Questions for Week 12 Nov 21


Questions:
1. The “progressive friction hypothesis” suggests that if we order institutions by their decision costs, kurtosis should be higher as decision costs are higher. Therefore decision costs would be an indicator of friction. This is the topic of the first two readings. Propose a method directly to measure decision costs.

2. In the “3 country” study (US, Belgium, Denmark), some of the series are “out of order.” More importantly, it is hard to distinguish between “friction” or decision-costs and “cascades” or mimicking effects. How could one solve that problem.

3. Is there a “law” for budgets? How would you know? What would be a next step in this literature?

4. John and Jennings focus on the UK, which has no separation of powers and limited federal aspects. What do you make of their findings? Why do the punctuations occur there? Is it an artifact of the measures?

5. Jensen discusses differences in kurtosis by type of program. What would be the best way to test this idea on a larger scale? Put forward a few testable hypotheses about types of programs that should be expected to have high or low kurtosis.