

Causality



Importance of Random Assignment

- Null:
 - In the population, the distributions of the birth weights of the babies in the two groups are the same. (They are different in the sample just due to chance.)
 - Alternative:
 - In the population, the babies of the mothers who smoked weigh less, on average, than the babies of the non-smokers.
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Causality

Randomized Controlled Experiment

- Sample A: **control group**
- Sample B: **treatment group**
- **If the treatment and control groups are selected at random, then you can make causal conclusions.**
- Any difference in outcomes between the two groups could be due to
 - chance
 - the treatment

(Demo)

Before the Randomization

- In the population there is one imaginary ticket for each of the 31 participants in the experiment.
- Each participant's ticket looks like this:

Potential
Outcome

Outcome if assigned to
treatment group

Potential
Outcome

Outcome if assigned to
control group

The Data

16 randomly picked tickets show:

	Outcome if assigned to control group
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The remaining 15 tickets show:

Outcome if assigned to treatment group	
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The Hypotheses

- **Null:**

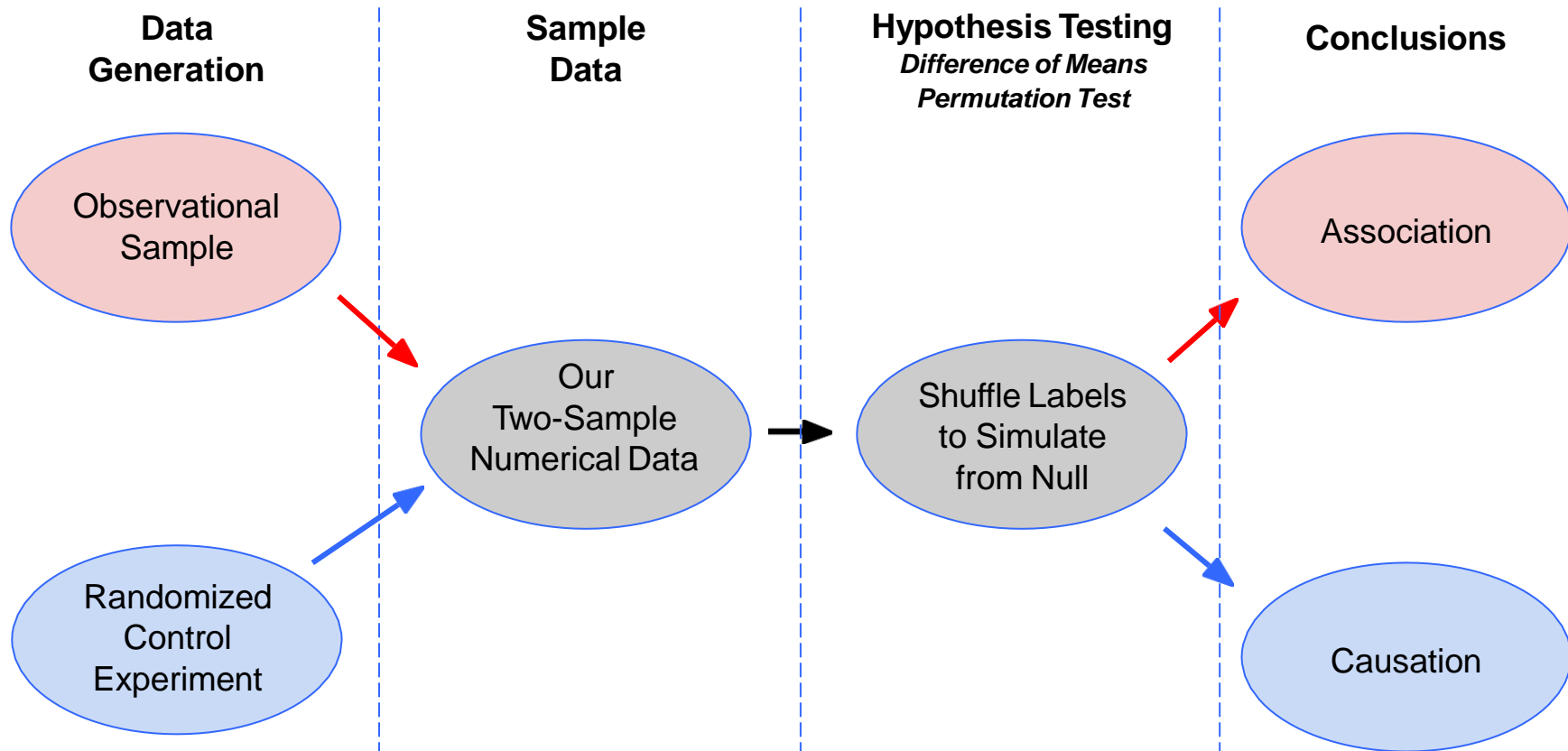
- In the population, the distribution of all potential control scores is the same as the distribution of all potential treatment scores.
- Or; the treatment has no effect

- **Alternative:**

- In the population, more of the potential **treatment** scores are 1 (pain improves) than the potential **control** scores.

(Demo)





Random Assignment & Shuffling



An Error Probability

Can the Conclusion be Wrong?

Yes.

	Null is true	Alternative is true
Test favors the null		
Test favors the alternative		

An Error Probability

- The cutoff for the P -value is an error probability.
 - If:
 - your **cutoff is 5%**
 - and the **null hypothesis happens to be true**
 - then there is about a **5% chance** that **your test will reject the null hypothesis**.
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