



Upcoming Seminars

Wednesday, 3.5.23

12.15-13.15

AWI room 00.010

Internal Seminar

Katharina Momsen

"Motivated Reasoning, Information Avoidance, and
Default Bias"

Abstracts

Katharina Momsen

"Motivated Reasoning, Information Avoidance, and Default Bias"*

We investigate whether the presence of a preselected default option interacts with the willingness of decision-makers to gather, process and consider information. In an online experiment, where about 2,300 participants choose between two compiled charity donation options worth \$100, we vary the availability of information on the options and the presence of a preselected default. We find that the possibility to remain ignorant influences default bias considerably and the presence of a default induces decision-makers to avoid information. Moreover, we show that defaults trigger motivated reasoning: In the presence of a default option, even if self-selected, participants consider new information to a lower degree than without a preselected option. Our findings thus show that nudges may not be as innocent as commonly assumed, and more generally, they highlight the need to take opportunities for motivated reasoning and information avoidance into account when deciding on how to design a decision situation.

*with Sebastian O. Schneider

Talks and Research Visits

Timo Goeschl presented the paper "The Demand for Personal Air Quality Exposure Information: A Field Experiment" (joint with Alexander Dangel) at the Annual Meeting of the Standing Field Committee on Environmental and Resource Economics, Basel, April 22.

Katharina Momsen presented "Seller Opportunism in Credence Good Markets – The Role of Market Conditions" (joint with Markus Ohndorf) at the VCEE, Vienna, April 21.

Stefan Trautmann presented the paper "A Choice-Based Approach to the Measurement of Inflation Expectations" at the Dutch Central Bank (DNB), April 13.

Timo Goeschl presented the paper "The Behavioral Economics of Extreme Event Attribution" (joint with Florian Diekert and Christian König-Kersting), at the Thurgau Experimental Economics Meeting, Kreuzlingen, March 29.

New Working Papers

Johannes Diederich, Timo Goeschl, Israel Waichman: "Self-nudging is more ethical, but less efficient than social nudging", *AWI Discussion Paper Series No. 726*, April 2023.

Editorial deadline for issue 10/2023 of the newsletter:
Wednesday, May 3, 2023, noon.
newsletter@awi.uni-heidelberg.de