Reading Assignments for

A Beginner's Guide to Irrational Behavior

by Dan Ariely

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- Kahneman, D. (2003). <u>Maps of Bounded Rationality: Psychology for</u>
 <u>Behavioral Economics</u>. The American Economic Review, 93(5), 1449-1475.
- Camerer, C. (1999). <u>Behavioral Economics: Reunifying Psychology and Economics</u>. PNAS, 96, 10575-1057.
- Kenrick, D. T., Griskevicius, V., Sundie, J. M., Li, N. P., Li, Y. J., & Neuberg, S. L. (2009). <u>Deep Rationality: The Evolutionary Economics of Decision Making</u>. Social Cognition, 27(5), 764-785.
- Sunstein, C. (2012, in press). <u>The Storrs Lectures: Behavioral Economics and Paternalism</u>. Yale Law Journal.
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 <u>Economist</u>. Journal of Economic Perspectives, 19 (3), 131–145.
- Uchitelle, L. (2001, February 11). <u>Following the Money, But also the Mind</u>.
 The New York Times.
- Belluck, P. (2011, January 20). <u>To Really Learn, Quit Studying and Take a</u>
 <u>Test</u>. The New York Times.

Week 1: Irrationality



Week 1 "Required" Reading

- Ariely, D. & Norton, M. I. (2008). <u>How actions create—not just reveal—</u>
 <u>preferences.</u> Trends in Cognitive Sciences, 12(1). (Working paper version.)
- Ariely, D., Loewenstein, G., & Prelec, D. (2005). <u>Tom Sawyer and the construction of value</u>. Journal of Economic Behavior & Organization, 60(1). (Working paper version.)
- Tetlock, P. E., & Mellers, B. A. (2002). <u>The great rationality debate</u>.
 Psychological Science, 13(1), 94-99. Copyright is by permission of the ©
 American Psychological Society.
- Johnson, E., & Goldstein, D. (2003). <u>Do defaults save lives?</u> Science, 302(5649), 1338-1339.
- Davidai, S., Gilovich, T., & Ross, L.D. (2012). <u>The meaning of default options</u> for potential organ donors. PNAS, 109(38), 15201-15205.

Week 1 Recommended Reading

- Rabin, M. (1998). <u>Psychology and Economics</u>. Journal of economic literature,
 36(1), 11-46.
- Brenner, L., Rottenstreich, Y., & Sood, S. (1999). <u>Comparison, Grouping, and Preference</u>. Psychological Science, 10(3), 225-229. Copyright is by permission of the © American Psychological Society.
- Johansson, P., Hall, L., Sikström, S., & Olsson, A. (2005). <u>Failure to Detect Mismatches Between Intention and Outcome in a Simple Decision Task</u>.
 Science, 310(5745), 116-119.
- Simon, D., Krawczyk, D. C., & Holyoak, K. J. (2004). <u>Construction of Preferences by Constraint Satisfaction</u>. Psychological Science, 15(5), 331-336. Copyright is by permission of the © American Psychological Society.
- Amir, O. & Levav, J. (2008). <u>Choice Construction versus Preference</u>
 <u>Construction: the Instability of Preferences Learned in Context</u>. Journal of Marketing Research, 45(2). (Working paper version.)
- Ariely, D., Loewenstein, G.F. & Prelec, D. (2003) <u>Coherent Arbitrariness:</u>
 Stable Demand Curves without Stable Preferences. The Quarterly Journal of Economics, 118(1), 73-106.
- Pope, D., & Simonsohn, U. (2011). <u>Round Numbers as Goals: Evidence from Baseball, SAT takers, and the Lab</u>. Psychological Science, 22(1), 71-79.
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- Gottlieb, D. A., Weiss, T., & Chapman, G. B. (2007). <u>The Format in which Uncertainty Information is Presented Affects Decision Biases</u>. Psychological Science, 18(3), 240-246. Copyright is by permission of the © American Psychological Society.
- Levav, J., & Fitzsimons, G. J. (2006). When Questions Change Behavior: the Role of Ease of Representation. Psychological Science, 17(3), 207-213.
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- Peder, Z. (2013, February 11). <u>In Pursuit of Taste, en Masse</u>. The New York Times.

Week 2: Psychology of Money



Week 2 "Required" Reading

- Shah, A. M., & Wolford, G. (2007). <u>Buying Behavior</u>. Psychological Science, 18(5), 369-370.
- Frederick, S., Novemsky, N., Wang, J., Dhar, R., & Nowlis, S. (2009).
 Opportunity Cost Neglect. Journal of Consumer Research, 36(4), 553-561.
- Vohs, K. D., Mead, N. L., & Goode, M. R. (2006). <u>The Psychological</u>
 <u>Consequences of Money</u>. Science, 314(5802), 1154-1156.

Week 2 Recommended Reading

- Spiller, S. A. (2011). <u>Opportunity Cost Consideration</u>. Journal of Consumer Research, 38(4), 595-610.
- Magen, E., Dweck, C. S., & Gross, J. J. (2008). <u>The Hidden-Zero Effect:</u>
 Representing a Single Choice as an Extended Sequence Reduces Impulsive <u>Choice</u>. Psychological Science, 19(7), 648-649.
- Mogilner, C. (2010). <u>The Pursuit of Happiness: Time, Money, and Social</u>
 <u>Connection</u>. Psychological Science, 21(9), 1348-1354.
- Boyce, C. J., Brown, G. D., & Moore, S. C. (2010). <u>Money and Happiness:</u>
 Rank of Income, not Income, Affects Life Satisfaction. Psychological Science, 21(4), 471-475.
- Quoidbach, J., Dunn, E. W., Petrides, K. V., & Mikolajczak, M. (2010). Money Giveth, Money Taketh Away: The Dual Effect of Wealth on Happiness.
 Psychological Science, 21(6), 759-763.
- Maddux, W. W., Yang, H., Falk, C., Adam, H., Adair, W., Endo, Y., Carmon, Z., & Heine, S. J. (2010). For Whom is Parting with Possessions more Painful?
 Cultural Differences in the Endowment Effect. Psychological Science, 21(12), 1910-1917.
- Iyengar, S.S., Wells, R.E., & Schwartz, B. (2006). <u>Doing Better but Feeling Worse: Looking for the "Best" Job Undermines Satisfaction</u>. Psychological Science, 17(2), 143–150.
- Weber, B., Rangel, A., Wibral, M., Falk, A., & Akerlof, G. A. (2009). <u>The Medial Prefrontal Cortex Exhibits Money Illusion</u>. PNAS, 106(13), 5025-5028.
- Frank, R. (2011, May 14). Why Worry? It's Good for You. The New York Times.
- Nocera, J. (2012, April 27). My Faith-based Retirement. The New York Times.
- Surowiecki, J. (2012, June 4). <u>The Fairness Trap</u>. The New Yorker.

Week 3: Dishonesty



Week 3 "Required" Reading

- Mazar, N., Amir, O., & Ariely, D. (2008). <u>The Dishonesty of Honest People: A Theory of Self-concept Maintenance</u>. Journal of marketing research, 45(6), 633-644.
- Gino, F., Ayal, S., & Ariely, D. (2009). <u>Contagion and Differentiation in Unethical Behavior: The Effect of One Bad Apple on the Barrel</u>. Psychological Science, 20(3), 393-398. Copyright is by permission of the © American Psychological Society.
- Yang, Y., Raine, A., Lencz, T., Bihrle, S., LaCasse, L., & Colletti, P. (2005).
 Prefrontal White Matter in Pathological Liars. British Journal of Psychiatry, 187, 320-325. Copyright is by permission of the © British Psychological Society.
- Zhong, C. & Liljenquist, K. (2006). <u>Washing away your sins: Threatened morality and physical cleansing</u>. Science, 313(5792), 1451-1452.
- Shalvi, S., Dana, J., Handgraaf, M., & De Dreu, C. (2011). <u>Justified Ethicality:</u>
 Observing Desired Counterfactuals Modifies Ethical Perceptions and Behavior.
 Organizational Behavior and Human Decision Processes, 115(2), 181-190.

Week 3 Recommended Reading

- Gino, F. & Galinsky, A. (2012). <u>Vicarious dishonesty: When psychological closeness creates distance from one's moral compass</u>. Organizational Behavior and Human Decision Processes, 119, (1), 15–26.
- Vohs, K. D. & Schooler, J. W. (2008). <u>The Value of Believing in Free Will:</u>
 Encouraging a Belief in Determinism Increases Cheating. Psychological
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 Psychological Society.
- Dijksterhuis, A., Preston, J., Wegner, D. M., & Aarts, H. (2008). Effects of Subliminal Priming of Self and God on Self-attribution of Authorship for Events. Journal of Experimental Social Psychology, 44(1), 2-9.
- Wang, C. S., Galinsky, A. D., & Murnighan, J. K. (2009). <u>Bad Drives</u>
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- Mazar, N., & Zhong, C. B. (2010). <u>Do Green Products Make us Better People?</u>
 Psychological Science, 21(4), 494-498. Copyright is by permission of the ©
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- Gino, F., Norton, M. I., & Ariely, D. (2010). <u>The Counterfeit Self: The Deceptive Costs of Faking It</u>. Psychological Science, 21(5), 712-720.
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- Chance, Z., Norton, M. I., Gino, F., & Ariely, D. (2011). <u>Temporal View of the Costs and Benefits of Self-deception</u>. PNAS, 15655-15659.
- Brooks, D. (2012, June 12). <u>The Moral Diet</u>. The New York Times.
- Surowiecki, J. (2012, July 30). Bankers Gone Wild. The New Yorker.
- Pearlstein, J. (2012, June 22). Why we Lie, Go to Prison, and Eat Cake: 10
 Questions with Dan Ariely. Wired.

Week 4: Labor and Motivation



Week 4 "Required" Reading

- Anik, L., Aknin, L., Norton, M., & Dunn, E. (Working Paper). <u>Feeling Good</u>
 <u>about Giving: The Benefits (and Costs) of Self-interested Charitable Behavior</u>.
 Harvard Business School Marketing Unit Working Paper, (10-012).
- Mochon, D., Norton, M. I., & Ariely, D. (2012). <u>Bolstering and Restoring Feelings of Competence via the IKEA Effect</u>. Intern. J. of Research in Marketing, 29, 363–369.
- Ariely, D., Gneezy, U., Loewenstein, G., & Mazar, N. (2009). <u>Large Stakes and Big Mistakes</u>. Review of Economic Studies, 76, 451-469.
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 Psychological Science, 15(11), 787-793. Copyright is by permission of the ©
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- Ariely, D., Kamenica, E. & Prelec, D. (2008). <u>Man's Search for Meaning: The Case of Legos</u>. Journal of Economic Behavior and Organization, 67, 671-677.

Week 4 Recommended Reading

- DeVoe, S. E. & Iyengar, S. S. (2010). <u>Medium of Exchange Matters: What's Fair for Goods is Unfair for Money</u>. Psychological Science, 21(2), 159-162.
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- Haisley, E., & Loewenstein, G. (2011). It's not what you get but when you get it: The effect of gift sequence on deposit balances and customer sentiment in a commercial bank. Journal of Marketing Research, 48(1), 103-115.
- Ariely, D., Bracha, A., & Meier, S. (2009). <u>Doing Good or Doing Well? Image Motivation and Monetary Incentives in Behaving Prosocially</u>. The American Economic Review, 99(1), 544-555.
- Woolhandler, S., Ariely, D., & Himmelstein, D. U. (2012). Why Pay for
 Performance may be Incompatible with Quality Improvement. BMJ: British
 Medical Journal, 345.
- Beilock, S. L. & Carr, T. H. (2005). When High-powered People Fail: Working
 Memory and "Choking Under Pressure" in Math. Psychological Science, 16(2),
 101-105. Copyright is by permission of the © American Psychological
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- Porter, E. (2005, April 12). <u>Can Shortcuts be a Force for Thrift?</u> The New York
 Times.
- Ariely, D. (2008, November 19). What's the Value of a Big Bonus? The New York Times.

Week 5: Self-control



Week 5 "Required" Reading

- Ariely, D., & Wertenbroch, K. (2002). <u>Procrastination, Deadlines, and Performance: Self-control by Precommitment</u>. Psychological Science, 13(3), 219-224. Copyright is by permission of the © American Psychological Society.
- Moffitt, T. E., Arseneault, L., Belsky, D., Dickson, N., Hancox, R. J.,
 Harrington, H., ... & Caspi, A. (2011). <u>A Gradient of Childhood Self-control Predicts Health, Wealth, and Public Safety</u>. PNAS, 108(7), 2693-2698.
- McClure, S. M., Laibson, D. I., Loewenstein, G., & Cohen, J. D. (2004).
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 Science, 306(5695), 503-507.
- Trope, Y., & Fishbach, A. (2000). <u>Counteractive Self-control in Overcoming Temptation</u>. Journal of Personality and Social Psychology, 79(4), 493-506.
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- Keeney, R. L. (2008). <u>Personal Decisions are the Leading Cause of Death</u>.
 Operations Research, 56(6), 1335-1347. Copyright is by permission of the ©
 Institute for Operations Research and the Management Sciences.

Week 5 Recommended Reading

- Papies, E. K. (2012). <u>Goal Priming in Dieters: Recent Insights and Applications</u>. Current Obesity Reports, 1, 99-105.
- Myrseth, K. O.R., Fishbach, A., & Trope, Y. (2009). <u>Counteractive Self-Control</u>. Psychological Science, 20, 159-163. Copyright is by permission of the © American Psychological Society.
- Patrick, V., Chun, H. E., & MacInnis, D. (2009). <u>Affective Forecasting and Self-control</u>: <u>When Anticipating Pride Wins over Anticipating Shame in a Self-regulation Context</u>. Journal of Consumer Psychology, 19(3)
- Erskine, J. A., Georgiou, G. J., & Kvavilashvili, L. (2010). <u>I Suppress</u>, therefore I Smoke: Effects of Thought Suppression on Smoking Behavior.
 Psychological Science, 21(9), 1225-1230. Copyright is by permission of the © American Psychological Society.
- Wansink, B., Painter, J. E., & North, J. (2005). <u>Bottomless Bowls: Why Visual</u>
 <u>Cues of Portion Size may Influence Intake</u>. Obesity Research, 13(1), 93-100.
- Danziger, S. Levav, J. Avnaim-Pesso. L. (2011). <u>Extraneous Factors in Judicial</u>
 <u>Decisions</u>. PNAS 108(17), 6889-6892.
- Nordgren, L. F., & Chou, E. Y. (2011). <u>The Push and Pull of Temptation: The Bidirectional Influence of Temptation on Self-control</u>. Psychological Science, 22(11), 1386-1390. Copyright is by permission of the © American Psychological Society.
- Ackerman, J. M., Goldstein, N. J., Shapiro, J. R., & Bargh, J. A. (2009). You wear me out: The vicarious depletion of self-control. Psychological Science, 20(3), 326-332. Copyright is by permission of the © American Psychological Society.
- Rachlin, H. (1990). Why do People Gamble and Keep Gambling Despite
 Heavy Losses? Psychological Science, 1(5), 294-297. Copyright is by
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- Eigsti, I. M., Zayas, V., Mischel, W., Shoda, Y., Ayduk, O., Dadlani, M. B., ... & Casey, B. J. (2006). <u>Predicting Cognitive Control from Preschool to Late Adolescence and Young Adulthood</u>. Psychological Science, 17(6), 478-484.
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- Kober, H., Mende-Siedlecki, P., Kross, E. F., Weber, J., Mischel, W., Hart, C. L.,
 & Ochsner, K. N. (2010). <u>Prefrontal-striatal Pathway Underlies Cognitive</u>
 <u>Regulation of Craving</u>. PNAS, 107(33), 14811-14816.
- Caldwell, C. (2004, March 1). <u>Select All: Can you have too many choices?</u> The New Yorker.
- Pinker, S. (2011, September 4). <u>The Sugary Secret of Self Control</u>. The New York Times.
- Bakalar, N. (2012, February 13). <u>Options Play a Role in Healthier Choices</u>.
 The New York Times.

Week 6: Emotion



Week 6 "Required" Reading

- Slovic, P., Zionts, D., Woods, A., Goodman, R., & Jinks, D. (2011). <u>Psychic Numbing and Mass Atrocity</u>. In Shafir, E. (ed.), The Behavioral Foundations Of Policy (11-56).
- Gigerenzer, G. (2004). <u>Dread Risk, September 11, and Fatal Traffic Accidents</u>. Psychological Science, 15(4), 286-287. Copyright is by permission of the © American Psychological Society.
- Gilbert, D. T., Lieberman, M. D., Morewedge, C. K., & Wilson, T. D. (2004).
 The Peculiar Longevity of Things Not So Bad. Psychological Science, 15(1), 14-19. Copyright is by permission of the © American Psychological Society.
- Loewenstein, G. (2000). <u>Emotions in Economic Theory and Economic Behavior</u>. The American Economic Review, 90(2), 426-432.

Week 6 Recommended Reading

- Inbar, Y., Pizarro, D., Gilovich, T. & Ariely, D. (2013). <u>Moral Masochism: On the Connection Between Guilt and Self-Punishment</u>. Emotion, 13(1).
- Andrade, E. B., & Ariely, D. (2009). <u>The Enduring Impact of Transient</u>
 <u>Emotions on Decision Making</u>. Organizational Behavior and Human Decision Processes, 109(1), 1-8.
- Gilbert, D. T., Morewedge, C. K., Risen, J. L., & Wilson, T. D. (2004). <u>Looking Forward to Looking Backward: The Misprediction of Regret</u>. Psychological Science, 15(5), 346-350. Copyright is by permission of the © American Psychological Society.
- Cryder, C. E., Lerner, J. S., Gross, J. J., & Dahl, R. E. (2008). Misery is not
 Miserly: Sad and Self-focused Individuals Spend More. Psychological Science,
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- McGraw, A. P., & Warren, C. (2010). <u>Benign Violations: Making Immoral</u>
 <u>Behavior Funny</u>. Psychological Science, 21(8), 1141-1149. Copyright is by
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- Helzer, E. G., & Pizarro, D. A. (2011). <u>Dirty Liberals! Reminders of Physical Cleanliness Influence Moral and Political Attitudes</u>. Psychological Science, 22(4), 517-522. Copyright is by permission of the © American Psychological Society.
- Cohen, J. D. (2005). <u>The Vulcanization of the Human Brain: A Neural Perspective on Interactions Between Cognition and Emotion</u>. The Journal of Economic Perspectives, 19(4), 3-24.
- Levav, J., & McGraw, A. P. (2009). <u>Emotional Accounting: How Feelings about</u>
 <u>Money Influence Consumer Choice</u>. Journal of Marketing Research, 46, 66-80
- Coates, John (2012, June 10). <u>The Biology of Bubble and Crash</u>. The New York Times.

Post-course

Recommended Reading

Amir, O., Ariely, D., Cooke, A., Dunning, D., Epley, N., Gneezy, U., Koszegi, B., Lichtenstein, B., Mazar, N., Mullainathan, S., Prelec, D., Shafir, E. & Silva, J. (2005). Psychology, Behavioral Economics, and Public Policy. Marketing Letters, 16(3). (Working Paper version.)



- Ariely, D. & Grüneisen, A. (2013). <u>How To Turn Consumers Green</u>. McKinsey on Society, Vol. 4.
- Just, D., Mancino, L., & Wansink, B. (2007). <u>Could Behavioral Economics Help Improve Diet Quality for Nutrition Assistance Program Participants?</u> USDA-ERS Economic Research Report, 43.
- Camerer, C., Issacharoff, S., Loewenstein, G., O'donoghue, T., & Rabin, M.
 (2003). Regulation for Conservatives: Behavioral Economics and the Case for 'Asymmetric Paternalism.' University of Pennsylvania Law Review, 151(3), 1211-1254.
- McKenzie, C. R., Liersch, M. J., & Finkelstein, S. R. (2006). <u>Recommendations</u>
 <u>Implicit in Policy Defaults</u>. Psychological Science, 17(5), 414-420. Copyright is by permission of the © American Psychological Society.
- Timmer, C. P. (2010). <u>Behavioral Dimensions of Food Security</u>. PNAS, 109(31), 12315-12320.
- Loewenstein, G., Ubel, P (2010, July 14). <u>Economics Behaving Badly</u>. The New York Times.
- Tritch, T. (2007, February 14). <u>Helping People Help Themselves</u>. The New York Times.