

**CONFERENCE ON ECONOMICS AND
PSYCHOLOGY
(FIRST ENABLE EUROPEAN SYMPOSIUM ON
BEHAVIOURAL ECONOMICS)**

**IDEI Toulouse,
June 20 and 21, 2005**

PROGRAMME

Scientific Organisers:

Roland Bénabou (Princeton University), Roberta Dessí (IDEI), Ernst Fehr (University of Zurich), David Laibson (Harvard University), Klaus Schmidt (University of Munich), and Jean Tirole (IDEI)

Venue:

Université Toulouse I - Sciences Sociales
Manufacture des Tabacs
Amphi I - Guy Isaac
21, Allée de Brienne
31000 Toulouse
France

Secretariat Conference:

Valérie Nowaczyk
Institut D'Economie Industrielle
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<http://idei.fr/conference/psychology.html>

MONDAY, June 20, 2005

8:30 – 8:45 *Registration* ☛ Amphi I Guy Isaac
8:45 – 9:00 *Welcome:* Jacques CREMER (director, IDEI), presentation of ENABLE network:
Frans VAN WINDEN (CREED and network coordinator)

Session 1 (plenary): **INTENTIONS, FAIRNESS AND RECIPROCITY** ☛ Amphi I Guy Isaac
Chair: Denis HILTON

9:00 – 9:45 Klaus SCHMIDT (University of Munich), Ernst Fehr (University of Zurich) and Susanne Krehmelmer (University of Munich)
“Fairness and the Optimal Allocation of Ownership Rights”

9:45 – 10:30 Daniel HOUSER (George Mason University), Erte Xiao (George Mason University), Kevin McCabe (George Mason University) and Vernon Smith (George Mason University)
“When Punishment Fails: Research on Sanctions, Intentions and Non-Cooperation”

10:30 – 11:00 **Coffee break** ☕ ☛ Room ME: 001

Session 2 (plenary): **IDENTITY, KNOWLEDGE TRANSMISSION AND PEER EFFECTS** ☛ Amphi I Guy Isaac
Chair: Bruno JULLIEN

11:00 – 11:45 Gary CHARNESS (UCSB), Luca Rigotti (Duke University) and Aldo Rustichini (University of Minnesota)
“Individual Behavior and Group Membership”

11:45 – 12:30 Roberta DESSI (University of Toulouse, IDEI and CEPR)
“Collective Memory, Identity and Cultural Investments”

12:30 – 14:00 **Lunch** ☛ Rooms: MH 001-MH 002

Session 3 (parallel): **ENTREPRENEURS AND FIRMS** ☛ Amphi I Guy Isaac
Chair: Jean-Charles ROCHET

14:00 – 14:35 Mariassunta GIANNETTI (Stockholm School of Economics, CEPR and ECGI) and Andrei Simonov (Stockholm School of Economics)
“Social Interactions and Entrepreneurial Activity”

14:35 – 15:10 David THESMAR (ENSAE – CREST and CEPR) and Augustin Landier (NYU - STERN)
“Financial Contracting with Optimistic Entrepreneurs”

15:10 – 15:45 Jordi BRANDTS (Institut d’Anàlisi Econòmica) and David J. Cooper (Case Western Reserve University)
“It’s What You Say Not What You Pay”

Session 4 (parallel):

INCENTIVES
Chair: Uri GNEEZY

☛ Room MC: 203

- 14:00 – 14:35 Tore ELLINGSEN (Stockholm School of Economics) and Magnus Johannesson (Stockholm School of Economics)
“Trust as an Incentive”
- 14:35 – 15:10 Florian HEROLD (University of Munich)
“Contractual Incompleteness as a Signal of Trust”
- 15:10 – 15:45 Anton SUVOROV (New Economic School and CEFIR) and Jeroen van de Ven (Utrecht School of Economics)
“Discretionary Bonuses as a Feedback Mechanism”

15:45 – 16:15

Coffee break ☕

☛ Room ME: 001

Session 5 (plenary):

INDUSTRIAL ORGANISATION WITH BOUNDEDLY RATIONAL CONSUMERS
Chair: David MARTIMORT

☛ Amphi I Guy Isaac

- 16:15 – 17:00 Dean S. KARLAN (Princeton University), Marianne Bertrand (University of Chicago), Sendhil Mullainathan (Harvard University), Eldar Shafir (Princeton University) and Jonathan Zinman (Federal Reserve Bank of New York)
“How Much Does Psychology Matter? A Field Experiment in the Consumer Credit Market”
- 17:00– 17:45 David LAIBSON (Harvard University) and Xavier Gabaix (MIT)
“Shrouded Attributes, Consumer Myopia, and Information Suppression in Competitive Markets”

20: 00

Dinner by invitation only

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TUESDAY, June 21, 2005

Session 6 (plenary): **DUAL SELF AND SELF-CONTROL** **☛ Amphi I Guy Isaac**
Chair: Andrew POSTLEWAITE

9:00 – 9:45 Juan CARRILLO (University of Southern California) and Isabelle Brocas (USC)
“The Brain as a Hierarchical Organization”

9:45 – 10:30 Drew FUDENBERG (Harvard University) and David Levine (UCLA)
“A Dual-Self Model of Impulse Control”

10:30 – 11:00 **Coffee break** ☕ **☛ Room ME: 001**

Session 7 (plenary): **IMPULSIVE AND REFLECTIVE SYSTEMS** **☛ Amphi Guy Isaac**
Chair: Paul SEABRIGHT

11:00 – 11:45 Deborah SMALL (University of Pennsylvania), George Loewenstein (Carnegie Mellon University)
and Paul Slovic (Decision Research)
“Can Insight Breed Callousness? The Impact of Learning about the Identifiable Victim Effect on
Sympathy”

11:45 – 12:30 Fritz STRACK (University of Wuerzburg) and Roland Deutsch (Ohio-State University)
“Reflective and Impulsive Determinants of Economic Behaviour”

12:30 – 14:00 **Lunch** **☛ Rooms: MH 001-MH 002**

Session 8 (parallel): **COGNITIVE ABILITY AND EMOTIONS** **☛ Amphi I Guy Isaac**
Chair: Ernst FEHR

14:00 – 14:35 Ignacio PALACIOS-HUERTA (Brown University) and Oscar Volij (Iowa State University)
“Natural Minimax Players”

14:35 – 15:10 Jesse SHAPIRO (University of Chicago) and Dan Benjamin (Harvard University)
“Does Cognitive Ability Reduce Psychological Bias?”

15:10 – 15:45 Frans VAN WINDEN (CREED, University of Amsterdam) and Ronald Bosman (De Nederlandsche
Bank, Amsterdam)
“Global Risk, Investment, and Emotions”

Session 9 (parallel): **REGRET AND DISAPPOINTMENT** **☛ Room MC: 203**
Chair: Colin CAMERER

14:00 – 14:35 Rebecca STONE (University College London) and Daniel Kraehmer (Free University of Berlin)
“Dynamic Regret Theory”

14:35 – 15:10 Nicolas NALPAS (Toulouse Business School) and Thierry Chauveau (TEAM-CNRS, University of
Paris I Sorbonne)
“A Theory of Disappointment”

15:10 – 15:45 Marcel ZEELENBERG (Tilburg University and CREED, University of Amsterdam)
“Regret”

15:45 – 16:15 **Coffee break** ☕ **☛ Room ME: 001**

Session 10 (plenary): **SELF-IMAGE AND IDENTITY** **☛ Amphi I Guy Isaac**
Chair: Drazen PRELEC

16:15 – 17:00 Roland BENABOU (Princeton University) and Jean Tirole (University of Toulouse, IDEI)
“Incentives and Prosocial Behavior”

17:00 – 17:45 Karine NYBORG (Ragnar Frisch Centre for Economic Research) and Kjell Arne Brekke (Ragnar
Frisch Centre for Economic Res)
“Moral hazard and moral motivation: Corporate social responsibility as labor market screening”
