--Friday, September 26, 2014--

The Kavli Foundation Social and Decision Science Workshop

Vila Real, 2nd floor

Session I: 9:00-10:30 am

Psychophysical Aspects of Choice Behavior

Michael Woodford, PhD
Columbia University

The lecture will discuss consequences for choice behavior of limits on the accuracy of subjective coding of the features of a choice situation, such as the attributes of the options available in the current choice set. It will be argued that such limits can explain aspects of behavior that may appear to be anomalies from the standpoint of rational choice theory, including stochasticity of choice, focusing illusions, context-dependent choice, and violations of the predictions of expected utility maximization. It will be shown how methods from the literature on sensory perception, such as signal detection theory, can be applied to the analysis of value-based choice. Finally, implications of the hypothesis of efficient coding, as a specific theory of the nature of the errors in subjective coding will be discussed, both for perceptual phenomena and for choice behavior. Alternative versions of the efficient coding hypothesis, from both the neuroscience and economics literatures, will be compared.

Session II: 10:50-12:20 pm

Preference: Choice Primitive or Constructed Value?

Elke Weber, PhD
Columbia University

The realization that preferences are often constructed at the time of decision rather than simply recalled is arguably psychology's most important and successful export to behavioral economics. It explains a broad range of violations of economic rationality postulates and lies at the basis of choice architecture, the modification of normatively irrelevant features of the choice environment that can change preferences. I will review theoretical frameworks (including Prospect Theory, Decision Field Theory and other drift diffusion models, and Query Theory) that detail the how and why of preference construction and empirical evidence supporting hypothesized processes.

Sponsored by
THE KAVLI FOUNDATION