

Contents

Preface

ix

Part I

1 Measurement: Problems and Strategy

1.1 Focus of the Book	4
1.2 Levels of Measurement	6
1.3 Models and the Purpose of Measurement	8
1.4 Latent Variables and Parameters	12
1.5 Some Cautionary Remarks	13
1.6 Preview	16
1.7 Note on Terminology and Bibliography	17

2 Validity and Reliability

2.1 Validity	19
2.2 Reliability	24
2.3 The Approximate Equality of $\text{var}(y m)$ and $\text{var}(m y)$	31

Part II

3 Labor Wastage

3.1 Preliminaries	40
3.2 Modeling Aspects	41
3.3 Measuring Wastage	50

4 Inequality

4.1 Basic Ideas	54
4.2 Some Measures of Inequality	56
4.3 A General Approach	58
4.4 Calculation of G	62
4.5 The Utility of Money	65
4.6 Inequality and Social Welfare	66
4.7 Models for Income and Wealth Distributions	69
4.8 Notes on the Literature of Inequality Measurement	71

5 Mobility

5.1 An Empirical Approach	73
5.2 Models for Mobility	77
5.3 Measures of Mobility Based on a Transition Matrix	83
5.4 Forward and Backward Measures	94
5.5 The Social Welfare Approach	97
5.6 The Question of Validity	98

6 Price Levels

6.1 A Single Commodity	102
6.2 Many Commodities	105

6.3 Model-Based Methods	111
6.4 A Cautionary Note	119
6.5 Validity	121
6.6 Bibliographical Notes	123

Part III

7 Population-Level and Individual-Level Measures

7.1 Latent Variables	129
7.2 Summated Rating Scales	131
7.3 Principal Components and Correspondence Analysis	135

8 Common Scaling of Individuals and Items

8.1 The Basic Idea	140
8.2 Guttman Scaling	143
8.3 Coombs' Unfolding	145
8.4 The Rasch Model	147
8.5 Specific Objectivity	154
8.6 Paired Comparisons	157

9 Individual-Level Measurement: General Theory

9.1 Preliminaries	160
9.2 The General Framework	162
9.3 The Sufficiency Principle	165
9.4 Some Special Cases	166
9.5 The Measurement Properties of X	169
9.6 The Prior Distribution	171
9.7 Population-Free Inference	174
9.8 An Alternative Approach Based on Reliability	179

10 Principles and Problems of Implementation

10.1 Some Fields of Application	182
10.2 Fitting the Models	187

11	Extensions and Limitations	
11.1	Identifiability of the Prior Distribution	202
11.2	Correlation in the Absence of Latent Variables	205
11.3	Contamination by Other Latent Variables	207
11.4	Nonlinear Models and Unfolding	209
11.5	Underlying Variable Models	211
11.6	Polytomous Data	213
11.7	Manifest Variables of Mixed Type	217
	<i>Bibliography</i>	219
	<i>Index</i>	227