\section*{How to Lie with Statistics | $\substack{\text { cessirgumern } \\ \text { lexumaz }}$ |
| :---: |}

## Announcements

Upcoming Deadlines :

- Review Summary 3 - Friday, Aug 13 (TONIGHT!)
- Final Released - Friday, Aug 13 (TONIGHT!)
- Problem Set 7 - Monday, Aug 16
- Final Key Released - Tuesday, Aug 17
- Final Interviews
- Wednesday - Friday, Aug 18-20

Office Hours will go until Wednesday
Use Ed for finals discussions exclusively! No discussion in Office Hours.
More logistics posted on Ed as a pinned post later today.

## How to Lie with Statistics - Darrell Huff

Published in 1954, over 500000 copies sold
Doesn't teach how to lie with statistics, but how we are/can be lied to using statistics
In the current age, we are lied to by the media, by politicians, and marketers.

- Often make decisions due to it: "4 out of 5 dentists recommend...."

Today's lecture is heavily inspired by the book and similar examples available on the internet.

If you like this lecture, please check out INFO 270 (https://www.callingbullshit.org/)

## What is Statistics?

A way to make sense of information from data
Framework for thinking, for reaching insights, and solving problems.
Numbers alone mean very little without context
Statistics is a marriage of:

- Math
- Science
- Art
"Facts are stubborn things, but statistics are pliable." - Mark Twain



## Friday the $13^{\text {th }}$ !

## Neil deGrasse Tyson

@neiltyson
"Friday the 13th" happens just once or twice a year.
Exactly as rare as...
"Thursday the 12th" or "Saturday the 14th."
Or "Friday the 6th." Or "Friday the 20th." Or "Friday the 27th."

10:21 PM • Aug 12, 2021 • TweetDeck

3,040 Retweets 391 Quote Tweets 29.1K Likes

Sampling gone wrong (bias)

## Sampling Gone Wrong (Bias)

"The Literary Digest" Magazine wanted to predict the 1936 election.

- Alfred Landon vs Franklin D Roosevelt
- Sent 10 million surveys and received 2.4 million responses
- The people contacted were:
- Subscribers of the "Literary Digest"
- Owners of cars and telephones

| Electoral Votes | Prediction | Actual |
| :--- | :--- | :--- |
| Landon | 370 |  |
| Roosevelt | 161 |  |

## The Literary Digest

|  | Topics of the day |  |
| :---: | :---: | :---: |
| LANDON, 1,293,669; | ROOSEVELT, 972,897 |  |
| Final Returns in The Digest's Poll of Ten Million Voters |  |  |
|  | lican National Committee purchased Tum | 为: |
|  | , including: "Have the Je |  |
|  | of |  |
|  | ran" And so it | man of the Demoratic National Commit- |
| from more than one in every five voters polled in our country-they are neither | in | , 4 1, 1932: |
|  | days are but repetitions of | ${ }_{\text {implicaio }}$ |
| weighted, adjusted nor interpeted. ${ }_{\text {Never bevere }}$ | liave been experiencing all down the years from the very first Poll. | popular opinion as is |
| more than a quarter of of eentury in taking polls have we recived so many different <br> polls have we received so many different | Now, are the figures in this Poll | cossire of the |
|  | Correct? In answer to this question we will | people of this country for a change in the National Government. Ther LITrRARY |
| varieties of criticism-praise from many; condemnation from many others-and yet it has been just of the same type that has | (eang man in Massachusetts the other day |  |
| come to us every time a Poll has been taken |  |  |
| A telegram from a newspaper in Califor- <br> nia asks: "Is it true that Mr. Hearst | quarter century, we have | In studying the table of the voters from |
| nia asks "Is it true that Mr. Hearst has purchased THE LTrERAR Dragrs? telephone message only "the day before these lines were written: "Has the Repub- |  |  |

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| :--- | :--- | :--- |
| Landon | 370 | 8 |
| Roosevelt | 161 | 523 |

What went wrong?

## The Literary Digest

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## Sampling Gone Wrong (Bias)

- Not Representative
- Voluntary Response Bias
- Only $24 \%$ of respondents answered the poll
- Not the Right Populations
- Was biased towards people with more money, education, information, alertness than the average American
- Not Random
- Convenience Sampling
- Only people whose contact information was available
- Standing outside a church and asking, "Do you believe in God?", and then using the result of this sample to represent the beliefs of the entire US population.

More samples is NOT a solution for a bad sampling technique

The "Well-Chosen" Average

## The "Well-Chosen" Average

- Mean: Average of all values weighted by probability or density
- Median: The point $m$ where $1 / 2$ values are larger and $1 / 2$ are smaller
- Mode: The point with the highest probability or density

Let $X \sim \operatorname{Exp}(\lambda)$.


## The "Well-Chosen" Average

- Mean: Average of all values weighted by probability or density
- Median: The point $m$ where $1 / 2$ values are larger and $1 / 2$ are smaller
- Mode: The point with the highest probability or density

Let $X \sim \mathcal{N}\left(\mu, \sigma^{2}\right)$.

$$
\mathbb{E}[X]=\mu
$$

$\operatorname{median}(X)=\mu$

$$
\operatorname{mode}(X)=\mu
$$

The Normal Disatribution


## Are haircuts more expensive in Vancouver or Toronto?

| Saloon | Vancouver | Toronto |
| :--- | :--- | :--- |
| 1 | $\$ 20$ | $\$ 15$ |
| 2 | $\$ 20$ | $\$ 25$ |
| 3 | $\$ 22$ | $\$ 25$ |
| 4 | $\$ 24$ | $\$ 29$ |
| 5 | $\$ 25$ | $\$ 35$ |
| 6 | $\$ 28$ | $\$ 45$ |
| 7 | $\$ 400$ | $\$ 65$ |

What do you think?

## Are haircuts more expensive in Vancouver or Toronto?

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| :--- | :--- | :--- |
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| 3 | $\$ 22$ | $\$ 25$ |
| 4 | $\$ 24$ | $\$ 29$ |
| 5 | $\$ 25$ | $\$ 35$ |
| 6 | $\$ 28$ | $\$ 45$ |
| 7 | $\$ 400$ | $\$ 65$ |
| Mean | $\mathbf{\$ 7 7}$ | $\$ 36$ |
| Median | $\mathbf{\$ 2 4}$ | $\mathbf{\$ 2 9}$ |
| Mode | $\mathbf{\$ 2 0}$ | $\mathbf{\$ 2 5}$ |

What do you think now?

## The "Well-Chosen" Average

- Mean: Heavily affected/influenced by outliers. Any extreme value(s) may make this measure terrible
- Median: About half the values are higher than this, and half are lower than this
- Mode: Most frequently occurring value

Which one is the best?

It depends, and it is good to know all of them for a better idea of the distribution.

It is good to know all - mean, median, and, mode - for a better idea of the distribution.

Small Sample Size

## Sample Size Too Small

Senserdime (toothpaste company) claims 86\% of dentists recommend their product.
Sounds very impressive.

Would you buy a Senserdime toothpaste?

## Sample Size Too Small

Senserdime (toothpaste company) claims $86 \%$ of dentists recommend their product.
Sounds very impressive.
$86 \%$ out of how many dentists?
$\circ \frac{6}{7}=86 \%$

- $\frac{30}{35}=86 \%$
- $\frac{600}{700}=86 \%$


## Sample Size Too Small

Senserdime (toothpaste company) claims 86\% of dentists recommend their product.
Sounds very impressive.
$86 \%$ out of how many dentists?

$$
\begin{aligned}
& \circ \frac{6}{7}=86 \% \rightarrow[0.7664,0.9479] \\
& \bigcirc \frac{30}{35}=86 \% \rightarrow[0.8166,0.8977] \\
& -\frac{600}{700}=86 \% \rightarrow[0.8481,0.8662]
\end{aligned}
$$

These are the $95 \%$ confidence intervals for the above

Misleading results

## Colgate 2007 Ad Campaign

In 2007, Colgate advertised that more than $80 \%$ of dentists recommended their toothpaste.

How would you read this Ad Campaign?

- More than $80 \%$ dentists recommend Colgate over other toothpaste brands OR
- More than $80 \%$ of dentists recommend Colgate among other toothpaste brands


## Colgate 2007 Ad Campaign

- More than $80 \%$ dentists recommend Colgate over other toothpaste brands
$\square$ This may imply that only $20 \%$ of dentists recommend toothpaste that are from brands other than Colgate
- More than $80 \%$ of dentists recommend Colgate among other toothpaste brands $\square$ This means that more than $20 \%$ of dentists recommend toothpaste that are from brands other than Colgate where a dentist can recommend more than 2 brands

Correlation $\rightarrow$ Causation?

## Correlation $\rightarrow$ Causation?

- People who use Senserdime generally have less cavities than those wno use generic brands
- Can we say "Senserdime prevents cavities"?


## Correlation $\rightarrow$ Causation?

- People who use Senserdime generally have less cavities than those who use generic brands
" Can we say "Senserdime prevents cavities"?
- Turns out that a tube of Senserdime costs $\$ 1000$.
- This means that only wealthy people can afford it.
- Wealthy people have access to good healthcare and hygiene
- They are less likely to get cavities.
- Therefore, Senserdime did not do anything!


## Correlation $\rightarrow$ Causation?

- "When ice cream sales go up, umbrella sales go down"



## Correlation $\rightarrow$ Causation?

- "When ice cream sales go up, umbrella sales go down"
- Both generally happen in the summer
- An increase in ice cream sales did not CAUSE umbrella sales to go down.
- The weather CAUSED both of these things to happen



Conditional Probability

## Medical Tests

Abbott's test for COVID-19 is 99\% accurate, and we know that 0.005\% of the population has the disease. If you test positive, the probability you have the disease is?

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Abbott's test for COVID-19 is 99\% accurate, and we know that 0.005\% of the population has the disease. If you test positive, the probability you have the disease is?

$$
\begin{aligned}
\mathbb{P}(D \mid+) & =\frac{\mathbb{P}(+\mid D) \mathbb{P}(D)}{\mathbb{P}(+\mid D) \mathbb{P}(D)+\mathbb{P}\left(+\mid D^{C}\right) \mathbb{P}\left(D^{C}\right)} \\
& =\frac{0.99 \cdot 0.00005}{0.99 \cdot 0.00005+0.01 \cdot 0.9995} \approx 0.49 \%
\end{aligned}
$$

Much lower than it seems at first glance!

## Biased Carnival?

Suppose there is a carnival game which gives out prizes, and three types of players: children, teenagers, and adults.
Justin thinks the carnival unfairly gives more prizes to children over the other types of players. Is this true?

| Player Type | \% Prizes Won |
| :--- | :--- |
| Child | $70 \%$ |
| Teenager | $5 \%$ |
| Adult | $25 \%$ |

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## Biased Carnival?

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| Player Type | \% Prizes Won | $\%$ Global Population |
| :--- | :--- | :--- |
| Child | $70 \%$ | $25 \%$ |
| Teenager | $5 \%$ | $15 \%$ |
| Adult | $25 \%$ | $60 \%$ |

How about now?

## Biased Carnival?

Suppose there is a carnival game which gives out prizes, and three types of players: children, teenagers, and adults.
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| Player Type | $\%$ Prizes Won | $\%$ Gleset Peputation | $\%$ Carnival Population |
| :--- | :--- | :--- | :--- |
| Child | $70 \%$ | $25 \%$ | $71 \%$ |
| Teenager | $5 \%$ | $75 \%$ | $4.5 \%$ |
| Adult | $25 \%$ | $60 \%$ | $24.5 \%$ |

This looks very fair now!

## Biased Carnival?

| Player Type | $\%$ Prizes Won | $\%$ Gleser Peputetien | $\%$ Carnival Population |
| :--- | :--- | :--- | :--- |
| Child | $70 \%$ | $25 \%$ | $71 \%$ |
| Teenager | $5 \%$ | $75 \%$ | $4.5 \%$ |
| Adult | $25 \%$ | $60 \%$ | $24.5 \%$ |

This looks very fair now!
Player Type and Prize won are (almost independent)
$\mathbb{P}($ child $\mid$ prize won $)=0.7$
$\mathbb{P}($ teenager $\mid$ prize won $)=0.05$
$\mathbb{P}($ adult $\mid$ prize won $)=0.25$

$$
\begin{aligned}
& \mathbb{P}(\text { child })=0.71 \\
& \mathbb{P}(\text { teenager })=0.045 \\
& \mathbb{P}(\text { adult })=0.245
\end{aligned}
$$

Simpson's Paradox

## Simpson's Paradox

An analysis of the admission rates for the UC Berkeley grad school in 1973 is a great example of Simpson's Paradox.

|  | Applicants | Admitited |
| :--- | :--- | :--- |
| Men | 8442 | $44 \%$ |
| Women | 4321 | $35 \%$ |
| Total | 12763 | $41 \%$ |

Was the office of admissions unfair?

## Simpson's Paradox

| Department | Men |  | Women |  | Total |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- |
|  | Applicants | Admitted | Applicants | Admitted | Applicants | Admitted |
| A | $\mathbf{8 2 5}$ | $62 \%$ | 108 | $\mathbf{8 2 \%}$ | 933 | $64 \%$ |
| B | $\mathbf{5 6 0}$ | $63 \%$ | 25 | $\mathbf{6 8 \%}$ | 585 | $63 \%$ |
| C | 325 | $37 \%$ | $\mathbf{5 9 3}$ | $34 \%$ | 918 | $35 \%$ |
| D | 417 | $33 \%$ | $\mathbf{3 7 5}$ | $35 \%$ | 792 | $34 \%$ |
| E | 191 | $\mathbf{2 8 \%}$ | $\mathbf{3 9 3}$ | $24 \%$ | 584 | $25 \%$ |
| F | 373 | $\mathbf{6 \%}$ | $\mathbf{3 4 1}$ | $7 \%$ | 714 | $6 \%$ |
|  |  |  |  |  |  |  |

How about now?

## Simpson's Paradox

Simpson's paradox is a phenomenon in probability and statistics in which a trend appears in several groups of data but disappears or reverses when the groups are combined.

Gambler's Fallacy

## Gambler's Fallacy

- "Play another round of blackjack - you have to win soon! You have been losing too much!"
- Each game is independent, and so even if you already lost 10 times, the probability of you winning the next game is the same as any other
- Remember "Memorylessness" property for Geometric RV!
- $\mathbb{P}($ win $\mid 1000$ losses $)=\mathbb{P}($ win $\mid 10$ losses $)=\mathbb{P}($ win $)$


## How to better understand Statistics?

1. Who says so?
2. How do they know this is true?
3. What's missing?
4. Did somebody change the subject?
5. Does it make sense?

## Conclusions

1. Determine if the samples are random and representative.
2. Ask if the statistic represents the mean, median, or mode.
3. Inquire about the size of the sample relative to the population, and/or ask for a confidence interval.
4. Correlation does not imply causation.
5. Check the distribution of the samples (are they uniform, or not)?
6. Interpret conditional probabilities properly. Intuition sometimes doesn't work here!
7. Does the data give you the full picture? If there are subcategories, enquire into them!
8. Independent events! Don't gamble, ever.
" $95.73 \%$ of all statistics are made up!"

- Kushal Jhunjhunwalla


