

UNIVERSITY OF CALGARY

The Application of Lie Theory to Markov Processes

Computation of the Maximum Likelihood Estimator of the Generator of Continuous Time  
Markov Processes from a Stopped Random Variable

by

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A PROJECT

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# Abstract

Continuous time Markov processes on finite state spaces and Lie theory have individually been highly productive fields of investigation for more than a century. However, the two fields remain ripe for cross pollination. In particular the application of results from Lie theory will yield novel computational methods for estimation problems in continuous time Markov processes on finite state spaces. In this project we derive the minimal Lie algebra that contains the generators of a continuous time Markov process on a finite state space, and then using the guarantees of algebraic and analytic closure construct a Newton-Raphson algorithm for maximum likelihood estimation of the generator of a continuous time Markov process on a finite state space from stopped random variables using Páde approximations for Taylor series expressions of the first and second order derivatives of the exponential map.

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# List of Symbols, Abbreviations and Nomenclature

Symbol	Definition
U of C	University of Calgary
$A, B, C, \dots$	Matrices
$a, b, c, \dots$	Constants
$\vec{a}, \vec{b}, \vec{c}, \dots$	Vectors
$\hat{a}, \hat{b}, \hat{c}, \dots$	Unit vectors
$\vec{\mathbb{1}}$	Row sum vector
$\hat{\mathbb{1}}$	Normalized row sum vector
$St(\hat{\mathbb{1}})$	Stochastic Lie group with respect to $\hat{\mathbb{1}}$
$\mathfrak{st}(\hat{\mathbb{1}})$	Stochastic Lie algebra with respect to $\hat{\mathbb{1}}$
$St(\hat{\mathbb{1}}, \hat{\mathbb{1}})$	Doubly stochastic Lie group with respect to $\hat{\mathbb{1}}$
$\mathfrak{st}(\hat{\mathbb{1}}, \hat{\mathbb{1}})$	Doubly stochastic Lie algebra with respect to $\hat{\mathbb{1}}$
$\hat{a} \otimes \hat{b}$	Kronecker product of unit vectors $\hat{a}$ and $\hat{b}$
$\langle \hat{a}, \hat{b} \rangle$	Inner product of unit vectors $\hat{a}$ and $\hat{b}$
$\mathbb{P}[\Sigma]$	Probability measure of a measurable set $\Sigma$
$\mathcal{F}_t$	Measurable filtration with respect to continuous parameter $t$
$Ad_X A$	The Adjoint operator $XAX^{-1}$ in the Lie group
$ad_X A$	The adjoint operator $[X, A]$ in the Lie algebra
$[A, B]$	The commutator bracket $AB - BA$ of matrices $A$ and $B$

# Chapter 1

## Introduction

### 1.1 Motivation and Direction

Markov process have a rich and extensive history in the statistical and probability analysis of fields such as the life sciences, operations research, queuing theory communications, natural language, and machine learning. Have modeled syntax of sentences, disease states, cancer survival, epidemiology and demographics, with models such as phase type, birth-death, and hidden State of the art computational methods are focused on hidden Markov Models on a finite state set, and discrete time steps; assuming all transitions are observed but are obscured with noise. This is the focus of the Baum-Welch and Viterbi algorithms, and more recently RUST models. The work presented in this project concerns continuous time Markov processes on a finite state space, where by definition it is not possible to observe all the transitions. Instead what is observed typical is are stopped statistics, such as first hitting times from one state to another. Chapter 2 first establishes the algebraic and analytic closure properties necessary for Chapter 3. Chapter 2 has a secondary role to help develop the physical intuition for the stochastic Lie group necessary to work through the derivatives and approximations of Chapter 3 Chapter 3 derives the the first and second order derivatives of the exponential map and their Padé Approximation. Chapter 4 derives the maximum likelihood estimators from first hitting times Chapter 5 concludes with summarizing remarks and a discussion of the direction for further investigation. Throughout this work we will attempt to conform to a simplified version of Lamport's guide to structuring and presenting proofs.



## 1.2 Background

### 1.2.1 Continuous Time Markov Process

### 1.2.2 Maximum Likelihood Estimation

### 1.2.3 Lie Theory

### 1.2.4 Padé Approximation

### 1.2.5 Newton-Raphson Method

## Chapter 2

# The Lie Algebra of the Generators of Continuous Time Markov Processes

### 2.1 Stochastic Matrices

The classical Lie algebras of physics, like the infinitesimal symmetries of the special unitary algebra  $\mathfrak{su}(n)$ , are defined with respect to invariants of a Banach algebra, such as the matrix invariants of the determinant, trace, or norm. In contrast stochastic matrices are always characterized with respect to a specific unit vector, which we will denote  $\hat{\mathbb{1}}$ . In the next two subsections we provide an explicit construction and characterization of the Lie algebra of stochastic matrices, building on the original the work of ??.

The common approach to stochastic matrices begins with the restriction that the matrices have positive entries with respect to the standard orthonormal basis for the vector space on which it acts; namely  $\langle \hat{e}_i, A \hat{e}_j \rangle \geq 0$  for all  $i, j$ . In addition to allowing for singular matrices this poses an immediate obstacle to the necessary closure with respect to matrix inversion required for matrix groups. As the inverse of a stochastic matrix need not have non-negative entries with respect to the standard orthonormal basis.

For the moment we will set aside the non-negative entries restriction, and instead begin with a generalization of the concept of fixed row sums. We will show this generalization is preserved by matrix inversion, and then develop an orthonormal basis from which specific matrices with positive entries, with respect to the basis, can be constructed. In essence tackling the problem from the reverse direction, starting with the more general idea of fixed row sums, then specifying to matrices with positive entries with respect to a constructed orthonormal basis.

**Definition 1.** A matrix  $A$  is stochastic with respect to the unit vector  $\hat{\mathbb{1}}$  if  $A\hat{\mathbb{1}} = \hat{\mathbb{1}}$

In an  $n$  dimensional vector space the vector  $\vec{1} = \sqrt{n}\hat{1}$  acts as the row sum operator on matrices stochastic with respect to  $\hat{1}$ . We will make this claim more precise after we dispense with a few more foundational definitions.

**Definition 2.** Let  $St(\hat{1})$  denote the stochastic Lie group of invertible matrices stochastic with respect to  $\hat{1}$

It is tempting to view the name stochastic Lie group has a bait and switch, or at least an abuse of the terminology, given we have removed the usual convex polytope stochastic matrices and replaced it with a group of invertible matrices with a common eigenvector  $\hat{1}$ . Previous authors have denoted the convex polytope of stochastic matrices as the stochastic semi-group and the group invertible matrices as the pseudo-stochastic Lie group. One could even consider incorporating Markov into the name, in reference to the fact that the transition matrices of a continuous Markov process on a finite state space are by definition invertible and have common eigenvector  $\hat{1}$ . However the suffix of Lie group in the name connotes both sufficient additional restrictions to make the name distinct, and still allows for an indication of a relationship with the original concept. Of course, this definition immediately necessitates proof of the claim embedded in the definition.

**Lemma 1.**  $St(\hat{1})$  is a Lie group

*Proof.* We proceed by working mechanistically through the Lie group axioms.

1. The identity element  $I$  is in  $St(\hat{1})$ . Clearly  $I$  is invertible and  $I\hat{1} = \hat{1}$ .
2. If  $A, B \in St(\hat{1})$  then  $AB \in St(\hat{1})$ . This follows from the computation  $AB\hat{1} = A\hat{1} = \hat{1}$ .
3. If  $A \in St(\hat{1})$  then  $A^{-1} \in St(\hat{1})$ . Recognize that  $A\hat{1} = \hat{1}$  implies  $\hat{1} = A^{-1}A\hat{1} = A^{-1}\hat{1}$ .
4. Associativity follows from  $St(\hat{1})$  being a subgroup of  $GL(n)$ .
5. Finally, that the matrix product  $A^{-1}B$  is smooth for all  $A, B \in St(\hat{1})$  likewise follows from  $St(\hat{1}) < GL(n)$

□

That  $St(\hat{\mathbb{1}})$  is a proper matrix Lie group implies that it must be infinitesimal generated by elements of a Lie algebra.

**Definition 3.** Let  $\mathfrak{st}(\hat{\mathbb{1}})$  denote the stochastic Lie algebra of  $St(\hat{\mathbb{1}})$

By infinitesimally generated we mean that every element of  $St(\hat{\mathbb{1}})$  is a matrix exponential of some element in  $\mathfrak{st}(\hat{\mathbb{1}})$ . We can fully characterize this algebra as the set of matrices such that their row sums are zero with respect to  $\hat{\mathbb{1}}$ .

**Lemma 2.** *The algebra  $\mathfrak{st}(\hat{\mathbb{1}})$  is exactly the set of all matrices with  $\hat{\mathbb{1}}$  in their kernel.*

*Proof.* Working through the forward and backward inclusions we have

1. Suppose  $A\hat{\mathbb{1}} = 0$  then from the definition of the matrix exponential we have:

$$\begin{aligned}\exp(A)\hat{\mathbb{1}} &= \sum_{n=0}^{\infty} \frac{1}{n!} A^n \hat{\mathbb{1}} \\ &= \hat{\mathbb{1}} + \sum_{n=1}^{\infty} \frac{1}{n!} 0 \\ &= \hat{\mathbb{1}}\end{aligned}$$

Thus  $\exp(A) \in St(\hat{\mathbb{1}})$  implying that  $A \in \mathfrak{st}(\hat{\mathbb{1}})$

2. Now begin with the reverse assumption, that  $A \in \mathfrak{st}(\hat{\mathbb{1}})$ . For all  $t \in \mathbb{R}$  we have  $\exp(tA)\hat{\mathbb{1}} = \hat{\mathbb{1}}$ . Differentiation with respect to  $t$  and evaluation at  $t = 0$  yields

$$\begin{aligned}0 &= \left. \frac{d}{dt} \hat{\mathbb{1}} \right|_{t=0} \\ &= \left. \frac{d}{dt} \exp(tA) \hat{\mathbb{1}} \right|_{t=0} \\ &= \left. \exp(tA) A \hat{\mathbb{1}} \right|_{t=0} \\ &= A \hat{\mathbb{1}}\end{aligned}$$

□

Over an  $n$  dimensional vector space, the condition on a matrix  $A$  that  $A\hat{\mathbb{1}} = 0$  places  $n$  constraints on the  $n^2$  dimensions of  $A$ . This leaves  $n^2 - n$  free dimensions on  $\mathfrak{st}(\hat{\mathbb{1}})$ , when considered as a vector

space. This hints that we can construct a generator of  $\mathfrak{st}(\hat{\mathbb{I}})$  from order pairs of basis elements  $\hat{e}_i$  for the vector space of  $\hat{\mathbb{I}}$ . To see how this is done we first construct a useful basis for the vector space of  $\hat{\mathbb{I}}$ .

**Lemma 3.** *There exists an orthonormal basis  $\hat{e}_i$  such that  $\langle \hat{e}_i, \hat{\mathbb{I}} \rangle = \frac{1}{\sqrt{n}}$  for all  $i$*

*Proof.* While a basis with the stipulated properties can be constructed through the Gram-Schmidt process, the proof of the existence of such a basis proceeds by induction.

1. For  $n = 1$  the desired basis is precisely the trivial set  $\{\hat{\mathbb{I}}\}$  which satisfies the condition that  $\langle \hat{\mathbb{I}}, \hat{\mathbb{I}} \rangle = 1$
2. Assume the claim is true for  $n$ . For  $n + 1$  pick a unit vector  $\hat{e}_\perp$  that is orthogonal to  $\hat{\mathbb{I}}$  and construct the unit vector  $\hat{e}_{n+1} = \frac{1}{\sqrt{n+1}}\hat{\mathbb{I}} + \sqrt{\frac{n}{n+1}}\hat{e}_\perp$ . Clearly  $\hat{e}_{n+1}$  satisfies the condition  $\langle \hat{e}_{n+1}, \hat{\mathbb{I}} \rangle = \frac{1}{\sqrt{n+1}}$ . Next construct a new row sum unit vector  $\hat{\mathbb{I}}_n$  in one dimension lower by projecting onto the subspace orthogonal to  $\hat{e}_\perp$

□

We can now proceed with the central result that motivates this chapter.

**Theorem 1.** *The canonical generators of  $\mathfrak{st}(\hat{\mathbb{I}})$  are  $C_{ij} = \frac{1}{\sqrt{2}}\hat{e}_i \otimes (\hat{e}_j - \hat{e}_i)$*

*Proof.* To prove that the smallest algebra that contains  $C_{ij}$  is  $\mathfrak{st}(\hat{\mathbb{I}})$  it suffices to prove that matrices  $C_{ij}$  form a basis for  $\mathfrak{st}(\hat{\mathbb{I}})$ . This is because a necessary condition for an algebra to contain the matrices  $C_{ij}$  is that it must contain all sums of the matrices  $C_{ij}$ . If one could sum their way out of the algebra then it would not be an algebra.

1. That  $\mathfrak{st}(\hat{\mathbb{I}})$  is an  $n^2 - n$  dimensional vector space should be clear from the previous discussion. A full formal proof of this claim is found through induction on the dimension  $n$ .

2. The matrices  $C_{ij}$  are in  $\mathfrak{st}(\hat{\mathbb{1}})$ . From the definition of the canonical generators

$$\begin{aligned} C_{ij}\hat{\mathbb{1}} &= \frac{1}{\sqrt{2}}\hat{e}_i \otimes (\hat{e}_j - \hat{e}_i) \hat{\mathbb{1}} \\ &= \frac{1}{\sqrt{2}}\hat{e}_i (\langle \hat{e}_j, \hat{\mathbb{1}} \rangle - \langle \hat{e}_i, \hat{\mathbb{1}} \rangle) \\ &= \frac{1}{\sqrt{2}}\hat{e}_i \left( \frac{1}{\sqrt{n}} - \frac{1}{\sqrt{n}} \right) \\ &= 0 \end{aligned}$$

3.  $C_{ij}$  is a set of  $n^2 - n$  linear independent matrices and so must form a basis for all of  $\mathfrak{st}(\hat{\mathbb{1}})$ . Again the formal proof of this claim is found through induction on the dimension  $n$ .

□

The previous theorem serves as the definition of a set of canonical generators of  $\mathfrak{st}(\hat{\mathbb{1}})$ , the  $\frac{1}{\sqrt{2}}$  factor just a pleasant normalization constant for the vector  $\hat{e}_j - \hat{e}_i$ . It is important to note that neither the basis  $\hat{e}_i$  nor the canonical generators  $C_{ij}$  are unique. They are uniquely defined only up to rotations orthogonal to the vector  $\hat{\mathbb{1}}$ .

Before moving on it is worth briefly revisiting the distinction between the standard convex polytope of stochastic matrices and the stochastic Lie group, to develop some physical intuition into the relationship between the two sets of matrices which have a non-trivial and geometrical interesting intersection.

The first result from this theorem is the ability to calculate the structure constants of the generators of the algebra. We proceed by studying the products of the generators.

**Corollary 1.**  $C_{ij}C_{kl} = \delta$

Which taking the commutators yields the structure constants.

**Corollary 2.**  $\exp(C_{ij}) = e$

## 2.2 Doubly Stochastic Matrices

Doubly stochastic matrices require double conservation of the vector  $\hat{\mathbb{1}}$ , leaving only  $(n-1)^2$  linear degrees of freedom. This is an important clue in the construction of a canonical representation. In fact the representation can be found by choosing one additional vector  $\hat{e}_n$  to “omit”. This vector plays a similar role to the diagonal in the previous construction and is used to balance the row and column sums back to zero.  $St(\hat{\mathbb{1}}, \hat{\mathbb{1}})$  and  $\mathfrak{st}(\hat{\mathbb{1}}, \hat{\mathbb{1}})$

## **Chapter 3**

### **Padé Approximation of Derivatives of the Exponential Map**

#### **3.1 The Gradient**

##### **3.1.1 Algebraic Formulation**

##### **3.1.2 Algorithm**

#### **3.2 The Hessian**

##### **3.2.1 Algebraic Formulation**

##### **3.2.2 Algorithm**



## **Chapter 4**

### **Maximum Likelihood Estimation from First Hitting Times**

#### 4.1 Distribution of First Hitting Times

#### 4.2 The Likelihood and Its Maximization

#### 4.3 Newton-Raphson Maximization

##### 4.3.1 Formulation

##### 4.3.2 Algorithm

# Chapter 5

## Conclusion

### 5.1 Summary of Results

Review findings

### 5.2 Discussion

Application of Lie Theory to the embedding problem for first hitting times... Differentiate between problem of choosing a branch of the matrix logarithm and multiple Markov models having the same first hitting time distribution. Once a principle branch of the logarithm is fixed stochastic Lie algebra can give meaning to the idea of a simplest model, the one expressed in the fewest canonical generators.

## **Appendix A**

### **Julia Implementations**

Code dumps of implementations of the algorithms in Julia.