

# The economic way of thinking about politics



paper: The Economic Way of Thinking about Politicspaper In the last twenty five years, Ive spent over 3, 000 hours in meetings. Thats more than a year of 8-hour workdays. Work is what we do between meetings, so thats a lot of not working. Still, the meetings themselves may have had some other kinds of value, as Tyler Cowen assures us in his recent Forbes article. The part that no one would defend is the time wasted waiting for the meeting to start, held up by someone who is late. Most meetings drive us crazy. They drive productive people especially crazy.

Scribbling, fantasizing and wishing it would end help only so much. But there is good news for the legions of meeting haters: Most meetings arent as wasteful as they seem. Face-to-face gatherings serve valuable if hidden functions. For example, meetings publicize information about status. Who speaks? Who finds it necessary to praise whom? Who displays a confident demeanor? Meetings help managers and employees figure out how to build necessary coalitions. They bestow social intelligence.

[Tyler Cowen, “ On My Mind: In Favor of Face Time,” Forbes October 1, 2007.] Heres what drives me bonkers: when the latester does show up, its always: “ Sorry Im late!” No, youre not, pumpkin. If you were sorry, you wouldnt also be late next time. And you will be. I can tell you in advance who is going to be late. And I really hate it when Im right. But I usually am right, because I have recognized the five rules of lateness. Watch and see if they dont work, and then make your own predictions.

Its fun, and youll have something to do while you wait. The Five Rules of Lateness 1. The busier the person, the less likely he or she is to be late. Busy

people manage time well because their time is valuable. They develop rules to avoid frittering away the day. When I was a junior faculty member, I never kept a serious calendar. I relied on “memory” for meetings, so I was usually late, or missed things completely.

But after more than a decade as a program director (at UNC), or a department chair (at Duke), I am usually on time or slightly early. The reason? I have an assistant. She has a rule. The rule is, “Keep to your schedule, and nobody gets hurt!” If I get off schedule, well, let's not talk about that.

There is another explanation, however, one I've come to believe over the years. Competent people adjust; ambitious people improve their skills. If you can get better at your job (and time management is a big part of most jobs), then you will be given more responsibility. Incompetent people believe they are busy, but they are just inefficient. Generally, we measure and manage any resource more carefully as it becomes valuable. We measure lettuce by the head, and store it in big bins. We measure diamonds by carats (that's .0071 ounces), and display them in glass cases on black velvet.

Well, “busy” means time is valuable. So, rational busy people should measure time more accurately, and manage it more efficiently. Hence, competent busy people are rarely late. A caveat: TRULY busy people, like CEOs, or Senators, or even Provosts, are late.

They have been delayed when some schmendrick came in to a previous meeting and said, “Oh, sorry I'm late.” I've heard that some CEOs run behind because they don't fear their assistants. This is false, at best an urban

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legend. Any good assistant is terrifying; its part of the job. 2. The closer my office is to the room, the later I arrive at the meeting. If someone is coming from another city, the meetings importance is mentally elevated. Even if you just have to walk to another building, you are more likely to be on time.

But for the person in the building, and especially for someone right across the hall...

late! They wait until the last minute, maybe dial up one more coauthor.

Then, when Ms. Close does show up, five minutes late, she says, " Oh, sorry Im late. I was just making a phone call." And that excuses being late!how? 3.

The first will be last. Mr. First shows up, parks his folders, sees the room is empty, and heads for the coffee pot. Because he is seven minutes early, he chats up the staff. He arrives ten minutes late, but his papers sit there in mute proxy.

I have seen meetings turn into Moliere set pieces, almost starting for twenty minutes or more. Folks take turns, saying, " Oh, Smiths not here. Im going to get a soda. Anyone want cookies?" Smith comes back, but not before Mbutu leaves to retrieve a book. " We cant start without Rodriguez; Ill just be gone a minute." Grrrrrrrr. 4.

If youve never missed a plane, you spend too much time in airports. This is actually wrong, but there is a grain of truth here. The cost of missing a plane is very large. You usually have people expecting you, counting on you, at the other end.

The penalty for arriving late is sharply discontinuous: the difference between late, and nearly late, is huge. The fact is that you want to spend “ too much” time in airports, because otherwise you may spend even more time in the airport, making cell phone calls to explain why you missed your flight. But for meetings the difference between almost late, a little late, and very late is just a slightly longer wait for everyone else. And in that case, its probably true that if you are never late, you spend too much time waiting for other people. Still, you may care about what other people think of you, what economists call “ reputation.

” (Come to think of it, thats what noneconomists call it, also). Even accounting for reputation, however, optimizing on time requires that you not waste it. That means not wasting other peoples time by being late, but it also means not wasting your own time by always being early.

Sometimes, there is a wreck on the interstate, or you have to make an important phone call, or the parking lot is blocked off by construction. If you are always early, very early, to the airport or to meetings, then you are not optimizing. Everyone is going to be late sometimes. 5. If you have never been early, its no accident. This is the flipside of #4. Lateness, if accidental, will be rare.

In fact, “ accidental” requires that a given person should be as likely to be early as late, with one proviso: errors over time should be negatively correlated. If Im late this time, Im early next time, out of embarrassment. Late people are different. If you are always late, then thats bias, not error. How do you tell if this is you? Its not hard. Do you consistently walk into

meetings breathing heavily, and say, “ Oh, sorry Im late. You wouldnt believe what happened this time. I had to [insert improbable events here].

“ Of course, you were also late last time, for other improbable reasons. Since the reasons are different, you think there is no pattern. But there is. Oh, there is. Late-niks always time it so that if (a) there is no traffic, (b) they catch every light green, (c) they find a parking space right at the front door of the building, and (d) they left the meeting folder on top of their desk in plain view, then they would be just 10 seconds late. But “ something goes wrong:” traffic, red lights, no parking, folder under pile of papers. Now, these are all actually predictable parts of life, not hundred year floods.

If you are always late, though for different reasons, then those reasons are no reasons at all. So, rules 4 and 5 work together: If you have never been late, you are wasting your time. If you have never been early, you are wasting other peoples time. A Closer Look: I hate it when youre late, and I hate it when Im early We all know that meetings dont start early (people sit around and talk, or else leave to get coffee, as Rule #3 suggests).

We all give other people a (small) credit for being early, a reputational effect. But we dislike waiting. Most important, people would choose a shorter wait instead of receiving the credit given to those who arrive early. With that set-up, a simple economic analysis predicts several things. First, everybody would like to arrive on-time (no damage to reputation), and be the last to arrive (no waiting for meeting to start).

Unless everyone literally walks into the room at the same time, this cant happen. Second, the outcome that everyone arrives (approximately) on time

is still possible, and is in fact what economists call an “ equilibrium,” or possible stable outcome. But it is very fragile, because if even one person is occasionally tardy, everyone sits and kills time. Next time, everyone comes later. So any random factor can upset the “ arrive on time” outcome. Third, meeting-goers can assure themselves of not having to wait, or at least not having to wait very long, by being late.

And, since lots of people think that way, everyone is late sometimes. Some people, in fact, are late all of the time. The strange thing about this is that meetings start late, even though we would all prefer punctuality.

This wastes everyones time and energy. The same sort of thing happens in restaurants, which are often too noisy. Each of us could speak more quietly, and the noise level would fall dramatically, making quiet speech audible. But I value conversation at my table more than at the next table, and so I speak loudly enough to be heard over the din, even though I may get dirty looks. Late people pay a small reputational cost. But they hate waiting more than they value that reputation for being considerate of others.

There are ways of solving this problem, but they involve beheading late people in the hallway with a broadsword. (An axe doesnt appear to work, at least in my experience as a department chair. Other department chairs have reported some success with Tasers, but Im not convinced.

) Organizations that take the problem seriously can solve it, of course, through a combination of shaming and actual fines. In academics, if you are late to a meeting you may find yourself chairing a committee on letterhead compliance, or library card color scheme. In baseball, the “ kangaroo court”

may assess arbitrarily large fines, and significant psychological abuse, on the chronically late. Many football teams impose significant fines for being even one minute late for practices or team meetings. Even without these sanctions, however, there are limits to how late most people are willing to be.

Five minutes, seven minutes late, and most of us aren't really ashamed. But arriving twenty minutes late is embarrassing. And to keep others waiting for half an hour violates a pretty serious, if unspoken, social norm.

The process does not entirely unravel, at least not in any but the most pathologically dysfunctional organizations. A diagnostic: Time will “tell” Is there another way to solve the problem, short of beheading? Probably not, but there is a way to get better information in advance. In poker, a “tell” is an unconscious sign of the quality of a hand, or the intentions of a bettor. Is there a tell for late-niks, a way for you to know what you are dealing with, before scheduling a meeting? Indeed there is! Check that persons watch: late people set clocks ahead. Now, isn't it remarkable that someone would intentionally set their watch wrong? Do you intentionally put misspelled words into your computers spell-check? Do you hold magnets near your compass, to pull the needle away from north? It makes no sense to add minutes, just to subtract them mentally to find the correct time.

At best, the “set watch ahead” trick could only work if it were done without your knowledge. But people do it, and tell themselves they aren't really twenty minutes late, but only ten. I have had people say that, when they come in late: “I'm only ten minutes late, not twenty, like my watch says.”



How nice for you. Say hello to Mr. Broadsword. We tend toward lateness because each of us hates waiting more than we feel bad about making others wait. But manners and conventions are precisely about solving this sort of problem.

So, lets work together. To paraphrase the line from Erich Segals “ Love Story”: Being on time means never having to say youre sorry. ;,?