Math 152, Fall 2022
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WU # 9
Thursday 9/29/22

Your name: ____

Names of people you worked with: ____

Task:
Consider the distribution of: $\frac{\overline{X}-\mu}{s/\sqrt{n}}$ (which, incidentally, we know is t_{n-1} if $X_i \overset{iid}{\sim} N(\mu, \sigma^2)$.)
Let

$$\begin{aligned} \hat{\theta}^*_b &= \text{estimate of } \theta \text{ from the } b^{th} \text{ resample} \\ \hat{SE}^*_B &= \left[\frac{1}{B-1} \sum_{b=1}^{B} (\hat{\theta}^*_b - \hat{\theta}^*)^2 \right]^{1/2} \end{aligned}$$

1. If you sample B times from a population, how many copies of $\overline{X}$ will there be? How many copies of $s/\sqrt{n}$ will there be?
2. If you re-sample B times from a dataset, how many copies of $\hat{\theta}^*_b$ will there be? How many copies of $\hat{SE}^*_B$?
3. Gosset realized that s varies from sample to sample. In bootstrapping, we want to mimic the process of sampling from a population. What is the problem with using the bootstrap values given above to produce a bootstrapped test statistic?
4. To address the problem, suggest a way of estimating the SE of $\hat{\theta}$ separately for each b.

Solution:

1. When sampling from a population, there will be B copies each of $\overline{X}$ and $s/\sqrt{n}$.
2. When re-sampling from a dataset, there will be B copies of $\hat{\theta}^*_b$ and 1 copy of $\hat{SE}^*_B$.
3. Somehow we need to create a test statistic where both the numerator and the denominator are random variables.
4. To find $\hat{SE}^*(b)$, we must bootstrap twice. The algorithm is as follows:
   (a) Generate B_1 bootstrap samples (resamples from the original data), and for each sample $\underline{X}^{*b}$ compute the bootstrap estimate $\hat{\theta}^*_b$.
   (b) Take B_2 bootstrap samples (resamples from the bootstrapped data) from $\underline{X}^{*b}$, and estimate the standard error, $\hat{SE}^*(b)$.
   (c) The resulting distribution will be based on B_1 values for $T^*(b) = \frac{\hat{\theta}^*_b - \hat{\theta}}{\hat{SE}^*(b)}$.