

The SABE NEWSLETTER

Vol. 8 No. 1

March 1998

Editors: Morris Altman and Shlomo Maital

Printing and Distributed by the Dean's Office

College of Liberal Arts

Wayne State University

NEWSLETTER HIGHLIGHTS

- 1) [SABE's forthcoming 1999 Conference in San Diego](#)
 - 2) Update on SABE's forthcoming (July 13-16, 1998) mini-conference in Vienna to be held in conjunction with SASE's annual meetings
 - 3) Summary of SABE's 1997 Conference held at the Washington and Lee University in Lexington, Virginia from Friday June 20 till Sunday June 22
 - 4) Summary of SABE's poster session during the ASSA Meetings in Chicago held during the ASSA Meeting in Chicago, January 4, 1998
 - 5) Report on SABE's Board meeting during the Washington and Lee Conference
 - 6) Announcement: International Association for in Economic Psychology Conference in San Francisco, August, 1998
 - 7) Membership renewals....Help us to help you!
-

SABE's EMAIL PROJECT

Please send your email plus name and affiliation to altman@sask.usask.ca so that you can be placed on SABE's email list. This will allow you to be informed immediately of all of SABE's most recent activities.

Please visit SABE at our WEB site: <http://www.usask.ca/economics/SABE/index.html>.

Note that the address is case sensitive. Currently, we are registered with Yahoo.

☞ **SABE'S FORTHCOMING 1999 CONFERENCE IN SAN DIEGO**

Professor Shoshana Grossbard-Shechtman has agreed to organize SABE's next conference which will take place at San Diego State University in the summer of 1999. Check on the SABE web site <http://www.usask.ca/economics/SABE/index.html> for news and updates on the conference.

For the San Diego Conference, Shoshanna would like to draw on a broader circle of economists, psychologists, and sociologists and other academics who have not previously participated in SABE.

Please send session and other suggestions to:

Professor Shoshana Grossbard-Shechtman

Economics Department

San Diego State University

San Diego, CA

USA 92182

Tel: 619 594-5468(work), (619) 457-3969(home) Fax: 619 594-5062

Email: Shosh@mail.sdsu.edu

☞ **SABE AND SASE CONFERENCE, JULY 13-16th, 1998, VIENNA, AUSTRIA**

Professor Kishor Thanawala has organized an exciting group of sessions for SABE. A preliminary summary of the sessions are listed below.

Further details will be available in Vienna and for session presenters, from the SABE and SASE organizers.

Please consult our WEB site (<http://www.usask.ca/economics/SABE/conferences/vienna.html>) for further details.

The registration forms for the conference as well as for the hotels can be found on the [SABE](#) website. Please register as soon as possible!!

Your SABE membership is \$10 and is included in your \$30 SASE membership fee.

We also invite all SABE participants to partake in a SABE dinner which will be announced during the SABE sessions in Vienna. The SABE dinner is tentatively scheduled to take place Tuesday, July 14, 1998 at 7:00 p.m.

Please note that SABE's business meeting will take place on Tuesday, July 14, 1998 from 1:00 to 2:00 p.m. in the United Nations complex in Vienna.

☞ **HIGHLIGHTS**

The Causal Role of 'Culture' in Economic Development (I)

Morris Altman (Organizer)

1. Morris Altman, Department of Economics, University of Saskatchewan, "Culture, Human Agency, and Economic Theory: Culture as a Determinant of Material Welfare"
 2. Adrian Furnham, Department of Psychology, University College, London, "Economic Socialization"
 3. Kishor Thanawala, Department of Economics, College of Commerce and Finance, Villanova University, "Culture, Development, and Growth, and All That"
-

**The Causal Role of 'Culture' in Economic Development (II)
Morris Altman (Organizer)**

1. Eliezer Ayal, Department of Economics, College of Business Administration, University of Illinois at Chicago, "The Role of Culture in Economic Development: Theories and Evidence, with a Retrospective on the Southeast Asian Experience"
 2. Dipak K. Gupta, School of Public Administration & Urban Studies, San Diego State University, "Democracy, Economic Growth and Political Instability: An Integrated Perspective"
 3. Louise Lamontagne, Department of History, University of Toronto, "Jewish Entrepreneurship and the Men's Garment Industry in Victorian America"
-

**The Causal Role of 'Culture' in Economic Development (III)
Morris Altman (Organizer)**

Panel Discussion

Morris Altman
Elizer Ayal
Adrian Furnham
Dipak K. Gupta
Louise Lamontagne
Kishor Thanawala
John Tomer

**The Economy and Suicide
Bijou Yang (Organizer)**

1. Ferenc Moksony, Department of Sociology, Budapest University of Economic Sciences, "Socioeconomic Change and Suicide in Rural Hungary"

2. Elmar Etzersdorfer, Univeritatsklinik für Tiefenpsychologie und Psychotherapie, Vienna, Austria, "Unemployment and Suicide"
 3. David Lester, Center for the Study of Suicide, Blackwood, New Jersey, "Applications of Economic Models of Suicide"
 4. Bijou Yang, Department of Economics & International Business, Drexel University, "Learning from Durkheim and Beyond: Business Cycle Theory of Suicide"
-

Economic Psychology and the Family **Erich Kirchler and Erik Hoelzl (Organizers)**

1. Christa Rodler and Erich Kirchler, Department of Applied Psychology, University of Vienna, "Economic Decisions: Influence Tactics"
 2. Heribert H. Freudenthaler and Gerold Mikula, Institute of Psychology, University of Graz, "From the Perception of a Lop-Sided Division of Labor to the Experience of Injustice"
 3. Erik Hoelzl and Erich Kirchler, Institute of Psychology, University of Vienna, "Sequential Influence Balances"
 4. Carole Burgoyne, University of Exeter, "How Should Money be Allocated in Marriage? A Vignette Study"
-

Work and the Labor Market **Flora Gill (Organizers)**

1. Flora Gill, Department of Economics, University of Sydney, "The Meaning of Work: Lessons from Sociology, Psychology, and Political Theory"
 2. Gundren Biffle, Austrian Institute of Economic Research, "Social Reproduction and Labor Market of the Future"
 3. Arthur H. Goldsmith, Jonathan R. Veum, William Darity, Jr., Washington & Lee University, U.S. Bureau of Labor Statistics, University of North Carolina at Chapel Hill, "Motivation and Labor Market Outcomes"
 4. Kurt Rothchild
-

Issues in Behavioral Economics **Kishor Thanawala (Organizer)**

1. Helmut W. Jenkins, Garbsen, Germany, "The Extension of the European Union"

Towards the East: Chances and Risks"

2. Simon James, Department of Economics, University of Exeter, "The Behavior of Revenue Services as a Variable in Tax Administration and Taxpayer Compliance"

3. Harinder Singh, Department of Economics, Grand Valley State University, "Role of Political Risk in Foreign Direct Investment"

4. Joseph Issac, University of Melbourne, "The Effect of Recent Changes in Australian Labor Market Institutions: Toward a Greater Inequality"

Issues in Behavioral Economics

Kishor Thanawala (Organizer)

1. Douglas M. McCabe, School of Business, Georgetown University, "Employee Handbooks: A Behavioral and Management Perspective"

2. Ashish Sinha, Department of Marketing & International Management, University of Waikato, New Zealand, "ACT-R(P): A Unifying Theory of Consumer Cognition"

3. John Tomer, Department of Economics, Manhattan Collage, "Addictions Are Not Rational: A Socio-Economic Model of Addictive Behavior"

Socio-Economics and Economics: Compatible or Incompatible

John Tomer (Organizer)

Panel Discussion Kishor Thanawala (Organizer)

SASE panelists:

Richard Coughlin
Jerry Hage
Wolfgang Streeck
Rogers Hollingsworth

SABE panelists:

Morris Altman
Richard Hattwick
John Tomer

≈ **WASHINGTON & LEE CONFERENCE, "Mind and Matters", June 20-22, 1997**

≈ **HIGHLIGHTS**

This conference was a great success both academically and organizationally.

Art Goldsmith and Carl Kaiser of Washington and Lee are to be congratulated on behalf of all SABE members for their hard work and wonderful efforts. In addition, the SABE is most grateful to Washington & Lee University for all the resources and assistance provided to SABE in organizing and facilitating this conference. Special thanks to Lyn Hammett.

Part of the success of the conference involved realizing a surplus of \$1,302.96 US which will provide SABE with some leeway in its organizing activities.

In addition, the conference organizers successfully took on the monumental task of editing the conference papers submitted for publication in the Journal of Socio-Economics. Professors Goldsmith and Kaiser chose three papers of a fine lot. The following papers are forthcoming:

1. Sheryl B. Ball and Catherine C. Eckel, "The Economic Value of Status."

Ball is assistant professor of economics and Eckel is associate professor of economics at Virginia Polytechnic Institute and State University.

2. Kevin D. Frick and Neil R. Powe, "The Decision to Cover a Procedure at HMOs: Who Makes the Call?"

Frick is an assistant professor and Powe is associate professor in the School of Hygiene and Public Health at Johns Hopkins University.

3. Robert Taylor, "The Ethic of Care Versus the Ethic of Justice: An Economic Analysis."

Taylor is assistant professor at San Diego State University.

⚡ **ABBREVIATED PROGRAM VERSION OF THE CONFERENCE**

What follows is an abbreviated version of the program of this conference:

Friday, June 20, 1997

Opening Session/Keynote Speaker:

David Laibson, Economics Department, Harvard University, "Consumption Theory Revisited: A Behavioral Perspective"

Labor Issues:

Dyuti Sankar Banerjee, National University of Singapore, "Wages, Signaling, and Labor Turnover"

Shoshana Grossbard-Shechtman, San Diego State University, "What Happened to the New

Home Economics?"

Tom Lambert, Urban Studies, University of Louisville, "Economic Deprivation and Anti-Immigrant Antagonism: Contemporary and Historical Forms"

Saturday, June 21, 1997

Book Reviews & Overview:

Morris Altman, University of Saskatchewan, Human Agency and Material Welfare: Revisions in Microeconomics and their Implications for Public Policy

John F. Tomer, Manhattan College, The Human Firm: A Socio-Economic Analysis of Its Behavior and Potential in a New Economic Age

David George, LaSalle University, Philadelphia, The Shaping of Tastes: A Tale of Market Failure: Preferences for preferences: Are They Acknowledged by the Popular Culture?

Ethics and Behavior:

Douglas McCabe, Georgetown University, "Due Process Procedures in Faculty Grievance Codes"

Robert Taylor, San Diego State University, CA, "The Ethic Care versus the Ethic of Justice: An Economic Analysis"

Kishor Thanawala, Villanova University, "Does the Business Community have a Role in Promoting Justice in the International Economy?"

Consumer Behavior:

Gerrit Antonides, Erasmus Univ., The Netherlands, "Postmaterialist Consumption"

A. G. Groenland, University of Tilburg, Katholieke Universiteit Brabant, The Netherlands, "The Dynamic Process Training Approach: A Useful Tool for the Analysis of Complex Consumer Behaviours?"

Michael Lynn, School of Hotel Administration, Cornell Univ., "The Determinants of Restaurant Tipping: A Meta-Analytic Review"

Incentives & Behavior:

Simon James, University of Exeter, United Kingdom, "Small Business Attitudes to Disincorporation"

Vai-Lam Mui, Univ. of Southern California, Los Angeles, "A Laboratory Study of Group Polarization in the Team Dictator Game"

Bijou Lester Yang, Drexel University, Philadelphia, "Economic Analysis of the Deterrent Effect

of the Death Penalty"

Social Psychology:

Arthur H. Goldsmith, Washington and Lee University, "Working Hard for the Money?: Efficiency Wages and Worker Effort"

Carl P. Kaiser, Washington and Lee University, "What do We Know About Employee Absence Behavior? An Interdisciplinary Interpretation"

Vai-Lam Mui, Univ. of Southern California, Los Angeles, "The Economics of Envy"

Charlotte D. Phelps, Temple University, "Effects of Mother's Warmth in Early Childhood on the Mature Offspring's Family Income"

Keynote Speaker:

Robert E. Litan
Director of Economic Studies Program
Brookings Institution
"Emerging Issues and Perspectives in Economics"

Sunday, June 22, 1997

Industrial Organization:

Morris Altman, University of Saskatchewan, "Path Dependency, Variable Returns, Multiple Equilibria, Locking In and Breaking Out: the Economics of Profitable Inefficiency and Market Failure"

Sheryl B. Ball, Virginia Tech/State University, "Status in Markets: An Experimental Investigation"

Tom Swanke, West Virginia University, "Great Disorder under Heaven, but Lotus Blossoms still Bloom"

Gerson Lima, The Federal University of Paran, Brazil, "The Visible Hand"

Industrial Organization:

Kevin D. Frick, Johns Hopkins University, "HMOs' Perspective on Responsibility for Assuring Reasonable Benefits at Reasonable Costs: HMO Market Forces and Characteristics"

Donald Vandergrift, College of New Jersey, Trenton, "An Experimental Test of the Austrian View of Competition"

Joseph Henry Vogel, Ciencias Sociales-Ecuador, "The Recognition of Non-Rational Behavior in the Design of Environmental Policy: Bioprospecting and the Convention Biological Diversity"

☞ **THE SABE POSTER SESSION IN CHICAGO - JANUARY 4, 1998**

SABE's traditional ASSA poster session, organized this year by Morris Altman in cooperation with the Industrial Relations Research Association, was a success, generating a lot of interesting discussion and a larger crowd. Each presenter presented paper and addressed related questions raised by the poster participants.

The following are the participants of the poster session:

Morris Altman (University of Saskatchewan), "Preferences and Labor Supply: Casting Some Light into the Black Box of Income-Leisure Choice."

Eliezer B. Ayal and Georgios Karras (University of Illinois, Chicago), "Components of Economic Freedom and Growth: An Empirical Study."

Arthur H. Goldsmith, Jonathan R. Veum, William Darity, Jr. (Washington & Lee University, U.S. Bureau of Labor Statistics, University of North Carolina at Chapel Hill, "Motivation and Labor Market Outcomes."

Hugh Schwartz, (Federal University of Parana, Brazil), "As If Idiosyncrasies and Institutions Really Mattered: A Behavioral Approach to Economic and Financial Decision Making."

Robert Taylor (San Diego State University) "The Ethic of care Versus the Ethic of Justice: An Economic Analysis."

Congratulations to Hugh Schwartz on the forthcoming publication of his new book: *Rationality Gone Awry? Decision Making Inconsistent with Economics and Financial Theory*. Praeger Publishers, 1998.

☞ **THE SABE BUSINESS MEETING DURING THE WASHINGTON AND LEE CONFERENCE**

Art Goldsmith and Carl Kaiser were congratulated on their excellent work organizing the conference.

The Board discussed plans for meetings in Europe for 1998. It was decided to organize a mini-conference within the framework of the Society for the Advancement of Behavioral Economics meeting scheduled to take place in Vienna in 1998.

A strong sentiment was expressed that SABE hold future mini-conference in Europe and elsewhere with other interdisciplinary groups such as the International Association for Research in Economic Psychology (IARAP).

Also discussed was the 1999 SABE conference in the United States. The Board was favorably

inclined to accept the proposal from Professor Grossbard-Schechtman from San Diego State University that she organize the next meeting on the campus of SDSU. Professor Grossbard-Schechtman informed the Board that she would get back after consulting with the SDSU administration.

The Board also elected Professors Art Goldsmith and Shoshana Grossbard-Shechtman as new board members.

⚡ **OPPORTUNITY TO PUBLISH PAPERS IN THE *Review of Social Economy***

John Davis, Editor of the Review of Social Economy, suggested that I might edit a "mini symposium" possibly consisting of three papers. The theme he is interested in is the intersection of and interrelations of behavioral economics with social economics. To be accepted for this symposium, papers will have to pass a regular reviewing process. Anyone interested should contact me, John Tomer at: jtomer@juno.com or 5 Grand View Ave., Troy, NY 12180.

⚡ **JOIN SABE NOW!**

⚡ **BEHAVIORAL ECONOMICS?**

BEHAVIORAL ECONOMICS: the attempt to better understand economic behavior, broadly defined, by joining conventional or non-conventional economic models and methods with a wide range of social science disciplines such as psychology, sociology, anthropology, and history.

⚡ **CALL FOR MEMBERSHIP AND THE RENEWAL OF MEMBERSHIP - Join SABE Now!**

We are always seeking new members to contribute to realizing SABE's objectives. You will also be able to take pleasure in knowing that you are a member of a small but important group that is at the frontier of efforts to change the shape of the discipline of economics.

JOIN SABE!!

Membership dues are \$10. Please enclose a check drawn on a US bank or a US dollar money order, payable to **SABE--Society for the Advancement of Behavioral Economics**

NAME: _____

AFFILIATION: _____

ADDRESS: _____

PHONE: home _____

office _____

fax _____

BITNET:(E-Mail) _____ @ _____

Please return to:

**John F. Tomer, SABE
5 Grand View Avenue
Troy, NY 12180, USA**

RENEW YOUR MEMBERSHIPS NOW!

We are requesting that all current members renew their membership for the year 1998 if you have not already done so. We plan to send reminders to individuals who have not renewed their membership. Ultimately, we will have to stop mailings to these members.

Your fees provide SABE with capacity to publish a newsletter, organize conferences, as well as performing other good deeds.

INTERNATIONAL ASSOCIATION FOR RESEARCH IN ECONOMIC PSYCHOLOGY (IAREP)

Joint Conference with the International Association of Applied Psychology (IAAP)

San Francisco, August 9-24, 1998

This conference should be of some interest to SABE members.

The presentations in the Economic Psychology Division should be of particular interest.

The Presidential Address will be given by W. Fred Van Raaij, Erasmus University (Integrated Communication from the Consumer Perspective)

Keynote Address: Viviana A Zelizer, Princeton University (Social Ties and Cash Nexus)

Invited Speakers include Shlomo Maital, SABE and Israel Institute of Technology (When Do Feedback and Experience Impair Learning: Theory and Experimental-Game Evidence).

Other invited speakers are: Daniel Kahneman, Princeton University (Hypothesis About the Behavior of Individual Investors); Russell Belk, University of Utah (Giving and Receiving Gifts); Robert Sommer, University of California, Davis (Everyone Loves a Farmer's Market: Social and Economic Perspectives).

There will also be 7 Invited Symposia, including one organized by SABE's Gerrit Antonides, Erasmus University (Economic Psychology and Behavioral Economics); Alan Lewis, University of Bath (Money, Morals, and Markets); Edward Groenland, Tilburg University & Peter Lunt, University College London (Saving and Financial Management); Suzanne Beckman, Copenhagen Business School (Citizen Consumers and the Environment); Tadeusz Tyszka, Polish Academy of Sciences (Economic Decision Making and Risk).

≈ **MEMBERSHIP CALL FOR THE INDUSTRIAL RELATIONS RESEARCH ASSOCIATION (IRRA)**

The Industrial Relations Research Association (IRRA) has brought together representatives of labor, management, government, and academics advocates and neutrals, for 50 years. Founded in 1947, IRRA has more than 4,000 members, in the areas of labor and management relations, academic research and education, human resources, public policy, union administration, labor and employment law, and others.

IRRA has been a faithful friend of SABE, allowing us to use their poster facilities at the ASSA meetings for many years. One of these poster sessions, held in New Orleans during the 1991 ASSA meetings was instrumental in reviving a once moribund SABE. SABE members whose research touches human resources are urged to become IRRA members.

For further information, contact:

Kay Hutchison, Administrator
IRRA, Univ. of Wisconsin-Madison
4233 Social Science Building
1180 Observatory Drive
Madison WI 53706-1393
Tel.: (608) 262-2762
Fax: (608) 265-4591

≈ **BOOKS OF INTEREST**

Morris Altman, Human Agency and Material Welfare: Revisions in Microeconomics and their Implications for Public Policy. Boston, Dordrecht, London: Kluwer Academic Publishers, 1996.

Gerrit Antonides, W. Fred van Raaij, and Shlomo Maital, eds. Advances in Economic Psychology . Chichester, New York : Wiley, 1997.

Gerrit Antonides, Psychology in Economics and Business. Dordrecht: Kluwer Academic Publishers, 1991.

J.L. Baxter, Behavioral Foundations of Economics. Macmillan Press/St. Martin's Press, 1993.

Kenneth Button, ed., The Collected Essays of Harvey Leibenstein (2 Vols.). New York: New York University Press, 1989.

Choi, Young Back, Paradigms and Conventions: Uncertainty, Decision Making, and Entrepreneurship. Ann Arbor: University of Michigan Press, 1993.

Richard M. Cyert and James G. March, A Behavioral Theory of the Firm, 2nd edition. Cambridge, Mass.: Blackwell Business, 1992.

Peter E. Earl, Behavioural Economics (2 Vols.). United Kingdom: Edward Elgar Publishing, 1988.

Roger S. Frantz, X-Efficiency: Theory, Evidence and Applications. Boston, Kluwer Academic Publishers, 1988.

Daniel Friedman and Shyam Saunders, Experimental Economics: A Primer for Economists. New York: Cambridge University Press, 1994.

Benjamin Gilad and Stanely Kaish, eds. Handbook of Behavioral Economics, (2 Vols.). Greenwich: JAI Press, 1986.

Shoshana Grossbard-Shechtman, On the Economics of Marriage: A Theory of Marriage, Labor, and Divorce. Boulder, Colorado: Westview Press, 1992.

Bill Jordon, Simon James, Helen Kay and Marcus Redley, Trapped in Poverty: Labour Market Decisions in Low Income Households. London: Routledge, 1992.

Robert Kuttner, The Economic Illusion: False Choises Bewteen Prosperity and Social Justice. Philadelphia: University of Pennsylvania Press, 1987.

Stephen E.G. Lea, Paul Webley and Brian M. Young, eds., New Directions in Economic Psychology: Theory, Experiment and Application. United Kingdom: Edward Elgar Publishing, 1992.

Harvey Leibenstein, Inside the Firm: The Inefficiencies of Hierarchy. Cambridge, Mass.: Harvard University Press, 1987.

Lewis, Alan and Karl-Erik Warneryd, eds., Ethics and Economic Affairs. New York and London: Routledge.

Lewis, Alan, Paul Webley and Adrian Furnham, The New Economic Mind: The social Psychology of Economic Behaviour. New York and London: Prentice Hall, 1995.

Shlomo Maital and Sharon Maital, eds., Economics and Psychology. United Kingdom: Edward Elgar Publishing, 1993.

Shlomo Maital, Executive Economics: Ten Essential Tools for Managers. New York: The Free Press, 1994.

Joyce Rothschild and J. Allen Whitt, The Cooperative Workplace: Potentials and Dilemmas of Organizational Democracy and Participation. New York: Cambridge University Press, 1986.

Marvin E. Rozen, The Economics of Organizational Choice: Workers, Jobs, Labor Markets, and Implicit Contracting. Ann Arbor: University of Michigan Press, 1991.

Richard H. Thaler, The Winner's Curse: Paradoxes and Anomolies of Economic Life.

New York: The Free Press, 1992.

John F. Tomer, Organizational Capital: The Path to Higher Productivity and Well-Being. New York, Praeger, 1987.

Charles Hampden-Turner and Alphons Trumpenaars, Seven Ways of Wealth Creation. New York: Doubleday, 1993.

Klaus Weiermair and Mark Perlman, eds., Studies in Economic Rationality: X-Efficiency Examined and Extolled. Ann Arbor: University of Michigan Press, 1990.

REMINDER

Please forward information on books, articles, or conferences which might be of interest to our members to:

Professor Morris Altman
Department of Economics
University of Saskatchewan
9 Campus Drive
Saskatoon, Saskatchewan
CANADA S7N 5A5
Phone: (306) 966-5198
Fax: (306) 966-5232
E-mail: altman@sask.usask.ca

THE SABE EXECUTIVE BOARD

John Tomer (Manhattan College), President

Li Way Lee (Wayne State University), Secretary

Bijou Yang (Drexel University), Treasurer

Morris Altman (University of Saskatchewan, Co-editor of the SABE Newsletter

Shlomo Maital (Technion-Israel Institute of Technology), Co-editor of the SABE Newsletter

Gerritt Antonides (Erasmus University and the International Association for Research in Economic Psychology), Member-at-Large

Richard E. Hattwick (Western Illinois University), Member-at-large and Editor of the *Journal of Socio-Economics*

Flora Gill (University of Sydney, Australia), Member-at-Large

Art Goldsmith (Washington & Lee University), Member-at-Large

Noah Meltz (President, Woodsworth College, University of Toronto), Member-at-Large

Shoshana Grossbard-Shechtman (San Diego State University), Member-at-Large

Harinder Singh (Grand Valley State University), Member-at-Large