

Series Preface		vii
Preface		ix
1 Probability Review		1
1 Basic Concepts		1
1.1 Events		1
1.2 Random Variables		3
1.3 Probability		4
2 Independence and Conditional Probability		7
2.1 Independence of Events and of Random Variables		7
2.2 Bayes's Rules		9
2.3 Markov Property		11
3 Expectation		14
3.1 Cumulative Distribution Function		14
3.2 Expectation, Mean, and Variance		15
3.3 Famous Random Variables		20
4 Random Vectors		25
4.1 Absolutely Continuous Random Vectors		25
4.2 Discrete Random Vectors		28
4.3 Product Formula for Expectation		29
5 Transforms of Probability Distributions		29
5.1 Generating Functions		29
5.2 Characteristic Functions		34
6 Transformations of Random Vectors		36
6.1 Smooth Change of Variables		36
6.2 Order Statistics		38
7 Conditional Expectation of Discrete Variables		39
7.1 Definition and Basic Properties		39
7.2 Successive Conditioning		41
8 The Strong Law of Large Numbers		42
8.1 Borel–Cantelli Lemma		42
8.2 Almost-Sure Convergence		43
xiii		
xiv	Contents	
8.3 Markov's Inequality		45
8.4 Proof of Kolmogorov's SLLN		47
2 Discrete-Time Markov Models		53
1 The Transition Matrix		53
1.1 Markov Property		53
1.2 Distribution of an HMC		56
2 Markov Recurrences		58
2.1 A Canonical Representation		58
2.2 A Few Famous Examples		59
3 First-Step Analysis		65
3.1 Absorption Probability		65
3.2 Mean Time to Absorption		68
4 Topology of the Transition Matrix		71
4.1 Communication		71
4.2 Period		72
5 Steady State		75
5.1 Stationarity		75
5.2 Examples		76
6 Time Reversal		80
6.1 Reversed Chain		80
6.2 Time Reversibility		81
7 Regeneration		83
7.1 Strong Markov Property		83
7.2 Regenerative Cycles		86
3 Recurrence and Ergodicity		95
1 Potential Matrix Criterion		95
1.1 Recurrent and Transient States		95
1.2 Potential Matrix		97
1.3 Structure of the Transition Matrix		100
2 Recurrence and Invariant Measures		100
3 Positive Recurrence		104
3.1 Stationary Distribution Criterion		104
3.2 Examples		105
4 Empirical Averages		110
4.1 Ergodic Theorem		110
4.2 Examples		113
4.3 Renewal Reward Theorem		117
4 Long Run Behavior		125
1 Coupling		125
1.1 Convergence in Variation		125
1.2 The Coupling Method		128
Contents	xv	
2 Convergence to Steady State		130
2.1 Positive Recurrent Case		130
2.2 Null Recurrent Case		131
2.3 Thermodynamic Irreversibility		133
2.4 Convergence Rates via Coupling		136
3 Discrete-Time Renewal Theory		137
3.1 Renewal Equation		137
3.2 Renewal Theorem		140
3.3 Defective Renewal Sequences		142
4 Regenerative Processes		145
4.1 Renewal Equation of a Regenerative Process		145
4.2 Regenerative Theorem		146
5 Life Before Absorption		149
5.1 Infinite Sojourns		149
5.2 Time to Absorption		153
6 Absorption		154
6.1 Fundamental Matrix		154
6.2 Absorption Matrix		156
5 Lyapunov Functions and Martingales		167
1 Lyapunov Functions		167
1.1 Foster's Theorem		167
1.2 Queuing Applications		173
2 Martingales and Potentials		178
2.1 Harmonic Functions and Martingales		178
2.2 The Maximum Principle		180
3 Applications of Martingales to HMCs		185
3.1 The Two Pillars of Martingale Theory		185
3.2 Transience and Recurrence via Martingales		186
3.3 Absorption via Martingales		189
6 Eigenvalues and Nonhomogeneous Markov Chains		195
1 Finite Transition Matrices		195
1.1 Perron–Frobenius Theorem		195
1.2 Quasi-stationary Distributions		199
2 Reversible Transition Matrices		201
2.1 Eigenstructure and Diagonalization		201
2.2 Spectral Theorem		204
3 Convergence Bounds Without Eigenvectors		207
3.1 Basic Bounds, Reversible Case		207
3.2 Nonreversible Case		211
4 Geometric Bounds		212
4.1 Weighted Paths		212
4.2 Conductance		215
xvi	Contents	
5 Probabilistic Bounds		219
5.1 Separation and Strong Stationary Times		219
5.2 Convergence Rates via Strong Stationary Times		223
6 Fundamental Matrix of Recurrent Chains		226
6.1 Definition of the Fundamental Matrix		226
6.2 Mutual Time–Distance Matrix		230
6.3 Variance of Ergodic Estimates		232
7 The Ergodic Coefficient		235
7.1 Dobrushin's Inequality		235
7.2 Interaction Coefficients and Coincidence		238
8 Nonhomogeneous Markov Chains		239
8.1 Ergodicity of Nonhomogeneous Markov Chains		239
8.2 Block Criterion of Weak Ergodicity		241
8.3 Sufficient Condition of Strong Ergodicity		242
7 Gibbs Fields and Monte Carlo Simulation		253
1 Markov Random Fields		253
1.1 Neighborhoods and Local Specification		253
1.2 Cliques, Potential, and Gibbs Distributions		256
2 Gibbs–Markov Equivalence		260
2.1 From the Potential to the Local Specification		260
2.2 From the Local Specification to the Potential		261
3 Image Models		268
3.1 Textures		268
3.2 Lines and Points		270
4 Bayesian Restoration of Images		275
4.1 MAP Likelihood Estimation		275
4.2 Penalty Methods		279
5 Phase Transitions		280
5.1 Spontaneous Magnetization		280
5.2 Peierls's Argument		281
6 Gibbs Sampler		285
6.1 Simulation of Random Fields		285
6.2 Convergence Rate of the Gibbs Sampler		288
7 Monte Carlo Markov Chain Simulation		290
7.1 General Principle		290
7.2 Convergence Rates in MCMC		295
7.3 Variance of Monte Carlo Estimators		299
8 Simulated Annealing		305
8.1 Stochastic Descent and Cooling		305
8.2 Convergence of Simulated Annealing		311
Contents	xvii	
8 Continuous-Time Markov Models		323
1 Poisson Processes		323
1.1 Point Processes		323
1.2 Counting Process of an HPP		324
1.3 Competing Poisson Processes		327
2 Distribution of a Continuous-Time HMC		329
2.1 Transition Semigroup		329
2.2 Infinitesimal Generator		333
3 Kolmogorov's Differential Systems		338
3.1 Finite State Space		338
3.2 General Case		340
3.3 Regular Jumps		344
4 The Regenerative Structure		345
4.1 Strong Markov Property		345
4.2 Embedded Chain and Transition Times		348
4.3 Explosions		350
5 Recurrence		357
5.1 Stationary Distribution Criterion of Ergodicity		357
5.2 Time Reversal		361
6 Long-Run Behavior		363
6.1 Ergodic Chains		363
6.2 Absorbing Chains		364
9 Poisson Calculus and Queues		369
1 Continuous-Time Markov Chains as Poisson Systems		369
1.1 Strong Markov Property of HPPs		369
1.2 From Generator to Markov Chain		372
2 Stochastic Calculus of Poisson Processes		375
2.1 Counting Integrals and the Smoothing Formula		375
2.2 Kolmogorov's Forward System via Poisson Calculus		378
2.3 Watanabe's Characterization of Poisson Processes		380
3 Poisson Systems		383
3.1 The Purely Poissonian Description		383
3.2 The GSMP construction		385
3.3 Markovian Queues as Poisson Systems		388
4 Markovian Queuing Theory		394
4.1 Isolated Markovian Queues		394
4.2 The $M/GI/1/\infty$ /FIFO Queue		398
4.3 The $GI/M/1/\infty$ /FIFO Queue		402
4.4 Markovian Queuing Networks		407
xviii	Contents	
Appendix		417
1 Number Theory and Calculus		417
1.1 Greatest Common Divisor		417
1.2 Abel's Theorem		418
1.3 Lebesgue's Theorems for Series		420
1.4 Infinite Products		422
1.5 Tychonov's Theorem		423
1.6 Subadditive Functions		423
2 Linear Algebra		424
2.1 Eigenvalues and Eigenvectors		424
2.2 Exponential of a Matrix		426
2.3 Gershgorin's Bound		427
3 Probability		428
3.1 Expectation Revisited		428
3.2 Lebesgue's Theorems for Expectation		430
Bibliography		433
Author Index		439
Subject Index		441