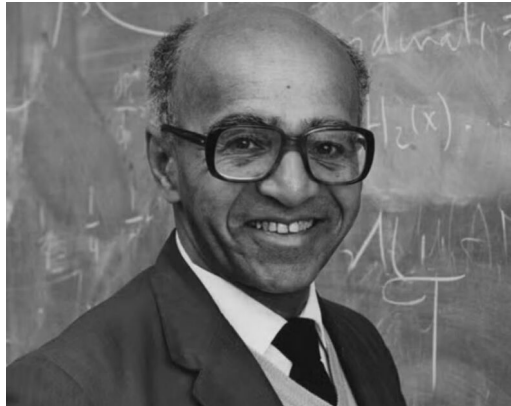


"I now understood what was the right way to do statistical inference" (David Blackwell)

LinkedIn post <https://lnkd.in/p/dhueAtSe> from my friend and former colleague Richard Hahn, Professor of Statistics at the School of Mathematical and Statistical Sciences, Arizona State University.



David Blackwell (1919 - 2010)

"Well [Jimmie Savage] explained to me that the Bayes approach was the right way to do statistical inference. Let me tell you how that happened.

I was at Rand, and an economist came in one day to talk to me. He said that he had a problem. They were preparing a recommendation to the Air Force on how to divide their research budget over the next five years and, in particular, they had to decide what fraction of it should be devoted to long-range research and what fraction of it should be devoted to more immediate developmental research.

"Now," he said, "one of the things that this depends on is the probability of a major war in the next five years. If it's large then, of course, that would shift the emphasis toward developing what we already know how to do, and if it's small then there would be more emphasis on long-range research. I'm not going to ask you to tell me a number, but if you could give me any guide as to how I could go about finding such a number I would be grateful."

Oh, I said to him, that question just doesn't make sense. **Probability applies to a long sequence of repeatable events, and this is clearly a unique situation. The probability is either 0 or 1, but we won't know for five years**, I pontificated. [Laughs]

So the economist looked at me and nodded and said, "I was afraid you were going to say that. I have spoken to several other statisticians and they have all told me the same thing. Thank you very much." And he left.

Well, that conversation bothered me. The fellow had asked me a reasonable, serious question and I had given him a frivolous, sort of flip, answer, and I wasn't happy.

A couple of weeks later Jimmie Savage came to visit Rand, and I went in and said hello to him. I happened to mention this conversation that I had had, and then he started telling me about deFinetti and personal probability. Anyway, I walked out of his office half an hour later with a completely different view on things. **I now understood what was the right way to do statistical inference.**"

A conversation with David Blackwell. By Morris H. DeGroot, *Statistical Science*, 1(1):40-53 (February, 1986) - DOI: 10.1214/ss/1177013814