

Asymptotics for Lasso-type estimators

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In this paper, we consider the asymptotic behaviour of regression estimators that minimize the residual sum of squares plus a penalty proportional to $\sum |\beta_j|^\gamma$ for some $\gamma > 0$. These estimators include the Lasso (Tibshirani, 1996) as a special case when $\gamma = 1$. Under appropriate conditions, we show that the limiting distributions can have positive probability mass at 0 when the true value of the parameter is 0. We also consider asymptotics for “nearly singular” designs.

1. Introduction. Consider the linear regression model

$$(1) \quad Y_i = \beta_0 + \beta_1 x_{1i} + \cdots + \beta_p x_{pi} + \varepsilon_i = \beta_0 + \mathbf{x}_i^T \boldsymbol{\beta} + \varepsilon_i$$

where $\varepsilon_1, \dots, \varepsilon_n$ are i.i.d. random variables with mean 0 and variance σ^2 . Without loss of generality, we will assume that the covariates are centered to have mean 0 and take $\hat{\beta}_0 = \bar{Y}$ in which case we can replace Y_i in (1) by $Y_i - \bar{Y}$ and concentrate on estimating $\boldsymbol{\beta}$. Again without loss of generality, we will assume that $\bar{Y} = 0$.

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We estimate β by minimizing the penalized least squares (LS) criterion

$$(2) \quad \sum_{i=1}^n (Y_i - \mathbf{x}_i^T \phi)^2 + \lambda_n \sum_{j=1}^p |\phi_j|^\gamma$$

for a given λ_n where $\gamma > 0$. Such estimators were called Bridge estimators by Frank and Friedman (1993) who introduced them as a generalization of ridge regression (which occurs for $\gamma = 2$). The special case when $\gamma = 1$ is related to the ‘‘Lasso’’ of Tibshirani (1996) (hence, the term ‘‘Lasso-type’’ in the title); in the case of wavelet regression, this approach to estimation is called basis pursuit (Chen *et al*, 1999). Some other proposals for penalties are made in Fan and Li (1999). For $\gamma \leq 1$, the estimators minimizing (2) have the potentially attractive feature of being exactly 0 if λ_n is sufficiently large thus combining parameter estimation and model selection; indeed model selection methods that penalize by the number of non-zero parameters (such as AIC and BIC; Linhart and Zucchini, 1986) can be viewed as limiting cases of Bridge estimation as $\gamma \rightarrow 0$ since

$$\lim_{\gamma \downarrow 0} \sum_{j=1}^p |\phi_j|^\gamma = \sum_{j=1}^p I(\phi_j \neq 0).$$

For a given λ_n , we will denote the estimator minimizing (2) by $\hat{\beta}_n$. Of course, $\lambda_n = 0$ corresponds to the ordinary LS estimator; this estimator will be denoted by $\hat{\beta}_n^{(0)}$.

We will assume the following regularity conditions for the design:

$$(3) \quad C_n = \frac{1}{n} \sum_{i=1}^n \mathbf{x}_i \mathbf{x}_i^T \rightarrow C$$

where C is a non-negative definite matrix and

$$(4) \quad \frac{1}{n} \max_{1 \leq i \leq n} \mathbf{x}_i^T \mathbf{x}_i \rightarrow 0.$$

Typically in practice, the covariates are scaled so that the diagonal elements of C_n (and hence those of C) are all identically 1.

The parametrization of the linear model (1) is unique if the matrix C_n is non-singular or, equivalently, the design matrix has full rank. It is worth noting, however, that a unique minimum to (2) may exist even if C_n is singular; indeed, this is one of the benefits of this type of estimation. Define the “equivalence class”

$$\mathcal{B}_n = \{\zeta : \zeta = \beta + \mathbf{v} \text{ where } C_n \mathbf{v} = \mathbf{0}\}$$

where β satisfies (1). When C_n is singular, we could define a unique parametrization of (1) from the equivalence class \mathcal{B}_n by defining β_0 (for a given $\gamma > 0$) as

$$\beta_0 = \operatorname{argmin} \left\{ \sum_{j=1}^p |\zeta_j|^\gamma : \zeta \in \mathcal{B}_n \right\}.$$

However, this will not be pursued further here; we will assume that C_n is non-singular for all n .

An important class of designs is the class of “nearly singular” designs. For such designs, C_n is non-singular but may have one or more small eigenvalues (indicating the presence of collinearity among the covariates) such that (asymptotically) $C_n \rightarrow C$ where C is singular. In practice, nearly singular designs can arise when many covariates are available increasing the possibility of nearly linear dependencies between two or more covariates. These designs are considered in section 5.

Under conditions (3) and (4) (with C non-singular), it is well-known that the LS estimator is consistent and that

$$\sqrt{n} \left(\hat{\beta}_n^{(0)} - \beta \right) \rightarrow_d N(\mathbf{0}, \sigma^2 C^{-1}).$$

In fact, conditions (3) and (4) can be weakened considerably without losing asymptotic normality of the LS estimator (Srivastava, 1971); however, we will

assume the existence of the limit C in (3) throughout the paper. For the most part, we will assume that C is non-singular.

In section 2, we discuss consistency and limiting distributions of Bridge estimators while in section 3, we try to examine the small sample behaviour by considering “local asymptotics”. Asymptotics for bootstrapped Bridge estimation are considered in section 4. In section 5, we consider “nearly singular” designs as defined above. Finally, in section 6 we try to tie up some other loose ends by considering Bridge estimation for singular designs as well as computation of Bridge estimators when $\gamma < 1$.

2. Limiting distributions. In this section, as well as in section 3, we will assume that the matrix C defined in (3) is non-singular.

The limiting behaviour of the Bridge estimator $\hat{\beta}_n$ can be determined by studying the asymptotic behaviour of the objective function (2). For example, to consider consistency of $\hat{\beta}_n$, we will define the (random) function

$$(5) \quad Z_n(\phi) = \frac{1}{n} \sum_{i=1}^n (Y_i - \mathbf{x}_i^T \phi)^2 + \frac{\lambda_n}{n} \sum_{j=1}^p |\phi_j|^\gamma$$

which is minimized at $\phi = \hat{\beta}_n$. The following result shows that $\hat{\beta}_n$ is consistent provided $\lambda_n = o(n)$.

THEOREM 1. *If C in (3) is non-singular and $\lambda_n/n \rightarrow \lambda_0 \geq 0$ then $\hat{\beta}_n \rightarrow_p \operatorname{argmin}(Z)$ where*

$$Z(\phi) = (\phi - \beta)^T C (\phi - \beta) + \lambda_0 \sum_{j=1}^p |\phi_j|^\gamma$$

Thus if $\lambda_n = o(n)$, $\operatorname{argmin}(Z) = \beta$ and so $\hat{\beta}_n$ is consistent.

PROOF. Define Z_n as in (5). We need to show that

$$(6) \quad \sup_{\phi \in K} |Z_n(\phi) - Z(\phi) - \sigma^2| \rightarrow_p 0$$

for any compact set K and that

$$(7) \quad \widehat{\beta}_n = O_p(1).$$

Under (6) and (7), we have

$$\operatorname{argmin}(Z_n) \rightarrow_p \operatorname{argmin}(Z).$$

For $\gamma \geq 1$, Z_n is convex; thus (6) and (7) follow from the pointwise convergence in probability of $Z_n(\phi)$ to $Z(\phi) + \sigma^2$ by applying standard results (Anderson and Gill, 1982; Pollard, 1991). For $\gamma < 1$, Z_n is no longer convex but (6) follows easily. To prove (7), note that

$$Z_n(\phi) \geq \frac{1}{n} \sum_{i=1}^n (Y_i - \mathbf{x}_i^T \phi)^2 = Z_n^{(0)}(\phi)$$

for all ϕ . Since $\operatorname{argmin}(Z_n^{(0)}) = O_p(1)$, it follows that $\operatorname{argmin}(Z_n) = O_p(1)$. \square

Even though $\lambda_n = o(n)$ is sufficient for consistency, we require that λ_n grow more slowly for \sqrt{n} -consistency of the Bridge estimator. However, if λ_n grows too slowly then $\sqrt{n}(\widehat{\beta}_n - \beta)$ will have the same limiting distribution as $\sqrt{n}(\widehat{\beta}_n^{(0)} - \beta)$. In fact, the rate of growth of λ_n needed to get an “interesting” limiting distribution depends on whether $\gamma \geq 1$ or $\gamma < 1$. Theorem 2 below indicates that we need $\lambda_n = O(\sqrt{n})$ for \sqrt{n} -consistency for $\gamma \geq 1$; Theorem 3 suggests $\lambda_n = O(n^{\gamma/2})$ is necessary for $\gamma < 1$. (In fact, $\lambda_n = O(\sqrt{n})$ suffices for $\gamma < 1$.)

THEOREM 2. *Suppose that $\gamma \geq 1$. If $\lambda_n/\sqrt{n} \rightarrow \lambda_0 \geq 0$ and C is non-singular then*

$$\sqrt{n}(\hat{\boldsymbol{\beta}}_n - \boldsymbol{\beta}) \rightarrow_d \operatorname{argmin}(V)$$

where

$$V(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T C \mathbf{u} + \lambda_0 \sum_{j=1}^p u_j \operatorname{sgn}(\beta_j) |\beta_j|^{\gamma-1}$$

if $\gamma > 1$,

$$V(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T C \mathbf{u} + \lambda_0 \sum_{j=1}^p [u_j \operatorname{sgn}(\beta_j) I(\beta_j \neq 0) + |u_j| I(\beta_j = 0)]$$

if $\gamma = 1$, and \mathbf{W} has a $N(\mathbf{0}, \sigma^2 C)$ distribution.

PROOF. Define $V_n(\mathbf{u})$ by

$$V_n(\mathbf{u}) = \sum_{i=1}^n [(\varepsilon_i - \mathbf{u}^T \mathbf{x}_i / \sqrt{n})^2 - \varepsilon_i^2] + \lambda_n \sum_{j=1}^p [|\beta_j + u_j / \sqrt{n}|^\gamma - |\beta_j|^\gamma]$$

(where $\mathbf{u} = (u_1, \dots, u_p)^T$) and note that V_n is minimized at $\sqrt{n}(\hat{\boldsymbol{\beta}}_n - \boldsymbol{\beta})$. First note that

$$\sum_{i=1}^n [(\varepsilon_i - \mathbf{u}^T \mathbf{x}_i / \sqrt{n})^2 - \varepsilon_i^2] \rightarrow_d -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T C \mathbf{u}$$

with finite dimensional convergence holding trivially. If $\gamma > 1$ then

$$\lambda_n \sum_{j=1}^p [|\beta_j + u_j / \sqrt{n}|^\gamma - |\beta_j|^\gamma] \rightarrow \lambda_0 \sum_{j=1}^p u_j \operatorname{sgn}(\beta_j) |\beta_j|^{\gamma-1}$$

while for $\gamma = 1$, we have

$$\lambda_n \sum_{j=1}^p [|\beta_j + u_j / \sqrt{n}| - |\beta_j|] \rightarrow \lambda_0 \sum_{j=1}^p [u_j \operatorname{sgn}(\beta_j) I(\beta_j \neq 0) + |u_j| I(\beta_j = 0)].$$

Thus $V_n(\mathbf{u}) \rightarrow_d V(\mathbf{u})$ (as defined above) with the finite dimensional convergence holding trivially. Since V_n is convex and V has a unique minimum, it follows (Geyer, 1996) that

$$\operatorname{argmin}(V_n) = \sqrt{n}(\hat{\boldsymbol{\beta}}_n - \boldsymbol{\beta}) \rightarrow_d \operatorname{argmin}(V)$$

Note that when $\lambda_0 = 0$, $\operatorname{argmin}(V) = C^{-1}\mathbf{W} \sim N(\mathbf{0}, \sigma^2 C^{-1})$. \square

Proponents of ridge regression (that is, $\gamma = 2$) may be disappointed with the conclusion of Theorem 2 as it gives

$$\sqrt{n}(\hat{\boldsymbol{\beta}}_n - \boldsymbol{\beta}) \rightarrow_d C^{-1}(\mathbf{W} - \lambda_0 \boldsymbol{\beta}) \sim N(-\lambda_0 C^{-1} \boldsymbol{\beta}, \sigma^2 C^{-1}),$$

which suggests that ridge estimation is inferior to ordinary LS estimation. However, the asymptotic perspective used here is somewhat unfair to ridge estimation; see Theorem 4 in section 3 for a more flattering asymptotic perspective of ridge estimation. However, Theorem 2 does illustrate that for $\gamma > 1$, the amount of shrinkage towards 0 increases with the magnitude of the parameter being estimated; thus, for “large” parameters, the bias of their estimators for $\gamma > 1$ may be unacceptably large.

THEOREM 3. *Suppose that $\gamma < 1$. If $\lambda_n/n^{\gamma/2} \rightarrow \lambda_0 \geq 0$ then*

$$\sqrt{n}(\hat{\boldsymbol{\beta}}_n - \boldsymbol{\beta}) \rightarrow_d \operatorname{argmin}(V)$$

where

$$V(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T C \mathbf{u} + \lambda_0 \sum_{j=1}^p |u_j|^\gamma I(\beta_j = 0).$$

PROOF. The proof is similar to that of Theorem 2; however, there are some added complexities due to the non-convexity of the objective function. Define

$$(8) \quad V_n(\mathbf{u}) = \sum_{i=1}^n [(\varepsilon_i - \mathbf{u}^T \mathbf{x}_i / \sqrt{n})^2 - \varepsilon_i^2] + \lambda_n \sum_{j=1}^p [|\beta_j + u_j / \sqrt{n}|^\gamma - |\beta_j|^\gamma]$$

Since $\lambda_n = O(n^{\gamma/2}) = o(\sqrt{n})$, it follows that

$$\lambda_n [|\beta_j + u_j / \sqrt{n}|^\gamma - |\beta_j|^\gamma] \rightarrow 0$$

if $\beta_j \neq 0$. Thus

$$\lambda_n \sum_{j=1}^p [|\beta_j + u_j/\sqrt{n}|^\gamma - |\beta_j|^\gamma] \rightarrow \lambda_0 \sum_{j=1}^p |u_j|^\gamma I(\beta_j = 0)$$

and the convergence is uniform over \mathbf{u} in compact sets. It follows then that

$$V_n(\cdot) \rightarrow_d V(\cdot)$$

on the space of functions topologized by uniform convergence on compact sets.

To prove that $\operatorname{argmin}(V_n) \rightarrow_d \operatorname{argmin}(V)$, it suffices to show that $\operatorname{argmin}(V_n) = O_p(1)$ (Kim and Pollard, 1990). However, note that

$$\begin{aligned} V_n(\mathbf{u}) &\geq \sum_{i=1}^n [(\varepsilon_i - \mathbf{u}^T \mathbf{x}_i/\sqrt{n})^2 - \varepsilon_i^2] - \lambda_n \sum_{j=1}^p |u_j/\sqrt{n}|^\gamma \\ &\geq \sum_{i=1}^n [(\varepsilon_i - \mathbf{u}^T \mathbf{x}_i/\sqrt{n})^2 - \varepsilon_i^2] - (\lambda_0 + \delta) \sum_{j=1}^p |u_j|^\gamma \\ &= V_n^{(\ell)}(\mathbf{u}) \end{aligned}$$

for all \mathbf{u} and n sufficiently large. Since the quadratic terms in $V_n^{(\ell)}$ grow faster than the $|u_j|^\gamma$ terms, it follows that $\operatorname{argmin}(V_n^{(\ell)}) = O_p(1)$; hence, it follows that $\operatorname{argmin}(V_n) = O_p(1)$. Since $\operatorname{argmin}(V)$ is unique with probability 1, the conclusion follows. \square

The conclusion of Theorem 3 is quite interesting. It suggests that if $\gamma < 1$, we can estimate non-zero regression parameters at the usual rate without asymptotic bias while shrinking the estimates of zero regression parameters to 0 with positive probability. This is in contrast to what happens when $\gamma \geq 1$; Theorem 2 indicates that non-zero parameters are estimated with some asymptotic bias if $\lambda_0 > 0$.

As an alternative to the conditions on λ_n given in Theorem 3, we can also consider what happens if $\lambda_n/\sqrt{n} \rightarrow \lambda_0 \geq 0$ while $\lambda_n/n^{\gamma/2} \rightarrow \infty$. Suppose that

β_1, \dots, β_r are non-zero while $\beta_{r+1}, \dots, \beta_p$ are zero. Then defining $V_n(\mathbf{u})$ as in (8), it follows that $V_n(\mathbf{u}) \rightarrow_d V(\mathbf{u})$ where

$$V(\mathbf{u}) = \begin{cases} -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T C \mathbf{u} + \gamma \lambda_0 \sum_{j=1}^r [u_j |\beta_j|^\gamma / \beta_j] & \text{if } u_{r+1} = \dots = u_p = 0 \\ \infty & \text{otherwise} \end{cases}$$

(In fact, since V can be infinite, we can no longer define convergence of V_n to V via uniform convergence on compact sets but instead define it via epi-convergence which allows for extended real-valued functions; see Geyer (1994, 1996), Pflug (1995) for more details on epi-convergence.) Applying the arguments given in the proof of Theorem 3, it follows that $\sqrt{n}(\hat{\beta}_n - \beta) \rightarrow_d \operatorname{argmin}(V)$ where the last $(p-r)$ elements of $\operatorname{argmin}(V)$ are exactly 0. This result suggests that we could achieve the best of both worlds (at least asymptotically) by taking $\lambda_n \sim \lambda_0 n^{\alpha/2}$ where $\gamma < \alpha < 1$. However, this latter formulation does not really capture what happens for finite samples.

When some of the β_j 's are exactly 0, the limiting distributions (as given by Theorems 2 and 3) put positive probability at 0 when $\gamma \leq 1$. We will illustrate this in the case when $\gamma = 1$. Suppose that β_1, \dots, β_r are non-zero and $\beta_{r+1} = \dots = \beta_p = 0$. In this case,

$$V(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T C \mathbf{u} + \lambda_0 \sum_{j=1}^r u_j \operatorname{sgn}(\beta_j) + \lambda_0 \sum_{j=r+1}^p |u_j|$$

Now rewrite the matrix C , \mathbf{W} and \mathbf{u} as follows:

$$C = \begin{pmatrix} C_{11} & C_{12} \\ C_{21} & C_{22} \end{pmatrix}$$

where C_{11} is $r \times r$, C_{22} is $(p-r) \times (p-r)$ and $C_{21} = C_{12}^T$;

$$\mathbf{W} = \begin{pmatrix} \mathbf{W}_1 \\ \mathbf{W}_2 \end{pmatrix}$$

$$\mathbf{u} = \begin{pmatrix} \mathbf{u}_1 \\ \mathbf{u}_2 \end{pmatrix}$$

where \mathbf{W}_1 and \mathbf{u}_1 are r -vectors. If $V(\mathbf{u})$ is minimized at $\mathbf{u}_2 = \mathbf{0}$ then it follows that

$$(9) \quad C_{11}\mathbf{u}_1 - \mathbf{W}_1 = -\frac{\lambda_0}{2} \begin{pmatrix} \text{sgn}(\beta_1) \\ \vdots \\ \text{sgn}(\beta_r) \end{pmatrix} = -\frac{\lambda_0}{2} \mathbf{s}(\boldsymbol{\beta})$$

and

$$(10) \quad -\frac{\lambda_0}{2} \mathbf{1} \leq C_{21}\mathbf{u}_1 - \mathbf{W}_2 \leq \frac{\lambda_0}{2} \mathbf{1}$$

where $\mathbf{1}$ is a vector of 1's and the inequalities are interpreted co-ordinatewise.

Solving for \mathbf{u}_1 in (9), we get

$$\mathbf{u}_1 = C_{11}^{-1}(\mathbf{W}_1 - \lambda_0 \mathbf{s}(\boldsymbol{\beta})/2)$$

and substituting into (10), it follows that $\mathbf{u}_2 = \mathbf{0}$ if

$$-\frac{\lambda_0}{2} \mathbf{1} \leq C_{21}C_{11}^{-1}(\mathbf{W}_1 - \lambda_0 \mathbf{s}(\boldsymbol{\beta})/2) - \mathbf{W}_2 \leq \frac{\lambda_0}{2} \mathbf{1}$$

In the case where $\beta_1 = \beta_2 = \dots = \beta_p = 0$, this reduces to

$$-\frac{\lambda_0}{2} \mathbf{1} \leq \mathbf{W} \leq \frac{\lambda_0}{2} \mathbf{1}.$$

Note that this same rationale applies for finite samples as well; for example,

$\hat{\boldsymbol{\beta}}_n = \mathbf{0}$ if, and only if, $-\lambda_n \mathbf{1} \leq 2 \sum_i Y_i \mathbf{x}_i \leq \lambda_n \mathbf{1}$.

EXAMPLE 1. Consider a quadratic regression model

$$\begin{aligned} Y_i &= \beta_0 + \beta_1 \frac{(x_i - a_n^{(1)})}{s_n^{(1)}} + \beta_2 \frac{(x_i^2 - a_n^{(2)})}{s_n^{(2)}} + \varepsilon_i \\ &= \beta_0 + \beta_1 z_{1i} + \beta_2 z_{2i} + \varepsilon_i \quad \text{for } i = 1, \dots, n \end{aligned}$$

where the x_i 's are uniformly distributed over the interval $[0, 1]$ with

$$\begin{aligned} a_n^{(1)} &= \frac{1}{n} \sum_{i=1}^n x_i \rightarrow \frac{1}{2}, \\ a_n^{(2)} &= \frac{1}{n} \sum_{i=1}^n x_i^2 \rightarrow \frac{1}{3} \\ s_n^{(1)} &= \left(\frac{1}{n} \sum_{i=1}^n (x_i - a_n^{(1)})^2 \right)^{1/2} \rightarrow \frac{1}{\sqrt{12}}, \\ \text{and } s_n^{(2)} &= \left(\frac{1}{n} \sum_{i=1}^n (x_i^2 - a_n^{(2)})^2 \right)^{1/2} \rightarrow \frac{2}{3\sqrt{5}}. \end{aligned}$$

In this case,

$$C_n \rightarrow C = \begin{pmatrix} 1 & \sqrt{15/16} \\ \sqrt{15/16} & 1 \end{pmatrix}.$$

We define estimators $\hat{\beta}_{n1}, \hat{\beta}_{n2}$ to minimize

$$\sum_{i=1}^n (Y_i - \bar{Y} - \phi_1 z_{1i} - \phi_2 z_{2i})^2 + \lambda_n [|\phi_1|^\gamma + |\phi_2|^\gamma].$$

In this example, we will consider the cases $\gamma = 1$ and $\gamma = 1/2$ with $\lambda_n/n^{\gamma/2} \rightarrow \lambda_0 > 0$ and $\beta_1 > 0, \beta_2 = 0$. Then

$$\sqrt{n} \begin{pmatrix} \hat{\beta}_{n1} - \beta_1 \\ \hat{\beta}_{n2} \end{pmatrix} \rightarrow_d \operatorname{argmin}(V)$$

where

$$V(u_1, u_2) = -2(u_1 W_1 + u_2 W_2) + u_1^2 + \frac{\sqrt{15}}{2} u_1 u_2 + u_2^2 + \lambda_0 [u_1 + |u_2|]$$

for $\gamma = 1$,

$$V(u_1, u_2) = -2(u_1 W_1 + u_2 W_2) + u_1^2 + \frac{\sqrt{15}}{2} u_1 u_2 + u_2^2 + \lambda_0 |u_2|^{1/2}$$

for $\gamma = 1/2$, and (W_1, W_2) is a zero mean bivariate Normal random vector with covariance matrix $\sigma^2 C$.

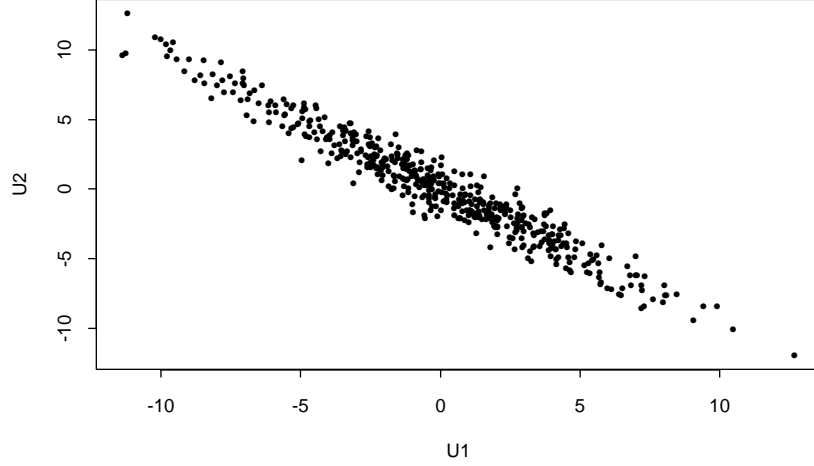


FIG. 1. *Sample of 500 from the limiting distribution of the LS estimator in Example 1.*

For $\gamma = 1$ (assuming that $\beta_1 > 0$ and $\beta_2 = 0$), it is fairly straightforward to evaluate $\operatorname{argmin}(V)$ explicitly; letting $(\hat{U}_1, \hat{U}_2) = \operatorname{argmin}(V)$, we have 3 cases to consider depending on the value of

$$\tau(W_1, W_2, \lambda_0) = \frac{\sqrt{15}}{2}W_1 - 2W_2 - \frac{\sqrt{15}}{4}\lambda_0.$$

- If $|\tau(W_1, W_2, \lambda_0)| \leq \lambda_0$ then

$$\hat{U}_1 = W_1 - \frac{\lambda_0}{2}$$

$$\hat{U}_2 = 0$$

- If $\tau(W_1, W_2, \lambda_0) < -\lambda_0$ then

$$\hat{U}_1 = 16W_1 - 4\sqrt{15}W_2 + (2\sqrt{15} - 8)\lambda_0$$

$$\hat{U}_2 = 16W_2 - 4\sqrt{15}W_1 + (2\sqrt{15} - 8)\lambda_0$$

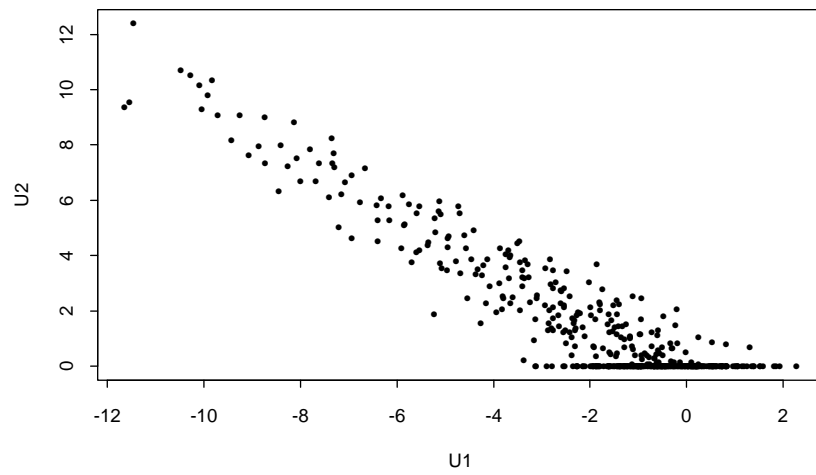


FIG. 2. Sample of 500 from the limiting distribution of the Bridge estimator in Example 1 with $\gamma = 1$ and $\lambda_0 = 1$. The probability that \hat{U}_2 is strictly less than 0 is approximately 4.1×10^{-5} , which explains the absence of negative \hat{U}_2 values.

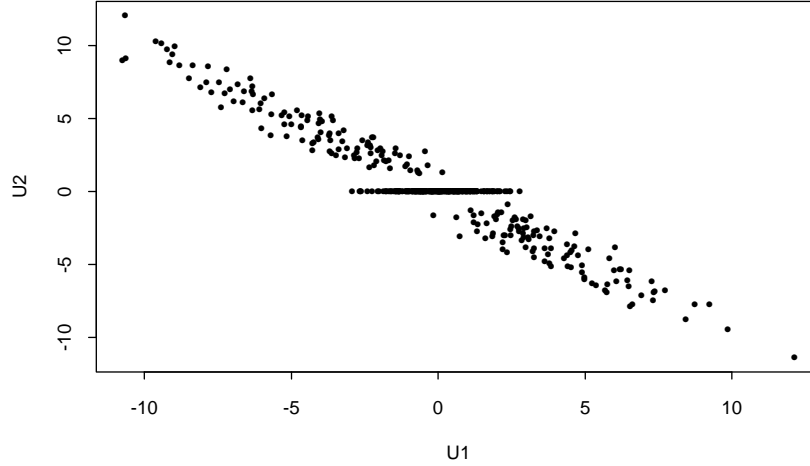


FIG. 3. Sample of 500 from the limiting distribution of the Bridge estimator in Example 1 with $\gamma = 1/2$ and $\lambda_0 = 1/2$.

- If $\tau(W_1, W_2, \lambda_0) > \lambda_0$ then

$$\hat{U}_1 = 16W_1 - 4\sqrt{15}W_2 - (2\sqrt{15} + 8)\lambda_0$$

$$\hat{U}_2 = 16W_2 - 4\sqrt{15}W_1 + (2\sqrt{15} + 8)\lambda_0$$

For $\gamma = 1/2$, an exact representation of the distribution of (\hat{U}_1, \hat{U}_2) is more difficult to obtain but this distribution can be easily simulated.

Tables 1 and 2 give the means, variances and correlations of \hat{U}_1 and \hat{U}_2 as well as $P(\hat{U}_2 = 0)$ for various values of λ_0 (scaled by σ). As one might expect, the asymptotic variances of $\hat{\beta}_{n1}$ and $\hat{\beta}_{n2}$ decrease as λ_0 increases. On the other hand, the asymptotic bias of $\hat{\beta}_{n1}$ becomes increasingly negative as λ_0 increases while the asymptotic bias of $\hat{\beta}_{n2}$ increases away from zero then decreases to 0 as λ_0 increases.

$\frac{\lambda_0}{\sigma}$	$\frac{E(\widehat{U}_1)}{\sigma}$	$\frac{E(\widehat{U}_2)}{\sigma}$	$\frac{\text{Var}(\widehat{U}_1)}{\sigma^2}$	$\frac{\text{Var}(\widehat{U}_2)}{\sigma^2}$	$\text{Corr}(\widehat{U}_1, \widehat{U}_2)$	$P(\widehat{U}_2 = 0)$
0.0	0.00	0.00	16.00	16.00	-0.968	0.000
0.1	-0.68	0.65	11.90	11.62	-0.957	0.156
0.2	-1.14	1.07	8.89	8.49	-0.944	0.290
0.5	-1.71	1.50	6.16	5.53	-0.915	0.488
1.0	-1.93	1.47	5.78	5.10	-0.909	0.525
2.0	-2.33	1.37	5.36	4.71	-0.901	0.550
5.0	-3.51	1.04	4.40	3.63	-0.876	0.624

TABLE 1

Properties of the distribution of $\text{argmin}(V)$ for $\gamma = 1$ and various values of λ_0

$\frac{\lambda_0}{\sigma^{3/2}}$	$\frac{E(\widehat{U}_1)}{\sigma}$	$\frac{E(\widehat{U}_2)}{\sigma}$	$\frac{\text{Var}(\widehat{U}_1)}{\sigma^2}$	$\frac{\text{Var}(\widehat{U}_2)}{\sigma^2}$	$\text{Corr}(\widehat{U}_1, \widehat{U}_2)$	$P(\widehat{U}_2 = 0)$
0.0	0.00	0.00	16.00	16.00	-0.968	0.000
0.1	0.00	0.00	14.86	14.78	-0.966	0.193
0.2	0.00	0.00	13.73	13.57	-0.963	0.303
0.5	0.00	0.00	10.77	10.41	-0.952	0.529
1.0	0.00	0.00	7.06	6.46	-0.926	0.745
2.0	0.00	0.00	3.09	2.21	-0.821	0.930
5.0	0.00	0.00	1.05	0.04	-0.197	0.999

TABLE 2

Properties of the distribution of $\text{argmin}(V)$ for $\gamma = 0.5$ and various values of λ_0

Figures 1, 2, and 3 show scatterplots of random samples of 500 drawn from the limiting distributions for the LS estimator ($\lambda_0 = 0$), $\lambda_0 = 1.0$ for $\gamma = 1$, and $\lambda_0 = 0.5$ for $\gamma = 1/2$, respectively (with $\sigma^2 = 1$). (These values of λ_0 for the different values of γ give approximately equal values of $P(\widehat{U}_2 = 0)$.) To facilitate comparison, the same values of (W_1, W_2) were used to generate the three scatterplots. These scatterplots illustrate the effect of Bridge estimation relative to LS estimation from an asymptotic point of view. In LS estimation, the strong correlation between the two variables means that overestimation of β_1 is generally accompanied by underestimation of β_2 (and vice versa); moreover, this effect holds regardless of the true values of β_1 and β_2 . In contrast, Lasso estimation ($\gamma = 1$) compensates for underestimation of β_1 by overestimation of β_2 but effectively sets the estimate of β_2 to zero if β_1 is overestimated. For $\gamma = 1/2$, the shrinkage to zero in the estimation of β_2 is more selective and “larger” estimates are essentially unchanged from their corresponding LS estimates. Also note that there is a “no man’s land” in the distribution of \widehat{U}_2 when $\gamma = 1/2$; for each λ_0 , there is an open interval $I(\lambda_0) = (0, c(\lambda_0))$ (with $c(\lambda_0) > 0$) $P[|\widehat{U}_2| \notin I(\lambda_0)] = 1$. For $\lambda_0 = 1/2$, $c(\lambda_0) \approx 0.86$. \diamond

How well do the asymptotic distributions approximate finite sample distributions? There are a number of factors involved including the accuracy of normal approximations; however, the key factor here would seem to be the extent to which the asymptotic penalty in $V(\mathbf{u})$ (defined in Theorems 2 and 3) approximates the true penalty term. For example, when $\gamma \leq 1$, these approximations may not be particularly good for finite samples as the function $|x|^\gamma$ is not particularly smooth when x is close to 0. This is addressed to some extent in the

next section.

3. Local asymptotics and small parameters. A distinguishing feature of Bridge estimation for $\gamma \leq 1$ is the possibility of obtaining exact 0 parameter estimates. In the previous section, we showed that the limiting distributions have positive mass at 0 when the true parameter value is 0 but are absolutely continuous (with respect to Lebesgue measure) otherwise. In this section, we will try to illustrate how this “exact 0” phenomenon can occur in finite samples when the true parameter is small but non-zero.

To do this, we will assume that we have a triangular array of observations. That is, define

$$(11) \quad Y_{ni} = \boldsymbol{\beta}_n^T \mathbf{x}_{ni} + \varepsilon_{ni} \quad \text{for } i = 1, \dots, n$$

where for each n , $\varepsilon_{n1}, \dots, \varepsilon_{nn}$ are i.i.d. random variables with mean 0 and variance σ^2 . We assume that the \mathbf{x}_{ni} 's satisfy the conditions

$$(12) \quad \frac{1}{n} \sum_{i=1}^n \mathbf{x}_{ni} \mathbf{x}_{ni}^T \rightarrow C$$

for some positive definite matrix C and

$$(13) \quad \frac{1}{n} \max_{1 \leq i \leq n} \mathbf{x}_{ni}^T \mathbf{x}_{ni} \rightarrow 0;$$

these are the obvious analogues of (3) and (4).

Suppose that $\boldsymbol{\beta}_n = \boldsymbol{\beta} + \mathbf{t}/\sqrt{n}$ and define $\hat{\boldsymbol{\beta}}_n$ to minimize

$$(14) \quad \sum_{i=1}^n (Y_{ni} - \boldsymbol{\phi}^T \mathbf{x}_{ni})^2 + \lambda_n \sum_{j=1}^p |\phi_j|.$$

This formulation allows us to examine the asymptotic properties of Bridge estimators when one or more of the regression parameters are close to 0 but non-zero. The idea here is to get a hint of the small sample behaviour of Bridge estimation.

THEOREM 4. Assume the model (11) with $\beta_n = \beta + \mathbf{t}/\sqrt{n}$ and assume that (12) and (13) are satisfied. Let $\hat{\beta}_n$ minimize (14) for some $\gamma > 1$.

(a) If $\lambda_n/\sqrt{n} \rightarrow \lambda_0 \geq 0$ then

$$\sqrt{n}(\hat{\beta}_n - \beta_n) \rightarrow_d \operatorname{argmin}(V)$$

where

$$V(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T C \mathbf{u} + \lambda_0 \sum_{j=1}^p u_j \operatorname{sgn}(\beta_j) |\beta_j|^{\gamma-1}.$$

(b) If $\beta = \mathbf{0}$ and $\lambda_n/n^{\gamma/2} \rightarrow \lambda_0 \geq 0$ then

$$\sqrt{n}(\hat{\beta}_n - \beta_n) \rightarrow_d \operatorname{argmin}(V)$$

where

$$V(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T C \mathbf{u} + \lambda_0 \sum_{j=1}^p |u_j + t_j|^\gamma.$$

THEOREM 5. Assume the model (11) with $\beta_n = \beta + \mathbf{t}/\sqrt{n}$ and assume that (12) and (13) are satisfied. Suppose that $\hat{\beta}_n$ minimizes (14) for $\gamma \leq 1$ where $\lambda_n/n^{\gamma/2} \rightarrow \lambda_0 \geq 0$.

(a) For $\gamma = 1$,

$$\sqrt{n}(\hat{\beta}_n - \beta_n) \rightarrow_d \operatorname{argmin}(V)$$

where

$$V(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T C \mathbf{u} + \lambda_0 \sum_{j=1}^p [u_j \operatorname{sgn}(\beta_j) I(\beta_j \neq 0) + |u_j + t_j| I(\beta_j = 0)]$$

(b) For $\gamma < 1$,

$$\sqrt{n}(\hat{\beta}_n - \beta_n) \rightarrow_d \operatorname{argmin}(V)$$

where

$$V(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T C \mathbf{u} + \lambda_0 \sum_{j=1}^p |u_j + t_j|^\gamma I(\beta_j = 0).$$

The proofs of Theorems 4 and 5 are essentially the same as those of Theorems 2 and 3. Theorem 4 suggests that the advantages of using a penalty with $\gamma > 1$ are limited to situations where all the regression parameters are relatively small (compared to n); for example, for ridge estimation ($\gamma = 2$), part (b) of Theorem 4 gives

$$\begin{aligned} \sqrt{n}(\widehat{\boldsymbol{\beta}}_n - \mathbf{t}/\sqrt{n}) &\rightarrow_d (C + \lambda_0 I)^{-1}(\mathbf{W} - \lambda_0 \mathbf{t}) \\ &\sim N(-\lambda_0((C + \lambda_0 I)^{-1} \mathbf{t}, \sigma^2 (C + \lambda_0 I)^{-1} C (C + \lambda_0 I)^{-1}), \end{aligned}$$

which suggests that by choosing λ_0 judiciously, we could make the mean square error of $\mathbf{x}^T \widehat{\boldsymbol{\beta}}_n$ smaller than that of $\mathbf{x}^T \widehat{\boldsymbol{\beta}}_n^{(0)}$. On the other hand, if one or more of the parameters is “large” then part (a) of Theorem 4 indicates that the bias suggested by Theorem 2 would still persist.

In contrast, when $\gamma \leq 1$, Theorem 5 suggests that “small” parameters may be estimated as exactly 0 even when “large” parameters are present. For example, suppose that $\beta_{nj} = t_j/\sqrt{n}$ and take $\gamma \leq 1$; then the limiting distribution of $\sqrt{n}(\widehat{\beta}_{nj} - t_j/\sqrt{n})$ (given by Theorem 5) puts positive probability mass at $-t_j$ and so the limiting distribution of $\sqrt{n}\widehat{\beta}_{nj}$ puts positive probability mass at 0, irrespective of the values of the other parameters. Thus, Theorem 5 indicates that “small” parameters may be estimated as exactly 0 in finite samples even when “large” parameters are present.

4. Bootstrapping. Attaching standard error estimates to Bridge parameter estimates is non-trivial especially when $\gamma \leq 1$. For the Lasso ($\gamma = 1$),

Tibshirani (1996) gives an approximation of the covariance matrix of the estimators. However, his approximation leads to standard error estimates of 0 when the estimate is 0, which is clearly unsatisfactory; Osborne *et al* (1998) give an alternative approximation that leads to apparently more satisfactory standard error estimates. However, these approximations to the covariance matrix implicitly assume that the estimators are approximately linear transformations, which is clearly not the case when $\gamma \leq 1$. An alternative approach to obtaining standard error estimates is to use the bootstrap.

In regression models, there are effectively two approaches to bootstrapping depending on whether the design is considered fixed or random.

- (a) (Random design) We draw a bootstrap sample $(Y_1^*, \mathbf{x}_1^*), \dots, (Y_n^*, \mathbf{x}_n^*)$ with replacement from $\{(Y_1, \mathbf{x}_1), \dots, (Y_n, \mathbf{x}_n)\}$.
- (b) (Fixed design) The bootstrap sample is $(Y_1^*, \mathbf{x}_1), \dots, (Y_n^*, \mathbf{x}_n)$ where

$$Y_i^* = \bar{Y} + \tilde{\boldsymbol{\beta}}_n^T \mathbf{x}_i + \varepsilon_i^* \quad \text{for } i = 1, \dots, n$$

with $\varepsilon_1^*, \dots, \varepsilon_n^*$ sampled with replacement from “residuals” $\{e_1, \dots, e_n\}$ and $\tilde{\boldsymbol{\beta}}_n$ some estimator of $\boldsymbol{\beta}$ (not necessarily a Bridge estimator).

Using the bootstrap sample, we can then obtain a bootstrap Bridge estimator of $\boldsymbol{\beta}$ (call it $\hat{\boldsymbol{\beta}}_n^*$) by minimizing an appropriate version of (2) for some γ and λ_n . The idea is that the bootstrap distribution of $\sqrt{n}(\hat{\boldsymbol{\beta}}_n^* - \tilde{\boldsymbol{\beta}}_n)$ should approximate the sampling distribution of $\sqrt{n}(\hat{\boldsymbol{\beta}}_n - \boldsymbol{\beta}_n)$ where $\hat{\boldsymbol{\beta}}_n$ is the Bridge estimator minimizing (2).

The asymptotics of approach (b) are quite simple. Assume that $\sqrt{n}(\tilde{\boldsymbol{\beta}}_n - \boldsymbol{\beta}) \rightarrow_d \mathbf{U}$ and the set of residuals sampled from has mean 0. For each bootstrap

sample, we will centre the Y_i^* 's by their sample mean. Define

$$V_n^*(\mathbf{u}) = \sum_{i=1}^n [(\varepsilon_i^* - \mathbf{u}^T \mathbf{x}_i / \sqrt{n})^2 - (\varepsilon_i^*)^2] + \lambda_n \sum_{j=1}^p [|\tilde{\beta}_{nj} + u_j / \sqrt{n}|^\gamma - |\tilde{\beta}_{nj}|^\gamma]$$

Conditional on $\tilde{\boldsymbol{\beta}}_n$, the randomness of V_n^* comes from the bootstrap sampling producing the ε_i^* 's. The idea here is exactly the same as before: If V_n^* converges to some V^* then the bootstrap distribution of $\operatorname{argmin}(V_n^*) = \sqrt{n}(\hat{\boldsymbol{\beta}}_n^* - \tilde{\boldsymbol{\beta}}_n)$ should converge (in some sense) to that of $\operatorname{argmin}(V^*)$. What complicates matters is the fact that there are two layers of randomness: one due to the original sample (reflected through $\tilde{\boldsymbol{\beta}}_n$) and one due to the bootstrap sampling.

We will assume the conditions on λ_n stated in Theorems 2 and 3; that is, $\lambda_n / \sqrt{n} \rightarrow \lambda_0 \geq 0$ if $\gamma \geq 1$ and $\lambda_n / n^{\gamma/2} \rightarrow \lambda_0 \geq 0$ if $\gamma < 0$. The simple case is when all of the β_j 's are non-zero. Then $\hat{\beta}_{nj} \rightarrow_p \beta_j \neq 0$. Thus

$$V_n^*(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W}_n^* + \mathbf{u}^T C_n \mathbf{u} + \lambda_0 \sum_{j=1}^p u_j \operatorname{sgn}(\beta_j) |\beta_j|^{\gamma-1} + R_n^{(\gamma)}(\mathbf{u}) \quad \text{if } \gamma \geq 1$$

and

$$V_n^*(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W}_n^* + \mathbf{u}^T C_n \mathbf{u} + R_n^{(\gamma)}(\mathbf{u}) \quad \text{if } \gamma < 1$$

where $R_n^{(\gamma)}(\mathbf{u}) = o_p(1)$ for each \mathbf{u} and \mathbf{W}_n^* has a limiting Normal distribution (with covariance matrix C). From this it follows that

$$P^* \left(\sqrt{n}(\hat{\boldsymbol{\beta}}_n^* - \tilde{\boldsymbol{\beta}}_n) \in A \right) \rightarrow_p P(\operatorname{argmin}(V) \in A)$$

where V is as defined in Theorem 2 or 3.

If one or more of β_j 's is 0 then the argument given above still works for $\gamma > 1$ but fails for $\gamma \leq 1$; a more sophisticated argument is needed for this latter case. Suppose that $\sqrt{n}(\tilde{\boldsymbol{\beta}}_n - \boldsymbol{\beta}) \rightarrow_{a.s.} \mathbf{U}$. Then under the conditions on λ_n given above, we have for $\gamma = 1$

$$V_n^*(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W}_n^* + \mathbf{u}^T C_n \mathbf{u}$$

$$+ \lambda_0 \sum_{j=1}^p [u_j \text{sgn}(\beta_j) I(\beta_j \neq 0) + (|u_j + U_j| - |U_j|) I(\beta_j = 0)] + R_n^{(1)}(\mathbf{u})$$

and for $\gamma < 1$

$$V_n^*(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W}_n^* + \mathbf{u}^T C_n \mathbf{u} + \lambda_0 \sum_{j=1}^p (|u_j + U_j|^\gamma - |U_j|^\gamma) I(\beta_j = 0) + R_n^{(\gamma)}(\mathbf{u})$$

where $R_n^{(\gamma)}(\mathbf{u}) = o(1)$ with probability 1. From this, it follows that

$$P^* \left(\sqrt{n}(\hat{\beta}_n^* - \tilde{\beta}_n) \in A \right) \rightarrow_{a.s.} P^* (\text{argmin}(V^*) \in A)$$

where for $\gamma = 1$

$$V^*(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W}^* + \mathbf{u}^T C \mathbf{u} + \lambda_0 \sum_{j=1}^p [u_j \text{sgn}(\beta_j) I(\beta_j \neq 0) + |u_j + U_j| I(\beta_j = 0)]$$

and for $\gamma < 1$

$$V^*(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W}^* + \mathbf{u}^T C \mathbf{u} + \lambda_0 \sum_{j=1}^p |u_j + U_j|^\gamma I(\beta_j = 0).$$

Note the parallels between these results and the results of section 3.

In our case, we do not have almost sure convergence of $\sqrt{n}(\tilde{\beta}_n - \beta)$ but rather convergence in distribution; however, by the Skorokhod representation theorem (c.f. van der Vaart and Wellner, 1996), given $\mathbf{U}_n \rightarrow_d \mathbf{U}$ there exists a probability space and random elements $\{\mathbf{U}'_n\}$, \mathbf{U}' having the same distributions as $\{\mathbf{U}_n\}$, \mathbf{U} such that $\mathbf{U}'_n \rightarrow_{a.s.} \mathbf{U}'$. From this fact, we can deduce that

$$P^* \left(\sqrt{n}(\hat{\beta}_n^* - \tilde{\beta}_n) \in A \right) \rightarrow_d P^* (\text{argmin}(V^*) \in A)$$

where probability in the limit is in fact a random variable if $\beta_j = 0$ for at least one j . On the other hand, if $\beta_j \neq 0$ for all j then the limiting probability is non-random and is the same as that given in Theorems 2 and 3.

The asymptotic results presented above indicate that the bootstrap may have some problems in estimating the sampling distribution of Bridge estimators for $\gamma < 1$ when some true parameter values are either exactly 0 or close to 0; in such cases, bootstrap sampling introduces a bias (due to $\tilde{\beta}_n$) that does not vanish asymptotically. One possible solution is to choose an estimator $\tilde{\beta}_n$ that has $P(\tilde{\beta}_{nj} = 0) \approx 1$ when $\beta_j = 0$ but $P(\tilde{\beta}_{nj} = 0) \approx 0$ when $\beta_j \neq 0$; there are a variety of ways to do this, for example, by using a consistent model selection procedure. While this may seem attractive from an asymptotic viewpoint, such an approach may cause more problems in practice than it solves.

5. Asymptotics for nearly singular designs. In this section, we will consider the asymptotic behaviour of Bridge estimators when the design is nearly singular. More precisely, suppose that C_n (as defined in (3)) is non-singular but tends to a singular matrix C . In particular, we will assume that

$$(15) \quad a_n(C_n - C) \rightarrow D$$

for some sequence $\{a_n\}$ tending to infinity where D is positive definite on the null space of C (that is, $\mathbf{v}^T D \mathbf{v} > 0$ for non-zero \mathbf{v} with $C\mathbf{v} = \mathbf{0}$). (Note that D is necessarily non-negative definite on the null space of C so that it is not too stringent to require it to be positive definite on this null space.)

The consistency and limiting distribution arguments given in section 2 require that the functions Z and V (defined in Theorems 1, 2 and 3) have unique minimizers. When the matrix C is singular this is not generally the case. For example, define $V(\mathbf{u})$ as in Theorem 2. If $\gamma > 1$ then $\mathbf{u} \in \operatorname{argmin}(V)$ satisfies

$$(16) \quad C\mathbf{u} - \lambda_0 \tau(\mathbf{W}, \beta) = \mathbf{0}$$

for some function τ . If \mathbf{v} lies in the null space of C then clearly $\mathbf{u} + t\mathbf{v} \in \operatorname{argmin}(V)$ for any t and so $\operatorname{argmin}(V)$ consists of a single point if, and only if, C is non-singular. Likewise, when $\gamma = 1$, $\mathbf{u} \in \operatorname{argmin}(V)$ satisfies a modification of (16), namely

$$(17) \quad C\mathbf{u} - \lambda_0\tau(\mathbf{W}, \boldsymbol{\beta}) \ni \mathbf{0}$$

where now τ is possibly a set-valued function (or multi-function). Again $\mathbf{u} + t\mathbf{v} \in \operatorname{argmin}(V)$ for any \mathbf{v} in the null space of C and so (17) has a unique solution if, and only if, C is non-singular.

When $\gamma < 1$, the situation is somewhat more complicated. Define $V(\mathbf{u})$ as in Theorem 3. In general, if C is singular then $\operatorname{argmin}(V)$ will not be unique; if $\mathbf{u} \in \operatorname{argmin}(V)$ and \mathbf{v} lies in the null space of C then for some non-zero t , $V(\mathbf{u}) = V(\mathbf{u} + t\mathbf{v})$. However, suppose that $\beta_{r+1} = \dots = \beta_p = 0$ and that the null space of C is spanned by the standard basis vectors $\mathbf{e}_{r+1}, \dots, \mathbf{e}_p$; then we have

$$V(\mathbf{u}) = V_0(u_1, \dots, u_r) + \lambda_0 \sum_{j=r+1}^p |u_j|^\gamma,$$

which has a unique minimizer. Note that this condition on the null space of C implies that the strongest collinearity in the design is restricted to the covariates that have no influence on the response.

We will now consider the asymptotic behaviour of nearly singular designs under fairly weak conditions. We will assume that C_n is non-singular for all n and satisfies (15) for some sequence $\{a_n\}$. Define $b_n = (n/a_n)^{1/2}$ and redefine V_n to be

$$(18) \quad V_n(\mathbf{u}) = \sum_{i=1}^n [(\varepsilon_i - \mathbf{u}^T \mathbf{x}_i / b_n)^2 - \varepsilon_i^2] + \lambda_n \sum_{j=1}^p [|\beta_j + u_j / b_n|^\gamma - |\beta_j|^\gamma]$$

Note that since $b_n = o(\sqrt{n})$, the estimators will have a slower rate of convergence than when C is non-singular.

THEOREM 6. *Assume a nearly singular model with C_n satisfying (15). Let \mathbf{W} be a zero mean multivariate Normal random vector such that $\text{Var}(\mathbf{u}^T \mathbf{W}) = \mathbf{u}^T D \mathbf{u} > 0$ for each non-zero \mathbf{u} satisfying $C \mathbf{u} = \mathbf{0}$.*

(a) *If $\gamma > 1$ and $\lambda_n/b_n \rightarrow \lambda_0 \geq 0$ then*

$$b_n(\widehat{\beta}_n - \beta) \rightarrow_d \operatorname{argmin}\{V(\mathbf{u}) : C \mathbf{u} = \mathbf{0}\}$$

where

$$V(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T D \mathbf{u} + \lambda_0 \sum_{j=1}^p u_j \operatorname{sgn}(\beta_j) |\beta_j|^{\gamma-1}$$

(b) *If $\gamma = 1$ and $\lambda_n/b_n \rightarrow \lambda_0 \geq 0$ then*

$$b_n(\widehat{\beta}_n - \beta) \rightarrow_d \operatorname{argmin}\{V(\mathbf{u}) : C \mathbf{u} = \mathbf{0}\}$$

where

$$V(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T D \mathbf{u} + \lambda_0 \sum_{j=1}^p [u_j \operatorname{sgn}(\beta_j) I(\beta_j \neq 0) + |u_j| I(\beta_j = 0)]$$

(c) *If $\gamma < 1$ and $\lambda_n/b_n^\gamma \rightarrow \lambda_0 \geq 0$ then*

$$b_n(\widehat{\beta}_n - \beta) \rightarrow_d \operatorname{argmin}\{V(\mathbf{u}) : C \mathbf{u} = \mathbf{0}\}$$

where

$$V(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T D \mathbf{u} + \lambda_0 \sum_{j=1}^p |u_j|^\gamma I(\beta_j = 0)$$

PROOF. The proofs of (a), (b) and (c) are essentially the same as before. Define V_n as in (18). Then in each case, for \mathbf{u} in the null space of C , we have $V_n(\mathbf{u}) \rightarrow_d V(\mathbf{u})$ while for \mathbf{u} outside this null space, $V_n(\mathbf{u}) \rightarrow_p \infty$. \square

EXAMPLE 2. Consider a design with

$$C_n = \begin{pmatrix} 1 & \rho_n & \cdots & \rho_n \\ \rho_n & 1 & \cdots & \rho_n \\ \vdots & \vdots & \ddots & \vdots \\ \rho_n & \cdots & \rho_n & 1 \end{pmatrix}$$

where $\rho_n \rightarrow 1$ and $a_n(1 - \rho_n) \rightarrow \psi > 0$. In this case, $\{C_n\}$ converges to a matrix C (of all 1's) and $a_n(C_n - C) \rightarrow D$ where

$$D = \begin{pmatrix} 0 & -\psi & \cdots & -\psi \\ -\psi & 0 & \cdots & -\psi \\ \vdots & \vdots & \ddots & \vdots \\ -\psi & \cdots & -\psi & 0 \end{pmatrix}$$

If the matrices are $p \times p$ then the null space of C is the space of vectors \mathbf{u} with $u_1 + \cdots + u_p = 0$. For the sake of illustration, let's suppose that $\beta_1 \neq 0$, $\beta_2 = \cdots = \beta_p = 0$ and take $\gamma < 1$. Then the limiting objective function V in Theorem 6 is

$$V(\mathbf{u}) = -2\mathbf{u}^T \mathbf{W} + \mathbf{u}^T D \mathbf{u} + \lambda_0 [|u_1|^\gamma + \cdots + |u_p|^\gamma] \quad \text{for } u_1 + \cdots + u_p = 0$$

where

$$\lambda_0 = \lim_{n \rightarrow \infty} \lambda_n \left(\frac{a_n}{n} \right)^{\gamma/2}.$$

The limiting distribution of $(n/a_n)^{1/2}(\hat{\beta}_n - \beta)$ is simply $\hat{\mathbf{U}} = \operatorname{argmin}\{V(\mathbf{u}) : u_1 + \cdots + u_p = 0\}$. Each component of $\hat{\mathbf{U}}$ has positive probability mass at 0 and these components must sum to 0. Thus, if one uses Bridge estimation as a method for model selection (that is, estimate the number of non-zero parameters) then asymptotically the probability of selecting the true model is $P(\hat{\mathbf{U}} = \mathbf{0})$.

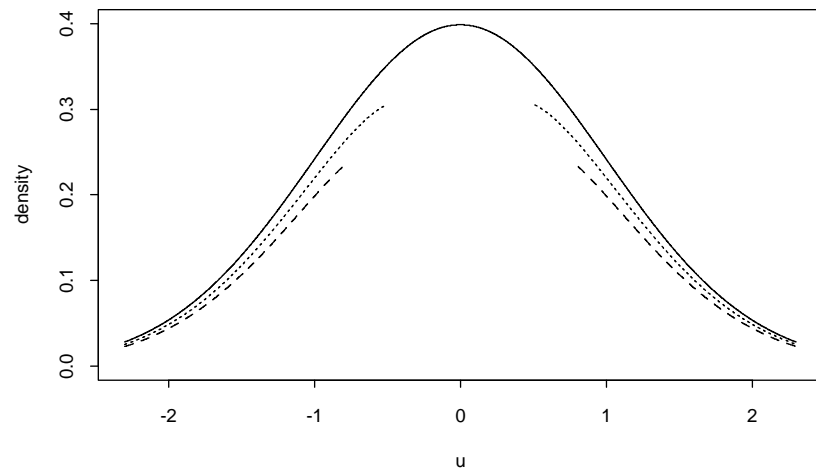


FIG. 4. *Densities for $\lambda = 0$ (solid line), $\lambda = 0.5$ (dotted line) and $\lambda = 1$ (dashed line); for $\lambda = 0.5$ and $\lambda = 1$, these are the densities of the absolute continuous part of the distribution as the distribution in these cases has positive probability mass at 0.*

When $p = 2$ (with $\beta_1 \neq 0$ and $\beta_2 = 0$), it is relatively straightforward to compute the limiting distribution. In this case, define $u = u_1 = -u_2$ and $W = W_1 = -W_2$ (since $u_1 + u_2 = 0$ and $W_1 + W_2 = 0$) where $W \sim N(0, \psi)$. Then

$$V(u) = 2\psi u^2 - 4uW + \lambda_0 |u|^\gamma.$$

It is possible to show (see Lemma A in the Appendix) that V is minimized at 0 if

$$|W|^{2-\gamma} \leq \lambda_0 \psi^{1-\gamma} \left(\frac{2-\gamma}{2} \right) \left(\frac{2-\gamma}{2-2\gamma} \right)^{1-\gamma};$$

otherwise, V is minimized at \hat{U} satisfying

$$\psi \hat{U} + \frac{\lambda_0 \gamma}{4} \frac{|\hat{U}|^\gamma}{\hat{U}} = W.$$

The density of the absolutely continuous part of \hat{U} is

$$f(u) = \frac{4\psi - \lambda_0 \gamma (1-\gamma) |u|^{\gamma-2}}{4\sqrt{2\pi\psi}} \exp \left[-\frac{1}{2\psi} \left(\psi u + \frac{\lambda_0 \gamma}{4} \frac{|u|^\gamma}{u} \right)^2 \right]$$

whenever

$$(19) \quad \left| \psi u + \frac{\lambda_0 \gamma}{4} \frac{|u|^\gamma}{u} \right|^{2-\gamma} \geq \lambda_0 \psi^{1-\gamma} \left(\frac{2-\gamma}{2} \right) \left(\frac{2-\gamma}{2-2\gamma} \right)^{1-\gamma}$$

and

$$(20) \quad |u|^{2-\gamma} \geq \frac{\lambda_0}{4\psi} \gamma (1-\gamma).$$

Setting $\psi = 1$ and $\gamma = 1/2$, the densities of the absolutely continuous part of \hat{U} for $\lambda_0 = 0, 0.5$ and 1 are given in Figure 4; for these parameter values $P(\hat{U} = 0) = 0, 0.448$ and 0.655 respectively. Note that when $\lambda_0 > 0$, these densities have a ‘‘gap’’ (that is, $f(u) = 0$) for values of u violating either or both of (19) and (20). \diamond

6. Other issues.

Singular designs. In developing our asymptotic results, we have assumed almost exclusively in the previous sections that the matrix C_n (defined in (3)) is non-singular for each n and hence that the parametrization in (1) is unique. In most situations, this is a reasonable assumption as a singular design can be made non-singular by judiciously removing covariates or reparametrizing the model. However, in some problems, singular designs are unavoidable. For example, in epidemiologic age-period-cohort studies of disease rates, singular designs result due to linear relationship among different variables (Kupper *et al*, 1985). Also in chemometric studies, singular designs result due to the number of parameters exceeding the number of observations (Frank and Friedman, 1993).

When $\lambda_n > 0$ and $\gamma > 1$, the objective function (2) is strictly convex and hence has a unique minimizer $\widehat{\beta}_n$; this may be true even for $\gamma \leq 1$. In this section, we will consider n fixed and consider the behaviour of the estimator as $\lambda = \lambda_n \rightarrow 0$.

Define $\widehat{\beta}_\lambda$ to minimize the objective function

$$(21) \quad \sum_{i=1}^n (Y_i - \mathbf{x}_i^T \phi)^2 + \lambda \sum_{j=1}^p |\phi_j|^\gamma$$

and note that if $\widehat{\beta}_\lambda$ minimizes (21) it also minimizes

$$(22) \quad h_\lambda(\phi) = \frac{1}{\lambda} \left[\sum_{i=1}^n (Y_i - \mathbf{x}_i^T \phi)^2 - \sum_{i=1}^n \left(Y_i - \mathbf{x}_i^T \widehat{\beta}^{(0)} \right)^2 \right] + \sum_{j=1}^p |\phi_j|^\gamma$$

where $\widehat{\beta}^{(0)}$ is a LS estimator of β , that is, $\widehat{\beta}^{(0)}$ satisfies

$$\sum_{i=1}^n \mathbf{x}_i \left(Y_i - \mathbf{x}_i^T \widehat{\beta}^{(0)} \right) = \mathbf{0}.$$

It is easy to see that as $\lambda \rightarrow 0$, h_λ in (22) epi-converges to the function

$$(23) \quad h_0(\phi) = \begin{cases} \sum_{j=1}^p |\phi_j|^\gamma & \text{if } \sum_{i=1}^n \mathbf{x}_i(Y_i - \mathbf{x}_i^T \phi) = \mathbf{0} \\ \infty & \text{otherwise} \end{cases}$$

and hence if $\text{argmin}(h_0)$ is unique (as would be the case if $\gamma > 1$),

$$(24) \quad \hat{\beta}_\lambda \rightarrow \hat{\beta}_0 = \text{argmin} \left\{ \sum_{j=1}^p |\phi_j|^\gamma : \sum_{i=1}^n \mathbf{x}_i(Y_i - \mathbf{x}_i^T \phi) = \mathbf{0} \right\}$$

as $\lambda \rightarrow 0$. When $\gamma = 2$, the estimator $\hat{\beta}_0$ defined in (24) is simply a projection of the possible estimators onto the space spanned by the eigenvectors of C_n with positive eigenvalues; this estimator is called the intrinsic estimator by Fu (1999). If we view $\hat{\beta}_0$ as a regularized LS estimator then $\hat{\beta}_\lambda$ can be used to approximate $\hat{\beta}_0$ by taking λ close to 0. Effectively, we are using an unconstrained optimization problem (minimizing h_λ in (22) for small λ) to approximate a constrained optimization problem (minimizing h_0 in (23)); this is a standard trick in optimization (Fiacco and McCormick, 1990).

Computation. To the point, we have not explicitly mentioned computation of the estimators. For $\gamma > 1$, the objective function is a smooth convex function and numerical algorithms such as Newton-Raphson or reweighted least squares work very well. For $\gamma = 1$, the objective function is also convex and so methods such as those discussed in Tibshirani (1996), Fu (1998) and Osborne *et al* (1998) can be used. In the context of wavelet regression, algorithms have been proposed by Chen *et al* (1999) and Sardy *et al* (1998).

When $\gamma < 1$, the objective function (2) is no longer convex and so computation of $\hat{\beta}$ is non-trivial, particularly if p is large; the objective function can have multiple local minima at which it is non-differentiable. Here we will briefly

describe some simple algorithms for computing Bridge estimates when $\gamma < 1$; a more detailed treatment will be given elsewhere.

Although the objective function is generally non-trivial to minimize, it is interesting to note that the one variable problem is quite easy to solve. For example, given α and $\lambda > 0$, define

$$g(u) = u^2 - 2\alpha u + \lambda|u|^\gamma$$

It is simple to verify (see Lemma A in the Appendix) that g is minimized at $u = 0$ if, and only if,

$$\lambda \geq \frac{2}{2-\gamma} \left(\frac{2-2\gamma}{2-\gamma} \right)^{1-\gamma} |\alpha|^{2-\gamma}.$$

Otherwise, g is minimized at $u = \hat{u}$ satisfying $g'(\hat{u}) = 0$ and $g''(\hat{u}) > 0$. This latter equation can be solved in a variety of ways including the fixed-point iteration:

$$\begin{aligned} \hat{u}^{(0)} &= \alpha \\ \hat{u}^{(k)} &= \alpha - \frac{\lambda\gamma}{2} \frac{|\hat{u}^{(k-1)}|^\gamma}{\hat{u}^{(k-1)}} \quad k = 1, 2, 3, \dots \end{aligned}$$

The feasibility of the one variable problem suggests that a Gauss-Seidel or ICM (Besag, 1986) algorithm (which iteratively minimize one variable at a time) might be appropriate to compute $\hat{\beta}_n$. This is true to some extent (as the objective function decreases at each iteration) but with some caveats. Due to the nature of the objective function, it is very easy for a naive Gauss-Seidel algorithm to get “trapped” in a local minimum. However, this can be avoided to some extent by keeping estimates away from 0 until it is absolutely necessary to set them to 0. Alternatively, we can try multiple starting points in different parts of the parameter space.

A second approach is to solve a sequence of ridge regression problems. For example, starting with the ridge regression ($\gamma = 2$) estimate

$$\hat{\beta}^{(0)} = \left(\sum_{i=1}^n \mathbf{x}_i \mathbf{x}_i^T + \lambda I \right)^{-1} \left(\sum_{i=1}^n Y_i \mathbf{x}_i \right),$$

we can define successive estimates by

$$\hat{\beta}^{(k)} = \Psi \left(\hat{\beta}^{(k-1)} \right) \left(\sum_{i=1}^n Y_i \mathbf{x}_i \right)$$

for $k = 1, 2, 3, \dots$ where

$$\Psi(\phi) = D(\phi) \left(D(\phi) \left(\sum_{i=1}^n \mathbf{x}_i \mathbf{x}_i^T \right) D(\phi) + \lambda I \right)^{-1} D(\phi)$$

and $D(\phi)$ is a diagonal matrix with diagonal elements $|\phi_1|^{1-\gamma/2}, \dots, |\phi_p|^{1-\gamma/2}$.

Again the sequence $\{\hat{\beta}^{(k)}\}$ does not necessarily converge to the global minimum but seems to work quite well if multiple starting points are used.

APPENDIX Let $g(u) = u^2 - 2\alpha u + \lambda|u|^\gamma$ where $\lambda \geq 0$ and $0 < \gamma \leq 1$. If $\alpha = 0$ then $\operatorname{argmin}(g) = 0$; thus we shall focus on the case where $\alpha \neq 0$.

LEMMA A. *Suppose that $\alpha \neq 0$. Then $0 \in \operatorname{argmin}(g)$ if, and only if,*

$$\lambda \geq |\alpha|^{2-\gamma} \left(\frac{2}{2-\gamma} \right) \left(\frac{2(1-\gamma)}{2-\gamma} \right)^{1-\gamma}$$

Moreover, if $\gamma < 1$ then $\operatorname{argmin}(g) = 0$ if, and only if, we have strictly inequality above.

PROOF. Define

$$h(t) = g(\alpha t) = \alpha^2 (t^2 - 2t + \lambda|t|^\gamma |\alpha|^{\gamma-2}).$$

For $t < 0$, $h'(t) < 0$ and thus $h(t)$ is strictly decreasing on the interval $(-\infty, 0]$.

For $t > 1$, $h'(t) > 0$ and so $h(t)$ is strictly increasing on the interval $(1, \infty)$. Thus $\operatorname{argmin}(g) = t\alpha$ for some $t \in [0, 1]$.

If $0 \in \operatorname{argmin}(g)$ then we must have

$$|\alpha|^{2-\gamma} (t^2 - 2t) + \lambda t^\gamma \geq 0$$

for all $0 \leq t \leq 1$. In other words,

$$\lambda \geq |\alpha|^{2-\gamma} \max_{0 \leq t \leq 1} t^{1-\gamma} (2-t)$$

Using calculus, it is easy to verify that the right hand side above is maximized for $t = 2(1-\gamma)/(2-\gamma)$ and so $0 \in \operatorname{argmin}(g)$ if, and only if,

$$\lambda \geq |\alpha|^{2-\gamma} \left(\frac{2}{2-\gamma} \right) \left(\frac{2(1-\gamma)}{2-\gamma} \right)^{1-\gamma}$$

Moreover, if $\gamma < 1$ and $\alpha \neq 0$ then strict inequality implies that $\operatorname{argmin}(g) = 0$. If equality holds then $\operatorname{argmin}(g) = \{0, 2\alpha(1-\gamma)/(2-\gamma)\}$; note that this set contains a single point when $\gamma = 1$. \square

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