

Upcoming Luncheon of the [Society of Government Economists](#)

Chinatown Garden Restaurant, 618 H St., NW, Washington, DC

Metro: Gallery Place (Red, Green, and Yellow Lines).

Restaurant is 1/2 block east of the Metro station's northern (H Street) exit.

(For reservations, contact [Steven Payson](#).)

Thursday, December 4, 2008

Professor Deirdre McCloskey

"Statistical Significance is Essentially Meaningless (at the 5% Level)."

Deirdre McCloskey and Stephen Ziliak have been arguing for some years that accepted practices in econometrics are mistaken. In their current book, *The Cult of Statistical Significance: How the Standard Error Costs Jobs, Justice, and Lives* they present the full case, drawing on examples from medicine, psychology, and economics. They note that the very simple point is not original. It has been made repeatedly by hundreds of the best statistical theorists and practitioners (Savage, Friedman, Zellner, Kruskal, Heckman) over the past century. And yet users of statistics continue to kill patients and misadvise governments. Why?



***The Cult of Statistical Significance:
How the Standard Error Costs Us Jobs, Justice, and Lives*
(University of Michigan Press, 2008)**

Deirdre McCloskey, Distinguished Professor of Economics, History, English, and Communication at the University of Illinois at Chicago

Author of twenty books and three hundred scholarly articles. She is best known for *How to Be Human Though an Economist* (2000), *The Bourgeois Virtues: Ethics for an Age of Commerce* (2006), and *The Rhetoric of Economics* (1998).

"The Cult of Statistical Significance shows, field by field, how 'statistical significance,' a technique that dominates many sciences, has been a huge mistake. The authors find that researchers in a broad spectrum of fields, from agronomy to zoology, employ "testing" that doesn't test and "estimating" that doesn't estimate. The facts will startle the outside reader: how could a group of brilliant scientists wander so far from scientific magnitudes? This study will encourage scientists who want to know how to get the statistical sciences back on track and fulfill their quantitative promise. The book shows for the first time how wide the disaster is, and how bad for science, and it traces the problem to its historical, sociological, and philosophical roots." (University of Michigan Press.)

"McCloskey and Ziliak have been pushing this very elementary, very correct, very important argument through several articles over several years and for reasons I cannot fathom it is still resisted. If it takes a book to get it across, I hope this book will do it. It ought to." —*Thomas Schelling, 2005 Nobel Prize Laureate in Economics*