1) Fit a density estimator to the white men’s wages in 1988. Create a graph of it over the histogram estimator.

How large is the bandwidth estimate \((h)\)? Try a bandwidth twice as large and twice as small. Which choice to you think is better for estimating the density in the upper 5% of the wage distribution.

2) Using the transformation method fit the white men’s wages in 1988. You can choose any transformation function you like, but justify your choice.

3) Install the `locfit` package on your R installation. This may already be done (type `library(locfit)` to find out). The command `install.packages("locfit")` will install the package if it does not already exist.

Use a command like:
```r
dens <- locfit( ewm88[ewm88<150])
```
add a local likelihood density estimate fit to the wages. The `alpha` option sets the (nearest neighbor) bandwidth. The default bandwidth is 0.7. Use a command like:
```r
dens <- locfit( ewm88[ewm88<150], alpha=0.2)
```
to add a local likelihood density estimate fit with half the default bandwidth to the wages.

Which model do you prefer?

4) Find a data variable from your own interests that you wish to estimate the density for. Fit and plot the density estimate using any of the methods we have studied. Briefly comment on how useful the density estimate is in your case.