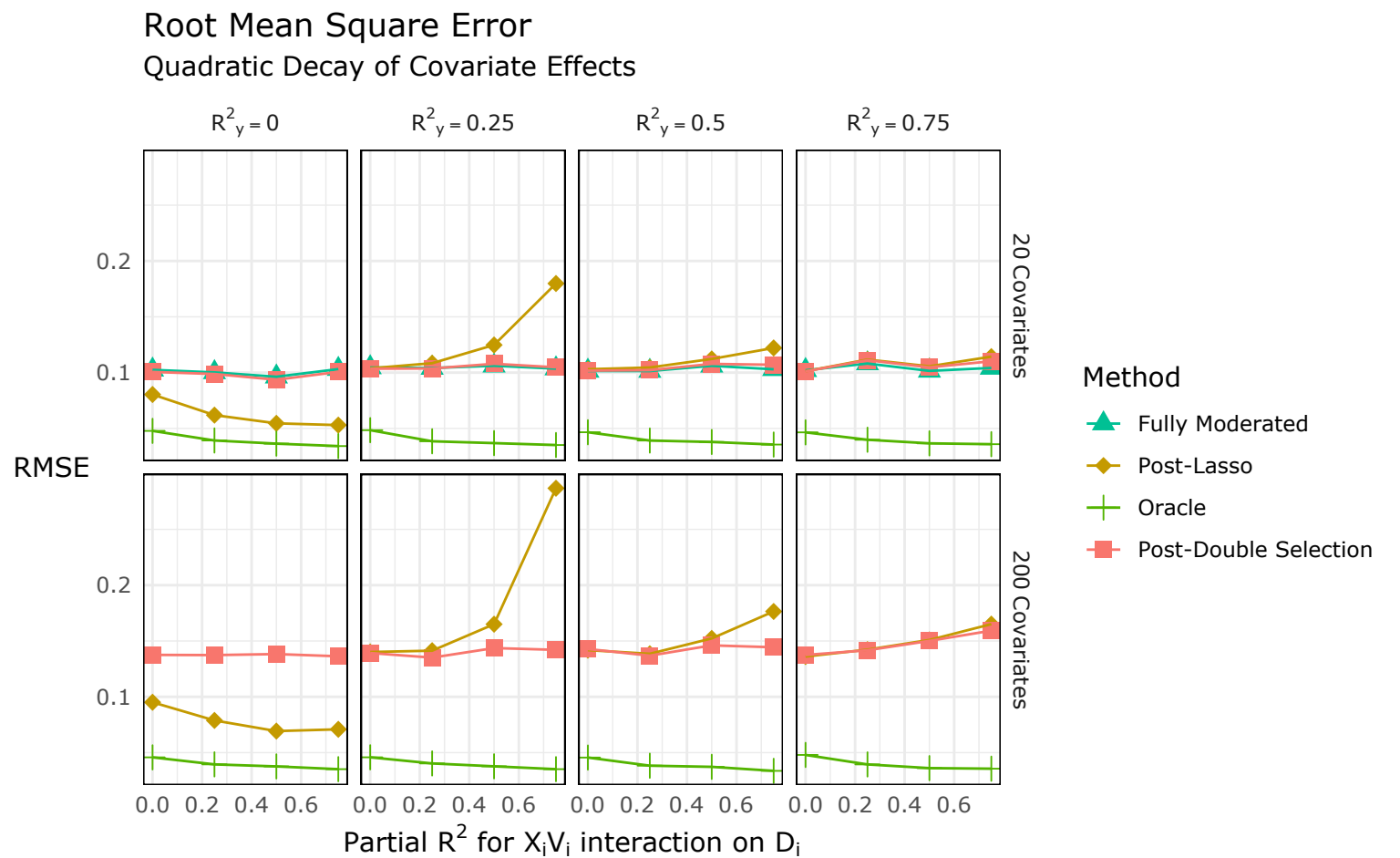
Root Mean Square Error
Quadratic Decay of Covariate Effects
$R^2_y = 0$
$R^2_y = 0.25$
$R^2_y = 0.5$
$R^2_y = 0.75$
20 Covariates
200 Covariates
RMSE
0.2
0.1
0.0 0.2 0.4 0.6
Partial R^2 for X_iV_i interaction on D_i
Method
Fully Moderated
Post-Lasso
Oracle
Post-Double Selection