# **Gov 51: Descriptive Statistics**

Matthew Blackwell

Harvard University

# **Lots of data**

• Data from study of the effect of minimum wage:

# **Lots of data**

· Data from study of the effect of minimum wage:

##		chain	location	wageBefore	wageAfter
##	1	wendys	PA	5.00	5.25
##	2	wendys	PA	5.50	4.75
##	3	burgerking	PA	5.00	4.75
##	4	burgerking	PA	5.00	5.00
##	5	kfc	PA	5.25	5.00
##	6	kfc	PA	5.00	5.00

## **Lots and lots of data**

#### head(minwage\$wageAfter, n = 200)

```
[1] 5.25 4.75 4.75 5.00 5.00 5.00 4.75 5.00 4.50 4.75
##
 [11] 4.50 5.00 4.75 4.75 4.75 4.25 5.00 4.90 5.00 4.75
##
##
 [21] 5.00 4.25 4.75 4.25 4.25 4.25 4.25 4.25 4.25 4.38
##
 [31] 4.75 4.25 4.50 4.50 4.25 4.25 4.25 4.25 5.05 4.25
 [41] 4.25 4.25 4.25 4.35 4.50 4.50 5.00 4.75 5.00 4.35
##
##
 [51] 4.25 4.90 4.50 4.50 4.75 6.25 4.35 4.50 4.50 5.00
##
 [61] 4.75 4.50 4.75 4.25 4.91 4.40 4.25 5.05 5.05 5.05
 ##
##
 [81] 5.50 5.05 5.05 5.05 5.05 5.05 5.05 5.28 5.25 5.05
 ##
```

• How should we summarize the wages data? Many possibilities!

- How should we summarize the wages data? Many possibilities!
  - Up to now: focus on averages or means of variables.

- How should we summarize the wages data? Many possibilities!
  - Up to now: focus on averages or means of variables.
- Two salient features of a variable that we want to know:

- How should we summarize the wages data? Many possibilities!
  - Up to now: focus on averages or means of variables.
- Two salient features of a variable that we want to know:
  - Central tendency: where is the middle/typical/average value.

- · How should we summarize the wages data? Many possibilities!
  - Up to now: focus on averages or means of variables.
- Two salient features of a variable that we want to know:
  - **Central tendency**: where is the middle/typical/average value.
  - Spread around the center: are all values to the center or spread out?

• "Center" of the data: typical/average value.

- "Center" of the data: typical/average value.
- Mean: sum of the values divided by the number of observations

$$\overline{x} = \frac{1}{n} \sum_{i=1}^{n} x_i$$

- "Center" of the data: typical/average value.
- Mean: sum of the values divided by the number of observations

$$\overline{x} = \frac{1}{n} \sum_{i=1}^{n} x_i$$

· Median:

- "Center" of the data: typical/average value.
- · Mean: sum of the values divided by the number of observations

$$\overline{x} = \frac{1}{n} \sum_{i=1}^{n} x_i$$

· Median:

$$\text{median} = \begin{cases} \text{middle value} & \text{if number of entries is odd} \\ \frac{\text{sum of two middle values}}{2} & \text{if number of entries is even} \end{cases}$$

- "Center" of the data: typical/average value.
- · Mean: sum of the values divided by the number of observations

$$\overline{x} = \frac{1}{n} \sum_{i=1}^{n} x_i$$

· Median:

$$median = \begin{cases} middle \ value & \text{if number of entries is odd} \\ \frac{\text{sum of two middle values}}{2} & \text{if number of entries is even} \end{cases}$$

In R: mean() and median().

· Median more robust to outliers:

- · Median more robust to outliers:
  - Example 1: data =  $\{0, 1, 2, 3, 5\}$ . Mean? Median?

- · Median more robust to outliers:
  - Example 1: data =  $\{0, 1, 2, 3, 5\}$ . Mean? Median?

• Example 2: data =  $\{0, 1, 2, 3, 100\}$ . Mean? Median?

- · Median more robust to outliers:
  - Example 1: data =  $\{0, 1, 2, 3, 5\}$ . Mean? Median?

• Example 2: data =  $\{0, 1, 2, 3, 100\}$ . Mean? Median?

· What does Mark Zuckerberg do to the mean vs median income?

· Are the values of the variable close to the center?

- · Are the values of the variable close to the center?
- $\bullet \ \, \mathbf{Range} \! : [\min(X), \ \max(X)]$

- Are the values of the variable close to the center?
- Range:  $[\min(X), \max(X)]$
- Quantile (quartile, percentile, etc): divide data into equal sized groups.

- · Are the values of the variable close to the center?
- Range:  $[\min(X), \max(X)]$
- **Quantile** (quartile, percentile, etc): divide data into equal sized groups.
  - 25th percentile = lower quartile (25% of the data below this value)

- · Are the values of the variable close to the center?
- Range:  $[\min(X), \max(X)]$
- Quantile (quartile, percentile, etc): divide data into equal sized groups.
  - 25th percentile = lower quartile (25% of the data below this value)
  - 50th percentile = median (50% of the data below this value)

- · Are the values of the variable close to the center?
- Range:  $[\min(X), \max(X)]$
- **Quantile** (quartile, percentile, etc): divide data into equal sized groups.
  - 25th percentile = lower quartile (25% of the data below this value)
  - 50th percentile = median (50% of the data below this value)
  - 75th percentile = upper quartile (75% of the data below this value)

- · Are the values of the variable close to the center?
- Range:  $[\min(X), \max(X)]$
- **Quantile** (quartile, percentile, etc): divide data into equal sized groups.
  - 25th percentile = lower quartile (25% of the data below this value)
  - 50th percentile = median (50% of the data below this value)
  - 75th percentile = upper quartile (75% of the data below this value)
- Interquartile range (IQR): a measure of variability

- · Are the values of the variable close to the center?
- Range:  $[\min(X), \max(X)]$
- **Quantile** (quartile, percentile, etc): divide data into equal sized groups.
  - 25th percentile = lower quartile (25% of the data below this value)
  - 50th percentile = median (50% of the data below this value)
  - 75th percentile = upper quartile (75% of the data below this value)
- Interquartile range (IQR): a measure of variability
  - How spread out is the middle half of the data?

- · Are the values of the variable close to the center?
- Range:  $[\min(X), \max(X)]$
- **Quantile** (quartile, percentile, etc): divide data into equal sized groups.
  - 25th percentile = lower quartile (25% of the data below this value)
  - 50th percentile = median (50% of the data below this value)
  - 75th percentile = upper quartile (75% of the data below this value)
- Interquartile range (IQR): a measure of variability
  - · How spread out is the middle half of the data?
  - Is most of the data really close to the median or are the values spread out?

- Are the values of the variable close to the center?
- Range:  $[\min(X), \max(X)]$
- Quantile (quartile, percentile, etc): divide data into equal sized groups.
  - 25th percentile = lower quartile (25% of the data below this value)
  - 50th percentile = median (50% of the data below this value)
  - 75th percentile = upper quartile (75% of the data below this value)
- Interquartile range (IQR): a measure of variability
  - · How spread out is the middle half of the data?
  - Is most of the data really close to the median or are the values spread out?
- R function: range(), summary(), IQR()

standard deviation 
$$=\sqrt{\frac{1}{n-1}\sum_{i=1}^{n}(x_i-\bar{x})^2}$$

• **Standard deviation**: On average, how far away are data points from the mean?

standard deviation 
$$= \sqrt{\frac{1}{n-1}\sum_{i=1}^{n}(x_i - \bar{x})^2}$$

· Steps:

standard deviation 
$$= \sqrt{\frac{1}{n-1}\sum_{i=1}^{n}(\mathbf{x}_{i}-\bar{\mathbf{x}})^{2}}$$

- Steps:
  - 1. Subtract each data point by the mean.

standard deviation 
$$= \sqrt{\frac{1}{n-1}\sum_{i=1}^{n}(x_i - \bar{x})^2}$$

- Steps:
  - 1. Subtract each data point by the mean.
  - 2. Square each resulting difference.

standard deviation 
$$=\sqrt{\frac{1}{n-1}\sum_{i=1}^{n}(x_i-\bar{x})^2}$$

- Steps:
  - 1. Subtract each data point by the mean.
  - 2. Square each resulting difference.
  - 3. Take the sum of these values

standard deviation = 
$$\sqrt{\frac{1}{n-1} \sum_{i=1}^{n} (x_i - \bar{x})^2}$$

- Steps:
  - 1. Subtract each data point by the mean.
  - 2. Square each resulting difference.
  - 3. Take the sum of these values
  - 4. Divide by n-1 (or n, doesn't matter much)

standard deviation 
$$=\sqrt{\frac{1}{n-1}\sum_{i=1}^{n}(x_i-\bar{x})^2}$$

- Steps:
  - 1. Subtract each data point by the mean.
  - 2. Square each resulting difference.
  - 3. Take the sum of these values
  - 4. Divide by n-1 (or n, doesn't matter much)
  - 5. Take the square root.

standard deviation 
$$= \sqrt{\frac{1}{n-1}\sum_{i=1}^{n}(x_i-\bar{x})^2}$$

- Steps:
  - 1. Subtract each data point by the mean.
  - 2. Square each resulting difference.
  - 3. Take the sum of these values
  - 4. Divide by n-1 (or n, doesn't matter much)
  - 5. Take the square root.
- Variance = standard deviation<sup>2</sup>

#### **Standard deviation**

• **Standard deviation**: On average, how far away are data points from the mean?

standard deviation 
$$=\sqrt{\frac{1}{n-1}\sum_{i=1}^{n}(x_i-\bar{x})^2}$$

- Steps:
  - 1. Subtract each data point by the mean.
  - 2. Square each resulting difference.
  - 3. Take the sum of these values
  - 4. Divide by n-1 (or n, doesn't matter much)
  - 5. Take the square root.
- Variance = standard deviation<sup>2</sup>
- Why not just take the average deviations from mean without squaring?

• Is a wage of 5.30 an hour large?

- Is a wage of 5.30 an hour large?
- Better question: is 5.30 large relative to the distribution of the data?

- Is a wage of 5.30 an hour large?
- Better question: is 5.30 large relative to the distribution of the data?
  - Big in one dataset might be small in another!

- Is a wage of 5.30 an hour large?
- Better question: is 5.30 large relative to the distribution of the data?
  - Big in one dataset might be small in another!
  - Different units, different spreads of the data, etc.

- Is a wage of 5.30 an hour large?
- Better question: is 5.30 large relative to the distribution of the data?
  - · Big in one dataset might be small in another!
  - · Different units, different spreads of the data, etc.
- Need a way to put any variable on common units.

- Is a wage of 5.30 an hour large?
- Better question: is 5.30 large relative to the distribution of the data?
  - · Big in one dataset might be small in another!
  - · Different units, different spreads of the data, etc.
- Need a way to put any variable on common units.
- · z-score:

z-score of 
$$x_i = \frac{x_i - \text{mean of } x}{\text{standard deviation of } x}$$

- Is a wage of 5.30 an hour large?
- Better question: is 5.30 large relative to the distribution of the data?
  - · Big in one dataset might be small in another!
  - · Different units, different spreads of the data, etc.
- Need a way to put any variable on common units.
- · z-score:

z-score of 
$$x_i = \frac{x_i - \text{mean of } x}{\text{standard deviation of } x}$$

· Interpretation:

- Is a wage of 5.30 an hour large?
- Better question: is 5.30 large relative to the distribution of the data?
  - Big in one dataset might be small in another!
  - · Different units, different spreads of the data, etc.
- Need a way to put any variable on common units.
- · z-score:

z-score of 
$$x_i = \frac{x_i - \text{mean of } x}{\text{standard deviation of } x}$$

- · Interpretation:
  - Positive values above the mean, negative values below the mean

- Is a wage of 5.30 an hour large?
- Better question: is 5.30 large relative to the distribution of the data?
  - Big in one dataset might be small in another!
  - · Different units, different spreads of the data, etc.
- Need a way to put any variable on common units.
- · z-score:

z-score of 
$$x_i = \frac{x_i - \text{mean of } x}{\text{standard deviation of } x}$$

- · Interpretation:
  - · Positive values above the mean, negative values below the mean
  - Units now on the scale of standard deviations away from the mean

- Is a wage of 5.30 an hour large?
- Better question: is 5.30 large relative to the distribution of the data?
  - Big in one dataset might be small in another!
  - · Different units, different spreads of the data, etc.
- Need a way to put any variable on common units.
- · z-score:

z-score of 
$$x_i = \frac{x_i - \text{mean of } x}{\text{standard deviation of } x}$$

- · Interpretation:
  - Positive values above the mean, negative values below the mean
  - Units now on the scale of standard deviations away from the mean
  - · Intuition: data more than 3 SDs away from mean are rare.

• Jane works at Hi Rise Bakery, where there's a tip jar.

- Jane works at Hi Rise Bakery, where there's a tip jar.
- She's been keeping track of her daily tips:

- Jane works at Hi Rise Bakery, where there's a tip jar.
- She's been keeping track of her daily tips:
  - Average tip of \$1.56 with a standard deviation of 20 cents.

- Jane works at Hi Rise Bakery, where there's a tip jar.
- · She's been keeping track of her daily tips:
  - Average tip of \$1.56 with a standard deviation of 20 cents.
- Yesterday, Jane got \$1.86 in tips. How big is this?

- Jane works at Hi Rise Bakery, where there's a tip jar.
- · She's been keeping track of her daily tips:
  - Average tip of \$1.56 with a standard deviation of 20 cents.
- Yesterday, Jane got \$1.86 in tips. How big is this?

• Today she got \$0.56, what about that?

- Jane works at Hi Rise Bakery, where there's a tip jar.
- · She's been keeping track of her daily tips:
  - Average tip of \$1.56 with a standard deviation of 20 cents.
- Yesterday, Jane got \$1.86 in tips. How big is this?

• Today she got \$0.56, what about that?