

# A Lego System for Conditional Inference

Anonymous

\$Date: 2006-03-20 14:30:24 +0100 (Mon, 20 Mar 2006) \$

\$Revision: 2523 \$

\$Name\$

## Abstract

Conditioning on the observed data is an important and flexible design principle for statistical test procedures. Although generally applicable, permutation tests currently in use are limited to the treatment of special cases, such as contingency tables or  $K$ -sample problems. A new theoretical framework for permutation tests opens up the way to a unified and generalized view. We argue that the transfer of such a theory to practical data analysis has important implications in many applications and requires tools that enable the data analyst to compute on the theoretical concepts as closely as possible. We re-analyze four data sets by adapting the general conceptual framework to these challenging inference problems and utilizing the *coin* add-on package in the R system for statistical computing to show what one can gain from going beyond the ‘classical’ test procedures.

KEY WORDS: Permutation tests; Independence; Approximations; Software.

FIXME

Approximations?

# 1 INTRODUCTION

The distribution of a test statistic under the circumstances of a null hypothesis clearly depends on the unknown distribution of the data and thus is unknown as well. Two concepts are commonly applied to dispose of this dependency. Unconditional tests impose assumptions on the distribution of the data such that the null distribution of a test statistic can be derived analytically. In contrast, conditional tests replace the unknown null distribution by the conditional null distribution, i.e., the distribution of the test statistic given the observed data. The latter approach is known as *permutation testing* and was developed by R. A. Fisher more than 70 years ago (Fisher, 1935). The pros and cons of both approaches in different fields of application have been widely discussed (e.g. by Ludbrook and Dudley, 1998; Berger, 2000; Shuster, 2005). Here, we focus on the practical aspects of permutation testing rather than dealing with its methodological foundations.

For the construction of permutation tests it is common exercise to ‘recycle’ test statistics well known from the unconditional world, such as linear rank statistics, ANOVA  $F$  statistics or  $\chi^2$  statistics for contingency tables, and to replace the unconditional null distribution with the conditional distribution of the test statistic under the null hypothesis (Edgington, 1987; Good, 2000; Pesarin, 2001; Ernst, 2004). Because the choice of the test statistic is the only ‘degree of freedom’ for the data analyst, the classical view on permutation tests requires a ‘cook book’ classification of inference problems (categorical data analysis, multivariate analysis,  $K$ -sample location problems, correlation, etc.), each being associated with a ‘natural’ form of the test statistic.

The theoretical advances of the last decade (notably Strasser and Weber, 1999; Janssen and Pauls, 2003) give us a much better understanding of the strong connections between the ‘classical’ permutation tests defined for different

inference problems. As we will argue in this paper, the new theoretical tools open up the way to a simple construction principle for test procedures in new and challenging inference problems. Especially attractive for this purpose is the theoretical framework for permutation tests developed by [Strasser and Weber \(1999\)](#). This unifying theory is based on a flexible form of multivariate linear statistics for the general independence problem.

This framework provides us with a conceptual Lego system for the construction of permutation tests consisting of Lego bricks for linear statistics suitable for different inference problems (contingency tables, multivariate problems, etc.), different forms of test statistics, such as quadratic forms for global tests or test statistics suitable for multiple comparison procedures, and several ways to compute or approximate the conditional null distribution. The classical procedures, such as a permutation  $t$  test, are part of this framework and, even more interesting, new test procedures can be embedded into the same theory whose main ideas are sketched in [Section 2](#).

Currently, the statistician’s toolbox consists of rather specialized spanners, such as the Wilcoxon-Mann-Whitney test for comparing two distributions or the Cochran-Mantel-Haenszel  $\chi^2$  test for independence in contingency tables. With this work, we add an adjustable spanner to the statistician’s toolbox which helps to address both the common as well as new or unusual inference problems with the appropriate conditional test procedures. In the main part of this paper we show how one can construct and implement permutation tests ‘on the fly’ by plugging together Lego bricks for the multivariate linear statistic, the test statistic and the conditional null distribution, both conceptually and practically by means of the *coin* add-on package ([XXXXX, 2006](#)) in the R system for statistical computing ([R Development Core Team, 2005](#)).

## 2 A CONCEPTUAL LEGO SYSTEM

To fix notations, we assume that we are provided with independent and identical distributed observations  $(\mathbf{Y}_i, \mathbf{X}_i)$  for  $i = 1, \dots, n$ . The variables  $\mathbf{Y}$  and  $\mathbf{X}$  from sample spaces  $\mathcal{Y}$  and  $\mathcal{X}$  may be measured at arbitrary scales and may be multivariate as well. We are interested in testing the null hypothesis of independence of  $\mathbf{Y}$  and  $\mathbf{X}$

$$H_0 : D(\mathbf{Y}|\mathbf{X}) = D(\mathbf{Y})$$

against arbitrary alternatives. [Strasser and Weber \(1999\)](#) suggest to derive *scalar* test statistics for testing  $H_0$  from *multivariate* linear statistics of the form

$$\mathbf{T} = \text{vec} \left( \sum_{i=1}^n g(\mathbf{X}_i) h(\mathbf{Y}_i)^\top \right) \in \mathbb{R}^{pq \times 1}.$$

Here,  $g : \mathcal{X} \rightarrow \mathbb{R}^{p \times 1}$  is a transformation of the  $\mathbf{X}$  measurements and  $h : \mathcal{Y} \rightarrow \mathbb{R}^{q \times 1}$  is called *influence function*. The function  $h(\mathbf{Y}_i) = h(\mathbf{Y}_i, (\mathbf{Y}_1, \dots, \mathbf{Y}_n))$  must depend on the responses  $(\mathbf{Y}_1, \dots, \mathbf{Y}_n)$  in a permutation symmetric way, i.e., the value of the function must not depend on the order in which  $\mathbf{Y}_1, \dots, \mathbf{Y}_n$  appear. We will give several examples how to choose  $g$  and  $h$  for specific inference problems in [Section 3](#).

The distribution of  $\mathbf{T}$  depends on the joint distribution of  $\mathbf{Y}$  and  $\mathbf{X}$ , which is unknown under almost all practical circumstances. At least under the null hypothesis one can dispose of this dependency by fixing  $\mathbf{X}_1, \dots, \mathbf{X}_n$  and conditioning on all possible permutations  $S$  of the responses  $\mathbf{Y}_1, \dots, \mathbf{Y}_n$ . Tests that have been constructed by means of this conditioning principle are called permutation tests.

The conditional expectation  $\mu \in \mathbb{R}^{pq \times 1}$  and covariance  $\Sigma \in \mathbb{R}^{pq \times pq}$  of  $\mathbf{T}$  under  $H_0$  given all permutations  $\sigma \in S$  of the responses are derived by [Strasser](#)

and Weber (1999):

$$\begin{aligned}\mu = \mathbb{E}(\mathbf{T}|S) &= \text{vec} \left( \left( \sum_{i=1}^n g(\mathbf{X}_i) \right) \mathbb{E}(h|S)^\top \right) \\ \Sigma = \mathbb{V}(\mathbf{T}|S) &= \frac{n}{n-1} \mathbb{V}(h|S) \otimes \left( \sum_i g(\mathbf{X}_i) \otimes g(\mathbf{X}_i)^\top \right) \\ &\quad - \frac{1}{n-1} \mathbb{V}(h|S) \otimes \left( \sum_i g(\mathbf{X}_i) \right) \otimes \left( \sum_i g(\mathbf{X}_i) \right)^\top\end{aligned}$$

where  $\otimes$  denotes the Kronecker product, and the conditional expectation of the influence function is  $\mathbb{E}(h|S) = n^{-1} \sum_i h(\mathbf{Y}_i)$  with corresponding  $q \times q$  covariance matrix

$$\mathbb{V}(h|S) = n^{-1} \sum_i (h(\mathbf{Y}_i) - \mathbb{E}(h|S)) (h(\mathbf{Y}_i) - \mathbb{E}(h|S))^\top.$$

The key step for the construction of test statistics based on the multivariate linear statistic  $\mathbf{T}$  is its standardization utilizing the conditional expectation  $\mu$  and covariance matrix  $\Sigma$ . Univariate test statistics  $c$  mapping a linear statistic  $\mathbf{T} \in \mathbb{R}^{pq \times 1}$  into the real line can be of arbitrary form. An obvious choice is the maximum of the absolute values of the standardized linear statistic

$$c_{\max}(\mathbf{T}, \mu, \Sigma) = \max \left| \frac{\mathbf{T} - \mu}{\text{diag}(\Sigma)^{1/2}} \right|.$$

A prominent alternative are quadratic forms  $c_{\text{quad}}(\mathbf{T}, \mu, \Sigma) = (\mathbf{T} - \mu) \Sigma^+ (\mathbf{T} - \mu)^\top$  involving the Moore-Penrose inverse  $\Sigma^+$  of  $\Sigma$ .

The conditional distribution  $\mathbb{P}(c(\mathbf{T}, \mu, \Sigma) \leq z | S)$  is the number of permutations  $\sigma \in S$  of the data with corresponding test statistic not exceeding  $z$  divided by the total number of permutations in  $S$ . For some special forms of the multivariate linear statistic the exact distribution of some test statistics is trackable for small and moderate sample sizes. Resampling procedures can always be used to approximate the exact distribution up to any desired accuracy by evaluating the test statistic for a random sample from the set of all permutations  $S$ . It is important to note that in the presence of a grouping of the observations into

independent blocks, only permutations within blocks are eligible and that the conditional expectation and covariance matrix need to be computed separately for each block.

Less well known is the fact that a normal approximation of the conditional distribution can be computed for arbitrary choices of  $g$  and  $h$ . [Strasser and Weber \(1999\)](#) showed in their Theorem 2.3 that the conditional distribution of linear statistics  $\mathbf{T}$  with conditional expectation  $\mu$  and covariance  $\Sigma$  tends to a multivariate normal distribution with parameters  $\mu$  and  $\Sigma$  as  $n \rightarrow \infty$ . Thus, the asymptotic conditional distribution of test statistics of the form  $c_{\max}$  is normal and can be computed directly in the univariate case ( $pq = 1$ ) and by numerical algorithms in the multivariate case ([Genz, 1992](#)). For quadratic forms  $c_{\text{quad}}$  which follow a  $\chi^2$  distribution with degrees of freedom given by the rank of  $\Sigma$  (e.g. Theorem 6.20, [Rasch, 1995](#)), exact probabilities can be computed efficiently.

### 3 PLAYING LEGO

The Lego system sketched in the previous section consists of Lego bricks for the multivariate linear statistic  $\mathbf{T}$ , namely the transformation  $g$  and influence function  $h$ , multiple forms of the test statistic  $c$  and several choices of approximations of the null distribution. In this section, we will show how classical procedures, starting with the conditional Kruskal-Wallis test and the Cochran-Mantel-Haenszel test, can be embedded into this general theory and, much more interesting from our point of view, how new conditional test procedures can be constructed conceptually *and* practically. Therefore, each inference problem comes with R code performing the appropriate conditional test using the *coin* functionality which enables the data analyst to benefit from this simple methodology in typical data analyses. All following analyses are reproducible from the

*coin* package vignette available from <http://CRAN.R-project.org/>.

**Independent  $K$ -Samples: Genetic Components of Alcoholism.** Various studies have linked alcohol dependence phenotypes to chromosome 4. One candidate gene is *NACP* (non-amyloid component of plaques), coding for alpha synuclein. Bönsch et al. (2005) found longer alleles of *NACP*-REP1 in alcohol-dependent patients compared with healthy controls and report that the allele lengths show some association with levels of expressed alpha synuclein mRNA in alcohol-dependent subjects (see Figure 1). Allele length is measured as a sum score built from additive dinucleotide repeat length and categorized into three groups: short ( $0 - 4$ ,  $n = 24$ ), intermediate ( $6 - 8$ ,  $n = 58$ ) and long ( $10 - 12$ ,  $n = 15$ ).

[Figure 1 about here.]

Our first attempt to test for different levels of gene expression in the three groups is the classical Kruskal-Wallis test. Here, the transformation  $g$  is a dummy coding of the allele length ( $g(\mathbf{X}_i) = (0, 1, 0)^\top$  for intermediate length, for example) and the value of the influence function  $h(\mathbf{Y}_i)$  is the rank of  $\mathbf{Y}_i$  among the ranks of  $\mathbf{Y}_1, \dots, \mathbf{Y}_n$ . Thus, the linear statistic  $\mathbf{T}$  is the vector of rank sums in each of the three groups and the test statistic is a quadratic form  $(\mathbf{T} - \mu)\Sigma^+(\mathbf{T} - \mu)^\top$  utilizing the conditional expectation  $\mu$  and covariance matrix  $\Sigma$ .

In order to compute the linear statistic we need to define an influence function performing a ranking of the expression levels. Under the null hypothesis, the  $c_{\text{quad}}$ -type Kruskal-Wallis test statistic tends to a  $\chi^2$  distribution with two degrees of freedom (the rank of the conditional covariance matrix  $\Sigma$ ) from which a  $p$ -value can be computed. In R, the function `independence_test` takes a formula describing the inference problem, i.e., the independence of expression levels (`elevel`) and allele lengths (`alength`) is formulated as `elevel ~ alength`.

Furthermore, the influence function  $h$  is specified via the `ytrafo` argument. Here, we implement a rank transformation by choosing the `rank` function as the `numeric_trafo` argument to the `trafo` function which handles all data transformations. The default influence function for numeric responses is the identity. The transformation  $g$  can be specified by the `xtrafo` argument of `independence_test` which, by default, assigns the usual dummy coding to factors. Finally, we ask for a  $c_{\text{quad}}$ -type test statistic (`teststat`) and obtain the Kruskal-Wallis statistic with limiting  $\chi^2$  distribution (the default for quadratic test statistics) as follows:

```
R> independence_test(elevel ~ alength, data = alpha,
+   ytrafo = function(data) trafo(data, numeric_trafo = rank),
+   teststat = "quadtype")
```

*Asymptotic General Independence Test*

```
data:  elevel by groups short, intermediate, long
T = 8.8302, df = 2, p-value = 0.01209
```

The results are equivalent to the results reported by `kruskal.test`, the ‘classical’ interface to the Kruskal-Wallis test in R

```
R> kruskal.test(elevel ~ alength, data = alpha)
```

*Kruskal-Wallis rank sum test*

```
data:  elevel by alength
Kruskal-Wallis chi-squared = 8.8302, df = 2, p-value =
0.01209
```

However, going beyond the functionality implemented in `kruskal.test` would require extensive programming but is easily possible with the *coin* functionality being available. For example, ignoring the ordinal structure of the allele length is only suboptimal, especially when we have an ordered alternative in mind. Ordinal variables can be incorporated into the general framework via linear-by-linear association tests ([Agresti, 2002](#)). When  $\mathbf{X}$  is measured at  $K$  levels



associated with a score vector  $\gamma \in \mathbb{R}^{K \times 1}$ , the linear statistic reads

$$\mathbf{T}_\gamma = \text{vec} \left( \sum_{i=1}^n \gamma^\top g(\mathbf{X}_i) h(\mathbf{Y}_i)^\top \right).$$

Here, the mid-points of the intervals (0 – 4, 6 – 8, 10 – 12) used to categorize the allele lengths are a natural choice for the score vector  $\gamma$  and the linear-by-linear association test can be performed by attaching the scores to the variable `alength`:

```
R> independence_test(elevel ~ alength, data = alpha,
+   ytrafo = function(data) trafo(data, numeric_trafo = rank),
+   scores = list(alength = c(2, 7, 11)))
```

*Asymptotic General Independence Test*

```
data:  elevel by
       groups short < intermediate < long
T = 2.9263, p-value = 0.003430
```

This  $p$ -value corresponds well with Figure 1, i.e., the impression that the expression levels increase with increasing allele lengths.

**Contingency Tables: Smoking and Alzheimer’s Disease.** [Salib and Hillier \(1997\)](#) report results of a case-control study on Alzheimer’s disease and smoking behavior of 198 women and men suffering from Alzheimer’s disease and 164 controls. The data shown in Table 1 have been re-constructed from Table 4 in [Salib and Hillier \(1997\)](#) and are depicted in Figure 2. The authors conclude that ‘cigarette smoking is less frequent in men with Alzheimer’s disease.’

[Table 1 about here.]

[Figure 2 about here.]

We are interested to assess whether there is any association between smoking and Alzheimer’s (or other dementia) diseases and, in a second step, how a

potential association can be described. First, the global null hypothesis of independence between smoking behavior and disease status for both females and males, i.e., treating gender as a block factor, can be tested with a  $c_{\text{quad}}$ -type test statistic, i.e., the Cochran-Mantel-Haenszel test:

```
R> it_alz <- independence_test(disease ~ smoking | gender,
+   data = alzheimer, teststat = "quadtype")
R> it_alz
```

*Asymptotic General Independence Test*

```
data:  disease by
       groups None, <10, 10-20, >20
       stratified by gender
T = 23.3163, df = 6, p-value = 0.0006972
```

which suggests that there is a clear deviation from independence. By default, the influence function  $h$  (the `ytrafo` argument) and the transformation  $g$  (the `xtrafo` argument) are dummy codings of the factors disease status  $\mathbf{Y}$  and smoking behavior  $\mathbf{X}$ , i.e.,  $h(\mathbf{Y}_i) = (1, 0, 0)^\top$  and  $g(\mathbf{X}_i) = (1, 0, 0, 0)^\top$  for a non-smoking Alzheimer patient. Consequently, the linear multivariate statistic  $\mathbf{T}$  based on  $g$  and  $h$  is the contingency table of both variables

```
R> statistic(it_alz, type = "linear")
```

	<i>Alzheimer's</i>	<i>Other dementias</i>	<i>Other diagnoses</i>
<i>None</i>	126	79	104
<i>&lt;10</i>	15	8	5
<i>10-20</i>	30	33	47
<i>&gt;20</i>	27	44	20

with conditional expectation `expectation(it_alz)` and conditional covariance `covariance(it_alz)` which are available for standardizing the contingency table  $\mathbf{T}$ . The conditional distribution is approximated by its limiting  $\chi^2$  distribution by default.

Given that there is significant departure from independence, we further investigate the structure of association between smoking and Alzheimer's disease.

First we assess for which gender the violation of independence occurred, i.e., perform independence tests for female and male subjects separately

```
R> females <- alzheimer$gender == "Female"
R> pvalue(independence_test(disease ~ smoking, data = alzheimer,
+   subset = females, teststat = "quadtype"))

[1] 0.09060652

R> pvalue(independence_test(disease ~ smoking, data = alzheimer,
+   subset = !females, teststat = "quadtype"))

[1] 3.169418e-06
```

where it turns out that the association is due to the male patients only (see also Figure 2). Thus, we focus on the male patients in the following. Furthermore, a  $c_{\text{quad}}$ -type test statistic is not particularly useful for gaining insight into the association structure of contingency tables because the contributions of all cells are collapsed in such a quadratic form. Instead, we define the test statistic as the maximum of the standardized contingency table via

```
R> it_alzmax <- independence_test(disease ~ smoking,
+   data = alzheimer, subset = !females, teststat = "maxtype")
R> it_alzmax
```

*Asymptotic General Independence Test*

*data: disease by groups None, <10, 10-20, >20*  
*T = 4.9504, p-value = 1.148e-05*

where the underlying standardized contingency table highlights the cells with deviations from independence

```
R> statistic(it_alzmax, "standardized")
```

	<i>Alzheimer's</i>	<i>Other dementias</i>	<i>Other diagnoses</i>
<i>None</i>	2.5900465	-2.340275	-0.1522407
<i>&lt;10</i>	2.9713093	-2.056864	-0.8446233
<i>10-20</i>	-0.7765307	-1.237441	2.1146396
<i>&gt;20</i>	-3.6678046	4.950373	-1.5303056

This leads to the impression that heavy smokers suffer less frequently from Alzheimer's disease but more frequently from other dementias than expected under independence. However, interpreting the standardized contingency table requires knowledge about the distribution of the standardized statistics. An approximation of the joint distribution of all elements of the standardized contingency table can be obtained from the 16-dimensional multivariate limiting normal distribution of the linear statistic  $\mathbf{T}$ . Most useful is an approximation of the 95% quantile of the permutation null distribution which is available from

```
R> qperm(it_alzmax, 0.95)
```

```
[1] 2.813175
```

Alternatively, and more conveniently, one can switch to  $p$ -values adjusted for multiple testing by an max- $\mathbf{T}$  multiple testing approach:

```
R> pvalue(it_alzmax, method = "single-step")
```

	<i>Alzheimer's</i>	<i>Other dementias</i>	<i>Other diagnoses</i>
<i>None</i>	0.092374157	1.707036e-01	0.9999984
<i>&lt;10</i>	0.031734006	3.066296e-01	0.9719409
<i>10-20</i>	0.981658513	8.419042e-01	0.2751252
<i>&gt;20</i>	0.002635631	2.814171e-05	0.6615635

These results support the conclusion that the rejection of the null hypothesis of independence is due to a large number of patients with other dementias and a small number with Alzheimer's disease in the heavy smoking group. In addition, there is some evidence that, for the small group of men smoking less than ten cigarettes per day, the reverse association is true.

**Multivariate Response: Photocarcinogenicity Experiments.** The effect on tumor frequency and latency in photocarcinogenicity experiments, where carcinogenic doses of ultraviolet radiation (UVR) are administered, are measured by means of (at least) three response variables: the survival time, the

time to first tumor and the total number of tumors of animals in different treatment groups. The main interest is testing the global null of no treatment effect with respect to any of the three responses survival time, time to first tumor or number of tumors (Molefe et al., 2005, analyze the detection time of tumors in addition, this data is not given here). In case the global null hypothesis can be rejected, the deviations from the partial hypotheses are of special interest.

Molefe et al. (2005) report data of an experiment where 108 female mice were exposed to different levels of UVR exposure (group A:  $n = 36$  with topical vehicle and 600 Robertson–Berger units of UVR, group B:  $n = 36$  without topical vehicle and 600 Robertson–Berger units of UVR and group C:  $n = 36$  without topical vehicle and 1200 Robertson–Berger units of UVR). The data are taken from Tables 1 to 3 in Molefe et al. (2005), where a parametric test procedure is proposed. Figure 3 depicts the group effects for all three response variables.

[Figure 3 about here.]

First, we construct a global test for the null hypothesis of independence of treatment and *all* three response variables. A  $c_{\max}$ -type test based on the standardized multivariate linear statistic and an approximation of the conditional distribution utilizing the asymptotic distribution simply reads

```
R> it_ph <- independence_test(Surv(time, event) + Surv(dmin,
+      tumor) + ntumor ~ group, data = photocar)
R> it_ph
```

*Asymptotic General Independence Test*

```
data:  Surv(time, event), Surv(dmin, tumor), ntumor by groups A, B, C
T = 7.0777, p-value = 7.378e-12
```

Here, the influence function  $h$  consists of the logrank scores of the survival time and time to first tumor as well as the number of tumors, i.e., for the first animal in the first group  $h(\mathbf{Y}_1) = (-1.08, -0.56, 5)^\top$  and  $g(\mathbf{X}_1) = (1, 0, 0)^\top$ . The

multivariate statistic is the sum of each of the three elements of the influence function  $h$  in each of the groups, i.e.,

```
R> statistic(it_ph, type = "linear")
```

	<i>Surv(time, event)</i>	<i>Surv(dmin, tumor)</i>	<i>ntumor</i>
A	-8.894531	-9.525269	276
B	-18.154654	-17.951560	274
C	27.049185	27.476828	264

It is important to note that this global test utilizes the complete covariance structure  $\Sigma$  when  $p$ -values are computed (Genz, 1992). Alternatively, a test statistic based on the quadratic form  $c_{\text{quad}}$  directly incorporates the covariance matrix and leads to a very similar  $p$ -value.

The deviations from the partial null hypotheses, i.e., independence of each single response and treatment groups, can be inspected by the standardized linear statistic  $\mathbf{T}$

```
R> statistic(it_ph, type = "standardized")
```

	<i>Surv(time, event)</i>	<i>Surv(dmin, tumor)</i>	<i>ntumor</i>
A	-2.327338	-2.178704	0.2642120
B	-4.750336	-4.106039	0.1509783
C	7.077674	6.284743	-0.4151904

or again by means of the corresponding adjusted  $p$ -values

```
R> pvalue(it_ph, method = "single-step")
```

	<i>Surv(time, event)</i>	<i>Surv(dmin, tumor)</i>	<i>ntumor</i>
A	0.13614	0.18955	0.99989
B	0.00001	0.00034	1.00000
C	0.00000	0.00000	0.99859

Clearly, the rejection of the global null hypothesis is due to the group differences in both survival time and time to first tumor whereas no treatment effect on the total number of tumors can be observed.

**Independent Two-Samples: Contaminated Fish Consumption.** In the former three applications, pre-fabricated Lego bricks—i.e., standard transformations for  $g$  and  $h$  such as dummy codings, ranks and logrank scores—have been employed. In the fourth application, we will show how the Lego system can be used to construct new bricks and implement a newly invented test procedure.

Rosenbaum (1994) proposed to compare groups by means of a *coherence criterion* and studied a dataset of subjects who ate contaminated fish for more than three years in the ‘exposed’ group ( $n = 23$ ) and a control group ( $n = 16$ ). Three response variables are available: the mercury level of the blood, the percentage of cells with structural abnormalities and the proportion of cells with asymmetrical or incomplete-symmetrical chromosome aberrations (see Figure 4). The coherence criterion defines a partial ordering: an observation is said to be smaller than another when all three variables are smaller. The rank score for observation  $i$  is the number of observations that are larger (following the above sketched coherence criterion) than observation  $i$  minus the number of observations that are smaller. The distribution of the rank scores in both groups is to be compared and the corresponding test is called ‘POSET-test’ (partially ordered sets test) and may be viewed as a multivariate form of the Wilcoxon-Mann-Whitney test.

[Figure 4 about here.]

The coherence criterion can be formulated in a simple function

```
R> coherence <- function(data) {
+   x <- t(as.matrix(data))
+   f <- function(y) sum(colSums(x < y) == nrow(x)) -
+     sum(colSums(x > y) == nrow(x))
+   matrix(apply(x, 2, f), ncol = 1)
+ }
```

which is now defined as influence function  $h$  via the `ytrafo` argument

```
R> poset <- independence_test(mercury + abnormal + ccells ~
+   group, data = mercuryfish, ytrafo = coherence,
+   distribution = exact())
```

Once the transformations  $g$  (the default zero-one coding of the exposed and control group) and  $h$  (the coherence criterion) are defined, we enjoy the whole functionality of the framework, including an exact two-sided  $p$ -value

```
R> pvalue(poset)
```

```
[1] 4.486087e-06
```

and density (`dperm`), distribution (`pperm`) and quantile functions (`qperm`) of the conditional distribution. When only a small number of observations is available, it might be interesting to compare the exact conditional distribution and its approximation via the limiting distribution. For the `mercuryfish` data, the relevant parts of both distribution functions are shown in Figure 5. It turns out that the quality of the normal approximation is excellent for this particular problem and using the normal approximation would be sufficient for all practical purposes in this application.

[Figure 5 about here.]

## 4 DISCUSSION

Conditioning on the observed data is a simple, yet powerful, design principle for statistical tests. Conceptually, one only needs to choose an appropriate test statistic and evaluate it for all admissible permutations of the data ([Ernst, 2004](#), gives some examples). In practical set ups, an implementation of this two-step procedure requires a certain amount of programming and computing time. Sometimes, permutation tests are even regarded as being ‘computationally impractical’ for larger sample sizes ([Balkin and Mallows, 2001](#)).



The permutation test framework by [Strasser and Weber \(1999\)](#) helps us to take a fresh look at conditional inference procedures and makes at least two important contributions: analytic formulae for the conditional expectation and covariance and the limiting normal distribution of a class of multivariate linear statistics. Thus, test statistics can be defined for appropriately standardized linear statistics and a fast approximation of the conditional distribution is available, especially for large sample sizes.

It is one mission, if not *the* mission, of statistical computing to transform new theoretical developments into flexible software tools for the data analyst. The *coin* package is an attempt to translate the theoretical concepts of [Strasser and Weber \(1999\)](#) into software tools preserving the simplicity and flexibility of the theory as closely as possible. With this package, the specialized spanners currently in use, such as `wilcox.test` for the Wilcoxon-Mann-Whitney test or `mantelhaen.test` for the Cochran-Mantel-Haenszel  $\chi^2$  test in the S language and `NPAR1WAY` for linear rank statistics in SAS (see the Tables in [Oster, 2002, 2003](#), for an overview on procedures implemented in StatXact, LogXact, Stata, SAS and Testimate), are extended by `independence.test`, a much more flexible and adjustable spanner.

But who stands to benefit from such a software infrastructure? We argue that an improved data analysis is possible in cases when the appropriate conditional test is not available from standard software packages. Statisticians can modify existing test procedures or even try new ideas by computing directly on the theory. A high-level Lego system is attractive for both researchers and software developers, because only the transformation  $g$  and influence function  $h$  need to be newly implemented, but the burden of implementing a resampling procedure, or even deriving the limiting distribution of a newly invented test statistic, is waived.

With a unifying conceptual framework in mind and a software implementa-

tion, such as *coin*, at hand, we are no longer limited to already published and implemented permutation test procedures and are free to define our own transformations and influence functions, can choose several forms of suitable test statistics and utilize several methods for the computation or approximation of the conditional distribution of the test statistic of interest. Thus, the construction of an appropriate permutation test, for both classical and new inference problems, is only a matter of putting together adequate Lego bricks.

## REFERENCES

- Agresti, A. (2002), *Categorical Data Analysis*, Hoboken, New Jersey: John Wiley & Sons, 2nd ed.
- Balkin, S. D. and Mallows, C. L. (2001), “An Adjusted, Asymmetric Two-Sample  $t$  Test,” *The American Statistician*, 55, 203–206.
- Berger, V. W. (2000), “Pros and Cons of Permutation Tests in Clinical Trials,” *Statistics in Medicine*, 19, 1319–1328.
- Bönsch, D., Lederer, T., Reulbach, U., Hothorn, T., Kornhuber, J., and Bleich, S. (2005), “Joint Analysis of the NACP-REP1 Marker Within the Alpha Synuclein Gene Concludes Association with Alcohol Dependence,” *Human Molecular Genetics*, 14, 967–971.
- Edgington, E. S. (1987), *Randomization Tests*, New York, USA: Marcel Dekker.
- Ernst, M. D. (2004), “Permutation Methods: A Basis for Exact Inference,” *Statistical Science*, 19, 676–685.
- Fisher, R. A. (1935), *The Design of Experiments*, Edinburgh, UK: Oliver and Boyd.
- Genz, A. (1992), “Numerical Computation of Multivariate Normal Probabilities,” *Journal of Computational and Graphical Statistics*, 1, 141–149.

- Good, P. I. (2000), *Permutation Tests: A Practical Guide to Resampling Methods for Testing*, New York, USA: Springer-Verlag.
- Janssen, A. and Pauls, T. (2003), “How Do Bootstrap and Permutation Tests Work?” *The Annals of Statistics*, 31, 768–806.
- Ludbrook, J. and Dudley, H. (1998), “Why Permutation Tests are Superior to  $t$  and  $F$  Tests in Biomedical Research,” *The American Statistician*, 52, 127–132.
- Molefe, D. F., Chen, J. J., Howard, P. C., Miller, B. J., Sambuco, C. P., Forbes, P. D., and Kodell, R. L. (2005), “Tests for Effects on Tumor Frequency and Latency in Multiple Dosing Photocarcinogenicity Experiments,” *Journal of Statistical Planning and Inference*, 129, 39–58.
- Oster, R. A. (2002), “An Examination of Statistical Software Packages for Categorical Data Analysis Using Exact Methods,” *The American Statistician*, 56, 235–246.
- (2003), “An Examination of Statistical Software Packages for Categorical Data Analysis Using Exact Methods—Part II,” *The American Statistician*, 57, 201–213.
- Pesarin, F. (2001), *Multivariate Permutation Tests: With Applications to Biostatistics*, Chichester, UK: John Wiley & Sons.
- R Development Core Team (2005), *R: A Language and Environment for Statistical Computing*, R Foundation for Statistical Computing, Vienna, Austria, ISBN 3-900051-00-3.
- Rasch, D. (1995), *Mathematische Statistik*, Heidelberg, Leipzig: Johann Ambrosius Barth Verlag.
- Rosenbaum, P. R. (1994), “Coherence in Observational Studies,” *Biometrics*, 50, 368–374.

- Salib, E. and Hillier, V. (1997), “A Case-Control Study of Smoking and Alzheimer’s Disease,” *International Journal of Geriatric Psychiatry*, 12, 295–300.
- Shuster, J. J. (2005), “Diagnostics for Assumptions in Moderate to Large Simple Clinical Trials: Do They Really Help?” *Statistics in Medicine*, 24, 2431–2438.
- Strasser, H. and Weber, C. (1999), “On the Asymptotic Theory of Permutation Statistics,” *Mathematical Methods of Statistics*, 8, 220–250.
- XXXXX (2006), *coin: Conditional Inference Procedures in a Permutation Test Framework*, R package version 0.4-4, <http://CRAN.R-project.org/>.

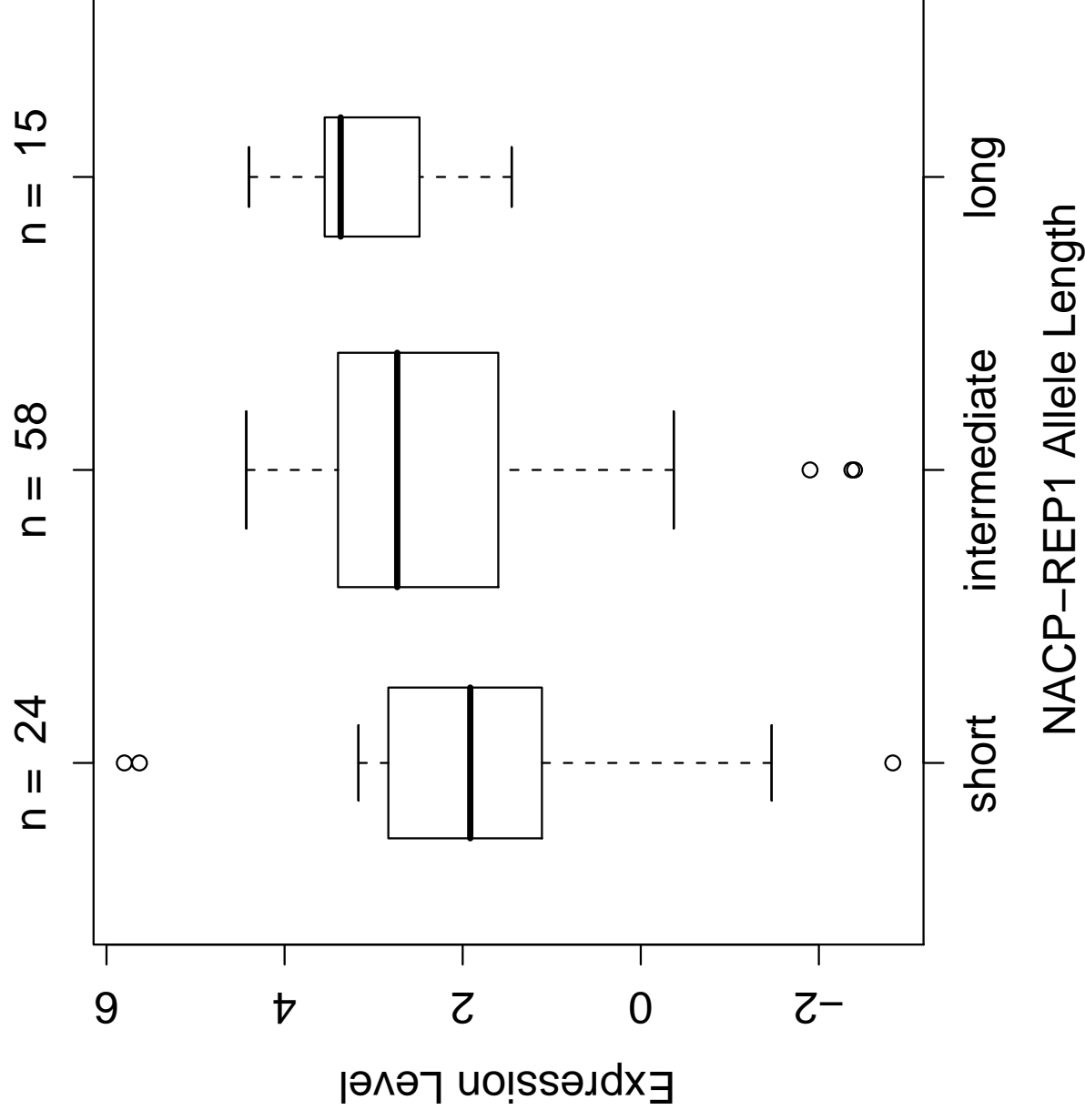


Figure 1: alpha data: Distribution of levels of expressed alpha synuclein mRNA in three groups defined by the *NACP-REP1* allele lengths.

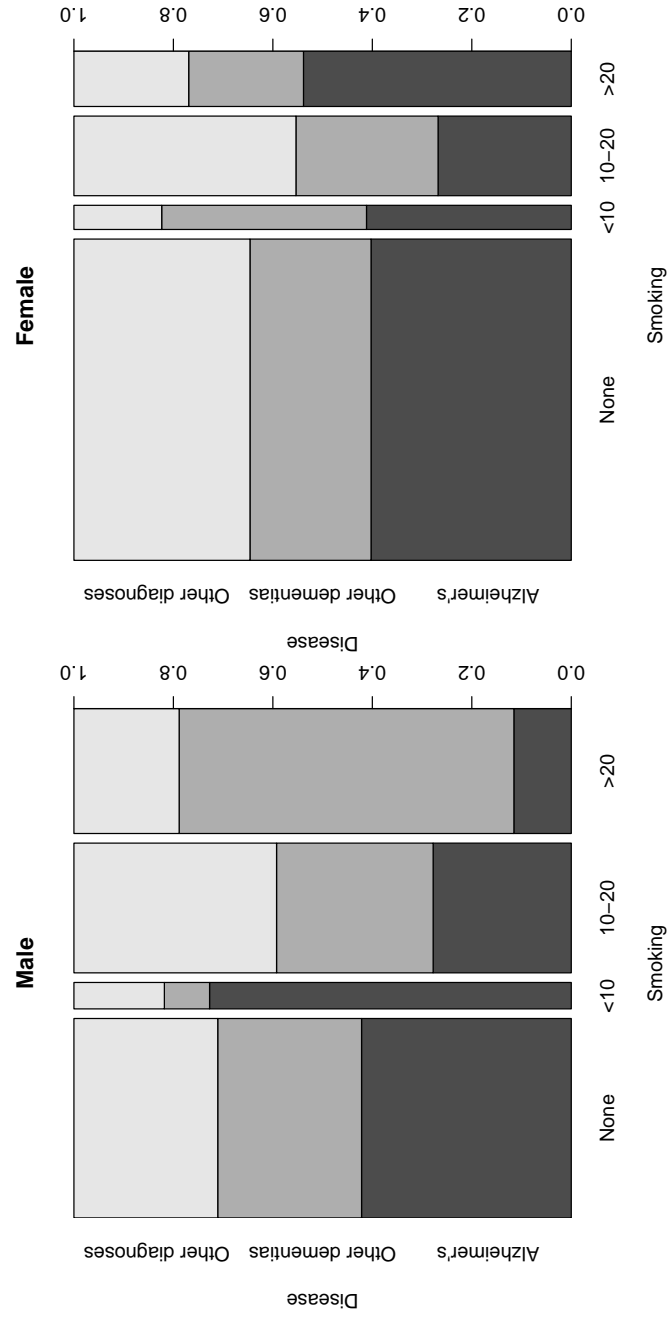


Figure 2: alzheimer data: Association of smoking behavior and disease status stratified by gender.

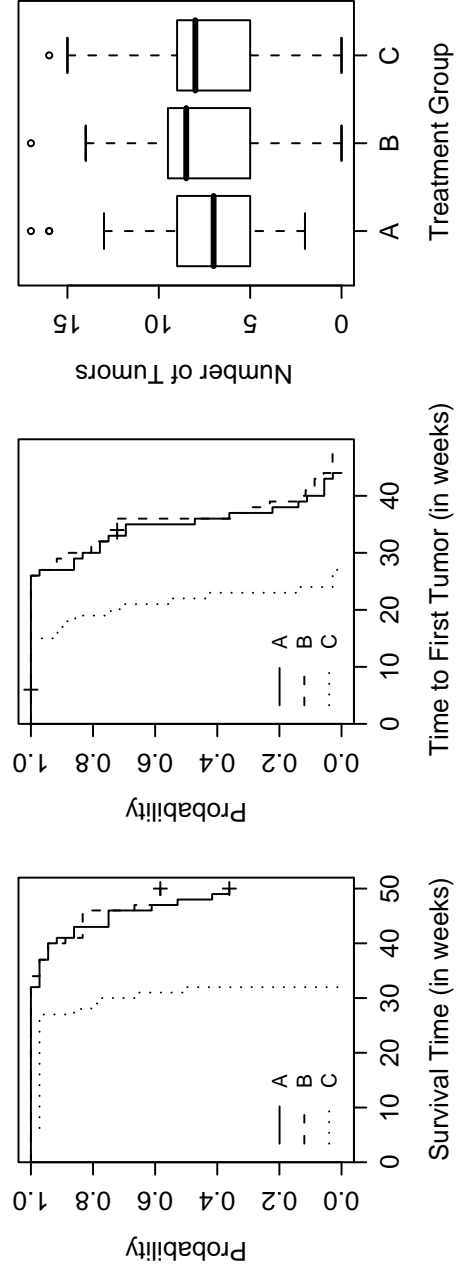


Figure 3: photocar data: Kaplan-Meier estimates of time to death and time to first tumor as well as boxplots of the total number of tumors in three treatment groups.

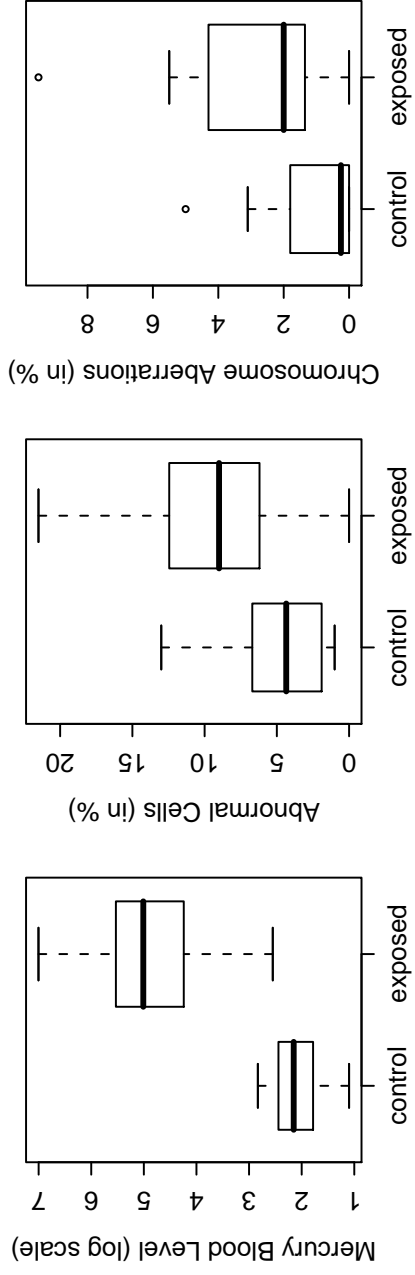


Figure 4: mercuryfish data: Distribution of all three response variables in the exposed group and control group.



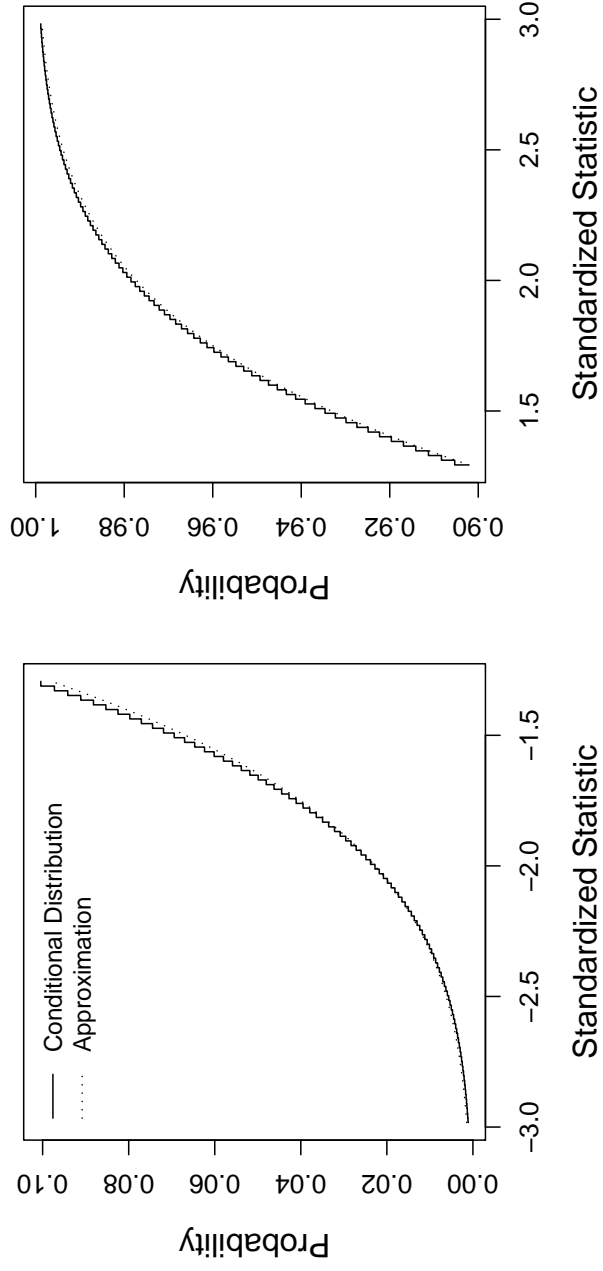


Figure 5: mercuryfish data: Conditional distribution and asymptotic normal approximation for the POSET test.

Table 1: `alzheimer` data: Smoking and Alzheimer's disease.

	No. of cigarettes daily			
	None	<10	10–20	>20
<i>Female</i>				
Alzheimer's	91	7	15	21
Other dementias	55	7	16	9
Other diagnoses	80	3	25	9
<i>Male</i>				
Alzheimer's	35	8	15	6
Other dementias	24	1	17	35
Other diagnoses	24	2	22	11