

# Contents

Preface.....	xv
Acknowledgments.....	xix
Author .....	xxi

## **PART I** *Introduction to Probability, Statistics, Time Series, and Spatial Analysis*

<b>Chapter 1</b> Introduction .....	3
1.1 Brief History of Statistical and Probabilistic Analysis .....	3
1.2 Computers.....	4
1.3 Applications.....	4
1.4 Types of Variables .....	4
1.4.1 Discrete.....	5
1.4.2 Continuous.....	5
1.4.3 Discretization .....	5
1.4.4 Independent vs. Dependent Variables .....	6
1.5 Probability Theory and Random Variables.....	6
1.6 Methodology.....	6
1.7 Descriptive Statistics .....	7
1.8 Inferential Statistics .....	7
1.9 Predictors, Models, and Regression .....	7
1.10 Time Series.....	8
1.11 Spatial Data Analysis .....	8
1.12 Matrices and Multiple Dimensions .....	8
1.13 Other Approaches: Process-Based Models .....	9
1.14 Baby Steps: Calculations and Graphs.....	9
1.14.1 Mean, Variance, and Standard Deviation of a Sample .....	9
1.14.2 Simple Graphs as Text: Stem-and-Leaf Plots.....	10
1.14.3 Histograms .....	11
1.15 Exercises.....	11
1.16 Computer Session: Introduction to R .....	11
1.16.1 Working Directory .....	11
1.16.2 Installing R .....	11
1.16.3 Personalize the R GUI Shortcut .....	11
1.16.4 Running R.....	13
1.16.5 Basic R Skills .....	13
1.16.6 R Console .....	15
1.16.7 Scripts .....	15
1.16.8 Graphics Device .....	16
1.16.9 Downloading Data Files.....	17
1.16.10 Read a Simple Text Data File .....	17
1.16.11 Simple Statistics .....	19
1.16.12 Simple Graphs as Text: Stem-and-Leaf Plots.....	20

1.16.13	Simple Graphs to a Graphics Window .....	20
1.16.14	Addressing Entries of an Array .....	20
1.16.15	Example: Salinity .....	22
1.16.16	CSV Text Files .....	23
1.16.17	Store Your Data Files and Objects .....	24
1.16.18	Command History and Long Sequences of Commands .....	25
1.16.19	Editing Data in Objects .....	25
1.16.20	Cleanup and Close R Session .....	26
1.16.21	Computer Exercises .....	26
	Supplementary Reading .....	27
<b>Chapter 2</b>	Probability Theory .....	29
2.1	Events and Probabilities .....	29
2.2	Algebra of Events .....	29
2.3	Combinations .....	31
2.4	Probability Trees .....	32
2.5	Conditional Probability .....	33
2.6	Testing Water Quality: False Negative and False Positive .....	34
2.7	Bayes' Theorem .....	35
2.8	Generalization of Bayes' Rule to Many Events .....	36
2.9	Bio-Sensing .....	36
2.10	Decision Making .....	37
2.11	Exercises .....	39
2.12	Computer Session: Introduction to Remdr, Programming, and Multiple Plots .....	40
2.12.1	R Commander .....	40
2.12.2	Package Installation and Loading .....	40
2.12.3	R GUI SDI Option: Best for R Commander .....	43
2.12.4	How to Import a Text Data File Using Remdr .....	43
2.12.5	Simple Graphs on a Text Window .....	45
2.12.6	Simple Graphs on a Graphics Window: Histograms .....	46
2.12.7	More than One Variable: Reading Files and Plot Variables .....	47
2.12.7.1	Using the R Console .....	48
2.12.7.2	Using the R Commander .....	51
2.12.8	Programming Loops .....	53
2.12.9	Application: Bayes' Theorem .....	54
2.12.10	Application: Decision Making .....	55
2.12.11	More on Graphics Windows .....	55
2.12.12	Editing Data in Objects .....	56
2.12.13	Clean Up and Exit .....	56
2.12.14	Additional GUIs to Use R .....	57
2.12.15	Modifying the R Commander .....	57
2.12.16	Other Packages to Be Used in the Book .....	57
2.12.17	Computer Exercises .....	58
	Supplementary Reading .....	58
<b>Chapter 3</b>	Random Variables, Distributions, Moments, and Statistics .....	59
3.1	Random Variables .....	59
3.2	Distributions .....	59

3.2.1	Probability Mass and Density Functions (pmf and pdf).....	59
3.2.2	Cumulative Functions (cmf and cdf).....	62
3.2.3	Histograms .....	62
3.3	Moments .....	63
3.3.1	First Moment or Mean.....	63
3.3.2	Second Central Moment or Variance.....	64
3.3.3	Population and Sample .....	66
3.3.4	Other Statistics and Ways of Characterizing a Sample.....	67
3.4	Some Important RV and Distributions .....	68
3.5	Application Examples: Species Diversity.....	72
3.6	Central Limit Theorem.....	72
3.7	Random Number Generation.....	73
3.8	Exercises.....	74
3.9	Computer Session: Probability and Descriptive Statistics .....	75
3.9.1	Descriptive Statistics: Categorical Data, Table, and Pie Chart .....	75
3.9.2	Using a Previously Generated Object or a Dataset .....	78
3.9.3	Summary of Descriptive Statistics and Histogram.....	78
3.9.4	Density Approximation .....	81
3.9.5	Theoretical Distribution: Example Binomial Distribution .....	82
3.9.6	Application Example: Species Diversity .....	86
3.9.7	Random Number Generation .....	86
3.9.8	Comparing Sample and Theoretical Distributions: Example Binomial.....	89
3.9.9	Programming Application: Central Limit Theorem .....	90
3.9.10	Sampling: Function Sample .....	92
3.9.11	Cleanup and Close R Session .....	92
3.9.12	Computer Exercises.....	93
	Supplementary Reading .....	93

<b>Chapter 4</b>	<b>Exploratory Analysis and Introduction to Inferential Statistics.....</b>	<b>95</b>
4.1	Exploratory Data Analysis (EDA).....	95
4.1.1	Index Plot .....	95
4.1.2	Boxplot .....	95
4.1.3	Empirical Cumulative Distribution Function (ecdf) .....	96
4.1.4	Quantile–Quantile (q–q) Plots .....	98
4.1.5	Combining Plots for Exploratory Data Analysis (EDA) .....	98
4.2	Relationships: Covariance and Correlation .....	98
4.2.1	Serial Data: Time Series and Autocorrelation .....	101
4.3	Statistical Inference .....	102
4.3.1	Hypothesis Testing .....	103
4.3.2	$p$ -Value.....	105
4.3.3	Power.....	105
4.3.4	Confidence Intervals.....	107
4.4	Statistical Methods .....	109
4.5	Parametric Methods .....	110
4.5.1	Z Test or Standard Normal .....	110
4.5.2	The $t$ -Test .....	110
4.5.3	The $F$ Test.....	111
4.5.4	Correlation.....	112

4.6	Nonparametric Methods.....	112
4.6.1	Mann–Whitney or Wilcoxon Rank Sum Test .....	112
4.6.2	Wilcoxon Signed Rank Test .....	112
4.6.3	Spearman Correlation .....	112
4.7	Exercises.....	113
4.8	Computer Session: Exploratory Analysis and Inferential Statistics.....	113
4.8.1	Create an Example Dataset.....	113
4.8.2	Index Plot .....	113
4.8.3	Boxplot .....	114
4.8.4	Empirical Cumulative Plot.....	114
4.8.5	Functions .....	115
4.8.6	Building a Function: Example.....	115
4.8.7	More on the Standard Normal.....	116
4.8.8	Quantile–Quantile (q–q) Plots .....	118
4.8.9	Function to Plot Exploratory Data Analysis (EDA) Graphs .....	119
4.8.10	Time Series and Autocorrelation Plots.....	120
4.8.11	Additional Functions for the Rconsole and the R Commander .....	121
4.8.12	Parametric: One Sample <i>t</i> -Test or Means Test .....	122
4.8.13	Power Analysis: One Sample <i>t</i> -Test.....	124
4.8.14	Parametric: Two-Sample <i>t</i> -Test .....	126
4.8.15	Power Analysis: Two Sample <i>t</i> -Test.....	128
4.8.16	Using Data Sets from Packages.....	129
4.8.17	Nonparametric: Wilcoxon Test.....	130
4.8.18	Bivariate Data and Correlation Test.....	132
4.8.19	Computer Exercises.....	135
	Supplementary Reading .....	136

<b>Chapter 5</b>	<b>More on Inferential Statistics: Goodness of Fit, Contingency Analysis, and Analysis of Variance .....</b>	<b>137</b>
5.1	Goodness of Fit (GOF).....	137
5.1.1	Qualitative: Exploratory Analysis .....	137
5.1.2	$\chi^2$ (Chi-Square) Test.....	137
5.1.3	Kolmogorov–Smirnov (K–S) .....	140
5.1.4	Shapiro–Wilk Test.....	140
5.2	Counts and Proportions .....	141
5.3	Contingency Tables and Cross-Tabulation .....	141
5.4	Analysis of Variance .....	144
5.4.1	ANOVA One-Way .....	145
5.4.2	ANOVA Two-Way .....	148
5.4.3	Factor Interaction in ANOVA Two-Way .....	149
5.4.4	Nonparametric Analysis of Variance .....	150
5.5	Exercises.....	151
5.6	Computer Session: More on Inferential Statistics .....	153
5.6.1	GOF: Exploratory Analysis .....	153
5.6.2	GOF: Chi-Square Test .....	154
5.6.3	GOF: Kolmogorov–Smirnov Test .....	155
5.6.4	GOF: Shapiro–Wilk .....	156
5.6.5	Count Tests and the Binomial .....	156
5.6.6	Obtaining a Single Element of a Test Result.....	157

5.6.7	Comparing Proportions: <code>prop.test</code> .....	158
5.6.8	Contingency Tables: Direct Input.....	159
5.6.9	Contingency Tables: Cross-Tabulation .....	160
5.6.10	ANOVA One-Way .....	162
5.6.11	ANOVA Two-Way .....	166
5.6.12	ANOVA Nonparametric: Kruskal–Wallis.....	169
5.6.13	ANOVA Nonparametric: Friedman .....	172
5.6.14	ANOVA: Generating Fictional Data for Further Learning.....	172
5.6.15	Computer Exercises.....	175
	Supplementary Reading .....	176
<b>Chapter 6</b>	<b>Regression .....</b>	<b>177</b>
6.1	Simple Linear Least Squares Regression .....	177
6.1.1	Derivatives and Optimization .....	178
6.1.2	Calculating Regression Coefficients .....	180
6.1.3	Interpreting the Coefficients Using Sample Means, Variances, and Covariance.....	183
6.1.4	Regression Coefficients from Expected Values .....	184
6.1.5	Interpretation of the Error Terms .....	185
6.1.6	Evaluating Regression Models .....	188
6.1.7	Regression through the Origin .....	192
6.2	ANOVA as Predictive Tool .....	195
6.3	Nonlinear Regression .....	196
6.3.1	Log Transform.....	197
6.3.2	Nonlinear Optimization .....	197
6.3.3	Polynomial Regression.....	198
6.3.4	Predicted vs. Observed Plots.....	198
6.4	Computer Session: Simple Regression .....	200
6.4.1	Scatter Plots.....	200
6.4.2	Simple Linear Regression .....	202
6.4.3	Nonintercept Model or Regression through the Origin .....	206
6.4.4	ANOVA One Way: As Linear Model.....	208
6.4.5	Linear Regression: Lack-of-Fit to Nonlinear Data.....	211
6.4.6	Nonlinear Regression by Transformation .....	214
6.4.7	Nonlinear Regression by Optimization.....	216
6.4.8	Polynomial Regression.....	219
6.4.9	Predicted vs. Observed Plots.....	221
6.4.10	Computer Exercises.....	221
	Supplementary Reading .....	223
<b>Chapter 7</b>	<b>Stochastic or Random Processes and Time Series.....</b>	<b>225</b>
7.1	Stochastic Processes and Time Series: Basics.....	225
7.2	Gaussian .....	225
7.3	Autocovariance and Autocorrelation.....	227
7.4	Periodic Series, Filtering, and Spectral Analysis .....	231
7.5	Poisson Process .....	238
7.6	Marked Poisson Process .....	241

7.7	Simulation.....	247
7.8	Exercises.....	249
7.9	Computer Session: Random Processes and Time Series.....	250
7.9.1	Gaussian Random Processes.....	250
7.9.2	Autocorrelation.....	252
7.9.3	Periodic Process .....	252
7.9.4	Filtering and Spectrum.....	253
7.9.5	Sunspots Example .....	254
7.9.6	Poisson Process .....	255
7.9.7	Poisson Process Simulation.....	255
7.9.8	Marked Poisson Process Simulation: Rainfall.....	256
7.9.9	Computer Exercises.....	257
	Supplementary Reading .....	258
<b>Chapter 8</b>	<b>Spatial Point Patterns .....</b>	<b>259</b>
8.1	Types of Spatially Explicit Data .....	259
8.2	Types of Spatial Point Patterns.....	259
8.3	Spatial Distribution.....	259
8.4	Testing Spatial Patterns: Cell Count Methods.....	260
8.4.1	Testing Uniform Patterns .....	260
8.4.2	Testing for Spatial Randomness .....	261
8.4.3	Clustered Patterns .....	263
8.5	Nearest-Neighbor Analysis.....	264
8.5.1	First-Order Analysis.....	264
8.5.2	Second-Order Analysis .....	266
8.6	Marked Point Patterns .....	268
8.7	Geostatistics: Regionalized Variables .....	269
8.8	Variograms: Covariance and Semivariance .....	270
8.8.1	Covariance.....	271
8.8.2	Semivariance .....	272
8.9	Directions .....	274
8.10	Variogram Models.....	276
8.10.1	Exponential Model .....	276
8.10.2	Spherical Model .....	278
8.10.3	Gaussian Model .....	278
8.10.4	Linear and Power Models.....	279
8.10.5	Modeling the Empirical Variogram .....	280
8.11	Exercises.....	281
8.12	Computer Session: Spatial Analysis .....	284
8.12.1	Packages and Functions.....	284
8.12.2	File Format .....	284
8.12.3	Creating a Pattern: Location-Only .....	285
8.12.4	Generating Patterns with Random Numbers.....	286
8.12.5	Grid or Quadrat Analysis: Chi-Square Test for Uniformity.....	288
8.12.6	Grid or Quadrat Analysis: Randomness, Poisson Model .....	289
8.12.7	Nearest-Neighbor Analysis: $G$ and $K$ Functions .....	290
8.12.8	Monte Carlo: Nearest-Neighbor Analysis of Uniformity .....	293
8.12.9	Marked Spatial Patterns: Categorical Marks .....	294
8.12.10	Marked Spatial Patterns: Continuous Values .....	298

8.12.11 Marked Patterns: Use Sample Data from sgeostat .....	301
8.12.12 Computer Exercises .....	305
Supplementary Reading .....	306

## PART II *Matrices, Temporal and Spatial Autoregressive Processes, and Multivariate Analysis*

<b>Chapter 9 Matrices and Linear Algebra .....</b>	309
9.1 Matrices .....	309
9.2 Dimension of a Matrix .....	309
9.3 Vectors .....	310
9.4 Square Matrices .....	310
9.4.1 Trace .....	311
9.4.2 Symmetric Matrices: Covariance Matrix .....	311
9.4.3 Identity .....	312
9.5 Matrix Operations .....	312
9.5.1 Addition and Subtraction .....	312
9.5.2 Scalar Multiplication .....	313
9.5.3 Linear Combination .....	313
9.5.4 Matrix Multiplication .....	313
9.5.5 Determinant of a Matrix .....	315
9.5.6 Matrix Transposition .....	316
9.5.7 Major Product .....	316
9.5.8 Matrix Inversion .....	317
9.6 Solving Systems of Linear Equations .....	319
9.7 Linear Algebra Solution of the Regression Problem .....	321
9.8 Alternative Matrix Approach to Linear Regression .....	323
9.9 Exercises .....	325
9.10 Computer Session: Matrices and Linear Algebra .....	326
9.10.1 Creating Matrices .....	326
9.10.2 Operations .....	327
9.10.3 Other Operations .....	330
9.10.4 Solving System of Linear Equations .....	331
9.10.5 Inverse .....	331
9.10.6 Computer Exercises .....	332
Supplementary Reading .....	332
<b>Chapter 10 Multivariate Models .....</b>	333
10.1 Multiple Linear Regression .....	333
10.1.1 Matrix Approach .....	333
10.1.2 Population Concepts and Expected Values .....	338
10.1.3 Evaluation and Diagnostics .....	339
10.1.4 Variable Selection .....	340
10.2 Multivariate Regression .....	342
10.3 Two-Group Discriminant Analysis .....	344
10.4 Multiple Analysis of Variance (MANOVA) .....	349
10.5 Exercises .....	353

10.6 Computer Session: Multivariate Models .....	355
10.6.1 Multiple Linear Regression.....	355
10.6.2 Multivariate Regression .....	359
10.6.3 Two-Group Linear Discriminant Analysis .....	361
10.6.4 MANOVA .....	363
10.6.5 Computer Exercises.....	365
10.6.6 Functions .....	365
Supplementary Reading .....	367
<b>Chapter 11</b> Dependent Stochastic Processes and Time Series .....	369
11.1 Markov.....	369
11.1.1 Dependent Models: Markov Chain .....	369
11.1.2 Two-Step Rainfall Generation: First Step Markov Sequence .....	371
11.1.3 Combining Dry/Wet Days with Amount on Wet Days .....	371
11.1.4 Forest Succession .....	374
11.2 Semi-Markov Processes .....	378
11.3 Autoregressive (AR) Process .....	381
11.4 ARMA and ARIMA Models .....	387
11.5 Exercises.....	389
11.6 Computer Session: Markov Processes and Autoregressive Time Series .....	389
11.6.1 Weather Generation: Rainfall Models.....	389
11.6.2 Semi-Markov .....	391
11.6.3 AR(p) Modeling and Forecast.....	392
11.6.4 ARIMA(p, d, q) Modeling and Forecast.....	395
11.6.5 Computer Exercises.....	398
11.6.6 SEEG Functions .....	400
Supplementary Reading .....	403
<b>Chapter 12</b> Geostatistics: Kriging.....	405
12.1 Kriging .....	405
12.2 Ordinary Kriging.....	405
12.3 Universal Kriging .....	413
12.4 Data Transformations .....	414
12.5 Exercises.....	414
12.6 Computer Session: Geostatistics, Kriging.....	415
12.6.1 Ordinary Kriging .....	415
12.6.2 Universal Kriging.....	417
12.6.3 Regular Grid Data Files .....	422
12.6.4 Functions .....	425
12.6.5 Computer Exercises.....	428
Supplementary Reading .....	428
<b>Chapter 13</b> Spatial Auto-Correlation and Auto-Regression .....	429
13.1 Lattice Data: Spatial Auto-Correlation and Auto-Regression.....	429
13.2 Spatial Structure and Variance Inflation .....	429
13.3 Neighborhood Structure .....	429
13.4 Spatial Auto-Correlation .....	432

13.4.1	Moran's <i>I</i> .....	432
13.4.2	Transformations.....	433
13.4.3	Geary's <i>c</i> .....	434
13.5	Spatial Auto-Regression.....	434
13.6	Exercises.....	436
13.7	Computer Session: Spatial Correlation and Regression.....	437
13.7.1	Packages .....	437
13.7.2	Mapping Regions.....	438
13.7.3	Neighborhood Structure .....	440
13.7.4	Structure Using Distance.....	441
13.7.5	Structure Based on Borders.....	445
13.7.6	Spatial Auto-Correlation .....	446
13.7.7	Spatial Auto-Regression Models .....	448
13.7.8	Neighborhood Structure Using Tripack .....	451
13.7.9	Neighborhood Structure for Grid Data.....	452
13.7.10	Computer Exercises .....	453
	Supplementary Reading .....	454
<b>Chapter 14</b>	<b>Multivariate Analysis I: Reducing Dimensionality.....</b>	<b>455</b>
14.1	Multivariate Analysis: Eigen-Decomposition .....	455
14.2	Vectors and Linear Transformation.....	455
14.3	Eigenvalues and Eigenvectors .....	455
14.3.1	Finding Eigenvalues .....	457
14.3.2	Finding Eigenvectors.....	458
14.4	Eigen-Decomposition of a Covariance Matrix.....	459
14.4.1	Covariance Matrix .....	459
14.4.2	Bivariate Case .....	461
14.5	Principal Components Analysis (PCA) .....	465
14.6	Singular Value Decomposition and Biplots.....	469
14.7	Factor Analysis .....	472
14.8	Correspondence Analysis .....	475
14.9	Exercises.....	479
14.10	Computer Session: Multivariate Analysis, PCA .....	480
14.10.1	Eigenvalues and Eigenvectors of Covariance Matrices.....	480
14.10.2	PCA: A Simple $2 \times 2$ Example Using Eigenvalues and Eigenvectors.....	481
14.10.3	PCA: A $2 \times 2$ Example .....	483
14.10.4	PCA Higher-Dimensional Example .....	485
14.10.5	PCA Using the Rcmdr .....	486
14.10.6	Factor Analysis .....	490
14.10.7	Factor Analysis Using Rcmdr.....	493
14.10.8	Correspondence Analysis .....	495
14.10.9	Computer Exercises .....	499
	Supplementary Reading .....	500
<b>Chapter 15</b>	<b>Multivariate Analysis II: Identifying and Developing Relationships among Observations and Variables.....</b>	<b>501</b>
15.1	Introduction .....	501
15.2	Multigroup Discriminant Analysis (MDA).....	501
15.3	Canonical Correlation .....	502

15.4	Constrained (or Canonical) Correspondence Analysis (CCA).....	505
15.5	Cluster Analysis.....	506
15.6	Multidimensional Scaling (MDS) .....	508
15.7	Exercises .....	509
15.8	Computer Session: Multivariate Analysis II .....	509
15.8.1	Multigroup Linear Discriminant Analysis.....	509
15.8.2	Canonical Correlation .....	514
15.8.3	Canonical Correspondence Analysis .....	515
15.8.4	Cluster Analysis .....	516
15.8.5	Multidimensional Scaling (MDS).....	518
15.8.6	Computer Exercises.....	520
	Supplementary Reading .....	520
	<b>Bibliography .....</b>	<b>521</b>
	<b>Index.....</b>	<b>525</b>