

## Errors in Hypothesis Testing

Type 1: Rejecting the null hypothesis when the null is true.

Type 2: Failing to reject the null hypothesis when the null is false.

Type 3: Solving the wrong problem (Howard Raiffa, attributed to John Tukey).

Type 4: Solving the right problem too late (Howard Raiffa).

Type 5: Thinking that failing to reject a hypothesis means that the hypothesis is true.

Type 6: Confusing statistical significance (or lack thereof) with economic significance.

Type 7: Testing a trivial implication of a theory.

Type 8: Taking your theory too seriously.

Type 9: Not taking your theory seriously enough.

Type 10: Not thinking through what identifies your model.

Type 11: Testing a hypothesis no one cares about.