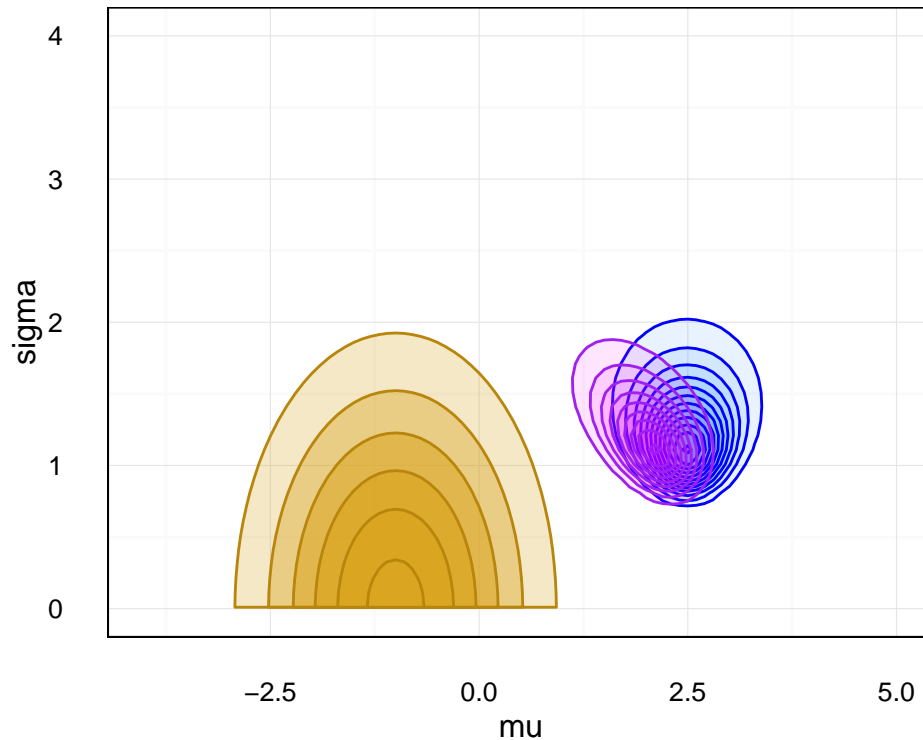
Now with mean of prior on μ set to 2, the prior and the likelihood are more in agreement. Thus, the posterior reflects the likelihood better than the previous example.

```
bayes_plot(fake_data, mu.prior.mean = 2)
```



Now with a new dataset of 10 observations, the likelihood is “stronger”: the probability mass is more concentrated around particular values of μ and σ . Thus, the posterior more resembles the likelihood: essentially, the likelihood has dominated the prior.

```
set.seed(101)
fake_data2 <- rnorm(n = 10, mean = 2, sd = 2)
bayes_plot(fake_data2)
```



Exercise 2.

Modify the regression model to include the covariate `drat` in addition to `wt`. You’ll need to change all three blocks to include: a new covariate, a new parameter, a new prior and likelihood. How might you write a model that could include an arbitrary number of covariates?

```
exercise2 <- "
data {
  int N; // the number of data points
  vector[N] Y; // the response variable is an N-dimensional vector
  vector[N] X; // the covariate is also an N-dimensional vector
  vector[N] X2; // the covariate is also an N-dimensional vector
}

parameters {
  real alpha; // the intercept
  real beta; // the first slope
  real beta2; // the second slope
```

```

    real<lower=0> sigma; // the standard deviation
  }

model {
  // priors
  target += cauchy_lpdf(sigma | 0, 5); // Cauchy prior distribution on std. deviation
  target += normal_lpdf(alpha | 0, 10); // Normal(0,10) prior on intercept
  target += normal_lpdf(beta | 0, 10); // Normal(0,10) prior on first slope
  target += normal_lpdf(beta2 | 0, 10); // Normal(0,10) prior on second slope

  // likelihood
  target += normal_lpdf(Y | alpha + X*beta + X2*beta2, sigma);
}
"

library(rstan)
# fit model with stan
ex2data <- list(N=nrow(mtcars), Y=mtcars$mpg, X=mtcars$wt, X2=mtcars$drat)
ex2_fit <- stan(model_name = "exercise2",
                model_code = exercise2,
                data = ex2data,
                chains = 3, iter = 1000,
                thin = 1, warmup = 300)

```

```

##
## SAMPLING FOR MODEL 'exercise2' NOW (CHAIN 1).
##
## Chain 1, Iteration:   1 / 1000 [ 0%] (Warmup)
## Chain 1, Iteration: 100 / 1000 [10%] (Warmup)
## Chain 1, Iteration: 200 / 1000 [20%] (Warmup)
## Chain 1, Iteration: 300 / 1000 [30%] (Warmup)
## Chain 1, Iteration: 301 / 1000 [30%] (Sampling)
## Chain 1, Iteration: 400 / 1000 [40%] (Sampling)
## Chain 1, Iteration: 500 / 1000 [50%] (Sampling)
## Chain 1, Iteration: 600 / 1000 [60%] (Sampling)
## Chain 1, Iteration: 700 / 1000 [70%] (Sampling)
## Chain 1, Iteration: 800 / 1000 [80%] (Sampling)
## Chain 1, Iteration: 900 / 1000 [90%] (Sampling)
## Chain 1, Iteration: 1000 / 1000 [100%] (Sampling)
## Elapsed Time: 0.036007 seconds (Warm-up)
##                0.084338 seconds (Sampling)
##                0.120345 seconds (Total)
##
##
## SAMPLING FOR MODEL 'exercise2' NOW (CHAIN 2).
##
## Chain 2, Iteration:   1 / 1000 [ 0%] (Warmup)
## Chain 2, Iteration: 100 / 1000 [10%] (Warmup)
## Chain 2, Iteration: 200 / 1000 [20%] (Warmup)
## Chain 2, Iteration: 300 / 1000 [30%] (Warmup)
## Chain 2, Iteration: 301 / 1000 [30%] (Sampling)
## Chain 2, Iteration: 400 / 1000 [40%] (Sampling)
## Chain 2, Iteration: 500 / 1000 [50%] (Sampling)

```

```

## Chain 2, Iteration: 600 / 1000 [ 60%] (Sampling)
## Chain 2, Iteration: 700 / 1000 [ 70%] (Sampling)
## Chain 2, Iteration: 800 / 1000 [ 80%] (Sampling)
## Chain 2, Iteration: 900 / 1000 [ 90%] (Sampling)
## Chain 2, Iteration: 1000 / 1000 [100%] (Sampling)
## Elapsed Time: 0.046532 seconds (Warm-up)
##                  0.117651 seconds (Sampling)
##                  0.164183 seconds (Total)
##
##
## SAMPLING FOR MODEL 'exercise2' NOW (CHAIN 3).
##
## Chain 3, Iteration: 1 / 1000 [ 0%] (Warmup)
## Chain 3, Iteration: 100 / 1000 [ 10%] (Warmup)
## Chain 3, Iteration: 200 / 1000 [ 20%] (Warmup)
## Chain 3, Iteration: 300 / 1000 [ 30%] (Warmup)
## Chain 3, Iteration: 301 / 1000 [ 30%] (Sampling)
## Chain 3, Iteration: 400 / 1000 [ 40%] (Sampling)
## Chain 3, Iteration: 500 / 1000 [ 50%] (Sampling)
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## Chain 3, Iteration: 700 / 1000 [ 70%] (Sampling)
## Chain 3, Iteration: 800 / 1000 [ 80%] (Sampling)
## Chain 3, Iteration: 900 / 1000 [ 90%] (Sampling)
## Chain 3, Iteration: 1000 / 1000 [100%] (Sampling)
## Elapsed Time: 0.035942 seconds (Warm-up)
##                  0.077163 seconds (Sampling)
##                  0.113105 seconds (Total)

```

Exercise 3.

Modify the regression model to use the non-negative, integer-valued variable `hp` as a response variable instead of `mpg`. Use a Poisson distribution for the likelihood. The Poisson has a single parameter: the mean, which is constrained to be positive. To respect this constraint, we exponentiate the regression equation $\alpha + x_i\beta$ (this type of transformation – to respect constraints – is often called a “link function” in the statistical literature). The model is

$$y_i \sim \text{Poisson}(\exp(\alpha + x_i\beta))$$

Note that the function to implement the Poisson distribution in Stan is `poisson_lpmf(variable | mean)`.

```

# your code goes here
exercise3 <- "
data {
  int N; // the number of data points
  int Y[N]; // the response variable is an N-dimensional integer
            vector[N] X; // the covariate is also an N-dimensional vector
}

parameters {
  real alpha; // the intercept

```

```

    real beta; // the slope
}

model {
  // priors
  target += normal_lpdf(alpha | 0, 10); // Normal(0,10) prior on intercept
  target += normal_lpdf(beta | 0, 10); // Normal(0,10) prior on first slope

  // likelihood
  target += poisson_lpmf(Y | exp(alpha + X*beta) );
}
"

library(rstan)
# fit model with stan
ex3data <- list(N=nrow(mtcars), Y=mtcars$hp, X=mtcars$wt)
ex3_fit <- stan(model_name = "exercise3",
                model_code = exercise3,
                data = ex3data,
                chains = 3, iter = 1000,
                thin = 1, warmup = 300)

```

```

##
## SAMPLING FOR MODEL 'exercise3' NOW (CHAIN 1).
##
## Chain 1, Iteration:   1 / 1000 [ 0%] (Warmup)
## Chain 1, Iteration: 100 / 1000 [10%] (Warmup)
## Chain 1, Iteration: 200 / 1000 [20%] (Warmup)
## Chain 1, Iteration: 300 / 1000 [30%] (Warmup)
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## Chain 1, Iteration: 400 / 1000 [40%] (Sampling)
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## Chain 1, Iteration: 600 / 1000 [60%] (Sampling)
## Chain 1, Iteration: 700 / 1000 [70%] (Sampling)
## Chain 1, Iteration: 800 / 1000 [80%] (Sampling)
## Chain 1, Iteration: 900 / 1000 [90%] (Sampling)
## Chain 1, Iteration: 1000 / 1000 [100%] (Sampling)
## Elapsed Time: 0.017381 seconds (Warm-up)
##                  0.044838 seconds (Sampling)
##                  0.062219 seconds (Total)
##
##
## SAMPLING FOR MODEL 'exercise3' NOW (CHAIN 2).
##
## Chain 2, Iteration:   1 / 1000 [ 0%] (Warmup)
## Chain 2, Iteration: 100 / 1000 [10%] (Warmup)
## Chain 2, Iteration: 200 / 1000 [20%] (Warmup)
## Chain 2, Iteration: 300 / 1000 [30%] (Warmup)
## Chain 2, Iteration: 301 / 1000 [30%] (Sampling)
## Chain 2, Iteration: 400 / 1000 [40%] (Sampling)
## Chain 2, Iteration: 500 / 1000 [50%] (Sampling)
## Chain 2, Iteration: 600 / 1000 [60%] (Sampling)
## Chain 2, Iteration: 700 / 1000 [70%] (Sampling)

```

```

## Chain 2, Iteration: 800 / 1000 [ 80%] (Sampling)
## Chain 2, Iteration: 900 / 1000 [ 90%] (Sampling)
## Chain 2, Iteration: 1000 / 1000 [100%] (Sampling)
## Elapsed Time: 0.021542 seconds (Warm-up)
##                0.045686 seconds (Sampling)
##                0.067228 seconds (Total)
##
##
## SAMPLING FOR MODEL 'exercise3' NOW (CHAIN 3).
##
## Chain 3, Iteration: 1 / 1000 [ 0%] (Warmup)
## Chain 3, Iteration: 100 / 1000 [ 10%] (Warmup)
## Chain 3, Iteration: 200 / 1000 [ 20%] (Warmup)
## Chain 3, Iteration: 300 / 1000 [ 30%] (Warmup)
## Chain 3, Iteration: 301 / 1000 [ 30%] (Sampling)
## Chain 3, Iteration: 400 / 1000 [ 40%] (Sampling)
## Chain 3, Iteration: 500 / 1000 [ 50%] (Sampling)
## Chain 3, Iteration: 600 / 1000 [ 60%] (Sampling)
## Chain 3, Iteration: 700 / 1000 [ 70%] (Sampling)
## Chain 3, Iteration: 800 / 1000 [ 80%] (Sampling)
## Chain 3, Iteration: 900 / 1000 [ 90%] (Sampling)
## Chain 3, Iteration: 1000 / 1000 [100%] (Sampling)
## Elapsed Time: 0.023082 seconds (Warm-up)
##                0.042379 seconds (Sampling)
##                0.065461 seconds (Total)

```

Exercise 4.

An optional block is called `generated quantities { }`. If you wanted to calculate functions of the parameters (and save the results across MCMC samples), you would do so inside this block. An example of such a function is the fitted values given by the equation $\alpha + \beta X$. Add a `generated quantities` block to the regression model, and store the fitted values in a vector called `fitted_values`.

```

exercise4 <- "
data {
  int N; // the number of data points
  vector[N] Y; // the response variable is an N-dimensional vector
  vector[N] X; // the covariate is also an N-dimensional vector
}

parameters {
  real alpha; // the intercept
  real beta; // the slope
  real<lower=0> sigma; // the standard deviation
}

model {
  // priors
  target += cauchy_lpdf(sigma | 0, 5); // Cauchy prior distribution on std. deviation
  target += normal_lpdf(alpha | 0, 10); // Normal(0,10) prior on intercept
  target += normal_lpdf(beta | 0, 10); // Normal(0,10) prior on first slope

```



```

    // likelihood
    target += normal_lpdf(Y | alpha + X*beta, sigma);
  }

  generated quantities {
    // calculate the fitted values and save as vector
    vector[N] fitted;
    fitted = alpha + X*beta;
  }
"

library(rstan)
# fit model with stan
ex4data <- list(N=nrow(mtcars), Y=mtcars$mpg, X=mtcars$wt)
ex4_fit <- stan(model_name = "exercise4",
                 model_code = exercise4,
                 data = ex4data,
                 chains = 3, iter = 1000,
                 thin = 1, warmup = 300)

```

```

##
## SAMPLING FOR MODEL 'exercise4' NOW (CHAIN 1).
##
## Chain 1, Iteration:   1 / 1000 [  0%] (Warmup)
## Chain 1, Iteration: 100 / 1000 [ 10%] (Warmup)
## Chain 1, Iteration: 200 / 1000 [ 20%] (Warmup)
## Chain 1, Iteration: 300 / 1000 [ 30%] (Warmup)
## Chain 1, Iteration: 301 / 1000 [ 30%] (Sampling)
## Chain 1, Iteration: 400 / 1000 [ 40%] (Sampling)
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## Chain 1, Iteration: 600 / 1000 [ 60%] (Sampling)
## Chain 1, Iteration: 700 / 1000 [ 70%] (Sampling)
## Chain 1, Iteration: 800 / 1000 [ 80%] (Sampling)
## Chain 1, Iteration: 900 / 1000 [ 90%] (Sampling)
## Chain 1, Iteration: 1000 / 1000 [100%] (Sampling)
## Elapsed Time: 0.010917 seconds (Warm-up)
##                  0.021327 seconds (Sampling)
##                  0.032244 seconds (Total)
##
##
## SAMPLING FOR MODEL 'exercise4' NOW (CHAIN 2).
##
## Chain 2, Iteration:   1 / 1000 [  0%] (Warmup)
## Chain 2, Iteration: 100 / 1000 [ 10%] (Warmup)
## Chain 2, Iteration: 200 / 1000 [ 20%] (Warmup)
## Chain 2, Iteration: 300 / 1000 [ 30%] (Warmup)
## Chain 2, Iteration: 301 / 1000 [ 30%] (Sampling)
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## Chain 2, Iteration: 600 / 1000 [ 60%] (Sampling)
## Chain 2, Iteration: 700 / 1000 [ 70%] (Sampling)
## Chain 2, Iteration: 800 / 1000 [ 80%] (Sampling)

```

```

## Chain 2, Iteration: 900 / 1000 [ 90%] (Sampling)
## Chain 2, Iteration: 1000 / 1000 [100%] (Sampling)
## Elapsed Time: 0.011447 seconds (Warm-up)
##                  0.023344 seconds (Sampling)
##                  0.034791 seconds (Total)
##
##
## SAMPLING FOR MODEL 'exercise4' NOW (CHAIN 3).
##
## Chain 3, Iteration: 1 / 1000 [ 0%] (Warmup)
## Chain 3, Iteration: 100 / 1000 [ 10%] (Warmup)
## Chain 3, Iteration: 200 / 1000 [ 20%] (Warmup)
## Chain 3, Iteration: 300 / 1000 [ 30%] (Warmup)
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## Chain 3, Iteration: 700 / 1000 [ 70%] (Sampling)
## Chain 3, Iteration: 800 / 1000 [ 80%] (Sampling)
## Chain 3, Iteration: 900 / 1000 [ 90%] (Sampling)
## Chain 3, Iteration: 1000 / 1000 [100%] (Sampling)
## Elapsed Time: 0.010956 seconds (Warm-up)
##                  0.022449 seconds (Sampling)
##                  0.033405 seconds (Total)

```

Exercise 5.

Modify the model above to include a categorical covariate, the number of gears **gear**. To do so, you'll have to allow **alpha** to vary across data points in the likelihood. **alpha** will have to be defined as a vector of length 3.

Hint: there are several ways to approach this problem, but one involves the following indexing 'trick': if **alpha** is a vector of three numbers, and **indices** is a set of N integers that only include 1,2,3, then **alpha[indices]** is a vector with N elements (the elements of **alpha** 'repeated' corresponding to the pattern given in **indices**. This is similar to how R works, and can be demonstrated (in R) as follows:

```

alpha <- c(-0.5, 3, -18)
indices <- c(1,1,3,2,2,1,2,3)
alpha[indices]

```

```
## [1] -0.5 -0.5 -18.0 3.0 3.0 -0.5 3.0 -18.0
```

The solution:

```

exercise5 <- "
data {
  int N; // the number of data points
  vector[N] Y; // the response variable is an N-dimensional vector
  vector[N] X; // the covariate is also an N-dimensional vector
  int Trans[N]; // an indicator for number of gears
}

```

```

parameters {
  vector[3] alpha; // intercepts, one for each type of gear
  real beta; // the slope
  real<lower=0> sigma; // the standard deviation
}

model {
  // priors
  target += cauchy_lpdf(sigma | 0, 5); // Cauchy prior distribution on std. deviation
  target += normal_lpdf(alpha | 0, 10); // Normal(0,10) prior on intercept
  target += normal_lpdf(beta | 0, 10); // Normal(0,10) prior on first slope

  // likelihood
  target += normal_lpdf(Y | alpha[Trans] + X*beta, sigma);
}
"

library(rstan)
# fit model with stan
ex5data <- list(N=nrow(mtcars), Y=mtcars$mpg, X=mtcars$wt,
               Trans=as.integer(as.factor(mtcars$gear)))
ex5_fit <- stan(model_name = "exercise5",
               model_code = exercise5,
               data = ex5data,
               chains = 3, iter = 1000,
               thin = 1, warmup = 300)

```

```

##
## SAMPLING FOR MODEL 'exercise5' NOW (CHAIN 1).
##
## Chain 1, Iteration: 1 / 1000 [ 0%] (Warmup)
## Chain 1, Iteration: 100 / 1000 [ 10%] (Warmup)
## Chain 1, Iteration: 200 / 1000 [ 20%] (Warmup)
## Chain 1, Iteration: 300 / 1000 [ 30%] (Warmup)
## Chain 1, Iteration: 301 / 1000 [ 30%] (Sampling)
## Chain 1, Iteration: 400 / 1000 [ 40%] (Sampling)
## Chain 1, Iteration: 500 / 1000 [ 50%] (Sampling)
## Chain 1, Iteration: 600 / 1000 [ 60%] (Sampling)
## Chain 1, Iteration: 700 / 1000 [ 70%] (Sampling)
## Chain 1, Iteration: 800 / 1000 [ 80%] (Sampling)
## Chain 1, Iteration: 900 / 1000 [ 90%] (Sampling)
## Chain 1, Iteration: 1000 / 1000 [100%] (Sampling)
## Elapsed Time: 0.024364 seconds (Warm-up)
##               0.035979 seconds (Sampling)
##               0.060343 seconds (Total)
##
##
## SAMPLING FOR MODEL 'exercise5' NOW (CHAIN 2).
##
## Chain 2, Iteration: 1 / 1000 [ 0%] (Warmup)
## Chain 2, Iteration: 100 / 1000 [ 10%] (Warmup)
## Chain 2, Iteration: 200 / 1000 [ 20%] (Warmup)
## Chain 2, Iteration: 300 / 1000 [ 30%] (Warmup)

```

```

## Chain 2, Iteration: 301 / 1000 [ 30%] (Sampling)
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## Chain 2, Iteration: 500 / 1000 [ 50%] (Sampling)
## Chain 2, Iteration: 600 / 1000 [ 60%] (Sampling)
## Chain 2, Iteration: 700 / 1000 [ 70%] (Sampling)
## Chain 2, Iteration: 800 / 1000 [ 80%] (Sampling)
## Chain 2, Iteration: 900 / 1000 [ 90%] (Sampling)
## Chain 2, Iteration: 1000 / 1000 [100%] (Sampling)
## Elapsed Time: 0.024323 seconds (Warm-up)
##               0.043401 seconds (Sampling)
##               0.067724 seconds (Total)
##
##
## SAMPLING FOR MODEL 'exercise5' NOW (CHAIN 3).
##
## Chain 3, Iteration:   1 / 1000 [  0%] (Warmup)
## Chain 3, Iteration: 100 / 1000 [ 10%] (Warmup)
## Chain 3, Iteration: 200 / 1000 [ 20%] (Warmup)
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## Chain 3, Iteration: 700 / 1000 [ 70%] (Sampling)
## Chain 3, Iteration: 800 / 1000 [ 80%] (Sampling)
## Chain 3, Iteration: 900 / 1000 [ 90%] (Sampling)
## Chain 3, Iteration: 1000 / 1000 [100%] (Sampling)
## Elapsed Time: 0.029625 seconds (Warm-up)
##               0.038652 seconds (Sampling)
##               0.068277 seconds (Total)

```