

CIFREM SEMINARS

The Empirical Foundations of Behavioral Economics and Behavioral Finance: Shaky At Best

Andreas Ortmann,

from Charles University Center for Economic Research and
Graduate Education (CERGE) and the Academy
of Sciences of the Czech Republic
Economic Institute (EI)

Thursday, 22 March 2007

4 PM DISA Seminar Room

Via Inama, 5

Drawing on Hertwig & Ortmann (Behavioral and Brain Sciences, 2001), the Hertwig & Ortmann chapter in Rapoport & Zwick's *Experimental Business Research_2005*, and work currently in progress, I will review the controversy in psychology over the reality of cognitive illusions which, we argue, is a methodological debate of interest to economists. The talk will touch on the empirical reality of phenomena such as overconfidence bias or base-rate neglect, and hence the empirical foundations of both behavioral economics and behavioral finance. In passing I will touch on issues such as questions of representative design and the importance of the format in which information is presented, and experienced. This discussion will lead to concluding remarks about the issue of constructivist and ecological rationality. Throughout the talk I will draw on experimental work both of my own and that of my co-author, as well as others.

Referente

cifrem@economia.unitn.it (tel. 0461/882290)