

THE SABE NEWSLETTER

THE SOCIETY FOR THE ADVANCEMENT OF BEHAVIORAL ECONOMICS

Statement of Purpose

SABE is an association of scholars who are committed to rigorous economic analysis and are interested in learning how other disciplines – for example, psychology, sociology, anthropology, history, political science, and biology - further our understanding of economic behavior. An important function of SABE is to serve as a forum for research which may not find either comprehension or acceptance in conventional economics societies. SABE also aims at facilitating communication between economists and scholars trained in related disciplines. Website: www.sabeonline.org

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Contributions for the next issue are very welcome – email: srjames@ex.ac.uk

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Contributions for the SABE Newsletter

I should like to emphasise the invitation above for more contributions to the Newsletter. They would be very welcome and can be sent to me at srjames@ex.ac.uk. Possibilities include new books, book reviews, details of relevant conferences or anything else that might be of behavioral interest.

Simon James

Exeter Conference July 2011

Many thanks to Stephen Lea and his team for an excellent IAREP/SABE/ICABEEP conference at Exeter. There were many complimentary comments about the conference, including the boat trip.

Granada: SABE/IAREP/ICABEEP Conference July 12-15, 2012

The SABE Conference 2012 will be held in July 12-15 in Granada, Spain. The Organizing Committee (University of Granada) will be very pleased to welcome many SABE members. Contributions may be related to any area of behavioral economics and/or economic psychology. Theoretical, empirical and experimental contributions are welcome.

The conference will feature the following keynote speakers:

- Herbert Simon Lecturer: James Andreoni –University of California San Diego, USA.
- Rosemarie Nagel –Universitat Pompeu Fabra, Spain.
- Jordi Brands - Universitat Autònoma de Barcelona, Spain.
- Oscar Volij- Ben-Gurion University of the Negev, Israel.

Submission: The deadline for submitting papers is 29th February. Authors should send EITHER an extended abstract (max. 1000 words) OR THE full paper in a pdf file. AT LEAST ONE JEL code IS NECESSARY.

A scientific committee will evaluate the submissions and will notify the results by the 31st of March.

The registration website can be found at: <http://www.sabegrana.com/>

If you need any further information in advance, feel free to contact the local organizing committee: Melanie Parravano (parrava@correo.ugr.es) or info@granadaworkshop.com

Chicago: SABE Poster Session for the Allied Social Science Association Meetings January 6-8, 2012

The Society for the Advancement of Behavioral Economics (SABE) will hold a poster session and poster tour in conjunction with the ASSA annual meetings in Chicago. This poster session is in association with the Labor and Employment Relations Association- LERA (formerly the Industrial Relations Research Association—IRRA). The SABE tradition is to allocate about 8-10 minutes to each poster presenter to discuss her or his work, small-group discussions follow. We look forward to seeing you, either as a presenter or viewer, in Chicago!

January 7 - 11:30 am to 3 pm Crystal Room

Chair: Shabnam Modarres Mousavi, Georgia State University

Presenters:

Natalia Candelo-Londoño, Rachel T.A. Croson and Xin (Sherry) Li, University of Texas at Dallas—*Social Exclusion and Identity: A Field Experiment with Hispanic Immigrants*

Glenn G. Kelly, Economists Incorporated and Michael P. Murray, Bates College—*Looking for Cumulative Prospect Theory in "Deal or No Deal"*

Hannah Lin and David Dong, Peking University—*Deserving Altruism: Type Preferences in the Laboratory*

Shu-Heng Chen, Lee-Xieng Yang and Ye-Rong Du, National Chengchi University, Taiwan—*Intelligence and Level-k Reasoning in Beauty-Contest Experiments: An Integrated Analysis*

Zhuoqiong (Charlie) Chen and David Ong, Peking University—*Tiger Women of Chinese Universities: An Experiment on Sorting by Ambition in Chinese Universities*

Hannah Lin and David Ong, Peking University—*Separating Gratitude from Guilt in the Laboratory*

David Ong and Jingwen (Grace) Niu, Peking University—*Can There Ever Be Too Many Flavors of Haagen-Dazs? Revisiting "Variety Aversion"*

Reza Kheirandish, Clayton State University and Pushkin Kachroo, University of Nevada—*Using Control Theory to Obtain Optimal Number of Choices on a Shopping Website*

Shabnam Modarres Mousavi, Georgia State University—*Can Behavioral Theory Train Wiser Decision Makers?*

Tirthatanmoy Das, State University of New York at Binghamton—*Non-cognitive Skills and Occupational Choice: Role of Stress Tolerance and Resilience in Choice of Occupational Stressfulness*

Boston: SABE Session at the Eastern Economic Association Conference March 2012

The 38th Annual Conference of the EEA will take place on March 9 – 11, 2012 at the Boston Park Plaza Hotel, Boston, MA. The SABE session is as follows:

SABE Session I: Organizer: Bijou Yang Lester, Drexel University
Chair: Charlotte D. Phelps, Temple University

Theme: “Foraging and Marriage, Institutions and Culturally-Based Prior Beliefs in Entrepreneurship, and Heterogeneity in Bounded Rationality”

1. “Foraging in the Marriage Market?”

Donald Hantula, Temple University, hantula@temple.edu
Charlotte D. Phelps, Temple University, cdphelps@temple.edu

2. “Entrepreneurship: How Important Are Institutions and Culturally-Based Prior Beliefs?”

Francesco Ferrante, University of Cassino, f.ferrante@caspur.it
Gabriele Ruiu, University of Cassino, gabrielerruiu@gmail.com

3. “Heterogeneity in Boundedly Rational Traders? Results from Double Auction Experiments”

Shu-Heng Chen, National Chengchi University, Taiwan, chen.shuheng@gmail.com
Chung-Ching Ta, Tunghai University, Taiwan, chungching.tai@gmail.com
Lee-Xieng Yang, National Chengchi University, Taiwan, lyyang@gmail.com

Aarhus: The Second Summer school on Theories in Environmental and Economic Psychology, 2 - 6 July 2012

After the successful first STEP summer school in Groningen in 2009 (see <http://www.rug.nl/psy/onderwijs/firststep>), a second STEP: STEEP, will be organised in Aarhus, Denmark, on 2 - 6 July 2012. The aim of the summer school is to provide PhD students in environmental and economic psychology the opportunity to collaborate with senior scholars in this field, and to meet with other PhD students that work in the same area. In addition to keynote lectures by leading scholars in the field, workshops will be organised around different themes focussing on real-life sustainability issues. In the workshops, PhD students will work on theory, methodology and research designs in environmental and economic psychology to address real-life sustainability issues. This summer school is a unique chance for senior and junior researchers on environmental and economic psychology to collaborate.

We are proud that 10 well known scholars have agreed to lead the workshops

- Wesley Schultz (University of California, USA)
- Linda Steg (University of Groningen, Netherlands)
- Henk Staats (Leiden University, Netherlands)
- Ellen Matthies (Norwegian University of Science and Technology, Norway)=
- Geertje Schuitema (Aarhus University, Denmark)
- Annika Nordlund (University of Umea, Sweden)
- Bas Verplanken (University of Bath, UK)
- Anders Biel (Gothenburg University, Sweden)
- Agnes van den Berg (Wageningen University, Netherlands)
- Jannick Joye (Leuven University, Belgium)

More information on STEP 2: STEEP can be found on www.asb.dk/steep. For questions and addition information send an email to g.schuitema@asb.dk.

Wroclaw: IAREP conference September 5-8, 2012

The venue is the Department of Economic Psychology of the Warsaw School of Social Sciences and Humanities in Wroclaw (Poland). The conference will be held in Wroclaw - one of the most beautiful cities in Poland (with a great marketplace and a wonderful cathedral). More information about the city can be found on the following web pages: <http://www.wroclaw.ivc.pl/english/index.html> or <http://www.wroclaw.pl>

The local conference organizers are: Tomasz Zaleskiewicz, Agata Gasiorowska, Anna Helka and Jakub Traczyk.

Atlanta: SABE Conference 2013

The next SABE/IAREP/ICABEEP Biannual Conference will be held in Atlanta in July 2013. This conference brings together scholars from across disciplines to present their theoretical, empirical or experimental work, case-studies and ideas on social, psychological and economics processes, behavioral economics, economic psychology and beyond.

Atlanta has numerous unique attractions including the world's largest aquarium, plus, you can easily find great airfares from virtually anywhere to Atlanta International Airport.

More information will be available in future announcements. All queries shall be directed to conference organizers: Shabnam Mousavi (smousavi@gsu.edu) and Reza Kheirandish (rkheiran@clayton.edu).

Reno-Tahoe: SABE Conference 2014

SABE 2003 was held in the Reno-Tahoe region, with great success. Lake Tahoe is the number one outdoor tourist destination in the world, so it is not surprising that many SABE's would like to see the SABE conference return to the Reno-Tahoe area. The date and time for this SABE conference has not yet been set, and more information will follow as the conference takes shape, but you might now set your mind to attending this conference, especially if you have never visited the region. As usual, every effort will be made to make the conference intellectually stimulating also.

Call for Papers: Journal of Socio-Economics Special Issue on Culture and Economics

The Journal of Socio-Economics is organizing a Special Issue on Culture and Economics, with a focus on economic development. Other papers dealing with culture and the economy are also welcome.

This special issue will be edited by Morris Altman and Shinji Teraji.

Deadline for submissions is: March 1, 2012.

Submissions should be made online to <http://ees.elsevier.com/jse/>; please choose Article Type: 'Culture and Economics' from the drop-down menu.

Reports from Country Representatives

Report from Australia contributed by:

Country Representative Gigi Foster

UNSW School of Economics: gigi.foster@unsw.edu.au

Australia has witnessed a number of exciting happenings in behavioural economics over the past few years, and the growing community “down under” is vibrant and collegial. A few recent developments are sketched below.

- **People.** A number of outstanding overseas-trained behavioural economists have been hired by Australian universities in the recent past, and are now setting up research agendas in Australia. These include Robert Slonim, John Wooders, Phil Grossman, Nick Feltovich, Klaus Abbink, Andreas Ortmann, and several others.
- **Labs.** UNSW, U Sydney, U Melbourne, Monash, U Queensland and U Tasmania all have experimental laboratories. Some of these labs feature clients with the latest touch-screen technology, centralized networking to manage customized server-client applications, and biophysical measurement equipment such as heart rate monitors, eye trackers, and galvanic skin response measurement devices. Dr Ben Greiner, inventor of the industry-standard participant recruitment software ORSEE (<http://www.orsee.org/>), currently directs the lab at UNSW.
- **Projects.** A number of ongoing projects led by prominent researchers based in Australia – many of them supported by the Australian Research Council (the closest Australia comes to the NIH/NSF) – have a strong behavioural economics flavour. Some recent examples include: estimating the impact of relative earnings on gift giving in real effort experiments (Nisvan Erkal, Lata Gangadharan and Nikos Nikiforakis); measuring the determinants of blood donations (Bob Slonim); estimating the behavioural consequences of China’s single-child policy (Lisa Cameron et al.); estimating the relationship between self-esteem and effort (Paul Frijters et al.); and examining the measurement and consequences of imprecise preferences (David Butler).
- **Events.** There have now been six annual iterations of the Australia-New Zealand Workshop on Experimental Economics (ANZWEE). The latest workshop was hosted at Monash in August 2011, with previous workshops hosted by U Sydney/UNSW (2010) and the University of Canterbury (2009). The 2012 ANZWEE workshop will be hosted by David Butler at Murdoch University. In 2011, a joint experimental brownbag seminar series was begun involving UNSW, U Sydney, and UTS. In April 2012, I will host a workshop at UNSW entitled “The Behavioural Economics of Optimistic Expectations, Welfare, and Policy”.

In terms of exposure to the wider world, Ross Gittins, the Economics editor of one of our major newspapers (the Sydney Morning Herald) is sympathetic to behavioural economics perspectives and recently released a book of his own entitled “The Happy Economist”.

Australian universities regularly welcome visiting scholars with interests in behavioural economics, whether on sabbatical or shorter visits (some recent visitors include Tim Cason, Glenn Harrison, and Rebecca Morton). Australia is a great place to visit, and the research environments at the top several universities are friendly and supportive.

Report from China contributed by:

Country Representative : Xianghong Shirley Wang

Behavioral Economics has been gaining momentum in China in recent years. I myself have been working in the School of Economics, Renmin University of China. As I returned to Beijing after many years in the U.S., I find it very interesting to study how different institutional structures can cause people to behave differently. The current dynamics in China's economy offers a great opportunity for behavioral research. We have been working on issues related to minimum wage policy, public goods contribution, the impact of relative income, self-serving bias in cross-country negotiation, trust, and corruption behavior. While we have a very good lab facility to conduct experiments, we like to use different methods to study a behavioral issue using both experiments and econometric analysis of non-experimental data.

We welcome scholars worldwide to collaborate with us, come to give seminars, or teach a short course in our school. Within the past two years, we have had visitors and collaborators such as George Loewenstein, Earn Fehr, Daniel McFadden, and Jack Knetsch. We are currently also looking for someone who is interested in working for two months with us each year in the next three years, who will be well-funded by the government.

Other universities in China that have started doing research on Behavioral or Experimental Economics include, as far as I know, Nankai University, Shanghai Jiaotong University, Shanghai University of Finance and Economics, Southwest Jiaotong University, Xiamen University, and Zhejiang University.

Report from Israel contributed by:

Country Representative Ofer Azar

Most of my organizational involvement related to SABE and to behavioral economics more generally is global and not limited to Israel – being on SABE Board, serving as IAREP Newsletter Editor, and chairing the Executive Committee of ICABEEP (International Confederation for the Advancement of Behavioral Economics and Economic Psychology), the confederation of SABE and IAREP (you can find more about ICABEEP in a separate item in this newsletter).

The fields of behavioral economics, economic psychology, and decision making, are popular among Israelis and former Israelis. Some famous names include obviously Nobel Laureate Daniel Kahneman and his late colleague Amos Tversky, in addition to people like Dan Ariely, Amnon Rapoport, Uri Gneezy, and Ido Erev. Other Israelis are active in the various associations in the field. For example, Shlomo Maital was one of the founders of SABE thirty years ago, and today David Leiser is IAREP President.

We also had recently in Israel a conference on decision making, hosted by the Interdisciplinary Center in Herzliya, with the keynote speakers being Tom Gilovich, Jack Levy, John Payne and Paul Slovic.

All the best,

Ofer Azar

SABE President-Elect and Country Representative of Israel

Report from Germany contributed by:
Country Representative Christian Cordes

As to July 2011, Christian Cordes has been appointed to a professorship in Economics, especially Evolutionary Economics, at the University of Bremen. This offers him the opportunity to integrate insights of behavioral economics into the education of business students and economists.

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Report from Portugal contributed by:
Country Representative: Francisco Garcia dos Santos

The goals of the representation of SABE in Portugal shall be: primary contact for requests about Association; organization of events of behavioral economics, including seminars, conferences, and summer schools; publicize the work of SABE and broaden the membership base in the country, keeping a register of contacts. The representation of SABE in Portugal will be provided by Francisco Garcia dos Santos, Master in Finance, and participate in research, within the doctoral program in economic psychology, focused on decision making under risk and studies on intertemporal choices and attitudes to liquidity, money and assets traded in financial markets. He is the Chairman of the Portuguese Investment Banks and Brokers-Dealers Association; Advisory Board member of the Minister of Finance for Financial Markets and the Advisory Board Member of the Portuguese Securities Regulator; Member of the Commission for the Promotion of Financial Literacy; and Founding Member of Center for Behavioral Economics newly created at the University Institute ISPA – Lisbon (www.necopsi.com).

Report from Venezuela contributed by:
Country Representative Klaus Jaffe
Universidad Simón Bolívar

Venezuelan behavioral economists met on October 17 and October 21 to analyze the impact of science and of ideology on Latin American economic development.

We are exploring the possibilities of organizing an interdisciplinary course on behavioral economics for next year aimed at Latin American students. We are looking for venues and volunteer speakers .

Call for proposals for joint SABE-IAREP-ICABEEP activities

Ofer Azar

On behalf of the ICABEEP Executive Committee, I am happy to announce the following Call for Proposals.

In the joint IAREP/SABE/ICABEEP conference in Exeter, IAREP and SABE decided to dedicate up to 6000 Euros together to sponsor joint IAREP/SABE/ICABEEP workshops, conferences or summer schools that will take place until December 2012. In the first round of proposals (which ended in mid October) the ICABEEP Executive Committee allocated 2000 Euros towards a summer school (see <http://www.asb.dk/steep/> for details). This leaves an amount of 4000 Euros for the second round of proposals. Most likely each workshop that will be chosen to be funded will receive 1000-2000 Euros. IAREP or SABE members who are interested in organizing such a workshop should submit their proposals to Ofer Azar (e-mail: azar@som.bgu.ac.il) by December 15, 2011. The proposals will then be evaluated by the ICABEEP Executive Committee. If the amount of 4000 Euros will not be exhausted in this round of proposals, a new deadline for more proposals will be announced.

Here are a few guidelines about the expected proposal:

The proposal should be about 1-2 pages, detailing what the topic is, who the organizers are, the intended audience, how many participants are expected, planned keynote speakers if there are, location, duration, expected dates, rough budget, whether you plan to get additional funding (and how much and from which sources), and other details that you know already and think are relevant.

I want to take this opportunity to thank the other members of the ICABEEP Executive Committee (Gerrit Antonides, Louis Lévy-Garboua, Vera Rita de Mello Ferreira, Charlotte Phelps, and Gideon Yaniv) for their work on behalf of the committee.

For more information on ICABEEP please visit <http://www.iarep.org/ICABEEP.htm> .

All the best,
Ofer Azar

ICABEEP (The International Confederation for the Advancement of Behavioral Economics and Economic Psychology) News

Ofer Azar

On behalf of the ICABEEP Executive Committee, I am happy to report some recent news about ICABEEP activities. As most readers probably know, ICABEEP was established in the joint SABE-IAREP conference in Halifax in 2009 as a confederation that will coordinate the cooperation between SABE and IAREP and will attempt to foster this cooperation. Since then we had the first IAREP-SABE-ICABEEP conference in Cologne in 2010 and the second IAREP-SABE-ICABEEP conference in Exeter in 2011. We also had joint workshops (in Bolton and Cologne), conference (in Kentucky) and summer school (in Moscow).

Some other joint activities are planned to take place in 2012. One is a Bay Area Behavioral Economics Workshop in May 2012, organized by John Ifcher and Homa Zarghamee. Both of them are

economists, and Homa is the SABE country representative for the US Western Region. The workshop will take place in Santa Clara University in California.

The second joint activity planned is a summer school on theories in environmental and economic psychology, to take place in July 2-6, 2012 in Aarhus, Denmark. Additional details about it are posted on <http://www.asb.dk/steep/>.

For 2013, we have plans for a joint IAREP-SABE-ICABEEP conference in Atlanta, organized by Shabnam Mousavi and Reza Kheirandish.

I hope that SABE members will find interest in these activities and will continue to submit proposals for joint SABE-IAREP-ICABEEP workshops.

I want to thank the other members of ICABEEP Executive Committee (Gerrit Antonides, Vera Rita de Mello Ferreira, Louis Lévy-Garboua, Charlotte Phelps and Gideon Yaniv) for their help in general and in particular in reviewing the proposals we received for funding.

Details on ICABEEP and its activities are posted on the website <http://www.iarep.org/ICABEEP.htm> and you are invited to visit this website.

All the best,

Ofer Azar

Lisbon Postgraduate Course in Psychology for Decision Makers

This one year postgraduate course with 30 ECTS aims to develop understanding of people's irrational decisions in economic environments. This enables the identification of obstacles to the well-being maximization of decision makers. The following step is focused on finding ways around obstacles to enhance success in decision making. The course begins in January 2012 at ISPA IU – Lisbon and the course co-ordinators are Marc Scholten, a member of NECO - Center for Behavioral Economics, and Teresa Garcia Marques. NECO - Center for Behavioral Economics, ISPA-IU, Rua Jardim do Tabaco 34, 1149-041 Lisboa,

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The Journal of Socio-Economics

The mission of the Journal of Socio-Economics is to promote interdisciplinary dialogue about economic processes, institutions and policies. The core disciplines of interest to the journal are those belonging to the social sciences. But other sciences and the humanities are relevant and welcome. Biology, history and philosophy are of particular interest. The journal is interested in pure theory, empirical studies, policy analyses and literature reviews. The JSE is a widely distributed, peer reviewed journal with a long historical association with SABE. For further information see:

http://www.elsevier.com/wps/find/journaldescription.cws_home/620175/description#description

SABE Country Representatives

Information about events or developments in each country would be very welcome for the next Newsletter.

The current SABE Country Representatives are:

Australia: Gigi (Jennifer) Foster; University of South Australia

Brazil: Flavia Possas and Bruno Vio

Canada: Sonja Novkovic; Saint Mary's University

China: David Ong; Peking University HSBC School of Business; University Town

China: Shirley Wang; School of Economics; Renmin University of China; Beijing

Germany: Christian Cordes; Max Plank Institute

Israel: Ofer Azar; Ben Gurion University of the Negev

Italy: Francesco Scacciati; Univerisita di Torino

Poland : Ewa Gucwa-Lesney; University of Warsaw

Portugal: Francisco Garcia dos Santos

Russia: Alexis Belianen; Higher School of Economics

Taiwan: Shu-Heng Chen

Uruguay: Hugh Schwartz

US (Western Region) Homa Zarghamee; Santa Clara University

US (Eastern Region) Bijou Yang Lester; Drexel University

US (Southern Region) Shabnam Mousavi; Georgia State University

US (AAEA-IBES Coordination) Gary Lynne; Univ of Nebraska

Venezuela: Klaus Jaffe; Universidad Simón Bolívar

SABE Officers and Board

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Ofer Azar President-elect
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Ewa Gucwa-Lesney
Gary Lynne
Charlotte Phelps
Mark Pingle
Amnon Rappoport
Jean-Robert Tyran
Bijou Yang Lester

SABE Website

The SABE website has been overhauled so it can manage the SABE membership, advertise upcoming SABE events, collect SABE annual dues online for those who have not attended a conference during the year, allow those who find the SABE on the web to register their interest, and more.

You can go to <http://sabeonline.org/> to examine the site and upcoming events.

Please add a link to this website on your personal website so the ranking of the SABE site in an internet search will increase.

The Newsletter and Mailing List

If you have a change of email address please let Shabnam Modarres Mousavi know at smousavi@gsu.edu.