

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.

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

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SABE Conference in New York May 2007

The website with information about accommodation can be found at:

<http://web.scps.nyu.edu/sabe/about.html>

Call for Papers

[Professional Papers](#) | [Student Papers](#) (electronic recipients of the Newsletter can click on these)

Behavioral economics is a major innovation to the economic way of thinking, which it brings closer to psychology, sociology and the neurosciences. The conventional economic paradigm was based on extreme assumptions of stable preferences, perfect rationality and tight market equilibrium. By their simplicity, the latter have allowed economists over many decades to derive testable implications for individual behavior and market outcomes. However, other social scientists and a minority of economists questioned these assumptions and developed different approaches. For some time, economic psychology has been a forum for psychologists who studied economic behavior, like market exchanges and saving, with their own tools and methodology; and behavioral economics has been a forum for non-conventional economists who were open to the knowledge produced by neighboring disciplines. However, the increasing use of controlled experiments and real data is now transforming behavioral economics and economic psychology into a mainstream line of research. Whereas the field's growth was initially boosted by the discovery of paradoxes and anomalies to the conventional economic approach and still is, the time has also come to develop alternative theories and sort out the rival assumptions.

The SABE Conference aims at providing a platform to the fast growing number of economists, psychologists, neuroscientists and other social scientists who wish to discuss, rigorously but open-mindedly, their latest research in this emerging field. Relevant topics include all domains in which tenets of economic theory have been seriously and systematically challenged:

Experimental economics and neuro-economics; bounded rationality, learning and preference formation; choice under uncertainty and over time; reciprocity and social preferences; satisfaction, happiness and emotions; the psychology of economic behavior; applications of behavioral economics to finance, consumption and saving, game theory, industrial and labor relations, public economics, health, education, organizations and institutions, etc.

Submission Invitation:

Individual papers/posters and proposals for sessions (which should include 4 papers per session) are invited. Papers and sessions may be related to any area of behavioral economics and/or economic psychology. Theoretical, empirical and experimental contributions are welcome. Proposals may emanate from economists, psychologists, social scientists and neuroscientists provided they remain accessible to scientists from other disciplines.

Submission Items and Deadlines: Informative abstracts (3000 to 5000 characters, with goal, hypothesis, method, results, conclusion...) of proposed papers/posters and proposed sessions should be submitted online, BEFORE March 15, 2007 to [Prof. Douglas Rebne - dr73@nyu.edu](mailto:dr73@nyu.edu) for evaluation for inclusion in the program. Acceptances will be issued by March 31st. Complete papers should be submitted online by May 7 at the latest for inclusion in the proceedings. The *maximum* word limit is 10,000.

President's Invitation

SABE would not have grown steadily and become a member of ASSA without the support of a worldwide group of visionary, tenacious and talented researchers like you, who have participated in our conferences since 1982. We look forward to your continuing support, and we welcome others from all disciplines so that SABE may provide a truly open and interdisciplinary forum for the exchange of cutting-edge research on the pressing issues encountered in the ever deepening global marketplace fostered by technological leaps and institutional changes.

The current Nobel Laureate, Professor Edmond Phelps from Columbia University, will deliver the Herbert Simon Lecture at the SABE2007 conference in New York University, New York City on May 16-18, 2007. Please join us to make this a memorable 25th anniversary of SABE.

I look forward to seeing you there.

Sincerely,
Bijou Yang Lester
Professor of Economics
Drexel University

General Coordinator's Message

SABE07 at New York University comes on the heels of the highly-successful joint SABE-IAREP conference held in Paris last year. The forthcoming event realizes former SABE President Morris Altman's organizational objective of solidifying SABE's international presence with consecutive trans-Atlantic conferences having major metropolitan portals as venues. First expressed to me by Morris at least four years ago, it is a great pleasure to help make this plan a reality.

Accordingly, a major conference theme is concerned with comparative economic systems and the implications of same for behavioral economic research. To that end, Professor Edmund Phelps' Simon lecture will address the relative merits of Anglo-Saxon (read: North American and British) and continental European political economy, with a sympathetic nod towards the former system. Next day, Rainer Plassmann of the European Conderation of Public Employers will defend the case for "social partnership" as an institution facilitative of socioeconomic stability and prosperity. Our appreciation of the behavioral economics of such differences will surely be advanced by the insights on offer.

For SABE, 2007 is an important anniversary event--25 years having passed since our body was first convened (please see "About SABE" on the website). And so, it is a season to celebrate. To mark this milestone, founding member Professor Shlomo Maital will offer an SABE Legacy Lecture at our initial plenary session. By happy coincidence, we will also celebrate the near-simultaneous publication of his new book dedicated to advances in the field.

Finally, as we are a generation-and-something old, what better time to place special emphasis on the diffusion of SABEr thought to students interested in the field? Accordingly, Bijou Yang and Art Goldsmith are promoting doctoral student participation in SABE07. With respect to the interests of student-practitioners, we are pleased to serve as the umbrella organization for the inaugural academic meeting of the new Society for the Advancement of Adult Education. The Economics clubs of NYU and other Manhattan universities and colleges will also be involved in the event. SABE will be recognizing best student papers and there will be an opportunity to spend a year in Brussels and the European union doing research under an SABE-CEEP doctoral/post-doctoral fellowship. So, while it is well-and-truly too soon for founding influences such as Shlomo and John Tomer to think of "torch passing" and all that, we can be sure that an abundance of ready hands are <en route>.

Welcome!

Prof. Dr. Douglas Rebne
Dept. of Professional Studies
New York University

Administration Coordinator's Message

Welcome to New York, NYU, and the 2007 SABE Conference. I hope that this will be an informative and enjoyable experience for you.

I'd also like you to know that if there is anything I can do to help you, I am at your disposal. So please don't hesitate to ask.

Deborah Wilson

Preliminary Program Schedule

Tuesday, May 15th

5:00pm - 8:00pm Onsite SABE07 Registration and distribution of Conference materials.
(Location: Kimmel Foyer)

Wednesday, May 16th

9:00am - 12:00pm Onsite SABE07 Registration and distribution of Conference materials.
(Location: Kimmel Foyer)

8:30am - 10:00am Parallel Sessions
(Location: All Parallel Sessions to be held at Mercer)

10:00am - 10:30am Break and Refreshments

10:30am - 12:00pm Parallel Sessions

12:15pm - 2:00pm Luncheon-SABE President's Welcome
(Location: Kimmel) SABE Legacy Lecture: Shlomo Maital

2:15pm - 3:45pm Parallel Sessions

5pm - 8pm "SABE at 25" Cash Bar Reception
(Location: TBA)

Society for the Advancement of Adult Education (SAAE)
Registration, Reception, and SAAE President's Welcome
(Location: Kimmel)

Thursday, May 17th

8:30am - 10:00am Parallel Sessions

10:00am - 10:30pm Morning Break and Refreshments

10:30am - 12:00pm Parallel Sessions

12:15pm - 2:00pm Luncheon
Herbert Simon Lecture: Edmund Phelps
(Location: Kimmel)

2:15pm - 3:45pm Parallel Sessions

Friday, May 18th

8:30am - 10:00am	Parallel Sessions
10:00am - 10:30am	Morning Break and Refreshments
10:30am - 12:00pm	Parallel Sessions
12:15pm - 2:00pm	Luncheon Keynote Speaker: Rainer Plassmann (Location: Kimmel)
2:15pm - 3:45pm	Parallel Sessions
5:00pm -	New York Harbor Dinner Cruise (Location: Chelsea Piers)

Keynote Speakers

SABE Keynote Speaker - Edmund S. Phelps



Edmund Phelps joined the Department of Economics at Columbia in 1971 after several years at Pennsylvania and earlier Yale. He was named McVickar Professor of Political Economy in 1982. He is the 2006 winner of the Nobel Prize in Economics.

Phelps's work is best known for introducing in the late 1960s an expectations-based microeconomics into the theory of employment determination and price-wage dynamics. Keynes's great work of the '30s had left it unexplained why involuntary unemployment is observed even in the best of times and why a drop of aggregate "effective demand" causes a rise of unemployment

- why not a prompt fall of money wages and prices by just enough to forestall a fall of employment? The challenge was to resolve these issues while continuing to posit the elementary rationality that economics traditionally ascribed to workers, consumers and firms.



Since October 2000, Rainer Plaßmann has served as Secretary General of CEEP (European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest). He previously . He previously trained as an attorney, Mr. Plaßmann worked as a legal advisor to Stadwerke Köln GmbH, eventually heading the legal department as well as the department of "Central Executive Board and Supervisory Board Affairs, Strategic Group Planning, Organisation and Press".

Registration

Registration can be done through the website.

Conference registration fees:

Regular (Professional) \$455

On-site Registration Fee: \$500 - This option only available at the door.

The above fees include all conference materials (including copy of the Proceedings), welcome and session break refreshments, three plenary luncheons, New York Harbor dinner cruise, and annual SABE membership dues.

In addition we off the following registration options:

Adult Education Professional (May 17-18th): \$250

Adult Education Professionals – Accompanying Spouse: \$185

Accompanying Spouse: \$250

Student: \$250

One-day student registration: \$150.

SABE Conference Contacts

General Questions:

[Deborah Miriam Wilson](#), Conference Administrative Coordinator
deborahwilson1123@yahoo.com

Paper Submissions and Program Matters:

[Douglas Rebne](#), Conference General Coordinator
dr73@nyu.edu

Graduate Student Paper Competition

Following the ballot of the SABE Membership there will now be a formal graduate student paper competition. The arrangements covering graduate students are:

1. All graduate students are registered at a discount rate.
2. As many as three graduate student papers will be selected each year for the award.
3. Prize package: (i) a one year free subscription to the *Journal of Socio-Economics*, and (ii) a cash prize of \$1000.
4. A Graduate Student Paper Evaluation Committee will be appointed by the President. This Committee will have three members.
5. Any student paper if deemed of merit by the Committee may also be entered in the competition.
6. Papers written solely by the student will be favored, although papers having faculty as a secondary author(s) will also be considered.
7. The *Journal of Socio-Economics* will consider the winning papers for publication unless the author (s) declines.

SABE-CEEP European Doctoral/Post-Doctoral Fellowship

Rainer Plassmann's European Union body (CEEP) are willing to offer a one-year doctoral/post-doctoral fellowship to be administered by SABE. The position will offer a monthly stipend of approximately \$1600 as well as furnished lodging in Brussels. Travel around Europe in support of CEEP's research interests will be paid for as well. The work is broadly conceptualized--essentially policy-oriented research concerned with the socioeconomic impact of public-private and public economic activity--and should easily blend with the interests of any behaviorally-oriented economics student who has an interest in matters comparative and international. A further description is expected and the general plan is that Rainer Plassmann would meet with candidates in NY on May 18th and a final selection would be made soon after.

Letter from Ben Gilad to John Tomer, January 1983

Simon: Wow, what a blast from the past (sorry, an American expression). Of course you can reproduce the letter. I can't even recall its circumstances any more, or the meeting it reflects, but I do recall Shomo Maital (I am sure you know him) and me deciding to go ahead and form SABE.... It is heartening to see some of my old colleagues, like John Tomer and Roger Frantz still involved in SABE. Talk about persistence. When I left the field of Economics, I lost track of those guys. Do give them my warmest regards, if you see them or talk to them. Yours, Ben Gilad

January 6, 1983

Dear Professor Tomer:

On December 29th we held a meeting to discuss the possibility of establishing an organizational framework for behavioral economists. The meeting was attended by 14 people whose names and affiliation are listed on the following page. The discussion at the meeting concentrated on two points: First, the scope of behavioral economics, and second, the need for a formal organization. No consensus was reached on either point with some participants arguing for the inclusion of a wide spectrum of behavioral-social sciences in behavioral economics and some favoring the narrowing of the scope of only the psychological aspects of decision-making. On the need for a formal organization the opinions ranged from a reluctance to have more than an informal mailing list to a call for the establishment of a formal association which will promote the interdisciplinary issue within the economic profession. At the end it was decided that the participants should write down their thoughts regarding the scope of behavioral economics and the purposes(s) of an organizational setting. The participants agreed to send it to me as soon as possible to see if a compromise can be reached at this point on these matters.

The last topic agreed upon in the meeting was the proposal to prepare the ground for a conference on behavioral economics. These preparations will include a mailing campaign (to be arranged by Jay Schmiedeskamp and me) to potential contributors and participants to assess the interest in such a conference and to estimate the extent of the research currently going on in the field. The Journal of Behavioral Economics agreed, in principle, to publish the proceedings of such a conference and the Economics Department at Rutgers University agreed, in principle, to host.

I would be happy to hear your comments about these matters.

Sincerely yours,

B6:mlr

Benjamin Gilad
Assistant Professor of
Economics

<u>Name</u>	<u>Affiliation</u>
John Kagel	Houston University
Hersh Shefrin	University of Santa Clara
Richard Thaler	Cornell University
Randy Filer	Brandeis University
James Morgan	University of Michigan/ISR
John Tomer	Union College
Peter Loeb	Rutgers University(Newark)
Stanley Kaish	Rutgers University(Newark)
Gordon Winston	Williams College
Ruth Mack .	Institute for Public Administration
Richard Hattwick	Western Illinois University/Journal of Behavioral Economics
Howard Rachlin	SUNY (Stony Brook)
Jay Schmiedeskamp	Gallup Organization
Benny Gilad	Rutgers University (Newark)

Letter Recommending SABE for Membership of the ASSA

Dear Professor Lester,

The ASSA Membership Committee has reviewed your application for membership. We found your application in good order and well-prepared. We are recommending acceptance of your application for membership to John Siegfried who will be in touch with you about this in due course.

David H. Pyle
Chair, ASSA Membership Committee

IAREP 2007 Conference - September 9th to 12th – Call for Papers

The 32nd Annual Conference of the International Association for Research in Economic Psychology will take place in Ljubljana in the hotel Lev near the city center. It is being organized by Marko Polic and the University of Ljubljana. The main theme is *Values and Economy* but individual papers or posters and proposals for specific sessions or workshops may be on any area of Economic Psychology. Informative abstracts should be sent by April 15, 2007 by email to IAREP2007@ff.uni-lj.si as Microsoft Word or Rich Text format documents (.doc or .rtf). The Program Committee will review the abstracts and authors will be notified by June 1, 2007 whether their paper has been accepted. Full papers will be included in the Conference Proceedings if received by July 15 and if the registration fee has been paid by June 15.

2008 Conference in Rome

Plans are forming for a conference in Rome in the second week of September 2008. Further information to follow in due course.

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/homepage/sae/econworld/econbase/soceco/frame.htm>

SABE Officers and Board and Website

The SABE Board is:

Officers: Bijou Yang-Lester, Incoming President (also the current Treasurer)
Mark Pingle, President-elect
John Tomer, Executive Director
Gary Lynne, Secretary
Simon James, Editor of the Newsletter

Members-at-large: Morris Altman
Gerrit Antonides
Ofer Azar
Nathan Berg
Catherine Eckel
Roger Frantz
Flora Gill
Art Goldsmith
Shoshana Grossbard
Ewa Gucwa-Lesney
Louis Levy-Garboua
Cornelia Ohl
Charlotte Phelps

The SABE Website is: <http://www.usask.ca/economics/SABE>

The Newsletter and Mailing List

If you have a change of email or regular mail address please e-mail Nancy Rekart at nrekart@unl.edu or send her a note – to Nancy Rekart, Office Supervisor, 102 Filley Hall, University of Nebraska-Lincoln, NE 68583-0922, USA.