

Contents

<i>List of Figures</i>	vii
<i>List of Tables</i>	ix
Introduction <i>Isabelle Brocas and Juan D. Carrillo</i>	xi
PART I. THE CAUSES AND CONSEQUENCES OF 'IRRATIONAL' CONDUCTS	
1. The Psychology of Irrationality: Why People Make Foolish, Self-Defeating Choices <i>Roy F. Baumeister</i>	3
2. Irrational Pursuit: Hyper-Incentives From a Visceral Brain <i>Kent C. Berridge</i>	17
3. The Pursuit and Assessment of Happiness may be Self-Defeating <i>Jonathan W. Schooler, Dan Ariely, and George Loewenstein</i>	41
PART II. IMPERFECT SELF-KNOWLEDGE AND THE ROLE OF INFORMATION	
4. Behavioral Policy <i>Andrew Caplin and John Leahy</i>	73
5. Information and Self-Control <i>Isabelle Brocas and Juan D. Carrillo</i>	89
6. Self-Signaling and Diagnostic Utility in Everyday Decision Making <i>Ronit Bodner and Drazen Prelec</i>	105
PART III. IMPERFECT MEMORY AND LIMITED CAPACITY TO PROCESS INFORMATION	
7. Mental Accounting and the Absent-minded Driver <i>Itzhak Gilboa and Eva Gilboa-Schechtman</i>	127
8. Self-Knowledge and Self-Regulation: an Economic Approach <i>Roland Benabou and Jean Tirole</i>	137
9. A New Challenge for Economics: 'The Frame Problem' <i>Xavier Gabaix and David Laibson</i>	169

PART IV. TIME AND UTILITY

10. Experienced Utility and Objective Happiness:
a Moment-Based Approach 187
Daniel Kahneman
11. Making Sense: the Causes of Emotional Evanescence 209
Timothy D. Wilson, Daniel Gilbert, and David B. Centerbar
12. Temporal Construal Theory of Time-Dependent Preferences 235
Yaacov Trope and Nira Liberman

PART V. EXPERIMENTAL PRACTICES IN PSYCHOLOGY,
ECONOMICS, AND FINANCE

13. Economists' and Psychologists' Experimental Practices:
How They Differ, Why They Differ, and How They Could Converge 253
Ralph Hertwig and Andreas Ortmann
14. Psychology and the Financial Markets: Applications to
Understanding and Remediating Irrational Decision-Making 273
Denis J. Hilton
15. What Causes Nominal Inertia? Insights From
Experimental Economics 299
Ernst Fehr and Jean-Robert Tyran
- Index 315