Homework #8

Winter 2020, STATS 509
Dino Bektesevic

Problem 1: Properties of Estimators and Confidence Intervals

Goldberger Qu. 11.2
Hints: For (a) use common sense / the analogy principle; for (b) read Goldberger §10.1, p.107; for part (c) use the analogy principle and p.108; for (d) recall that the standard error of T is simply an estimate of the standard deviation of T.[1]

a. We can pick $T = \bar{X} - \bar{Y}$ since:

$$E[T] = E[\bar{X}] - E[\bar{Y}] = \mu_X - \mu_Y = \theta$$

b.

$$\begin{aligned}
V(T) &= Cov(T,T) = Cov(\bar{X} - \bar{Y}, \bar{X} - \bar{Y}) \\
&= V(\bar{X}) + V(\bar{Y}) - 2Cov(\bar{Y}, \bar{X}) \\
&= V(\bar{X}) + V(\bar{Y}) - 2Cov\left(\frac{1}{n}\sum_i^n y_i, \frac{1}{n}\sum_i^n x_i\right) \\
&= V(\bar{X}) + V(\bar{Y}) - \frac{2}{n^2}\sum_{i,j=1}^{n} Cov(y_i, x_j) \\
&= V(\bar{X}) + V(\bar{Y}) - \frac{2}{n^2}\sum_{i,j=1}^{n} \sigma_{XY} \\
&= \frac{\sigma_X^2}{n} + \frac{\sigma_Y^2}{n} - \frac{2}{n^2} n\sigma_{XY} \\
&= \frac{\sigma_X^2 + \sigma_Y^2 - 2\sigma_{XY}}{n}
\end{aligned}$$

c. By analogy with b) we can just say:

$$V(T) = \frac{S_X^2 + S_Y^2 - 2S_{XY}}{n}$$

[1] This usage of the term 'standard error' follows Goldberger (p.123) who defines the 'standard error' of $\bar{Y}$ to be $s/\sqrt{n}$ which is an **estimate** of $\sigma/\sqrt{n}$, the standard deviation of $\bar{Y}$. (Here assuming σ is unknown.
However, other authors use 'standard error of $\bar{Y}$' to refer to $\sigma/\sqrt{n}$; such authors will then refer to $s/\sqrt{n}$ as an **estimated** standard error. (For Goldberger, adding the word 'estimated' to 'standard error' would be redundant.)

Problem 2

Goldberger Qu. 11.3 *Hints: see p.119. For part (a), express the estimator as* $T = a_1\bar{Y}_1 + a_2\bar{Y}_2$*; find a constraint on* a_1 *and* a_2 *in order for* T *to be unbiased for* μ*; use this to solve for* a_2 *in terms of* a_1*; find the variance of* T*; substitute for* a_2*, and then differentiate the variance with respect to* a_1*.*

a. We are asked to consider $T = c_1\bar{Y}_1 + c_2\bar{Y}_2$. We want it to be unbiased so:

$$\mu = E[T] = c_1E[\bar{Y}_1] + c_2E[\bar{Y}_2] = c_1\mu + c_2\mu = (c_1 + c_2)\mu$$

we must conclude that $c_1 + c_2 = 1 \rightarrow c_2 = 1 - c_1$ if unbiased-ness is to hold true. We are asked to find the minimum variance unbiased estimator so:

$$\begin{aligned} V(T) &= V(c_1\bar{Y}_1 + c_2\bar{Y}_2) \\ &= V(c_1\bar{Y}_1) + V(c_2\bar{Y}_2) \\ &= c_1^2V(\bar{Y}_1) + c_2^2V(\bar{Y}_2) \\ &= c_1^2V(\bar{Y}_1) + (1 - c_1)^2V(\bar{Y}_2) \end{aligned}$$

where we, in line 2, used the fact that the problem tells us that the two samples are independent so $Cov(\bar{Y}_1, \bar{Y}_2) = 0$. We minimize the variance as a function of the constants:

$$\begin{aligned} 0 &= \frac{\partial}{\partial c_1}V(T) \\ 0 &= \frac{\partial}{\partial c_1}\left(c_1^2V(\bar{Y}_1) + (1 - c_1)^2V(\bar{Y}_2)\right) \\ 0 &= 2c_1V(\bar{Y}_1) - 2(1 - c_1)V(\bar{Y}_2) \\ 0 &= 2c_1(V(\bar{Y}_1) + V(\bar{Y}_2)) - 2V(\bar{Y}_2) \\ c_1 &= \frac{V(\bar{Y}_2)}{V(\bar{Y}_1) + V(\bar{Y}_2)} \\ &\rightarrow c_2 = 1 - c_1 = \frac{V(\bar{Y}_1)}{V(\bar{Y}_1) + V(\bar{Y}_2)} \end{aligned}$$

b. to verify that $V(T) < V(\bar{Y}_1), V(\bar{Y}_2)$ we can write:

$$\begin{aligned} V(T) &= c_1\bar{Y}_1 + c_2\bar{Y}_2 \\ &= \left(\frac{V(\bar{Y}_2)}{V(\bar{Y}_1) + V(\bar{Y}_2)}\right)^2 V(\bar{Y}_1) + \left(\frac{V(\bar{Y}_1)}{V(\bar{Y}_1) + V(\bar{Y}_2)}\right)^2 V(\bar{Y}_2) \\ &= \frac{V(\bar{Y}_2)^2V(\bar{Y}_1) + V(\bar{Y}_1)^2V(\bar{Y}_2)}{\left(V(\bar{Y}_1) + V(\bar{Y}_2)\right)^2} \\ &= \frac{V(\bar{Y}_1)V(\bar{Y}_2)\left(V(\bar{Y}_2) + V(\bar{Y}_1)\right)}{\left(V(\bar{Y}_1) + V(\bar{Y}_2)\right)^2} \\ &= \frac{V(\bar{Y}_1)V(\bar{Y}_2)}{V(\bar{Y}_1) + V(\bar{Y}_2)} \end{aligned}$$

To show the inequality we can write

$$\begin{aligned} \frac{V(T)}{V(\bar{Y}_1)} &= \frac{V(\bar{Y}_2)}{V(\bar{Y}_1) + V(\bar{Y}_2)} \leq 1 \\ \frac{V(T)}{V(\bar{Y}_2)} &= \frac{V(\bar{Y}_1)}{V(\bar{Y}_1) + V(\bar{Y}_2)} \leq 1 \end{aligned}$$

since variance is always positive or zero.

Problem 3

Goldberger Qu. 11.4. Assume that Y_1 and Y_2 are independent. We are told that we have $N = 100$ samples where n_1 comes from $Y_1 \sim N(\mu_1, 50)$ and n_2 comes from $Y_2 \sim N(\mu_2, 100)$ so that $N = n_1 + n_2$. We are estimating $T = \mu_1 - \mu_2$ just like in question 1 so we can use $T = \bar{Y}_1 - \bar{Y}_2$ as an unbiased estimator of θ. TO get the best estimation of θ we want to minimize the variance of T. So we can write:

$$\begin{aligned} V(T) &= V(\bar{Y}_1) + V(\bar{Y}_2) \\ &= \frac{\sigma_1^2}{n_1} + \frac{\sigma_2^2}{n_2} \\ &= \frac{\sigma_1^2}{n_1} + \frac{\sigma_2^2}{N - n_1} \end{aligned}$$

Where we used the fact Y_1 and Y_2 are independent. Minimizing this expression with respect to number of samples n_1 will tell us how many samples of Y_1 we want to get the best estimate of θ:

$$\begin{aligned} \frac{\partial}{\partial n_1} V(T) = \frac{\partial}{\partial n_1}\left[\frac{\sigma_1^2}{n_1} + \frac{\sigma_2^2}{N - n_1}\right] &= 0 \\ -\frac{\sigma_1^2}{n_1^2} + \frac{\sigma_2^2}{(N - n_1)^2} &= 0 \\ \sigma_1^2(N - n_1)^2 &= \sigma_2^2 n_1^2 \\ \sigma_2^2 n_1^2 - \sigma_1^2(N^2 - 2Nn_1 + n_1^2) &= 0 \\ \sigma_2^2 n_1^2 - \sigma_1^2 N^2 + 2\sigma_1^2 N n_1 - \sigma_1^2 n_1^2 &= 0 \\ (\sigma_2^2 - \sigma_1^2) n_1^2 + 2\sigma_1^2 N n_1 - \sigma_1^2 N^2 &= 0 \\ \left(\frac{\sigma_2^2}{\sigma_1^2} - 1\right) n_1^2 + 2Nn_1 - N^2 &= 0 \\ \left(\frac{100}{50} - 1\right) n_1^2 + 200 n_1 - 10000 &= 0 \\ n_1^2 + 200 n_1 - 10000 &= 0 \\ \rightarrow n_{1,1} &= 41.42 \\ n_{1,2} &= -241.42 \end{aligned}$$

So we would want to draw 41 sample from Y_1 and 59 from Y_2.

Maximum Likelihood / ZES Estimation / GLRTs

4. Suppose that $X_1, \ldots, X_n$ are i.i.d. observations from the following pmf:

$$f(x \mid \theta) = \begin{cases} e^{\theta x} / \left(1 + e^{\theta}\right) & x \in \{0, 1\} \\ 0 & \text{otherwise} \end{cases}$$

where $\theta \in \mathbb{R}$.

(a) Confirm that for any value of θ, this is a probability mass function.

(b) Write down the likelihood for one observation $f(x \mid \theta)$. Find the log-likelihood, $\ell = \log f(x \mid \theta)$.

(c) Find the score variable $Z = (\partial \ell / \partial \theta)$. Using the fact that $E[Z] = 0$, find $E(X)$ (see Goldberger p.128).

(d) Find the maximum likelihood estimator $\hat{\theta}$ of θ based on the random sample $X_1, \ldots, X_n$.

(e) Derive the ZES estimator for θ. Confirm that this leads to the same estimator for θ that you obtained in (d).

(f) Find the asymptotic variance of $\hat{\theta}$ (this will be a function of θ).

(g) By plugging in $\hat{\theta}$ for θ in your answer to (f), find the standard error of $\hat{\theta}$. In other words, find an estimate of the standard deviation of the estimator $\hat{\theta}$.

(h) Use your answer to (g) to construct an approximate 95% confidence interval for θ. *Hint: make sure that your interval is a function of $\hat{\theta}$, NOT the true value of θ, which is unknown.*

5. Suppose $Y_1, \ldots, Y_n$ are an i.i.d. sample from a population with pmf given by:

$$p(y \mid \theta) = (y!)^{-1} \theta^y e^{-\theta} \tag{1}$$

where $\theta > 0$, $y_i \in \{0, 1, \ldots\}$.

(a) Write down the log-likelihood for a single observation:

(b) Using your answer to (a) find the score variable for θ:

(c) Find the information variable for θ, and find its expectation:

(d) Find the maximum likelihood estimator $\hat{\theta}_{MLE}$ for θ given the sample $Y_1, \ldots, Y_n$:

(e) Using your answers to (c) and (d) give an approximate 90% confidence interval for θ: *Hint: your answer should be a function of $\hat{\theta}_{MLE}$ and n.*

6. Let $X_1, \ldots, X_n$ be i.i.d. observations from a $\mathrm{N}(\mu, 1)$ population so that $f(x \mid \mu) = (2\pi)^{-\frac{1}{2}} e^{-\frac{1}{2}(x-\mu)^2}$.
Hint: See quiz section notes from 12/4/20

(a) Find the MLE $\hat{\mu}_{MLE}$ for μ.

Suppose that we wish to perform a likelihood ratio test of the hypothesis $H_0 : \mu = 0$ against $H_1 : \mu \neq 0$.

(b) Using your answer to (a) write down the generalized likelihood ratio test statistic (LRT).

(c) Re-express your answer to (b) as a function of $\bar{X}$, and draw the LRT as a function of $\bar{X}$.
Hint: $\sum_{i=1}^n (X_i - \bar{X})^2 = \left(\sum_{i=1}^n X_i^2\right) - n(\bar{X})^2$.

(d) If we wish to perform a hypothesis test with significance level $\alpha = 0.05$, use your answer to (c) to find the values of $\bar{X}$ for which we reject H_0. *Hint: your answer should be a function of n.*

Suppose that $n = 100$ and $\bar{x} = 0.16$.

(e) Using your answer to (d), would we reject H_0 in favor of H_1 using significance level $\alpha = 0.05$?

(f) Find the p-value for this hypothesis test.

7. A set of times $T_1, \ldots, T_n$ are sampled independently from a population with the following density:

$$f(t \mid \theta) = \begin{cases} e^{-(t-\theta)} & t \geq \theta \\ 0 & \text{otherwise} \end{cases}$$

where $\theta > 0$.

(a) Find the maximum likelihood estimate for θ.
Hint: do some plots, examining the values of θ for which $f(t_1, \ldots, t_n|\theta) > 0$. It may help you first to think about the cases where $n = 1$ and $n = 2$. Do **not** *rush into differentiating anything!*

(b) Is there a ZES estimator for θ ? Briefly explain your answer.

[**Motivation:** (not necessary to answer the problem, but may help with intuition). For example, the observations $T_1, \ldots, T_n$ might be the observed times taken for n messages to be transmitted across a network. In this case, θ represents the (non-random) minimum time for a message to be transmitted across the network if there were no delays; the additional random component of the time $(T - \theta)$ is due to bottlenecks and queues encountered by the message.]