

Importance of Statistics

Prerequisites

none

Like most people, you probably feel that it is important to "take control of your life." But what does this mean? Partly it means being able to properly evaluate the data and claims that bombard you every day. If you cannot distinguish good from faulty reasoning, then you are vulnerable to manipulation and to decisions that are not in your best interest. Statistics provides tools that you need in order to react intelligently to information you hear or read. In this sense, Statistics is one of the most important things that you can study.

To be more specific, here are some claims that we have heard on several occasions. (We are not saying that each one of these claims is true!)

- 4 out of 5 dentists recommend Dentyne
- Almost 85% of lung cancers in men and 45% in women are tobacco-related.
- Condoms are effective 94% of the time.
- Native Americans are significantly more likely to be hit crossing the streets than are people of other ethnicities.
- People tend to be more persuasive when they look others directly in the eye and speak loudly and quickly.
- Women make 75 cents to every dollar a man makes when they work the same job.
- A surprising new study shows that eating egg whites can increase one's life span.
- People predict that it is very unlikely there will ever be another baseball player with a batting average over 400.
- There is an 80% chance that in a room full of 30 people that at least two people will share the same birthday.
- 79.48% of all statistics are made up on the spot.

All of these claims are statistical in character. We suspect that some of them sound familiar; if not, we bet that you have heard other claims like them. Notice how diverse the examples are. They come from psychology, health, law, sports, business, etc. Indeed, data and data-interpretation show up in discourse from virtually every facet of contemporary life.

Statistics are often presented in an effort to add credibility to an argument or advice. You can see this by paying attention to television advertisements.

Many of the numbers thrown about in this way do not represent careful statistical analysis. They can be misleading, and push you into decisions that you might find cause to regret. For these reasons, learning about statistics is a long step towards taking control of your life. (It is not, of course, the only step needed for this purpose.) The present on-line textbook is designed to help you learn statistical essentials. **It will make you into an intelligent consumer of statistical claims.**

You can take the first step right away. To be an intelligent consumer of statistics, your first reflex must be to **question** the statistics that you encounter. The British Prime Minister Benjamin Disraeli famously said, "There are three kinds of lies -- lies, damned lies, and statistics." This quote reminds us why it is so important to understand statistics. So let us invite you to reform your statistical habits **from now on**. No longer will you blindly accept numbers or findings. Instead, you will begin to think about the numbers, their sources, and most importantly, the procedures used to generate them.

We have put the emphasis on defending ourselves against fraudulent claims wrapped up as statistics. We close this section on a more positive note. Just as important as detecting the deceptive use of statistics is the appreciation of the proper use of statistics. You must also learn to recognize statistical evidence that supports a stated conclusion. Statistics are all around you, sometimes used well, sometimes not. We must learn how to distinguish the two cases.

Now let us get to work!