RICHARD H. THALER Misbehaving

How Economics Became Behavioural



CONTENTS

Preface	хi
I. BEGINNINGS: 1970-78	1
1. Supposedly Irrelevant Factors	3
2. The Endowment Effect	12
3. The List	20
4. Value Theory	25
5. California Dreamin'	35
6. The Gauntlet	43
II. MENTAL ACCOUNTING: 1979-85	55
7. Bargains and Rip-Offs	57
8. Sunk Costs	64
9. Buckets and Budgets	74
10. At the Poker Table	80
III. SELF-CONTROL: 1975–88	85
11. Willpower? No Problem	87
12. The Planner and the Doer	99
INTERLUDE	113
13. Misbehaving in the Real World	115
W MODWING WITH DANNY, 1004_05	125
IV. WORKING WITH DANNY: 1984-85	123
14. What Seems Fair?	127

15. Fairness Games	140
16. Mugs	148
V. ENGAGING WITH THE ECONOMICS	
PROFESSION: 1986–94	157
17. The Debate Begins	159
18. Anomalies	169
19. Forming a Team	176
20. Narrow Framing on the Upper East Side	185
VI. FINANCE: 1983-2003	203
21. The Beauty Contest	205
22. Does the Stock Market Overreact?	216
23. The Reaction to Overreaction	225
24. The Price Is Not Right	230
25. The Battle of Closed-End Funds	237
26. Fruit Flies, Icebergs, and Negative Stock Prices	244
VII. WELCOME TO CHICAGO:	
1995-PRESENT	255
27. Law Schooling	257
28. The Offices	270
29. Football	277
30. Game Shows	295
VIII. HELPING OUT: 2004-PRESENT	307
31. Save More Tomorrow	309
32. Going Public	323
33. Nudging in the U.K.	330
Conclusion: What Is Next?	347
Notes	359
Bibliography	373
List of Figures	393
Acknowledgments	395
Index	399