IC: Odds and Ends

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Ignored Models

- ▶ repeat investments: Caplin-Leahy (1994)
  - ▶ repeat trades
- ▶ more observability considerations
- ▶ irrational behavior (or just heterogeneity?)
  - ▶ occasional random action observation
  - ▶ Gale-Kariv
- ▶ adopts visible, but rejects are not
- ▶ page 38: what if you can see adopts, but not rejects?
- ▶ guarino, harmgart, huck (2011); herrera-horner (2013)

Direct Applications

- Stigma (e.g., Job gaps) and prestige
- Kidneys (Zhang (2010))

Direct Applications

- Dall (2005): Animal survey
- White, Kniel, Kureck (2015): Mate choices
- Dugatkin-Godin 1992: Guppies
- Gibson-Bradbury-Vehrencamp (1991): Sage Grouse
- Little (2008), Bowers (2012): Humans, he-he

Voting

- Reverse seniority
  - but Ottaviani-Sorensen
- Bartels (1988) thermometer ratings
  - or Smith-Sorenson pathologies?
- Knight-Schiff (2010) momentum

Legal Precedents

- Talley 1999
- Sunstein 2009
- Kuran+Sunstein: belief cascades (your own belief is ignored)

Others

- Ali (2008): lab evidence
- Kuran 1987, 1989; Lohman 1994, Ellis-Fender (2011): Revolutions
- Information Design (Bayesian persuasion)?
- IPO Evidence: Amihud, Hauser, Kirsch?
  - clever: great success or great failure

Conclusion

- Beautifully simple concept
- Can be explained to high-school students
- Important to understand the world is not crazy
- Conceptual first
  - sketch model, not perfect-fit model
  - real-world: it's a model, not a real
  - good robustness but not tautology
  - external validity not guaranteed