

# Decoding Connections: Workshop in Network Data Analysis

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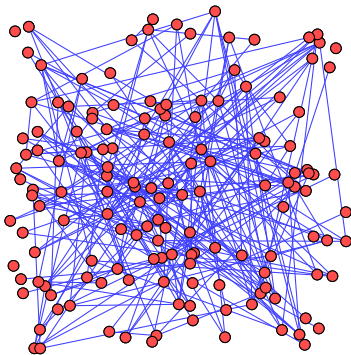
1. Introduction to Network Data
2. How to Encode Network Data
3. Descriptive Analysis of Networks
4. Simple Probabilistic Models
5. Stochastic Block Models

# Introduction to Network Data

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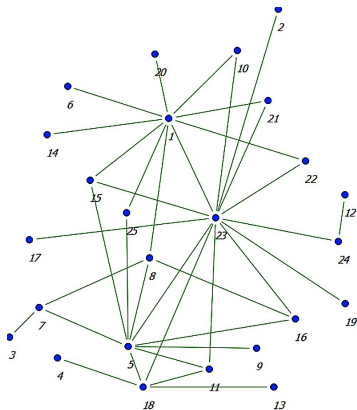
# Network Data

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- Network data describe the connections (**edges/links**) among a set of entities (**nodes / vertices**), showing who or what is connected to whom or what.
- Because those connections create interdependencies and define a specific structure (different than most datasets), we need **specialized statistical techniques** to make sense of the patterns and analyze networks.

### Example 1: Wiretapping Network of Drug Dealing in Colombia<sup>1</sup>

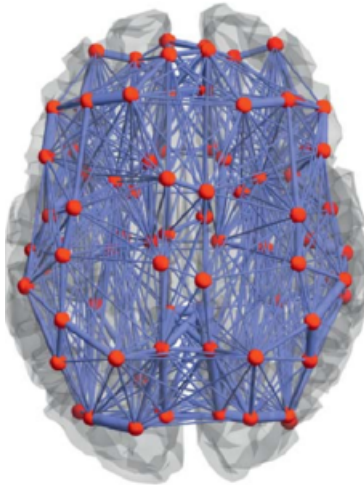


(a) Acero Drug Network

<sup>1</sup> Kaustav Basu, Arunabha Sen, Identifying individuals associated with organized criminal networks: A social network analysis, *Social Networks*, Volume 64, 2021, Pages 42-54,

## Example 2: DTI Networks <sup>2</sup>

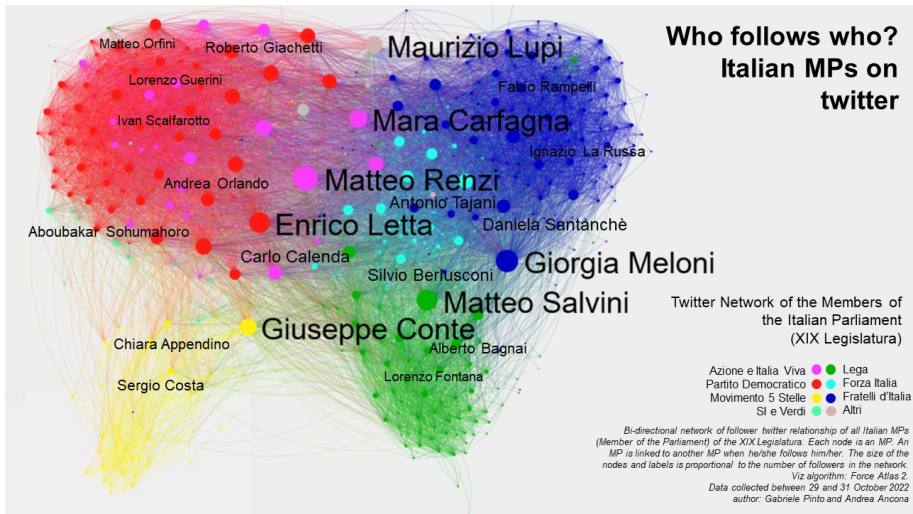
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<sup>2</sup> J. Cabral , M. L. Kringelbach , G. Deco, Functional Graph Alterations in Schizophrenia: A Result from a Global Anatomic Decoupling?  
Pharmacopsychiatry 2012; 45(S 01): S57-S64

# Example 3: X Network of Italian Members of Parliament



# Examples of Network Data

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- **Social networks:** individuals connected by “friendship” or interactions (e.g., likes, DMs).
- **Information networks:** webpages linked by hyperlinks; citation networks
- **Physical networks:** transportation and infrastructure networks
- **Biological/medical networks:** protein–protein interaction; neural connectomes
- **Organizational networks:** co-authorship; trade partnerships
- **A good resource with many network data:**  
<https://networkrepository.com/index.php>



# Examples of Research Questions Related to Network Data

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- **Influence & centrality:** Who are the most central/influential actors?
- **Community detection:** How to uncover cohesive subgroups? How to detect groups of subjects that behave similarly within the network?
- **Structure–outcome relations:** How are the network connections influenced by a set of available covariates?
- **Evolution of ties:** Do links form by preferential attachment or homophily?
- **Robustness & intervention:** What happens if key nodes are removed?

# A Formal Representation of a Network

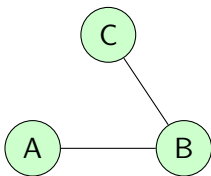
In order to analyze network data, we need first a way to represent them formally!

Network data are represented by graphs.

A graph  $G$  is an ordered pair  $G = (V, E)$  where:

- $V$  is a set of  $n$  vertices (nodes).
- $E \subset \{\{u, v\} : u, v \in V, u \neq v\}$  is a set of unordered, distinct pairs.

**Notation:**  $|V| = n$ ,  $|E| = m$ ,  $d_i = \deg(i) = \#\{j : \{i, j\} \in E\}$ .



$$V = \{A, B, C\} \quad |V| = n = 3$$

$$E = \{\{A, B\}, \{B, C\}\} \quad |E| = m = 2$$

$$d_A = 1, d_B = 2, d_C = 1$$

# Undirected vs Directed networks

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**Undirected** Edges are unordered pairs  $\{u, v\}$ ; mutual relation (e.g., friendship).

**Directed** Edges are ordered pairs  $(u, v)$ ; asymmetric relation (e.g., Twitter follow).

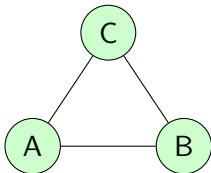


Figure: Undirected network

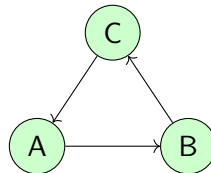


Figure: Directed network

In directed graphs,  $\deg^{\text{in}}(i) \neq \deg^{\text{out}}(i)$ .

# Simple vs Multi graphs

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- **Simple graph:** at most one edge per node-pair, no loops.
- **Multigraph:** allows parallel edges and self-loops.

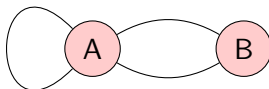
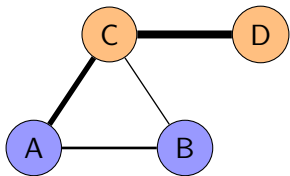


Figure: Multigraph example

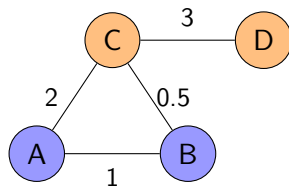
# Networks with Attributes

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- **Node attributes:** categories, covariates (e.g., gender, age).
- **Edge weights:** tie strength (e.g., number of emails).
- **Signed networks:** positive/negative ties (e.g., like vs dislike on YouTube).

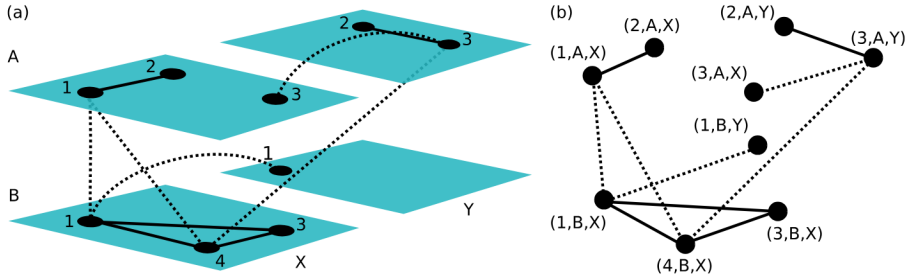


**Figure:** Attributed network example, colors represent node attributes (node-colored network), thickness of the edges represents edge weights



**Figure:** Attributed network example, colors represent node attributes (node-colored network), numbers on the edges represents edge weights

# And actually... many others<sup>3</sup>



<sup>3</sup>Kivelä, M., Arenas, A., Barthelemy, M., Gleeson, J. P., Moreno, Y., & Porter, M. A. (2014). Multilayer networks. *Journal of complex networks*, 2(3), 203-271.

# How to Encode Network Data

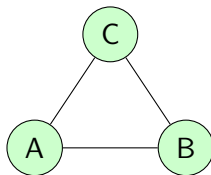
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# Adjacency List

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- For each node, list neighbors (feasible for sparse or small graphs).
- Example (triangle A–B–C):

$A : [B, C], B : [A, C], C : [A, B]$



## R / igraph:

```
library(igraph)
edges <- data.frame(from=c("A","A","B"), to=c("B", "C", "C"))
g <- graph_from_data_frame(edges,dir=FALSE)
adj_list <- adjacent_vertices(g, V(g))
print(adj_list)
```

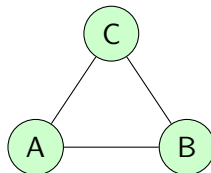


# Edge List

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- Two-column table of edges.
- Example (triangle A–B–C):

<i>A</i>	<i>B</i>
<i>A</i>	<i>C</i>
<i>B</i>	<i>C</i>



**R / igraph:**

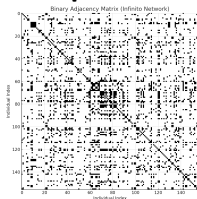
```
as_edgelist(g)
```

# Adjacency Matrix

- $n \times n$  matrix  $A$  with  $A_{ij} = 1$  if edge exists, else 0.
- Symmetric for undirected; memory  $O(n^2)$ .

$$A = \begin{pmatrix} 0 & 1 & 1 \\ 1 & 0 & 1 \\ 1 & 1 & 0 \end{pmatrix}$$

## A real data example: Infinito network <sup>a</sup>



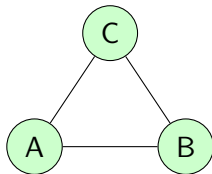
<sup>a</sup>Calderoni, F., & Piccardi, C. (2014). Uncovering the structure of criminal organizations by community analysis: The infinito network. In 2014 tenth international conference on signal-image technology and Internet-based systems (pp. 301-308). IEEE.

**R / igraph:**

```
as_adjacency_matrix(g)
```

# Summing Up: Encoding

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## Adjacency Matrix

$$A = \begin{pmatrix} 0 & 1 & 1 \\ 1 & 0 & 1 \\ 1 & 1 & 0 \end{pmatrix}$$

## Edge List

A	B
A	C
B	C

## Adjacency List

A:	[B, C]
B:	[A, C]
C:	[A, B]

# **Descriptive Analysis of Networks**

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# Density of a Network

## Density

$$\text{Density} = \frac{m}{\binom{n}{2}} = \frac{2m}{n(n-1)} \quad (0 \leq \text{Density} \leq 1)$$

where  $m$  = num. of edges and  $n$  = num. of nodes

- **What it measures:** Fraction of realized edges out of all possible  $\binom{n}{2}$ .  
Density  $\approx 0 \implies$  very sparse; Density  $\approx 1 \implies$  almost complete.
- **Special cases:**
  - Complete graph  $K_n$ :  $m = \frac{n(n-1)}{2} \implies \text{Density} = 1$ .
  - Tree on  $n$  nodes:  $m = n - 1 \implies \text{Density} = \frac{2}{n}$ , which vanishes as  $n$  grows.
- **Why use it:**
  - Compare overall connectivity across networks of different sizes.
  - Quick sanity check (e.g. is my statistical model generating graphs that are too sparse?).

**In R / igraph:** `edge_density(g)`

# Vertex Degree

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**Undirected network.** The degree of node  $i$ , denoted

$$d_i = \sum_j A_{ij},$$

is the number of edges incident on  $i$ , where the adjacency matrix entry

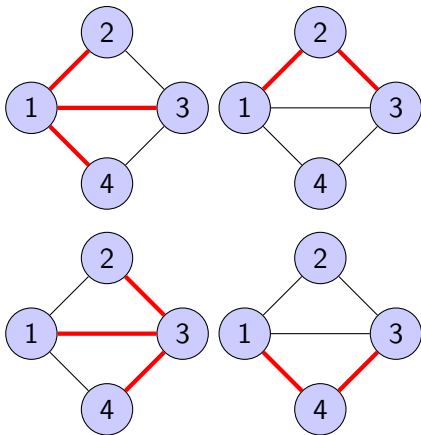
$$A_{ij} = \begin{cases} 1, & \text{if there is an (undirected) edge between } i \text{ and } j, \\ 0, & \text{otherwise.} \end{cases}$$

**Directed network.**

$$d_i^{\text{in}} = \sum_j A_{ji}, \quad d_i^{\text{out}} = \sum_j A_{ij}.$$

Incoming degree counts arrows into  $i$ ; outgoing degree counts arrows out.

# Vertex Degree Distribution



**R / igraph:** `degree(g)`

Degree distribution.

Let  $n$  be the number of nodes. Then

$$P(k) = \frac{\#\{i : d_i = k\}}{n}$$

is the fraction of nodes of degree  $k$ .

In our example  $(d_1, d_2, d_3, d_4) = (3, 2, 3, 2)$ ,  
so

$$P(2) = \frac{2}{4} = 0.5, \quad P(3) = \frac{2}{4} = 0.5.$$

# Vertex Centrality

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Many network-analysis questions boil down to:

- Which nodes are *most important* in the network?

## Research questions examples:

- “What airports are key bottlenecks in transportation?”
- “Who should we vaccinate first to stop an epidemic most efficiently?”
- “Which employee’s departure would fragment the organization most?”
- “Which web pages serve as gateways to the broader Internet?”
- “Which user in a social media network has the greatest influence potential?”

Centrality measures answer these questions = quantify different notions of “importance”.

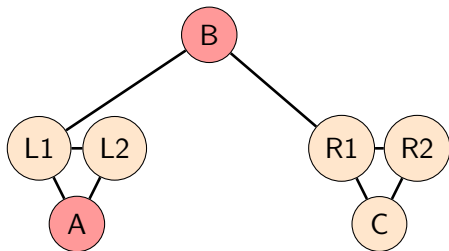
Degree centrality (i.e., node degree)

$$C_D(i) = d_i,$$



# Limitations of Degree Centrality

## Two nodes with the same degree but very different roles



- **Degree centrality:**  $d_A = 2$  and  $d_B = 2$ .
- **Node A:** lies entirely within one cluster – its removal *does not* disconnect the network.
- **Node B:** is the *only* bridge between two clusters – its removal *splits* the network into two disconnected parts.
- **Takeaway:** Node degree is just local popularity. Nodes with equal degree can play very different global roles. *Degree centrality alone* can miss critical structural importance.

**We need different measures of centrality!**

# Shortest Path

## Path and Shortest Path

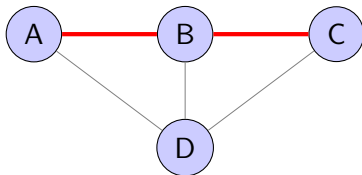
In an *unweighted* graph  $G = (V, E)$ , a *path* from node  $u$  to node  $v$  is a sequence of distinct vertices

$$u = x_0, x_1, \dots, x_k = v \quad \text{with} \quad (x_{i-1}, x_i) \in E \text{ for } i = 1, \dots, k.$$

The *length* of such a path is simply the number of edges,  $k$ .

A *shortest path* between  $u$  and  $v$  is one having the minimum possible  $k$ .

**Notation:**  $d(u, v) = \min\{k : \exists \text{ a path of length } k \text{ from } u \text{ to } v\}.$



Here,  $d(A, C) = 2$ , since the minimum number of hops from  $A$  to  $C$  is two (via  $B$ ).

# Vertex Centrality: Definitions

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## Betweenness centrality

$$C_B(i) = \sum_{s \neq t \neq i} \frac{\sigma_{st}(i)}{\sigma_{st}},$$

where  $\sigma_{st}$  is the number of shortest paths  $s \rightarrow t$ , and  $\sigma_{st}(i)$  counts those that pass through  $i$ . Measures how much  $i$  “bridges” pairs of nodes.

## Closeness centrality

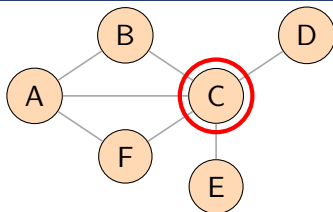
$$C_C(i) = \frac{1}{\sum_j d(i, j)},$$

with  $d(i, j)$  the shortest-path distance. Quantifies how quickly  $i$  can reach all others.

**In R:** `betweenness(g)`, `closeness(g)`

# Vertex Centrality: Toy Network Example

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- **Degree centrality:**

$$C_D(A) = 3, C_D(B) = 2, C_D(C) = 5, C_D(D) = 1, C_D(E) = 1, C_D(F) = 2.$$

- **Betweenness centrality:**

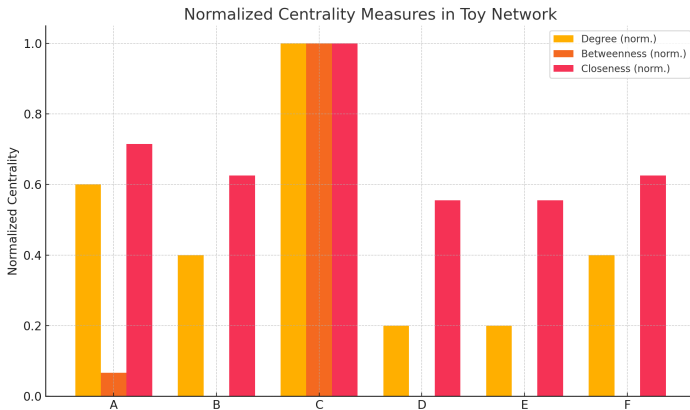
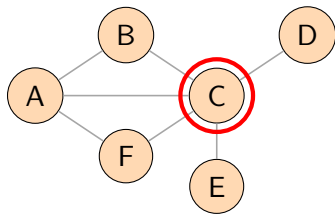
$$C_B(A) = 1, C_B(B) = 0, C_B(C) = 8, C_B(D) = 0, C_B(E) = 0, C_B(F) = 0.$$

- **Closeness centrality:**

$$C_C(A) = \frac{1}{7} \approx 0.143, \quad C_C(B) = C_C(F) = \frac{1}{8} = 0.125,$$

$$C_C(C) = \frac{1}{5} = 0.200, \quad C_C(D) = C_C(E) = \frac{1}{9} \approx 0.111.$$

# Vertex Centrality: Toy Network Example



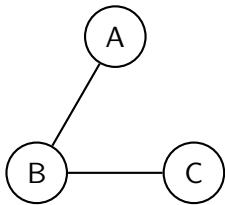
# Transitivity in Networks

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## What is transitivity?

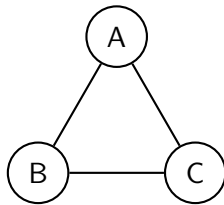
- Intuitively: “a friend of a friend is likely also my friend.”
- More formally: if edges  $A-B$  and  $B-C$  exist, how often do we also see  $A-C$ ?
- Captures the tendency toward *closure* and local cohesion in real-world networks.
- High transitivity  $\implies$  strong community structure.

## Basic patterns to measure transitivity:



*Open triad*

(two-path without closure)



*Closed triad = Triangle*

(fully connected triple)

There are three distinct triads in a triangle!

# Local & Average Clustering Coefficients

## Local and Average clustering coefficients

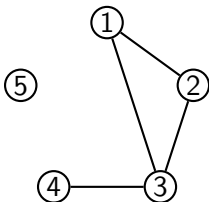
- **Local clustering coefficient:**

$$C(v) = \frac{\text{num. of couples of "friends" of } v \text{ that are "friends"}}{\text{num. of couples of "friends" of } v}$$

$$= \begin{cases} \frac{\#\{\text{triangles containing } v\}}{\binom{\deg(v)}{2}}, & \deg(v) \geq 2, \\ 0, & \text{otherwise.} \end{cases}$$

- **Average clustering coefficient:**  $\bar{C} = \frac{1}{n} \sum_{v \in V} C(v)$ .

**Example:**



$$\begin{aligned} C(1) &= ?, & C(2) &= ?, & C(3) &= ?, \\ C(4) &= ?, & C(5) &= ?, \\ \bar{C} &= ?. \end{aligned}$$

# Local & Average Clustering Coefficients

## Local and Average clustering coefficients

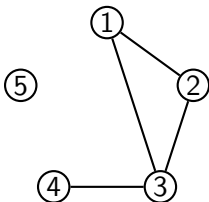
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- **Average clustering coefficient:**  $\bar{C} = \frac{1}{n} \sum_{v \in V} C(v)$ .

**Example:**



$$C(1) = 1, \quad C(2) = 1, \quad C(3) = \frac{1}{3}, \\ C(4) = 0, \quad C(5) = 0,$$

$$\bar{C} = \frac{1 + 1 + \frac{1}{3} + 0 + 0}{5} \approx 0.467.$$

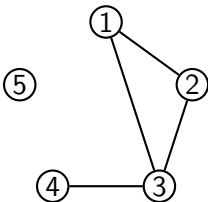


# Global Clustering Coefficient

Global clustering coefficient

$$C_{\text{global}} = \frac{3 \times \text{num. of triangles}}{\text{num. of triads}}$$

**Example:**



number of triangles = ?

number of triads = ?

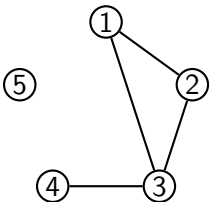
$C_{\text{global}} = ?$

# Global Clustering Coefficient

Global clustering coefficient

$$C_{\text{global}} = \frac{3 \times \text{num. of triangles}}{\text{num. of triads}}$$

**Example:**



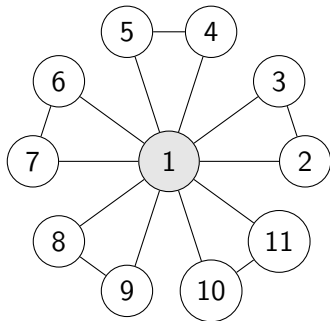
number of triangles = 1

number of triads = 5

$$C_{\text{global}} = 3/5 = 0.6$$

# Local vs Global Transitivity

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$$C_{\text{local}}(1) = \frac{\#\{\text{triangles at } 1\}}{\binom{10}{2}} = \frac{5}{45} = \frac{1}{9} \approx 0.111$$

$$C_{\text{local}}(i) = \frac{1}{\binom{2}{2}} = 1, \quad i = 2, \dots, 11$$

$$\bar{C} = \frac{1}{11} \sum_{v=1}^{11} C_{\text{local}}(v) = \frac{\frac{1}{9} + 10 \cdot 1}{11} = \frac{91}{99} \approx 0.919$$

$$C_{\text{global}} = \frac{3 \times (\#\text{triangles} = 5)}{\sum_v \binom{d_v}{2}} = \frac{15}{55} = \frac{3}{11} \approx 0.273$$

# Summing Up: Descriptive Statistics

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- **General measures structure and size**

Density: how much connected is the network. (in  $[0,1]$ ) `edge_density(g)`

Degree dist: how many nodes with  $x$  connections. `table(degree(g))`

- **Measures of centrality**

Degree: how many connections with node  $v$  `degree(g)`

Betweenness: how often  $v$  connects others `betweenness(g)`

Closeness: how close if  $v$  to others `closeness(g)`

- **Measures of transitivity**

Average clustering: local transitivity `transitivity(g, type="local")`

Global clustering: global transitivity `transitivity(g, type="global")`

## **Simple Probabilistic Models**

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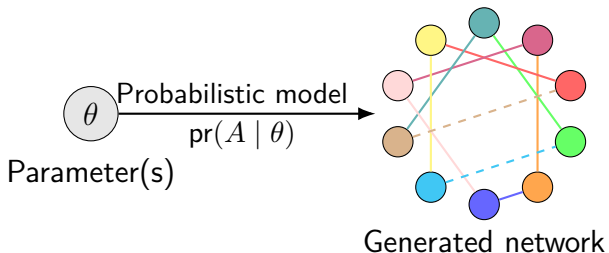
# Probabilistic Generative Network Models

Given the observed set of nodes  $V$ , we can probabilistically model the network by assuming some **distribution** generating the links between them, i.e., define the distribution of the adjacency matrix  $A$ :

$$\text{pr}(A \mid \theta)$$

Then:

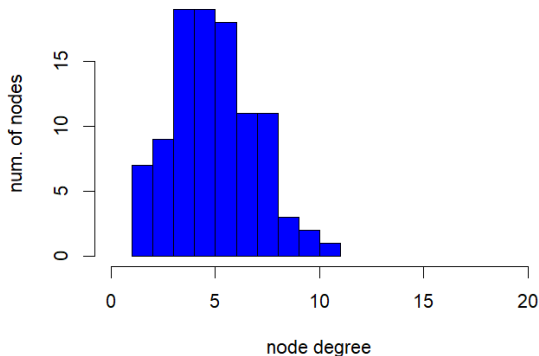
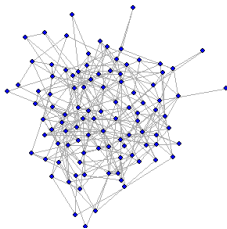
- Estimate  $\theta$  from the observed network.
- Predict links for *new* nodes.



# Erdős–Rényi Random Graph<sup>4</sup>

Each pair of the  $n$  vertices is connected with **probability**  $p$  independently.

$$A_{u,v} \mid p \stackrel{\text{iid}}{\sim} \text{Bernoulli}(p) \quad \forall u < v$$



- $\mathbb{E}[m] = \binom{n}{2}p$
- $d_i \sim \text{Bin}(n-1, p)$ .

<sup>4</sup>Erdős & Rényi (1959). "On Random Graphs. I" Publicationes Mathematicae. 6 (3–4): 290–297.

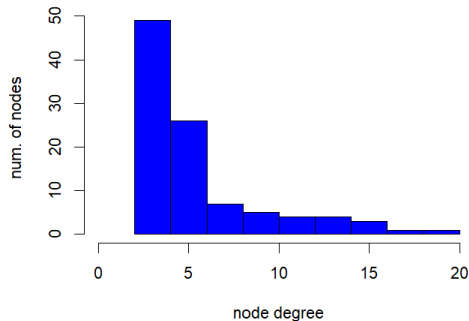
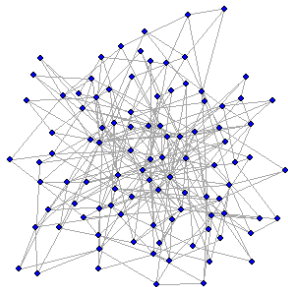
# Preferential Attachment Models<sup>5</sup>

- i. There is a fixed **initial network**  $G_{m_0}$  with  $2 \leq m_0 \ll m$  nodes
- ii. A new node  $v$  enters the network and creates  $m_0$  **links** with the existing nodes sampling them according to

$$\text{pr}(A_{v,u} = 1) \propto f(\theta, d_u)$$

with  $f$  increasing function in  $d_u$  depending on **the parameter**  $\theta$ .

- iii. Step ii. is repeated until all  $n$  nodes are in the network.



<sup>5</sup>Barabási & Albert (1999). "Emergence of scaling in random networks." Science, 286 (5439): 509–512.



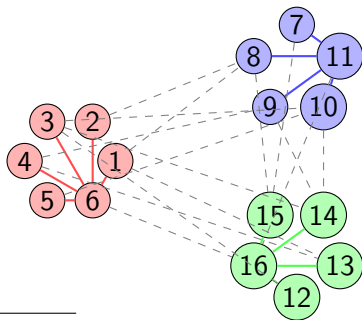
## Stochastic Block Models

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# Stochastic Block Model (SBM)<sup>6</sup> Overview

- A generative model for networks:  $n$  nodes are partitioned into  $K$  latent blocks.
- Each node  $i$  is assigned to a community  $z_i \in \{1, \dots, K\}$  (unknown labels).
- Edge probabilities depend only on the communities:

$$\text{pr}(A_{ij} = 1 \mid z_i = k, z_j = \ell) = \theta_{k\ell}, \quad \forall i > j.$$



<sup>6</sup>Holland, P. W., Laskey, K. B., & Leinhardt, S. (1983). Stochastic blockmodels: First steps. *Social Networks*, 5(2), 109–137.

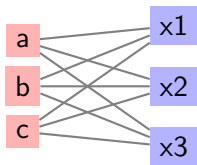
# Blocks vs. Communities

## Blocks in SBM

Nodes share the same *connectivity patterns*, i.e., they behave similarly, but they are not necessarily connected among themselves.

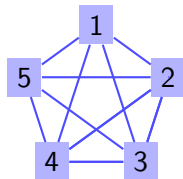
$i, j$  in same block means

$$\text{pr}(A_i. \mid z_i = k) \approx \text{pr}(A_j. \mid z_j = k).$$



## Community

Usually refers to a subset of nodes that form a *densely connected* subgraph:

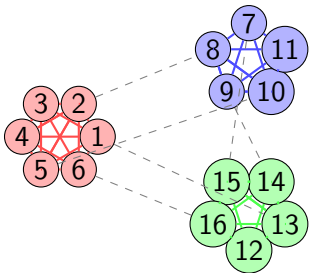


- **Block:** A set of nodes with *equivalent linking profiles* to all blocks.
- **Community:** A cluster with *high internal density* of edges.

# Assortativity in Stochastic Block Models

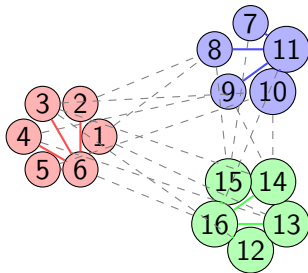
## Assortative SBM

Dense intra-block connectivity, few inter-block links.



## Non-assortative SBM

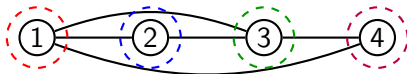
Sparse intra-block connectivity, relatively more inter-block links.



- **Assortative:** High probability of edges within blocks ( $\theta_{kk} \gg \theta_{k\ell}$ ), reflecting strong community structure.
- **Non-assortative:** Low within-block edge probability ( $\theta_{kk} \leq \theta_{k\ell}$ ), showing disassortative or core-periphery patterns.

# Inference in SBMs

- Two sets of unknowns:
  - *Block assignments*  $\mathbf{z} = (z_1, \dots, z_n)$ , discrete labels  $z_i \in \{1, \dots, K\}$ .
  - *Connection probabilities*  $\Theta = (\theta_{kl})_{k \leq l \leq K}$ , continuous parameters.
- **Frequentist MLE:**  $(\hat{\mathbf{z}}, \hat{\Theta}) = \arg \max_{\mathbf{z}, \Theta} \sum_{i < j} [A_{ij} \log \theta_{z_i, z_j} + (1 - A_{ij}) \log(1 - \theta_{z_i, z_j})]$ .
- **Degenerate MLE if  $K$  free:**  
Allowing arbitrary  $K$  gives the trivial solution:  $K = n$ ,  $z_i = i$ ,  $\hat{\theta}_{ij} = A_{ij}$ ,  
i.e. each node in its own block, perfectly fitting every edge.



**Take-away:** To avoid this, one must

- Fit SBMs for different fixed  $K$  and compare fitting via information criteria,
- Use a *Bayesian nonparametric* approach / impose complexity penalties.

# Frequentist SBM: Estimation

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ML objective:  $(\hat{z}, \hat{\Theta}) = \arg \max_{z, \Theta} \sum_{i < j} [A_{ij} \log \theta_{z_i, z_j} + (1 - A_{ij}) \log(1 - \theta_{z_i, z_j})]$

E-step:  $\gamma_{ik} \propto \pi_k \prod_{j \neq i} \theta_{k, z_j}^{A_{ij}} (1 - \theta_{k, z_j})^{1 - A_{ij}}$

M-step:  $\pi_k \leftarrow \frac{1}{n} \sum_i \gamma_{ik}, \quad \theta_{k\ell} \leftarrow \frac{\sum_{i < j} \gamma_{ik} \gamma_{j\ell} A_{ij}}{\sum_{i < j} \gamma_{ik} \gamma_{j\ell}}$

ML and EM require fixing  $K$ .

Integration classification likelihood criterion:

$$\text{ICL}(K) = -2 \ell(\hat{z}, \hat{\Theta}) + [\tfrac{1}{2} K(K + 1)] \log\left(\binom{n}{2}\right)$$

$\text{ICL}(K)$  often has a clear minimum but must be computed for each  $K$ .

# The Bayesian Paradigm (Informal)

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- **What is Bayesian inference?**

A way to learn about unknown quantities by *updating* knowledge with observed data.

- **Bayes' Rule:** 
$$\underbrace{\text{pr}(\theta \mid \text{data})}_{\text{posterior}} \propto \underbrace{\text{pr}(\text{data} \mid \theta)}_{\text{likelihood}} \times \underbrace{\text{pr}(\theta)}_{\text{prior}}.$$

- *Prior*  $p(\theta)$ : what you believe about  $\theta$  *before* seeing the data.
- *Likelihood*  $p(\text{data} \mid \theta)$ : how probable the observed data are, given  $\theta$ .
- *Posterior*  $p(\theta \mid \text{data})$ : your updated belief after seeing the data.

- **Key ideas / Why use it?:**

- *Full probabilistic*: posterior is a full distribution, not just a point estimate.
- *Regularization*: the prior can shrink or penalize extreme estimates (avoids overfitting).
- *Modularity*: easy to build hierarchical and complex models by stacking priors.
- *Integration of sources*: provides a coherent framework for combining data with existing knowledge or info from different data sources.

# A Bayesian Nonparametric Approach to SBM

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- **Bayesian paradigm:** Place priors on both block assignments and connection probabilities, then infer the posterior

$$p(\mathbf{z}, \Theta \mid A) \propto p(A \mid \mathbf{z}, \Theta) p(\Theta) p(\mathbf{z}).$$

This naturally penalizes over-complex partitions (avoiding  $K = n$  degeneracy).

- **Nonparametric:** Number of blocks  $K$  need not be fixed in advance – it can grow with the data.
- **Priors:**
  - *Partition prior*  $p(\mathbf{z})$ : Chinese Restaurant Process (CRP) with concentration  $\alpha$ .
  - *Edge-probability prior*  $p(\Theta)$ : i.i.d.  $\text{Beta}(\beta, \beta)$  for each  $\theta_{k\ell}$ .
- **Key benefit:** Let the data “decide” how many blocks are needed, trading off fit vs. complexity.



# Infinite SBM Generative Model

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$$z_i \sim \text{CRP}(\alpha), \quad i = 1, \dots, N,$$

$$\theta_{k\ell} \sim \text{Beta}(\beta, \beta), \quad \forall k \leq \ell,$$

$$A_{ij} \mid z_i = k, z_j = \ell, \Theta \sim \text{Bernoulli}(\theta_{k\ell}), \quad A_{ji} = A_{ij}.$$

- $\alpha$  controls the tendency to create new blocks: small  $\alpha$  favors fewer, larger clusters; large  $\alpha$  allows many small clusters.
- $\beta$  encodes prior belief on connection sparsity;  $\beta = 1$  gives a uniform prior on  $[0, 1]$ .

# The Chinese Restaurant Process

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- **Seating metaphor:** Customers (nodes) enter one by one into a restaurant with infinitely many tables.
- **Assignment rule for customer  $i$ :**

$$\text{pr}(z_i = k \mid z_1, z_2, \dots, z_{i-1}) = \begin{cases} \frac{n_k}{i - 1 + \alpha}, & \text{existing table } k, \\ \frac{\alpha}{i - 1 + \alpha}, & \text{new table,} \end{cases}$$

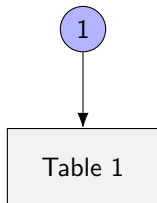
where  $n_k$  is the current size of table  $k$ .

- **Properties:**
  - Expected number of tables  $\approx \alpha \log N$ .
  - Equivalent to a Dirichlet Process.

# CRP Step 1: Customer 1

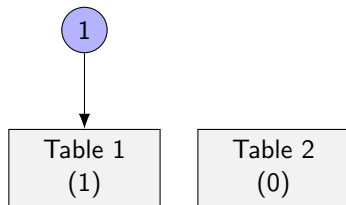
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$$P(z_1 = 1) = 1$$

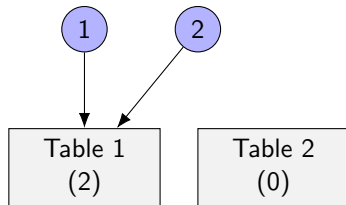


## CRP Step 2: Customer 2

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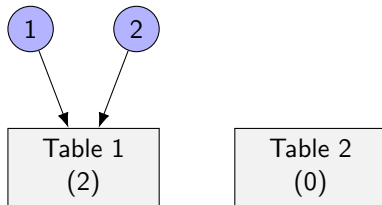


$$P(z_2 = 1 \mid z_1) = \frac{1}{1 + \alpha}, \quad P(z_2 = \text{new} \mid z_1) = \frac{\alpha}{1 + \alpha}$$

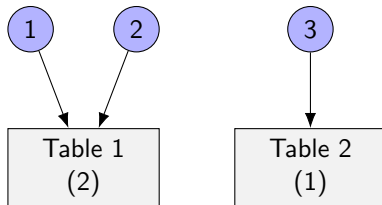


## CRP Step 3: Customer 3

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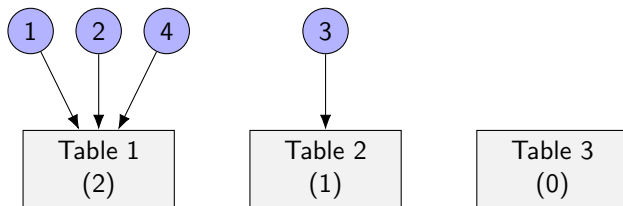


$$P(z_3 = 1 \mid z_{1:2}) = \frac{2}{2 + \alpha}, \quad P(z_3 = 2 \mid z_{1:2}) = \frac{\alpha}{2 + \alpha}$$

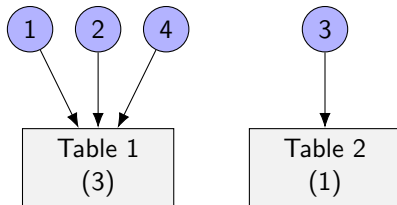


## CRP Step 4: Customer 4

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$$P(z_4 = 1 \mid z_{1:3}) = \frac{2}{3 + \alpha}, \quad P(z_4 = 2 \mid z_{1:3}) = \frac{1}{3 + \alpha}, \quad P(z_4 = \text{new}) = \frac{\alpha}{3 + \alpha}$$



# Bayesian Nonparametric SBM: Estimation

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## Gibbs sampler

1. **Initialize** assignments  $z^{(0)}$  (e.g. randomly).
2. **Iterate for**  $t = 1, \dots, T$ :

- For each node  $i$ :

2.1 *Remove*  $i$  from its current block, updating counts  $n_k^{-i}$ .

2.2 *Compute* for each existing block  $k$ :

$$p_k \propto n_k^{-i} \times \Pr(A_{i,\cdot} \mid z_i = k, z_{-i}),$$

and for a *new* block:

$$p_{\text{new}} \propto \alpha \times \Pr(A_{i,\cdot} \mid \text{new block}).$$

2.3 *Sample*  $z_i^{(t)}$  from  $\{p_k, p_{\text{new}}\}$ .

- (Optional) *Sample*  $\theta_{k\ell} \sim \text{Beta}(\beta + m_{k\ell}, \beta + t_{k\ell} - m_{k\ell})$ .

3. **Output:** Posterior samples  $\{z^{(t)}, \Theta^{(t)}\}$ .

# Summing Up: SBMs

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- **Generative view:**

$$A_{ij} \mid z_i = k, z_j = \ell, \Theta \sim \text{Bernoulli}(\theta_{k\ell}).$$

- **Parameters to infer:**

- Block assignments  $\{z_i\}_{i=1}^n$
- Connection matrix  $\Theta = (\theta_{k\ell})_{k,\ell=1}^K$
- Number of blocks  $K$

- **Inference strategies:**

Frequentist EM / MLE with fixed  $K \xrightarrow{\text{ICL}}$  select  $K$

Bayesian Gibbs, place CRP prior on  $z$ , Beta prior on  $\theta_{k\ell}$

- **Trade-offs:**

- Fixed- $K$  SBM: faster, needs external model selection
- CRP: automatic  $K$  discovery, quantifies uncertainty, higher computational cost



# The End

Thank you for listening!

Questions?