

People are not very good at accepting uncertainty. They observe random events and try to impose a causal structure on them when these events are more accurately explained by a random process. Nobel Laureate Daniel Kahneman provides a fascinating example of this phenomenon that also provides a useful analogy for how many pundits will analyze the Trump presidency.

While Kahneman was giving a talk to military flight instructors, he mentioned that rewarding people for good behavior is often more effective than punishing them for bad behavior. The flight instructors disagreed with him right away. One instructor insisted that when he yelled at a pilot who did poorly during a flight, the pilot usually improved during his next flight. On the other hand, when he praised a pilot for an exceptionally good flight, the pilot almost always did worse during his next flight.

The instructor was convinced that his praise or criticism mostly determined the success or failure of the next flight. However, the instructor was giving himself too much credit or blame. The change in pilot performance was mostly due to a statistical concept called regression to the mean. The idea of regression to the mean is that a pilot who does exceptionally well can thank a combination of his skill and large amounts of good luck. On the next flight, the pilot will still have his same level of skill, but he will probably not have the advantage of experiencing large amounts of good luck again. Without this substantial level of good luck, the pilot's performance will drop-off from his last amazingly superior performance.

The same holds true for the pilot who had an exceptionally poor flight. His performance is also due to a combination of his skill and luck. However, in this case the pilot must have had unusually bad luck for the instructor to pick him out for a tongue-lashing. During his next flight, it is extremely unlikely that the pilot will have such bad luck again. Without this bad luck, the pilot will improve his performance with or without the instructor's commentary.

In this story, the pilots who did really well or really poorly on a particular flight owe their extreme performance to luck – either good or bad. This extreme level of luck will probably not occur again during the next flight, so the pilot is unlikely to have such an atypical flight as to draw the instructors praise or criticism again.

The Donald Trump presidency, and all presidencies for that matter, will have good months and bad months. If Trump has a particularly bad month, it is unlikely that the next month will be nearly as bad – simply because it is unusual to get large doses of bad luck for two months in a row. When pundits see the improvement during the second month, they will be desperate to find an explanation for the improvement. They may point to staff shakeups, the good advice of one advisor, or any of a number of other explanations. It is very possible that the improvement will be just the result of luck being randomly determined.

The pundits will also find causes to explain a drop off in the president's performance. If Trump has a very good month, the success is in part to a substantial amount of good luck. The huge amount of good luck is unlikely to affect his performance for two months in a row. Without this good luck, his performance will decline. Pundits will find a reason to explain this drop-off. Perhaps he is not sleeping enough or an advisor who just left is unable to steer the president toward good policies anymore.

Political success will fluctuate for any president. Pundits will be tempted to find a reason that explains variation that is better explained by random fluctuations in luck. This is not to say, that causal stories are not important. It is just that not every change in outcome is the result of a neat causal story.

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