

Camp Outline & More Perspectives

- I. Logistics, Etc.
 - A. Camp Etiquette
 - B. Schedule
 - C. Office Hours
 - D. Questions?
- II. Topics Covered and Uncovered
- III. Orientation of Camp/Field

↪

Camp Etiquette

Introduction

Camp Etiquette

Names

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Bears:

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 - Several Q&A sessions, ask any questions

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Questions on logistics?

- E.g., whether must be on time to sessions?

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- Psychology, heuristics/biases, framing effects, mental accounting

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- “Non-psychological bounded rationality”. ↗

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A repeat-lots-of-what-David-said Approach

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of standard economic analysis, but focus on introducing psychological factors heretofore under-emphasized by economists.

Mmmm... Barbecue

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- Loud gum chewing ... always bad.

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- Laibson (1994) launched 3rd Wave?



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- Same set of tools

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- Same set of tools
- Same tolerance for imperfections

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- Same tolerance for imperfections
 - Of course our models are not fully realistic — they couldn't be.

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Approaches to Incorporating Limits to Rationality

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- Don't cling desperately to bad rational explanations.
- *Nor* cling desperately to familiar assumptions about preferences, and label all “anomalous” behaviors as mistakes.



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A table we'll return to later:

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- (✓) \equiv could maybe explain in a scientifically serious way some of what we observe.

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- If *either* thought a lot less, or asked that one simple question more, would save lots of money.



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An approach to developing more realistic theories

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Before more, a source of inspiration:



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- Almost all cases fail to achieve this ideal, but aim to come close.

↗

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- Let's start to take our best shot:

↷

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 - And should be used to provoke further improvements
 - But when used to favor status quo, they are bad science.

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- And near universal lack of focus on that.

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 - It may not be the goal to come up with general improvements.

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Additional examples to get me in trouble...

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But ...

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 - Very hard to interpret effect sizes!

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And without theory, measurement can be hard. The best (intentionally) funny sign in the world ...

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Mmmm... Business Deal

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Mmmm... Business Deal

Mmmm... Business Deal

Mmmm... Business Deal

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