Behavioral Law and Economics

People are frequently both unselfish and overly optimistic; they have limited willpower and limited self-control; and they often rely on mental shortcuts and rules of thumb. What do these traits have to do with law? This is the question considered in Behavioral Law and Economics, the first book to analyze law by looking at how people actually behave. Marking the birth of a new field, one that combines the study of law with cognitive psychology and behavioral economics, the book offers a useful new perspective on many of our most disputed current legal issues, such as labor strikes, environmental protection, and punitive damages. It explores the impact of human nature on legal matters ranging from tax compliance and voting behavior to corporate finance and crime. Ultimately it shows how, with a clearer knowledge of human behavior, we might be better able to predict the actual effects of law and to assess the real, and potential, role of law in society.

Cass R. Sunstein is Karl N. Llewellyn Distinguished Service Professor at the University of Chicago Law School and Department of Political Science. His many books include Free Markets and Social Justice, One Case at a Time: Judicial Minimalism on the Supreme Court, and Legal Reasoning and Political Conflict.
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Behavioral Law and Economics

Edited by
Cass R. Sunstein
University of Chicago Law School
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Contributors

Linda Babcock is Professor of Economics at the H. John Heinz III School of Public Policy and Management at Carnegie Mellon University. Her research uses insights from psychology to improve economic models and analyses, particularly in the domain of negotiation and dispute resolution.

Jonathan Baron is Professor of Psychology at the University of Pennsylvania. Author of Thinking and Deciding (2d ed. 1994) and Judgment Misguided (1998), he is interested in utility measurement and nonconsequentialist judgments.

Ward Farnsworth is an associate professor at the Boston University School of Law. He attended law school at the University of Chicago and has served as a law clerk to Judge Richard A. Posner of the United States Court of Appeals for the Seventh Circuit and to Justice Anthony M. Kennedy of the United States Supreme Court.

Christine Jolls is Assistant Professor of Law at Harvard Law School and Faculty Research Fellow at the National Bureau of Economic Research. She holds a law degree from Harvard Law School and a Ph.D. in Economics from the Massachusetts Institute of Technology. She writes and teaches primarily in the areas of employment law and behavioral law and economics.

Daniel Kahneman is Eugene Higgins Professor of Psychology and Professor of Public Affairs at Princeton University. He has worked in diverse areas of experimental psychology and at the intersection of psychology, decision theory, and economics.

Mark Kelman is the William Nelson Cromwell Professor at Stanford Law School. He has written in the fields of law and psychology, law and economics, antidiscrimination law, tax policy, and criminal law.

Jack L. Knetsch received degrees in Soil Science and Agricultural Economics from Michigan State University, and in Public Administration and Economics from Harvard University. After holding academic, government, and other nonacademic positions in the United States, Malaysia, and Australia,
Contributors

he has been Professor of Economics and Professor of Resource Management at Simon Fraser University, in Canada, for twenty-five years. Much of his research and teaching has been in behavioral economics, environmental economics, law, and policy.

Russell Korobkin is an assistant professor at the University of Illinois College of Law and University of Illinois Institute of Government and Public Affairs.

James E. Krier is the Earl Warren DeLano Professor at the University of Michigan Law School. Before moving to Michigan he taught at UCLA and Stanford University.

Timur Kuran is Professor of Economics and King Faisal Professor of Islamic Thought and Culture at the University of Southern California. His publications include Private Truths, Public Lies: The Social Consequences of Preference Falsification (Harvard University Press).

Donald C. Langevoort is Professor of Law at Georgetown University Law Center, Washington, D.C. His principal research interests are in corporate and securities law, with special focus on the application of social psychology and organization theory to marketplace behavior.

George Loewenstein is Professor of Economics and Psychology at Carnegie Mellon University. His research focuses on applications of psychology to economics, and specific interests include decision making over time, bargaining and negotiations, law and economics, the psychology of curiosity, and “out of control” behaviors such as impulsive violent crime and drug addiction.

Edward J. McCaffery is the Maurice Jones, Jr. Professor of Law, University of Southern California Law School, and Visiting Professor of Law and Economics, California Institute of Technology. He is the author of many articles on tax, property, and legal theory, and the book Taxing Women (University of Chicago Press, 1997).

Roger G. Noll is the Morris M. Doyle Centennial Professor of Public Policy in the Department of Economics, Stanford University. His teaching and writing focus on public policies toward business, including the application of the economic theory of politics to understanding legal processes.

Jeffrey J. Rachlinski received a J.D. and a Ph.D. in Psychology from Stanford University. He is an assistant professor of law at Cornell Law School, where he studies the application of psychology to the legal system.

Ilana Ritov is a senior lecturer at the Hebrew University of Jerusalem. Her research interests include cognitive determinants of individual biased decisions.

Yuval Rottenstreich is Assistant Professor of Managerial and Organizational Behavior, Center for Decision Research, University of Chicago Graduate School of Business. His research interests include the normative and descriptive analysis of judgment and choice.
Contributors

David Schkade is Professor of Management and the William W. Spriegel Fellow at the University of Texas, Austin. His research interests include the psychology of judgment and decision making, jury decision making, the psychology of well-being, environmental resource valuation, and psychological aspects of decision support systems.

Matthew L. Spitzer is William T. Dalessi Professor of Law at the University of Southern California and Professor of Law and Social Science at the California Institute of Technology. He writes in the areas of telecommunications regulation, administrative law, and law and economics.

Cass R. Sunstein is Karl N. Llewellyn Distinguished Service Professor, Law School and Department of Political Science, University of Chicago. He is the author of many books, including Free Markets and Social Justice and Democracy and the Problem of Free Speech.

Richard H. Thaler is the Robert P. Gwinn Professor of Economics and Behavioral Science and Director, Center for Decision Research at the Graduate School of Business, University of Chicago.

Amos Tversky was a professor of psychology at Stanford University and a pioneer in the fields of cognitive psychology and behavioral economics.

Edna Ullmann-Margalit teaches philosophy at the Hebrew University of Jerusalem and is a member of its Center for Rationality and Interactive Decision Theory. Reasoning Practically, which she edited, will be published by Oxford University Press later this year.
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