Quasi Rational Economics

Quasi Rational EconomicsIs Behavioral Economics Doomed?Kobe Economic & Business ReviewLaw, Psychology, and MoralityBehavioral EconomicsAdvances in Behavioral FinancePolicy and ChoiceThe Joy of TaxNudgeBehavioral Rationality and Heterogeneous Expectations in Complex Economic SystemsAgainst the GodsAdvances in Behavioral FinanceSimplerAsking About PricesBounded RationalityFrom Catastrophe to Chaos: A General Theory of Economic DiscontinuitiesSocially Responsible Finance and InvestingLectures on Behavioral MacroeconomicsThe Least Examined BranchFeminist Economics TodayOrganizing Industrial DevelopmentHuman Judgment and Social PolicyPsychological EconomicsAnalysis of Economic Time SeriesJournal of Agricultural and Resource EconomicsChoosing Not to ChooseRoutledge Handbook of Behavioral EconomicsPhilosophy of EconomicsTaxes, Spending, and the U.S. Government's March towards BankruptcyWorld Development Report 2015Bibliography of Law and EconomicsThe Oxford Handbook of Behavioral Economics and the LawSwayThe Winner's CurseRichard ThalerBehavioural and Experimental EconomicsNudgeThe Oxford Handbook of the Economics of ReligionThe Social Sciences and RationalityMisbehaving: The Making of Behavioral Economics

Quasi Rational Economics

Is Behavioral Economics Doomed?

A detailed look at the role of social responsibility in finance and investing The concept of socially responsible finance and investing continues to grow, especially in the wake of one of the most devastating financial crises in history. This includes responsibility from the corporate side (corporate social responsibility) as well as the investor side (socially responsible investing) of the capital markets. Filled with in-depth insights and practical advice, Socially Responsible Finance and Investing offers an important basis of knowledge regarding both the theory and practice of this ever-evolving area of finance. As part of the Robert W. Kolb Series in Finance, this book showcases contributed chapters from professionals and academics with extensive expertise on this particular subject. It provides a comprehensive view of socially responsible foundations and their applications to finance and investing as determined by the current state of research. Discusses many important issues associated with socially responsible finance and investing, like moral hazard and the concept of "too big to fail" Contains contributed chapters from numerous thought-leaders in the field of finance Presents comprehensive coverage starting with the basics and bringing you through to cutting-edge, current theory and practice Now more than ever, we need to be mindful of the social responsibilities of all investment practices. The recent financial crisis and recession has changed the financial landscape for years to come and Socially Responsible Finance and Investing is a timely guide to help us navigate this difficult terrain.

Kobe Economic & Business Review

Recognising that the economy is a complex system with boundedly rational interacting agents, applies complexity modelling to economics and finance.

Law, Psychology, and Morality

Behavioral Economics

Advances in Behavioral Finance

Argues that public finance--the study of the government's role in economics--should incorporate principles from behavior economics and other branches of psychology.

Policy and Choice

Specially selected from The New Palgrave Dictionary of Economics 2nd edition, each article within this compendium covers the fundamental themes within the discipline and is written by a leading practitioner in the field. A handy reference tool.

The Joy of Tax

Analysis of Economic Time Series: A Synthesis integrates several topics in economic time-series analysis, including the formulation and estimation of distributed-lag models of dynamic economic behavior; the application of spectral analysis in the study of the behavior of economic time series; and unobserved-components models for economic time series and the closely related problem of seasonal adjustment. Comprised of 14 chapters, this volume begins with a historical background on the use of unobserved components in the analysis of economic time series, followed by an Introduction to the theory of stationary time series. Subsequent chapters focus on the spectral representation and its estimation; formulation of distributed-lag models; elements of the theory of prediction and extraction; and formulation of unobserved-components models and canonical forms. Seasonal adjustment techniques and multivariate mixed moving-average autoregressive time-series models are also considered. Finally, a time-series model of the U.S. cattle industry is presented. This monograph will be of value to mathematicians, economists, and those interested in economic theory, econometrics, and mathematical economics.

Nudge

This book offers a definitive and wide-ranging overview of developments in behavioral finance over the past ten years. In 1993, the first volume provided the standard reference to this new approach in finance--an approach that, as editor Richard Thaler put it, "entertains the possibility that some of the agents in the economy behave less than fully rationally some of the time." Much has changed since then. Not least, the bursting of the Internet bubble and the subsequent market decline further demonstrated that financial markets often fail to behave as they would if trading were truly dominated by the fully rational investors who populate financial theories. Behavioral finance has made an indelible mark on areas from asset pricing to individual investor behavior to corporate finance, and continues to see exciting empirical and theoretical advances. Advances in Behavioral Finance, Volume II constitutes the essential new resource in the field. It presents twenty recent papers by leading specialists that illustrate the abiding power of behavioral finance--of how specific departures from fully rational decision making by individual market agents can provide explanations of otherwise puzzling market phenomena. As with the first volume, it reaches beyond the world of finance to suggest, powerfully, the importance of pursuing behavioral approaches to other areas of economic life. The contributors are Brad M. Barber, Nicholas Barberis, Shlomo Benartzi, John Y. Campbell, Emil M. Dabora, Daniel Kent, François Degeorge, Kenneth A. Froot, J. B. Heaton, David Hirshleifer, Harrison Hong, Ming Huang, Narasimhan Jegadeesh, Josef Lakonishok, Owen A. Lamont, Roni Michaely, Terrance Odean, Jayendu Patel, Tano Santos, Andrei Shleifer, Robert J. Shiller, Jeremy C. Stein, Avanidhar Subrahmanyam, Richard H. Thaler, Sheridan Titman, Robert W. Vishny, Kent L. Womack, and Richard Zeckhauser.

Behavioral Rationality and Heterogeneous Expectations in Complex

Economic Systems

Standard economics theory is built on the assumption that human beings act rationally in their own self interest. But if rationality is such a reliable factor, why do economic models so often fail to predict market behavior accurately? According to Richard Thaler, the shortcomings of the standard approach arise from its failure to take into account systematic mental biases that color all human judgments and decisions.

Against the Gods

The United States is moving toward a possible catastrophic fiscal collapse. The country may not get there, but the risk is unmistakable and growing. The 'fiscal language' of taxes, spending, and deficits has played a huge and under appreciated role in the decisions that have pushed the nation in this dangerous direction. Part of the problem is that by focusing only on the current year, deficits permit politicians to ignore what is looming down the road. The bigger problem lies in the belief, shared by people on the left and the right alike, that 'tax cuts' and 'spending cuts' lead to smaller government, when in fact the characterization of any new policy as a change in 'taxes' or in 'spending' is purely a matter of labeling. This book proposes a better fiscal language for US budgetary policy, rooted in economic fundamentals such as wealth distribution and resource allocation in lieu of 'taxes' and 'spending'.

Advances in Behavioral Finance

Please note that the content of this book primarily consists of articles available from Wikipedia or other free sources online. Richard H. Thaler (born September 12, 1945, in East Orange, New Jersey) is an American economist. He is perhaps best known as a theorist in behavioral finance, and for his collaboration with Daniel Kahneman and others in further defining that field. Thaler has written a number of books intended for a lay reader on the subject of behavioral finance, including Quasi-rational Economics and The Winner's Curse, the latter of which contains many of his Anomalies columns revised and adapted for a popular audience. His recurrent theme is that market-based approaches are incomplete: he is quoted as saying "conventional economics assumes that people are highly-rational - super-rational - and unemotional. They can calculate like a computer and have no self-control problems."

Simpler

Winner of the Nobel Prize in Economics Get ready to change the way you think about economics. Nobel laureate Richard H. Thaler has spent his career studying the radical notion that the central agents in the economy are humans—predictable, error-prone individuals. Misbehaving is his arresting, frequently hilarious account of the struggle to bring an academic discipline back down to earth—and change the way we think about economics, ourselves, and our world. Traditional economics assumes rational actors. Early in his research, Thaler realized these Spock-like automatons were nothing like real people. Whether buying a clock radio, selling basketball tickets, or applying for a mortgage, we all succumb to biases and make decisions that deviate from the standards of rationality assumed by economists. In other words, we misbehave. More importantly, our misbehavior has serious consequences. Dismissed at first by economists as an amusing sideshow, the study of human miscalculations and their effects on markets now drives efforts to make better decisions in our lives, our businesses, and our governments. Coupling recent discoveries in human psychology with a practical understanding of incentives and market behavior, Thaler enlightens readers about how to make smarter decisions in an increasingly mystifying world. He reveals how behavioral economic analysis opens up new ways to look at everything from household finance to assigning faculty offices in a new building, to TV game shows, the NFL draft, and businesses like Uber. Laced with antic stories of Thaler’s spirited battles with the bastions of traditional economic thinking, Misbehaving is a singular look into profound human foibles. When economics meets psychology, the implications for individuals, managers, and policy makers are both profound and entertaining. Shortlisted for the Financial Times & McKinsey Business Book of the Year Award

Asking About Prices

From the winner of the Nobel Prize in Economics, Richard H. Thaler, and Cass R. Sunstein: a revelatory look at how we make decisions—for fans of Malcolm

Gladwell's Blink and Daniel Kahneman's Thinking, Fast and Slow * More than 1.5 million copies sold * New York Times bestseller * Named a Best Book of the Year by The Economist and the Financial Times Every day we make choices—about what to buy or eat, about financial investments or our children's health and education, even about the causes we champion or the planet itself. Unfortunately, we often choose poorly. Nudge is about how we make these choices and how we can make better ones. Using dozens of eye-opening examples and drawing on decades of behavioral science research, Nobel Prize winner Richard H. Thaler and Harvard Law School professor Cass R. Sunstein show that no choice is ever presented to us in a neutral way, and that we are all susceptible to biases that can lead us to make bad decisions. But by knowing how people think, we can use sensible "choice architecture" to nudge people toward the best decisions for ourselves, our families, and our society, without restricting our freedom of choice.

Bounded Rationality

Why do consumer prices and wages adjust so slowly to changes in market conditions? The rigidity or stickiness of price setting in business is central to Keynesian economic theory and a key to understanding how monetary policy works, yet economists have made little headway in determining why it occurs. Asking About Prices offers a groundbreaking empirical approach to a puzzle for which theories abound but facts are scarce. Leading economist Alan Blinder, along with co-authors Elie Canetti, David Lebow, and Jeremy B. Rudd, interviewed a national, multi-industry sample of 200 CEOs, company heads, and other corporate price setters to test the validity of twelve prominent theories of price stickiness. Using everyday language and pertinent scenarios, the carefully designed survey asked decisionmakers how prominently these theoretical concerns entered into their own attitudes and thought processes. Do businesses tend to view the costs of changing prices as prohibitive? Do they worry that lower prices will be equated with poorer quality goods? Are firms more likely to try alternate strategies to changing prices, such as warehousing excess inventory or improving their quality of service? To what extent are prices held in place by contractual agreements, or by invisible handshakes? Asking About Prices offers a gold mine of previously unavailable information. It affirms the widespread presence of price stickiness in American industry, and offers the only available guide to such business details as what fraction of goods are sold by fixed price contract, how often transactions involve repeat customers, and how and when firms review their prices. Some results are surprising: contrary to popular wisdom, prices do not increase more easily than they decrease, and firms do not appear to practice anticipatory pricing, even when they can foresee cost increases. Asking About Prices also offers a chapter-by-chapter review of the survey findings for each of the twelve theories of price stickiness. The authors determine which theories are most popular with actual price setters, how practices vary within different business sectors, across firms of different sizes, and so on. They also direct economists' attention toward a rationale for price stickiness that does not stem from conventional theory, namely a strong reluctance by firms to antagonize or inconvenience their customers. By illuminating how company executives actually think about price setting, Asking About Prices provides an elegant model of a valuable new approach to conducting economic research.

From Catastrophe to Chaos: A General Theory of Economic Discontinuities

Law and economics can be considered as the most exciting development in legal scholarship in recent decades. This volume is the first all-encompassing bibliography in this area. It lists approximately 7000 publications, covering the whole area of law and economics, including `old' law and economics (topics such as antitrust law, labor law, tax law, social security, economic regulation, etc.) as well as `new' law and economics with such topics as tort law, contract law, family law, procedure, criminal law, etc.). The volume also includes the literature on the philosophical foundations and the fundamental concepts of the approach. Part Two gives a special survey of law and economics publications in Europe, written in other languages than English. The Bibliography of Law and Economics is an invaluable reference work for students, scholars, lawyers, economists and other people interested in this field.

Socially Responsible Finance and

Investing

Simpler government arrived four years ago. It helped put money in your pocket. It saved hours of your time. It improved your children's diet, lengthened your life span, and benefited businesses large and small. It did so by issuing fewer regulations, by insisting on smarter regulations, and by eliminating or improving old regulations. Cass R. Sunstein, as administrator of the most powerful White House office you've never heard of, oversaw it and explains how it works, why government will never be the same again (thank goodness), and what must happen in the future. Cutting-edge research in behavioral economics has influenced business and politics. Long at the forefront of that research, Sunstein, for three years President Obama's "regulatory czar" heading the White House Office of Information and Regulatory Affairs, oversaw a far-reaching restructuring of America's regulatory state. In this highly anticipated book, Sunstein pulls back the curtain to show what was done, why Americans are better off as a result, and what the future has in store. The evidence is all around you, and more is coming soon. Simplified mortgages and student loan applications. Scorecards for colleges and universities. Improved labeling of food and energy-efficient appliances and cars. Calories printed on chain restaurant menus. Healthier food in public schools. Backed by historic executive orders ensuring transparency and accountability, simpler government can be found in new initiatives that save money and time, improve health, and lengthen lives. Simpler: The Future of Government will transform what you think government can and should accomplish.

Lectures on Behavioral Macroeconomics

From Catastrophe to Chaos: A General Theory of Economic Discontinuities presents and unusual perspective on economics and economic analysis. Current economic theory largely depends upon assuming that the world is fundamentally continuous. However, an increasing amount of economic research has been done using approaches that allow for discontinuities such as catastrophe theory, chaos theory, synergetics, and fractal geometry. The spread of such approaches across a variety of disciplines of thought has constituted a virtual intellectual revolution in recent years. This book reviews the applications of these approaches in various subdisciplines of economics and draws upon past economic thinkers to develop an integrated view of economics as a whole from the perspective of inherent discontinuity.

The Least Examined Branch

With numerous examples from law, medicine, engineering, and economics, the author presents a comprehensive examination of the underlying dynamics of judgment, dramatizing its important role in the formation of social policies which affect us all

Feminist Economics Today

There is no doubt that behavioral economics is becoming a dominant lens through which we think about economics. Behavioral economics is not a single school of thought but representative of a range of approaches, and uniquely, this volume presents an overview of them. The wide spectrum of international contributors each provides an exploration of a central approach, aspect or topic in behavorial economics. Taken together, the whole volume provides a comprehensive overview of the subject which considers both key developments and future possibilities. Part One presents several different approaches to behavioural economics, including George Katona, Ken Boulding, Harvey Leibenstein, Vernon Smith, Herbert Simon, Gerd Gigerenzer, Daniel Kahneman, and Richard Thaler. This section looks at the origins and development of behavioral economics and compares and contrasts the work of these scholars who have been so influential in making this area so prominent. Part Two presents applications of behavioural economics including nudging; heuristics; emotions and morality; behavioural political economy, education, and economic innovation. The Routledge Handbook of Behavioral Economics is ideal for advanced economics students and faculty who are looking for a complete state-of-the-art overview of this dynamic field.

Organizing Industrial Development

In recent decades, rational choice theory has emerged as the single most powerful, controversial claimant to provide a unified, theoretical framework for all the social sciences. In its simplest form, the theory postulates that humans are purposive beings who pursue their goals in a rational, efficient manner, seeking the greatest benefit at the lowest cost. This volume brings together prominent scholars working in several social science disciplines and the philosophy of science to debate the promise and problems of rational choice theory. As rational choice theory has spread from its home base in economics to other disciplines, it has come under fierce criticism. To its critics, the extension of the explanatory model mistakenly assumes that the logic of economic rationality can explain non-economic behavior and, at its worst, commits the ethnocentric error of imposing Western concepts of rationality on non-Western societies and cultures. This volume includes strong advocates as well as forceful critics of the rational choice approach. However, in contrast to previous debates, all the contributors share a commitment to open, constructive and knowledgeable dialogue. Well-known advocates of rational choice theory (Michael Hechter, Michael Smith, Chris Manfredi) explicitly ponder some of its serious limitations, while equally well-known critics (Ian Shapiro, Mario Bunge) strike a surprisingly conciliatory tone in contemplating its legitimate uses. Vociferous critics of neoclassical economics (Bunge) favorably discuss sociological proponents of rational choice theory while two economists who are not particularly anti-mainstream (Robin Rowley, George Grantham) critically assess the problems of such assumptions in their discipline. Philosophers (Storrs McCall) and sociologists (John Hall) alike reflect on the variable meaning of rationality in explaining social behavior. In the introduction and conclusion, the editors survey the current state of the debate and show how open, constructive dialogue enables us to move beyond hackneyed accusations and dismissals that have characterized much previous debate. Axel van den Berg is professor of sociology at McGill University in Montreal. He is the author of The Immanent Utopia: From Marxism on the State to the State of Marxism, available from Transaction. Hudson Meadwell is associate professor of political science at McGill University. He co-edited Politics and Rationality (1993).

Human Judgment and Social Policy

Philosophy of Economics: A Contemporary Introduction is the first systematic textbook in the philosophy of economics. It introduces the epistemological, metaphysical and ethical problems that arise in economics, and presents detailed discussions of the solutions that have been offered. Throughout, philosophical issues are illustrated by and analysed in the context of concrete cases drawn from contemporary economics, the history of economic ideas, and actual economic events. This demonstrates the relevance of philosophy of economics both for the science of economics and for the economy. This text will provide an excellent introduction to the philosophy of economics for students and interested general readers alike.

Psychological Economics

Development economics and policy are due for a redesign. In the past few decades, research from across the natural and social sciences has provided stunning insight into the way people think and make decisions. Whereas the first generation of development policy was based on the assumption that humans make decisions deliberatively and independently, and on the basis of consistent and self-interested preferences, recent research shows that decision making rarely proceeds this way. People think automatically: when deciding, they usually draw on what comes to mind effortlessly. People also think socially: social norms guide much of behavior, and many people prefer to cooperate as long as others are doing their share. And people think with mental models: what they perceive and how they interpret it depend on concepts and worldviews drawn from their societies and from shared histories. The World Development Report 2015 offers a concrete look at how these insights apply to development policy. It shows how a richer view of human behavior can help achieve development goals in many areas, including early childhood development, household finance, productivity, health, and climate change. It also shows how a more subtle view of human behavior provides new tools for interventions. Making even minor adjustments to a decision-making context, designing interventions based on an understanding of social preferences, and exposing individuals to new experiences and ways of thinking may enable people to improve their lives. The Report opens exciting new avenues for development work. It shows that poverty is not simply a state of material deprivation, but also a tax ? on cognitive resources that affects the quality of decision making. It emphasizes that all humans, including experts and policy makers, are subject to psychological and social influences on thinking, and that development organizations could benefit from procedures to improve their own deliberations and decision making. It demonstrates the need for more discovery, learning, and adaptation in policy design and implementation. The new approach to development economics has immense promise. Its scope of application is vast. This Report introduces an important new agenda for the development community.

Analysis of Economic Time Series

A fascinating journey into the hidden psychological influences that derail our decision-making, Sway will change the way you think about the way you think. Why is it so difficult to sell a plummeting stock or end a doomed relationship? Why do we listen to advice just because it came from someone “important”? Why are we more likely to fall in love when there’s danger involved? In Sway, renowned organizational thinker Ori Brafman and his brother, psychologist Rom Brafman, answer all these questions and more. Drawing on cutting-edge research from the fields of social psychology, behavioral economics, and organizational behavior, Sway reveals dynamic forces that influence every aspect of our personal and business lives, including loss aversion (our tendency to go to great lengths to avoid perceived losses), the diagnosis bias (our inability to reevaluate our initial diagnosis of a person or situation), and the “chameleon effect” (our tendency to take on characteristics that have been arbitrarily assigned to us). Sway introduces us to the Harvard Business School professor who got his students to pay $204 for a $20 bill, the head of airline safety whose disregard for his years of training led to the transformation of an entire industry, and the football coach who turned conventional strategy on its head to lead his team to victory. We also learn the curse of the NBA draft, discover why interviews are a terrible way to gauge future job performance, and go inside a session with the Supreme Court to see how the world’s most powerful justices avoid the dangers of group dynamics. Every once in a while, a book comes along that not only challenges our views of the world but changes the way we think. In Sway, Ori and Rom Brafman not only uncover rational explanations for a wide variety of irrational behaviors but also point readers toward ways to avoid succumbing to their pull.

Journal of Agricultural and Resource Economics

Every day we make decisions: about the things that we buy or the meals we eat; about the investments we make or our children's health and education; even the causes that we champion or the planet itself. Unfortunately, we often choose poorly. We are all susceptible to biases that can lead us to make bad decisions that make us poorer, less healthy and less happy. And, as Thaler and Sunstein show, no choice is ever presented to us in a neutral way. By knowing how people think, we can make it easier for them to choose what is best for them, their families and society. Using dozens of eye-opening examples the authors demonstrate how to nudge us in the right directions, without restricting our freedom of choice. Nudge offers a unique new way of looking at the world for individuals and governments alike.This is one of the most engaging, provocative and important books you will ever read.

Choosing Not to Choose

The past twenty years have witnessed a surge in behavioral studies of law and law-related issues. These studies have challenged the application of the rational-choice model to legal analysis and introduced a more accurate and empirically grounded model of human behavior. This integration of economics, psychology, and law is breaking exciting new ground in legal theory and the social sciences, shedding a new light on age-old legal questions as well as cutting edge policy issues. The Oxford Handbook of Behavioral Economics and Law brings together leading scholars of law, psychology, and economics to provide an up-to-date and comprehensive analysis of this field of research, including its strengths and limitations as well as a forecast of its future development. Its 29 chapters organized in four parts. The first part provides a general overview of behavioral economics. The second part comprises four chapters introducing and criticizing the contribution of behavioral economics to legal theory. The third part discusses specific behavioral phenomena, their ramifications for legal policymaking, and their reflection in extant law. Finally, the fourth part analyzes the contribution of behavioral economics to fifteen legal spheres ranging from core doctrinal areas such as contracts, torts and property to areas such as taxation and antitrust policy.

Routledge Handbook of Behavioral Economics

In mainstream economics, and particularly in New Keynesian macroeconomics, the booms and busts that characterize capitalism arise because of large external shocks. The combination of these shocks and the slow adjustments of wages and prices by rational agents leads to cyclical movements. In this book, Paul De Grauwe argues for a different macroeconomics model--one that works with an internal explanation of the business cycle and factors in agents' limited cognitive abilities. By creating a behavioral model that is not dependent on the prevailing concept of rationality, De Grauwe is better able to explain the fluctuations of economic activity that are an endemic feature of market economies. This new approach illustrates a richer macroeconomic dynamic that provides for a better understanding of fluctuations in output and inflation. De Grauwe shows that the behavioral model is driven by self-fulfilling waves of optimism and pessimism, or animal spirits. Booms and busts in economic activity are therefore natural outcomes of a behavioral model. The author uses this to analyze central issues in monetary policies, such as output stabilization, before extending his investigation into asset markets and more sophisticated forecasting rules. He also examines how well the theoretical predictions of the behavioral model perform when confronted with empirical data. Develops a behavioral macroeconomic model that assumes agents have limited cognitive abilities Shows how booms and busts are characteristic of market economies Explores the larger role of the central bank in the behavioral model Examines the destabilizing aspects of asset markets

Philosophy of Economics

Unlike most works in constitutional theory, which focus on the role of the courts, this book, first published in 2006, addresses the role of legislatures in a regime of constitutional democracy. Bringing together some of the world's leading constitutional scholars and political scientists, the book addresses legislatures in democratic theory, legislating and deliberating in the constitutional state, constitution-making by legislatures, legislative and popular constitutionalism, and the dialogic role of legislatures, both domestically with other institutions and internationally with other legislatures. The book offers theoretical perspectives as well as case studies of several types of legislation from the United States and Canada. It also addresses the role of legislatures both under the Westminster model and under a separation of powers system.

Taxes, Spending, and the U.S. Government's March towards Bankruptcy

Our ability to make choices is fundamental to our sense of ourselves as human beings, and essential to the political values of freedom-protecting nations. Whom we love; where we work; how we spend our time; what we buy; such choices define us in the eyes of ourselves and others, and much blood and ink has been spilt to establish and protect our rights to make them freely. Choice can also be a burden. Our cognitive capacity to research and make the best decisions is limited, so every active choice comes at a cost. In modern life the requirement to make active choices can often be overwhelming. So, across broad areas of our lives, from health plans to energy suppliers, many of us choose not to choose. By following our default options, we save ourselves the costs of making active choices. By setting those options, governments and corporations dictate the outcomes for when we decide by default. This is among the most significant ways in which they effect social change, yet we are just beginning to understand the power and impact of default rules. Many central questions remain unanswered: When should governments set such defaults, and when should they insist on active choices? How should such defaults be made? What makes some defaults successful while others fail? Cass R. Sunstein has long been at the forefront of developing public policy and regulation to use government power to encourage people to make better decisions. In this major new book, Choosing Not to Choose, he presents his most complete argument yet for how we should understand the value of choice, and when and how we should enable people to choose not to choose. The onset of big data gives corporations and governments the power to make ever more sophisticated decisions on our behalf, defaulting us to buy the goods we predictably want, or vote for the parties and policies we predictably support. As consumers we are starting to embrace the benefits this can bring. But should we? What will be the long-term effects of limiting our active choices on our agency? And can such personalized defaults be imported from the marketplace to politics and the law? Confronting the challenging future of data-driven decision-making, Sunstein presents a manifesto for how personalized defaults should be used to enhance, rather than restrict, our freedom and well-being.

World Development Report 2015

'A brief but crucially important book' Marcus Chown In The Joy of Tax, tax campaigner Richard Murphy challenges almost every idea you have about tax. For him, tax is fundamentally about the ideas that shape the sort of society we want to live in, not technicalities. His intention is to demonstrate that there is indeed a joy in tax, and by embracing it we can create a fairer society and change the world for the better. Tax has been a feature of human society for a very long time. Almost no one gives tax a good press even though, as Richard Murphy argues, it has been fundamental to the development of democracy the world over. Whilst we may not like tax very much, in contrast it is clear that we really do like the public services which governments provide. So much so, in fact, that for most of the last 300 years, people have been more than happy for governments to run deficits by spending more than they raise in taxation. 2008 apparently changed all that. The issues of debt, deficits, cuts and austerity have dominated the political agenda ever since. Virtually every aspect of the government's finances and how to rearrange them in the forlorn hope of balancing the books has been discussed in great detail. Despite that, there has been almost no real discussion during this period about what tax is for and how it contributes to the creation of the society we aspire to.

Bibliography of Law and Economics

A Business Week, New York Times Business, and USA Today Bestseller "Ambitious and readable . . . an engaging introduction to the oddsmakers, whom Bernstein regards as true humanists helping to release mankind from the choke holds of superstition and fatalism." —The New York Times "An extraordinarily entertaining and informative book." —The Wall Street Journal "A lively panoramic book . . . Against the Gods sets up an ambitious premise and then delivers on it." —Business Week "Deserves to be, and surely will be, widely read." —The Economist "[A] challenging book, one that may change forever the way people think about the world." —Worth "No one else could have written a book of such central importance with so much charm and excitement." —Robert Heilbroner author, The Worldly Philosophers "With his wonderful knowledge of the history and current manifestations of risk, Peter Bernstein brings us Against the Gods. Nothing like it will come out of the financial world this year or ever. I speak carefully: no one should miss it." —John Kenneth Galbraith Professor of Economics Emeritus, Harvard University In this unique exploration of the role of risk in our society, Peter Bernstein argues that the notion of bringing risk under control is one of the central ideas that distinguishes modern times from the distant past. Against the Gods chronicles the remarkable intellectual adventure that liberated humanity from oracles and soothsayers by means of the powerful tools of risk management that are available to us today. "An extremely readable history of risk." —Barron's "Fascinating . . . this challenging volume will help you understand the uncertainties that every investor must face." —Money "A singular achievement." —Times Literary Supplement "There's a growing market for savants who can render the recondite intelligibly-witness Stephen Jay Gould (natural history), Oliver Sacks (disease), Richard Dawkins (heredity), James Gleick (physics), Paul Krugman (economics)-and Bernstein would mingle well in their company." —The Australian

The Oxford Handbook of Behavioral Economics and the Law

The 1993 publication of Marianne A. Ferber and Julie A. Nelson's Beyond Economic Man was a landmark in both feminist scholarship and the discipline of economics, and it quickly became a handbook for those seeking to explore the emerging connections between the two. A decade later, this book looks back at the progress of feminist economics and forward to its future, offering both a thorough overview of feminist economic thought and a collection of new, high-quality work from the field's leading scholars.

Sway

"In economics, the market has been understood to steer behavior towards a competitive equilibrium in which all economic actors behave optimally, and in which welfare of society is maximized. Yet many economists have also seen shortcomings to this ideal picture of the market in the form of limited information, too few buyers or sellers, adverse selection, moral hazards, and other caveats. What psychologists Daniel Kahneman and Amos Tversky brought to economics in the 1980s, was the idea that imperfections in the market may in addition be caused by fallible human behavior. This resulted in a new branch of economics called behavioral economics and it won Kahneman the Nobel Memorial Prize in Economics in 2002 (Tversky had died in 1996). This book presents a history of behavioral economics. The common rationale of behavioral economics in the 1980s - 2000s was in one version or another that "Behavioral economics increases the explanatory power of economics by providing it with more realistic psychological foundations" (Camerer and Loewenstein, 2004, p.3). This definition conceals a complicated relationship between economics and psychology that goes back at least to the eighteenth century. In addition, it suggests that economics and psychology are stable, universal entities. But also the label of behavioral economics itself seems odd. If economics deals with the behavior of individuals in the economy, 'behavioral economics' seems a confusing pleonasm. If on the other hand one argues that economics by definition deals with structures and institutions superseding and independent of theories of human behavior, 'behavioral economics' seems oxymoronic. In any case, it calls for some explanation"--

The Winner's Curse

In this book, David K. Levine questions the idea that behavioral economics is the answer to economic problems. He explores the successes and failures of contemporary economics both inside and outside the laboratory, and asks whether popular behavioral theories of psychological biases are solutions to the failures. The book not only provides an overview of popular behavioral theories and their history, but also gives the reader the tools for scrutinizing them.

Richard Thaler

A definitive and wide-ranging overview of developments in behavioural finance over the past ten years. This second volume presents twenty recent papers by leading specialists that illustrate the abiding power of behavioural finance.

Behavioural and Experimental Economics

Winner of the Nobel Memorial Prize in Economic Sciences Richard Thaler challenges the received economic wisdom by revealing many of the paradoxes that abound even in the most painstakingly constructed transactions. He presents literate, challenging, and often funny examples of such anomalies as why the winners at auctions are often the real losers—they pay too much and suffer the "winner's curse"—why gamblers bet on long shots at the end of a losing day, why shoppers will save on one appliance only to pass up the identical savings on another, and why sports fans who wouldn't pay more than $200 for a Super Bowl ticket wouldn't sell one they own for less than $400. He also demonstrates that markets do not always operate with the traplike efficiency we impute to them.

Nudge

This book promotes bounded rationality as the key to understanding how real people make decisions.

The Oxford Handbook of the Economics of Religion

This is a one-of-kind volume bringing together leading scholars in the economics of religion for the first time. The treatment of topics is interdisciplinary, comparative, as well as global in nature. Scholars apply the economics of religion approach to contemporary issues such as immigrants in the United States and ask historical questions such as why did Judaism as a religion promote investment in education? The economics of religion applies economic concepts (for example, supply and demand)

and models of the market to the study of religion. Advocates of the economics of religion approach look at ways in which the religion market influences individual choices as well as institutional development. For example, economists would argue that when a large denomination declines, the religion is not supplying the right kind of religious good that appeals to the faithful. Like firms, religions compete and supply goods. The economics of religion approach using rational choice theory, assumes that all human beings, regardless of their cultural context, their socio-economic situation, act rationally to further his/her ends. The wide-ranging topics show the depth and breadth of the approach to the study of religion.

The Social Sciences and Rationality

Prospect theory posits that people do not perceive outcomes as final states of wealth or welfare, but rather as gains or losses in relation to some reference point. People are generally loss averse: the disutility generated by a loss is greater than the utility produced by a commensurate gain. Loss aversion is related to such phenomena as the status quo and omission biases, the endowment effect, and escalation of commitment. The book systematically analyzes the relationships between loss aversion and the law.

Misbehaving: The Making of Behavioral Economics

Peter E. Earl There is no doubt that it is appropriate for a series on Modern Economic Thought to include a book on the recent development of economic analysis incorporating ideas from psychology. This book was designed to appear in 1987, 15 years after the publication of a now classic collection of essays in honor of George Katona (Strumpel et aI. , 1972), who throughout the fifties and sixties had been tirelessly trying to persuade economists of the virtues of an infusion of psychology into their work. In the intervening 15 years there has been a considerable growth of interest along the lines for which Katona had been arguing. Many psychology-based economics mon ographs have appeared; a specialist quarterly, the Journal of Economic Psychology, commenced publication in 1981, with 1985 seeing the first issue of the Journal of Interdisciplinary Economics as yet another addition to growing ranks of "psychology-friendly" journals such as the Journal of Consumer Research and the Journal of Social Economics; and recently, within psychology itself, symposia have been taking place with a focus on the economics/psychology interface - for example, see the entire June 1982 issue of the British Journal of Social Psychology. For someone like myself, strongly committed to a psychological approach to economics, a 1 2 PSYCHOLOGICAL ECONOMICS problem of information overload and consequent ignorance of pertinent developments already looms large as a possibility.