$$\mathcal{H}(\mathbf{y_0}, \mathbf{z}, \beta, \tau) = \left[\beta + (1 - z_i)(1 - \beta) \exp\left(-\tau^2 \mathbf{z}^T \mathbf{S}\right)\right] \mathbf{y_0} \quad (1)$$

$$\mathcal{H}(\mathbf{y_z}, \mathbf{0}, \beta, \tau) = \left[\beta + (1 - z_i)(1 - \beta) \exp\left(-\tau^2 \mathbf{z}^T \mathbf{S}\right)\right]^{-1} \mathbf{y_z} \equiv \mathbf{y_0} \quad (2)$$

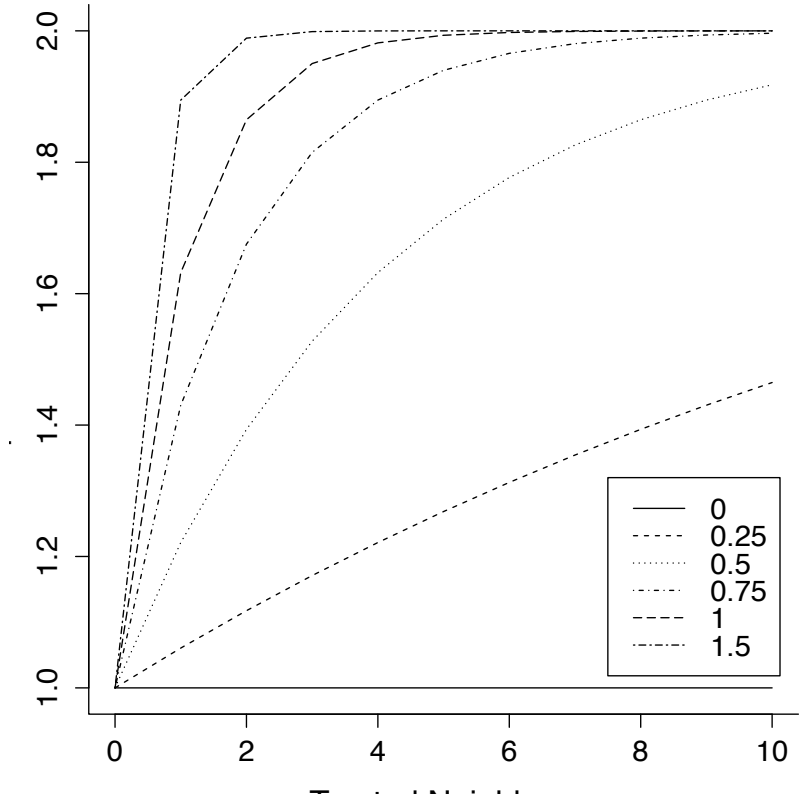

Figure: Growth curve of spillover effects for the expression $\beta + (1 - \beta) \exp\left(-\tau^2 \mathbf{z}^T \mathbf{S}\right)$ as the number of treated neighbors, $\mathbf{z}^T \mathbf{S}$, increases for $\beta = 2$ and a selection of τ values.