| Ch:v1 |
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| Statistics Literacy |
| For Decision Malkers |
| Chapter 3: Measurements |
| by |
| Milo Schield |
| Half-Day Workshop |
| USCOTS May 16, 2019 |
| www.StatLitorg/pdf/2019-Schield-USCOTS-Slides3.pdf |


| Ch3: V1 <br> Stat Literacy: Study Statistics as Evidence in Arguments |  |  |  |
| :---: | :---: | :---: | :---: |
|  |  |  |  |
| The Point or the Target <br> The more disputable the point, the stronger the evidence must be. <br> Statistic As Evidence <br> "All Statistics are Socially Constructed" So, "Take CARE"!! Statistics may be influenced by: |  |  |  |
|  |  |  |  |
|  |  |  |  |
| C <br> Context | A Assembly | R <br> Randomness | $\begin{gathered} \hline \text { E } \\ \text { Error } \end{gathered}$ |



Suppose that house prices in your town have a positive near-symmetric distribution Suppose Bill and Melinda Gates move to your town. They built two Mac-Mansions. How does that change the mode, median and mean of the original distribution?
Mode? Median? Mean?
Most relevant in the short run? In the long-run?

## Ch3: v1 <br> Measurements: Chapter 3 Outline

Distributions
Measures of center
Two-group comparisons of Means \& Medians
Two-variable co-variation
Spread
Slope and simple regression


In an asymmetric distribution, mean, median and mode typically align alphabetically with mean most sensitive to extremes. Why?



1. Mean is more sensitive to outliers.

Yet statisticians prefer the mean. Why?
2. Omit measure: City1 income more than City2.
3. Omit characteristic: Midtown is a median city.
4. Assume the mean exists. 1.8 kids per family.
5. Ambiguity in specifying the group

| Controlling Confounding: Control Of |  |
| :---: | :---: |
| CONTROL OF CONFOUNDERS |  |
| Physical Control (Grade = Quality) |  |
| Experiment | Observational Study |
| A+ Scientific | C Longitudinal |
| A- Random Assign | D Cross-sectional |
| B Quasi-Exper | F Anecdotal story |


| Controlling Confounding: Control For |  |
| :---: | :---: |
| CONTROLLING FOR CONFOUNDERS |  |
| Take into account (mental) |  |
| Can do by hand | Calculator/Computer |
| 1 Select/Stratify | 4 Linear Regression |
| 2 Form Ratios | 5 Logistic Regression |
| 3 Standardize | 6 Multivariate Regress |

Control Of/EOr
Ch3:v1
Crude Associations
A crude association is an association in which
nothing else has been taken into account.
Less likely to get pregnant:

- Short young adults than tall.
- Adults that shave daily than those that don't
- Adults with long hair than those with short.
What one takes into account is an assumption.
Teachers should say, "Check your assumptions."

|  | V1 | 201uscors wastase |  |  | ${ }^{12}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Crude vs Adjusted Associations |  |  |  |  |  |
| State | Total | \# Inmates | Per Inmate | Total | Per Inmate |
| CA | \$2.9B | 136K | \$21,385 | 50\% more | 25\% less |
| NY | \$1.9B | 69 K | \$28,426 |  |  |
| State | Total | \# Inmates | Per Inmate | Total 4 | Per Inmate |
| MD | 5481M | 21,623 | \$22,245 | 3 times.. | Same |
| KS | \$159M | 7,148 | \$22,245 |  |  |
| State | Total | \# Inmates | Per Inmate | Total | Per Inmate |
| MN | S184M | 4,865 | \$37,825 | 260\% more | A $12 \%$ more |
| ME | S48M | 1,424 | \$33,711 |  | 1 |




## Ch3: V1 <br> Will an Association Reverse? The Cornfield Conditions

After learning about Simpson's Paradox, one student said, "I'll never trust another statistic." This is cynicism: not a good outcome.

Not all confounders can reverse an association. Jerome Cornfield proved that a confounder association must be "bigger" than the observed. Cornfield's conditions are one of the three biggest contributions of statistics to human knowledge.



## Regression Standardizes An Example:

The data shows that house prices increase by $\$ 39,000$ per bedroom. This is a crude association.
$\$ 16,000$ per bedroom if land is controlled for,
\$9,000 per bedroom after accounting for land and house size,
\$5,000 after adjusting for land, house size, and number of bathrooms.

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TV for toddlers interferes with brain growth, says study:
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Children under two should not be allowed to watch television because it increases their chances of suffering attention problems later in life, says an American study.
A study of 1,345 children found that each hour spent in front of the set every day increased the risks of attention deficit disorders by $10 \%$.
U.S. journal, Pediatrics

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Time to Double given Growth Rate

If a child's risk of Attention Deficit Disorder increases by $10 \%$ for every extra hour of watching TV, how many hours do they have to watch to double their risk?

Rule of 72*: Time to double $=72 /$ Rate

72 divided by $10 \%$ per hour $=7.2$ hours

* Assuming compounding


Don't talk about confounding or effect size.
Talk about assumptions.

- What one controls for is an assumption.
- What one fails to control for is an assumption.

AAU\&C Quantitative Literacy VALUE rubric:
Assumptions: Ability to make and evaluate important assumptions in estimation, modeling, and data analysis.

## Cn3: V1 229 uscors woreseop <br> AAC\&U Quantitative Literacy VALUE Rubric

Interpretation, Representation, Calculation, Application, Assumptions, and Communication

Assumptions: Ability to make and evaluate important assumptions in estimation, modeling, and data analysis.
www.statlit.org/pdf/2009QuantitativeLiteracyRubricAACU.pdf www.aacu.org/peerreivew/2014/summer/RealityCheck

# Statistics Literacy For Decision Malkers 

## Chapter 3: Measurements

by<br>Milo Schield

Half-Day Workshop USCOTS May 16, 2019

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## Measurements: Chapter 3 Outline

Distributions
Measures of center
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Spread
Slope and simple regression

## Stat Literacy: Study Statistics as Evidence in Arguments

The Point or the Target

The more disputable the point, the stronger the evidence must be.

## Statistic As Evidence

"All Statistics are Socially Constructed" So, "Take CARE"!!
Statistics may be influenced by:

| C | A | R | E |
| :---: | :---: | :---: | :---: |
| Context | Assembly | Randomness | Error |



## Measures of Center

In an asymmetric distribution, mean, median and mode typically align alphabetically with mean most sensitive to extremes. Why?


## Mean, median, mode: Alphabetically. Why?

Suppose that house prices in your town have a positive near-symmetric distribution
Suppose Bill and Melinda Gates move to your town. They built two Mac-Mansions.
How does that change the mode, median and mean of the original distribution?
Mode? Median? Mean?
Most relevant in the short run? In the long-run?

## Issues:

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Yet statisticians prefer the mean. Why?
2. Omit measure: City1 income more than City2.
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## Controlling Confounding: Control Of

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## Physical Control (Grade = Quality)

Experiment
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Observational Study
C Longitudinal
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## Controlling Confounding: Control For

## CONTROLLING FOR CONFOUNDERS

Take into account (mental)
Can do by hand $\quad$ Calculator/Computer
1 Select/Stratify
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take into account


## Crude Associations

A crude association is an association in which nothing else has been taken into account.
Less likely to get pregnant:

- Short young adults than tall.
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What one takes into account is an assumption.
Teachers should say, "Check your assumptions."

## Crude Association versus an Adjusted Association



## Prison Expense:

 Crude vs Adjusted Associations| State | Total | \# Inmates | Per Inmate |
| :--- | :---: | :---: | ---: | ---: | ---: |
| CA | $\$ 2.9 \mathrm{~B}$ | 136 K | $\$ 21,385$ |
| NY | $\$ 1.9 \mathrm{~B}$ | 69 K | $\$ 28,426$ |$\quad$| Total | $\mathbf{A}$ | Per Inmate |
| :--- | :--- | :--- |
| $50 \%$ more | $25 \%$ less |  |
|  |  |  |


| State | Total | \# Inmates | Per Inmate |
| :---: | :---: | :---: | :---: |
| MD | $\$ 481 \mathrm{M}$ | 21,623 | $\$ 22,245$ |
| KS | $\$ 159 \mathrm{M}$ | 7,148 | $\$ 22,245$ |


| Total | $\mathbf{y}$ | Per Inmate |
| :--- | ---: | ---: |
| 3 times.. | Same |  |
|  | $\longrightarrow$ |  |


| State | Total | \# Inmates | Per Inmate |
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| MN | $\$ 184 \mathrm{M}$ | 4,865 | $\$ 37,825$ |
| ME | $\$ 48 \mathrm{M}$ | 1,424 | $\$ 33,711$ |


| Total | Per Inmate |
| :--- | ---: |
| $260 \%$ more | $\mathbf{A} 12 \%$ more |
|  |  |

## Crude Ratio Associations It's the Mix!!!

Ratio associations can be still be confounded. Averages are ratios.

| NAEP Math 8 | Internet Access at Home |  |  |  |
| :--- | :---: | :---: | :---: | :---: |
| State | All | Yes | No |  |
| Virginia (VA) | $\mathbf{4} 275$ |  | 282 | 258 |
| Texas (TX) | 273 | $\vee 285$ | $\boxed{2} 260$ |  |


| NAEP Math 8 | Internet Access at home |  |  |
| :--- | :---: | :---: | :---: |
| State | All | Yes | No |
| Virginia (VA) | $275(100 \%)$ | $282(69 \%)$ | $258(31 \%)$ |
| Texas (TX) | $273(100 \%)$ | $285(53 \%)$ | $260(47 \%)$ |

## Simpson's Paradox: Time It's the Mix!!

SAT Verbal flat, but every group improved.

| SAT-Verbal | ---- Scores ---- |  |  | ---- Distribution ---- |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Group | 1981 | 2002* | Chg | 1981 | 2002* | Points |
| White | 519 | 527 | +8 | 85\% | 65\% | -20 |
| Black | 412 | 431 | +19 | 9\% | 11\% | +2 |
| Asian | 474 | 501 | +27 | 3\% | 10\% | +7 |
| Mexican | 438 | 446 | +8 | 2\% | 4\% | +2 |
| Puerto Rican | 437 | 455 | +18 | 1\% | 3\% | +2 |
| Amer. Indian | 471 | 479 | +8 | 0\% | 1\% | +1 |
| ALL | 504 | 504 | 0 |  |  |  |

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Not all confounders can reverse an association. Jerome Cornfield proved that a confounder association must be "bigger" than the observed.

Cornfield's conditions are one of the three biggest contributions of statistics to human knowledge.


## Regression Standardizes



## Regression Standardizes An Example:

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72 divided by $10 \%$ per hour $=7.2$ hours

* Assuming compounding


## How to Relate this to Math Colleagues

Don't talk about confounding or effect size.
Talk about assumptions.

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