

The Elements of Statistical Learning

Hastie, Tibshirani, and Friedman (2009). The Elements of Statistical Learning. Second Edition. Springer.

1 Introduction

Statistical learning plays a key role in science, finance, industry, and many more areas. This book is about learning from data: supervised learning (presence of outcome variable for learning, the focus of this book) and unsupervised learning (outcome variable is unobserved).

Running examples:

- Classification of spam emails
- Explaining prostate specific antigen from clinical measurements via regression
- Classification of handwritten digits
- Clustering of DNA microarray data for cancer diagnostic

2 Overview of Supervised Learning

Two simple but powerful prediction methods are least squares linear models and k -nearest neighbors. The former makes huge assumptions about structure and yields stable but possibly inaccurate predictions (low variance, high bias), the latter makes very mild assumptions with often accurate but unstable predictions (at least if k is low, leading to low bias and high variance).

Local methods like k -nearest neighbors suffer from the curse of dimensionality: in high dimensions, samples only sparsely populate the input space and are close to an edge (extrapolation might be required). By imposing restrictions on the model class (e.g., linear models), this can be avoided. Many models have been proposed that lie in the spectrum between rigid model assumptions and flexibility, they will be presented in the book.

3 Linear Methods for Regression

Linear regression models are simple and often adequate and interpretable. The Gauss-Markov theorem states that the least squares estimates have the smallest variance among all linear unbiased estimates. However, it might be a good idea to trade a little bit bias for a large reduction in variance. This is possible with different variable subset selection and shrinkage methods:

- Best-subset selection: For each given size, find the best subset of variables that minimizes the residual sum of squares. Strategies for choosing the size will be discussed later. Not applicable for a large number of variables.
- Forward- and backward-stepwise selection: Searching through all possible subsets quickly becomes infeasible. Instead, sequentially add or remove variables.
- Forward-stagewise regression: A more constrained version of forward-stepwise, with benefits in high dimensions.

- Ridge regression: The idea is to make the selection process continuous by shrinking the coefficient values, which can further reduce variance. The penalty for coefficient sizes is quadratic (L_2). Variables with small variance are shrunk the most.
- The lasso (least absolute shrinkage and selection operator): Similar to ridge regression, but the penalty is in absolute coefficient value (L_1). This can make some coefficients to be exactly zero.
- Elastic-net penalty: A convex combination of the ridge and the lasso penalty.
- Least angle regression: Similar to forward-stepwise regression with the difference, that entering variables are not fit completely but only until it no longer has the highest correlation with the current residual. A slight modification provides an efficient way of computing the entire lasso path.
- Principal components regression: Use transformed variables with large sample variance.
- Partial least squares: Also constructs a set of linear combinations of the inputs for regression, but unlike principal components regression it uses the dependent variable for construction.

4 Linear Methods for Classification

The goal is to classify inputs into a finite number of categories. This means dividing the input space into a collection of regions. Linear here means that the regions are separated by linear boundaries.

- One option is linear regression of inputs to indicators of the response. When there is a large number of classes, classes can be masked by others. That means, that the predicted regression value never dominates. This can be avoided by adding polynomial terms to the regression equation.
- Another option is linear discriminant analysis, where each class density is modeled as a multivariate Gaussian with constant error covariance. With two classes, this is the same as linear regression of the class indicators. If the error covariance is not constant but class-dependent, this yields quadratic discriminant functions. The difference in covariances can be regularized. In the linear case, since only the relative differences to the class centroids matter, the data can be projected in a subspace of dimension at most number of classes minus 1, which can be a significant drop in dimension. This subspace can be further decomposed in term of centroid separation. By choosing an optimal subspace dimension, this projection can also be used for classification.
- Logistic regression updates the regression approach by ensuring that the dependent variables are proper probabilities. The lasso penalty can be used for variable selection.
- Separating hyperplane classifiers construct linear decision boundaries that explicitly try to separate the data into different classes as well as possible by minimizing the distance of misclassified points to the decision boundary. The optimal separating hyperplane maximizes the distance to the closest point from either class, which provides a unique solution with generalizes better.