
ECONOMICS AND PSYCHOLOGY: FROM IMPERIALISTIC TO INSPIRED ECONOMICS

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1. INTRODUCTION

Modern economics and psychology are both sciences of human behaviour. Although they have a common theme, their relationship still swings between pure co-existence and selective interaction. In the beginnings of economics, economists like Smith, Bentham, Marshall and many others were aware of, and even analysed, the psychological foundations of preferences and beliefs. However, psychological considerations in economics were lost when neoclassical economics started its triumphant progress within the science of economics. Economists found themselves able to explain individual behaviour by relying solely on ordinal utility or preferences. This concept has no material content but serves to formally account for the influence of changes in relative prices or cost on individual demand and supply. As a consequence, this theory of "revealed behaviour" departed completely from any psychological consideration. Using the fully rational model of decision making, the economic approach became successful in many areas outside of the economy, like politics, law, history or art.¹ This tendency toward "economic imperialism" was questioned by psychologists like Herbert Simon, Amos Tversky and Daniel Kahneman, who challenged the neoclassical economic model of man on

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1. The respective branches of economics are called «Public Choice», «Law and Economics», «Cliometrics» and «Cultural Economics».

the ground of its strong rationality assumptions.² These (and many other) scholars showed that, under certain important conditions, individuals violate the rationality assumptions on which much of economic imperialism is based, in particular consistency. One important aspect is that individuals have limited cognitive capacities to maximise their utility subject to constraints and therefore revert to "satisficing". Another aspect is that individuals are subject to various behavioural anomalies. For instance, they are subject to reference point, anchoring, endowment, sunk cost, availability and framing effects, which also systematically violate the rationality assumption on which conventional economics is based. These insights came mainly from psychology (though in some cases, such as, for example, with the Allais-paradox, economists also observed violations of rationality).

By incorporating ideas from psychology, the movement of behavioural economics started to suggest modifications to economic theory. This integrative approach of economics and psychology searches for a new general model of human behaviour. It widens the spectrum of inspiration that economics can gain from psychology.

The paper proceeds as follows. Section 2 briefly describes the journey towards the dominant neoclassical approach to human behaviour, which has driven out explicit psychological aspects. Special emphasis is placed on the economic concept of utility. Moreover, the economic model of human behaviour is contrasted with psychological models of behaviour. It is shown that the economic approach can fruitfully be applied to some standard psychological questions. The inspiration for economics of insights from cognitive social psychology is discussed in section 3. Three areas are mentioned: behavioural anomalies, human motivation and subjective well-being. Section 4 offers concluding remarks.

2. Highly influential were, and still are, Simon's book «Models of Man» (1957) and later publications on bounded rationality (for example Simon 1978), Kahneman and Tversky's publication of «Prospect Theory» in *Econometrica* (1979), and the volume of essays «Judgment Under Uncertainty: Heuristics and Biases» (1982, co-edited with Slovic).

2. IMPERIALISTIC ECONOMICS IS DRIVING OUT PSYCHOLOGY

Economics is considered to be "the Queen of the Social Sciences" by its proponents and to be "an Imperialistic Science" by its critics. Both characterisations of economics are due to the development toward a fully rational model of economic decision-making, which represents the core of the generally accepted and rigorous neoclassical economics.

Within mainstream economics, the relationship between economics and psychology can best be described as imperialistic on the part of economics. On the way to developing neoclassical economic theory, the psychological content which still existed in the work of economic precursors was totally squeezed out.

2.1. The Loss of Psychology in Economics

A lot of classical economists (those living in the 18th and 19th century) carefully considered psychological reasoning when debating about preferences and beliefs. The Utilitarians, such as Bentham (1789), had very broad views on utility and were convinced that utility could be measured.

The 1930s witnessed a revolutionary change in the concept of utility. Economists became convinced that utility could not be cardinally measured. The concept of utility only serves to explain the choices made by individuals between various goods. Empirically, utility should be inferred from the choices actually made. It is therefore appropriate to speak of "decision utility" in the sense of an ordinal preference index indicating whether good A is preferred over good B, or whether the opposite holds, or whether individuals are indifferent.

Since World War II, this so-called "New Welfare Economics" has become the conventional view enshrined in myriads of theoretical treatises and textbooks. In order for utility to be reflected in *revealed behaviour*, individuals are required to be well (or even completely) informed, aware of the choices made, and consistent in their wishes. Utility has just become a number without any further substantive meaning whatsoever.

The switch from the idea of measurable cardinal utility to a preference index of ordinal utility – graphically represented by the consumer indifference curves – was successful in economics for two good reasons:

1. Firstly, states of minds, such as how much satisfaction or pleasure a good yields, are inherently difficult to measure. Economists endeavouring a scientific approach to their discipline are therefore deeply sceptical about the possibility of being able to measure utility.
2. Secondly, cardinal utility is not necessary for economic theory. Demand theory can be entirely grounded in ordinal utility in the form of a preference index. A chain of definition is established, relating utility exclusively to choice behaviour. No empirical knowledge of persons' emotional states or opinions about their utility is needed to explain the choices individuals make between goods on markets. According to revealed preference theory any observed demand function satisfying some undisputed conditions of regularity, unique well-ordered preferences over commodities exist, rationalising the demand function if, and only if, a set of axioms of revealed preference is satisfied by demand. The preference axioms require consistency, in as far as choices made by consumers from different budget sets correspond to the choice individuals would have made had they consciously maximised a binary preference relation. Everyone is thus assumed to have pursued their well-defined goals on markets in the best possible way. Becker (1962) was able to go one step further still. He showed that it is possible to derive the most important implication of demand theory – that a price rise induces a fall in demand, all other influences being constant – without using *any* concept of utility.

Modern economic theory has thus made a huge step away from a substantive and empirically measurable idea of utility in terms of satisfaction or pleasure.

The economic concept of utility was not the only concept that was cleared of any psychological content. In the 1970s, economists' ideas about expectations were swept by one formal framework – the rational expectations equilibrium model [Muth (1961), Lucas and Prescott (1971)]. In microeconomics, the new field of information economics and the equilibrium concepts of game theory, emphasising correct beliefs and Bayesian updating, gained ground.

2.2. The Contribution of Economics to Psychology

Modern economic theory is based on a particular model of how human beings act. This economic model of human behaviour [see Becker

(1976), Frey (1999)] is based on the assumption that preferences, as well as constraints, determine behaviour. The most important restrictions on deriving utility from consumption, or from any other economic activity, are (i) disposable income, including wealth and the possibility of getting credit; (ii) the (relative) prices for goods and services; and (iii) the time required for consuming and acting.

On the basis of these simple assumptions of the economic model of human behaviour, it is possible to derive a central law – the generalised *law of demand*. Suitably applied, it gives a theoretical and empirical explanation of how people act.

For psychology, the significance of the economic approach of human behaviour lies mainly in its coherence and universal validity and that this approach offers clear predictions for behaviour. Psychology, in contrast, does not have a general model of behaviour, but consists of a large number of partial theories and special effects, which exist more or less isolated. The differences become clear when the economic approach is compared to models of behaviour in social psychology, which are also based on the hypotheses that individuals behave in such a way as to maximise their own utility [for example Ajzen (1988), Fishbein and Ajzen (1975)]. However, according to these latter models, social attitudes are the central determinants of behaviour. Attitudes are defined as a propensity to judge an object as positive or negative. It is taken as being self evident that a tendency towards positive judgement is followed by corresponding behaviour; that, for example, citizens vote for politicians whom they value, and that they buy goods they think are good. Economists do not expect that behaviour could be predicted on the basis of preferences, a concept that is related to attitudes in psychology. Some economists [in particular Stigler and Becker (1977)] have even argued that changes in human behaviour, can and should, only be explained by changes in restrictions. The reason is that it is difficult to empirically capture and separate changes in preferences from the change in behaviour that has to be explained. In contrast, changes in constraints are observable. In particular, changes in the prices of goods and services are easy to observe and to quantify.

A simple example may be given by way of illustration. Assume that an increasing tendency is observed to buy smaller cars than formerly was the case. This change in behaviour could be explained by arguing that the consumers have shifted their preferences and now put a higher value on small cars (e.g., following "post-industrial norms"). Such an explanation is diffi-

cult, or even impossible, to test empirically. What would be needed is an observation of a preference change, independent of the behaviour observed. If the "change in preferences" cannot be observed independently, an "explanation" only consists of an ex post description in different words: a preference change must have occurred because behaviour has changed. Conversely, had there been no change in behaviour, there would be no preference change. An empirical test of such an "explanation" is meaningless because it must always be true. Accordingly, no new empirical insights are gained.

The economic model of behaviour proceeds in a different way. It first asks in what way the individuals' possibility set has changed. The opportunities for action available to a person are attributed to observable changes in the constraints. Primarily, changes in the prices or costs of goods and actions are considered, which may have caused the change in behaviour. The economist then speaks of a shift in relative prices, because the price change compared to alternative goods and actions is relevant. To explain the increased purchase of smaller cars one may, for example, refer to the following possibilities: an increase in the fuel price (small cars use less petrol); more favourable taxation or insurance premiums for small cars rather than large cars; government regulations which are to the disadvantage of larger cars (such as speed limits); or other changes in environmental conditions (such as smaller public parking lots).

In contrast to changes in values or attitudes, the economic approach based on changes in constraints is empirically testable. Thus, it is easy to measure a rise in the price of petrol. As may be seen from the example, the notion of "price and cost" is understood in an extensive way. It includes not only monetary prices (such as the price of petrol) or monetary burdens (such as taxes or insurance premiums) but all costs which arise when undertaking an action (smaller parking lots lead, e.g., to greater time loss and more inconvenience).

Arguably, in a lot of fields in which social psychologists study behaviour, it is more difficult to capture restrictions than in the economy. However, if institutions are considered as a main constraint of the human possibility set, changes in prices or opportunity costs can also be assessed in the field of psychology where there is no market interaction. There are many examples for the successful application of the modern view of economics, in particular areas of human life that are traditionally linked with psychology. Important examples are the *family*: marriage, children,

divorce, suicide [Becker (1971), (1981)], including the determinants of *abortion* [Medoff (1988)]; *drug addiction* [Winston (1980), Becker and Murphy (1988)]; *religious practices* [Ehrenberg (1977), Iannaccone (1991, 1998)]; and *lying and cheating* [Tullock (1967)].

Thus, even if there was no room for psychology in economics, the economic approach to human behaviour considerably enriches the analysis of many traditional areas of psychology.

3. INSPIRED ECONOMICS BENEFITS FROM PSYCHOLOGY

It has become generally accepted within the economics profession that economic reasoning is applied beyond the area of the economy. In particular, the invasion of Rational Choice into politics has proved to be a major success, and this approach is also likely to have an impact on psychology [see e.g. Murnighan and Ross (1999), Stroebe and Frey (1990)]. However, there are signs that the easy gains in insights achieved when the paradigm has been applied to a new area are diminishing [see Hirshleifer (1985)].

The diminishing marginal returns of the "imperialist programmes" of economics suggest that the time has come for a change in direction: in the future, the main emphasis should not lie in exporting economics but rather in *importing* aspects and insights from other social sciences, like psychology. What is needed is an effort to overcome the model of "homunculus economicus", who is at all times in full control of his or her emotions, who does not know any cognitive limitations, who is not embedded in a personal network, who is only extrinsically motivated and whose individual preferences are not distinguished from his or her individual happiness.

There is already a considerable amount of literature pointing the way this future development may go, and there are a great number of ideas from psychology which have been fruitfully introduced into economics [for surveys see Mullainathan and Thaler (2000), Rabin (1998)]. In order to illustrate how economics can profit from such inspirations, we shall discuss three areas in which social psychology has proved to enlighten economics: the areas of behavioural anomalies, human motivation and subjective well-being.

3.1. Behavioural Anomalies

The euphoric movement toward the fully rational model of economic decision-making was for a long time not disturbed by psychological findings that were at odds with its basic assumptions, like for example the Allais paradox (1953) or the anomalies found by Ellsberg (1961) on individuals' treatment of small probabilities. It needed further experiments by psychologists [see Kahneman, Slovic and Tversky (1982), Arkes and Hammond (1986), Dawes (1988)] and by economists [see Schoemaker (1982), Hogarth and Reder (1987), Thaler (1992)] for behavioural anomalies to be recognised. Experiments have by now revealed overwhelming evidence that humans, as well as animals [see McDonald, Kagel and Battalio (1991)], do not act rationally in the sense of following the von-Neumann/Morgenstern axioms. They systematically deviate from expected utility maximisation. Related anomalies of individual behaviour have been identified in "real life", and even in a market which almost completely corresponds to perfect competition, i.e. the stock exchange [see Thaler (1992) ch. 11-13, Shiller (2000)]. The reaction of economists to these empirical findings has mainly been to expand the classical subjective expected utility model or to formulate a more general non-expected utility model of preferences [see e.g., Machina (1987)]. Maximising these utility functions yields behavioural aspects which are consistent with the empirical observations; the former "anomalies" therefore become integrated into formal theory.

The efforts to reestablish logical consistency have been only partly successful. While many of the behavioural anomalies, such as certainty effect, preference reversals or probability biases, can be integrated into a more generalised utility theory, there are other anomalies, in particular framing effects, which have proved evasive.

It may, nevertheless, be argued that economists' efforts to integrate behavioural anomalies into the *existing* narrow notion of individual rationality is ill conceived. Individuals are in fact *more rational* than orthodox theory thinks they are, in two respects:

1. Due to their cognitive limitations, individuals are not able to act consistently all the time and under all circumstances. But it is one of the defining characteristics of human beings [see Frankfurt (1971)] that they are able to *recognise their weaknesses* and to overcome them (at least partly). A much-discussed way to circumvent anomalies, or to reduce the cost incurred when falling prey to them, is to establish

rules of self-commitment. Probably more importantly, individuals resort to social institutions in order to get help when struggling with their weaknesses [Frey and Eichenberger (2001)]. For example, individuals, who know that they are unable to resist the temptation of consuming more and faster than they wish, have an incentive to support political actions forcing them to plan more for their future, e.g., by introducing an obligatory old age pension scheme run by the state.

2. Under some circumstances, individuals *do not desire* to act rationally in a narrow sense. Among close friends, but especially within the family, humans deviate from axioms of logical consistency on purpose, in order to acknowledge a particular relationship. A large area of the fine arts (literature and drama) deals with this kind of behaviour, the most prominent case being "l'amour fou", or infatuation, where a lover rationally chooses to act irrationally, in order to express his or her emotions and feelings. The reverse emotion of intense hatred, irrespective of the cost, has also been the subject of many novels and plays, a famous example being Heinrich von Kleist's "Michael Kohlhaas".³

As in the case of cognitive limits to consistent behaviour, this does not mean that the rational choice approach has to be relinquished. Rather one should look at rationality with a broader mind. Individuals are *superrational* in the sense that, in general, they are able to guard themselves against self-destructive infatuation and hatred by resorting to appropriate rules and institutions. Thus, for example, in most countries in the world, political action has led to laws forcing individuals to let a certain amount of time pass before getting married and before getting divorced.

Analysing behavioural anomalies by accepting that human beings are either not able or not willing to act consistently – rationally in the orthodox sense – differs fundamentally from accounting for the same empirical observations by generalising individuals' utility functions. The latter "integrating" approach models human behaviour by adjusting individual utility functions; the former "institutional" approach looks at the institutions arising as a reaction. The difference becomes particularly clear in an extreme case. If no behavioural anomalies are observed empirically, the individual's utility functions are, according to the "integrating" approach, unchanged

3. Maybe economists are not exactly the kind of people who experience this sort of feeling, but they should at least be prepared to acknowledge that it exists [for a similar argument, see Frank (1988)].

but, according to the "institutional" approach, there may well be individual rules and social institutions which owe their existence to anomalies; i.e. if the institutions were removed, these anomalies would reappear.

3.2. Human Motivation

Economic analysis is based on the idea that individuals respond systematically to changes in relative prices. The incentives set from outside motivate people to act in a predictable way. This (generalised) law of demand has proved to be extremely successful, for example, in explaining voters', politicians' and bureaucrats' behaviour in the field of Public Choice. However, perceptive Public Choice economists are well aware that there must be *other* motivating forces. In particular, the standard rational choice calculus is not able to explain the *level* of vote participation (but it serves quite well to account for the variations).

There are a great many other cases where individuals free ride far less than predicted by economists. For instance, the expected punishment for tax evasion is so small that even risk-averse citizens should cheat much more than they actually do [e.g. Levi (1998)]. The reason for the surprisingly high tax contributions has widely been attributed to tax morale [e.g., Witte and Woodbury (1985), Graetz and Wilde (1985)]. Tax morale indeed provides a good explanation for the difference in tax compliance in the case of Switzerland, where this factor can (indirectly) be identified [Frey (1997a)].

Psychologists more generally distinguish between two kinds of motivation: *extrinsic* motivation, induced by manipulations of rewards or sanctions from the outside (the economist's relative prices), and *intrinsic* motivation, where people perform an activity for its own sake because of reasons lying within their own person [DeCharms (1968), Deci (1971)]. Anybody looking at people's behaviour must be aware that such a phenomenon as intrinsic motivation does exist. As a consequence, important aspects of the political and social life are left unexplained by rational choice analysis. This position becomes fully untenable when intrinsic motivation is not an (unexplained) constant, but is influenced by social factors. Experimental research in psychology has shown that, under identifiable conditions, external interventions affect people's sense of self-determination, self-perception and their feeling of justice, which in turn influences intrinsic motivation [e.g., Deci and Ryan (1985), Pittman and Heller (1987)]. Among psychologists, a lot of attention has been paid to the "hidden costs of reward" [see Lepper and Greene

(1978)], stating that introducing a reward into a situation where people already have a high interest in an activity results in a decrease in their intrinsic motivation [see Deci, Koestner and Ryan (1999) for a survey]. The damage done to intrinsic motivation by changing external instruments helps to explain why pricing (monetary rewards) and regulating (the use of punishment) under identifiable conditions prove to have little or sometimes even counterproductive effects. For instance, the use of regulations or effluent charges may undermine environmental ethics, because individuals perceive that the locus of control has shifted from internal to external forces and that their own mental involvement has depreciated. Similar effects can be identified for crime deterrence using punishment, in social and in manpower policy [Frey (1997b)].

The detrimental effect of external controls on intrinsic motivation is directly relevant for Constitutional Economics. Following David Hume and James Stuart Mill, Brennan and Buchanan (1983) argue that a constitution should be designed so that it is able to check the behaviour of the men with the worst of intentions, trying to free ride and to exploit the system. "Average" behaviour is deemed to be of no concern, because the costs imposed on society by the most immoral men dominate. This argument overlooks that people's intrinsic motivation to act as good and responsible citizens is undermined when the constitutional provisions suggest that everyone acts as a knave anyway. It may well be that a constitution should give its citizens the feeling that they are trusted and that they will not in general act as free riders. Such an approach bolsters citizens' self-determination and self-perception, and meets their sense of fairness. Such a constitutional policy is consistent with the empirical evidence collected on free riding behaviour and tax evasion.

3.3. Subjective Well-Being

Over the past few years, there has been a steadily increasing interest by economists in the research of psychologists on happiness. A movement has arisen within economics which claims that utility should be given content in terms of happiness, and that it can, and should, be measured. Measures of subjective well-being can serve as proxies for "utility". They are captured in surveys on individuals' happiness or life satisfaction. It is a good tradition in economics to rely on the judgement of the persons directly involved. Therefore, people are supposed to be also the best judges of the overall quality of their own life, and it is a straightforward strategy to ask them about their well-being.

This turnaround from the development cherished in standard neo-classical economics towards a concept of "decision utility" is the result of three major developments:

1. More and more evidence has been accumulated suggesting that *individual preferences and individual happiness* are distinct and may often diverge. Most importantly, it has become clear that much behaviour observed in real life – such as giving to charities or offering voluntary labour – cannot be well explained by solely self-concerned preferences. This not only applies to market behaviour, but even more to social activities, such as voting in politics or contributing to public goods. To the extent that such behaviour is attributed to altruistic motives, it is not any longer possible to establish a direct relationship between observed behaviour and individual preferences, as postulated by traditional revealed preference theory.
2. *Utility has been filled with content* by various enterprising economists. The most influential has probably been Tibor Scitovsky with his book *The Joyless Economy*, published in 1976. He argued that most of the pleasures in life cannot be bought on markets, are not priced, and are not for sale. Rather, intrinsic work enjoyment and a challenging consumption pattern yield satisfaction. Several other economists have further undermined the reliance on non-substantive utility. The idea that relative income compared to one's friends and neighbours, rather than absolute income, is the crucial determinant of consumption, has been peddled for a long time. It has, in particular, been taken up by Duesenberry (1949), reverting to insights by Veblen (1899), and has more recently been popularised by Robert Frank in his books *Choosing the Right Pond* (1985) and *Luxury Fever* (1999).
3. Research on the *concept and measurement of happiness* has made considerable progress in psychology since the 1950s [see for example Diener, Suh, Lucas and Smith (1999), Kahneman, Diener and Schwarz (1999), Myers (1993)].

The pathbreaking contribution by Easterlin (1974) on income and subjective well-being has been noted by many economics scholars but at that time had few followers. Since the late 1990s, economists have started to contribute large scale empirical analyses of the determinants of happiness in different countries and time-periods, as well as in panel studies [for a survey see Frey and Stutzer (2001)].

Happiness research by psychologists, and nowadays also by economists is able to contribute important insights to economics which so far have been treated lightly or been totally neglected. Happiness research helps to identify the determinants of individual well-being. Moreover, it offers new possibilities of testing economic theories and discriminating between theoretical answers on empirical phenomena. Some of the results clearly contradict the standard assumptions of economics as used in most models, but others support the conventional economic views. By way of example, this inspiration of economic research is discussed to show the effect of unemployment on happiness.

Most economists take unemployment to be an unfortunate event to be avoided as much as possible. To become unemployed is considered to be burdensome and, above all, involuntary. But there are also economists who hold a quite different view. Following the "new classical macroeconomics", unemployment is voluntary. People choose to go out of employment because they find the burden of work and the wages paid unattractive compared to being unemployed and getting unemployment benefits. Involuntary unemployment is a disequilibrium phenomenon and exists only in the short run until individuals and firms have adjusted. The issue of whether, and to what extent, the unemployed are dissatisfied is therefore unresolved. For that reason, happiness research on unemployment is of great importance.

How particular people are affected when they become unemployed needs to be analysed with the help of a micro-analysis which looks at individual data. Previous literature has documented a detrimental effect of unemployment on psychological well-being. For surveys from a psychological point of view, see Feather (1990), Murphy and Athanasou (1999) and Winefield et al. (1993), or Darity and Goldsmith (1996) for a survey from the economic perspective. Based on their study for Britain, Clark and Oswald (1994) state that "joblessness depresses well-being more than any other single characteristic (including important negative ones such as divorce and separation)" (p. 655). The effect of unemployment on happiness is in fact causal and is not due to unobserved individual specific characteristics, as is shown by Winkelmann and Winkelmann (1998) in their study using panel data for Germany. All these results refer to the "pure" effect of being unemployed. The income loss, as well as other indirect effects which may, but need not, go together with personally being unemployed, are kept constant.

People may be unhappy about unemployment, even if they are themselves not put out of work. They may feel bad about the unfortunate fate of those unemployed, and they may also feel repercussions on the economy and society as a whole. They may dislike the increase in unemployment contributions and taxes likely to happen in the future, they may fear that crime and social tension increase, and they may even see the threat of violent protests and uprisings. A study of 12 European countries over the period 1975-1991 [Di Tella, MacCulloch and Oswald (2001)] indeed finds that an increase in the general rate of unemployment reduces stated life satisfaction considerably.

4. CONCLUSIONS

The relationship between economics and psychology is characterised by economic imperialism and psychological inspiration. On the way to the core of neoclassical economics, all of the psychological content has been squeezed out. This economic model of human behaviour has been successfully applied in traditional areas of social psychology. While progress can certainly be made by further applying the economic approach to areas outside the economy, diminishing returns have set in.

Over the last few years, economics has been inspired more and more by psychology. Economists, however, do not agree how this inspiration should be treated. Some economists try to integrate psychological findings and concepts into the economic model and try to extend it towards a new general model of behaviour. Others mainly perform a translation into formal economics. The former pay the price of giving up the sound and simple foundations of economics. The latter rarely offer new insights.

We propose an "economics and psychology" that helps to provide a better understanding of socially relevant questions. In this understanding of interdisciplinarity, psychological ideas are considered when conditions for their relevance are given and they are applied without denying their origin.

Examples for such a beneficial inspiration of economics by social psychology have been presented for the fields of behavioural anomalies, human motivation and subjective well-being. Many other concepts and ideas can be fruitfully borrowed from psychology to make economics a more inspiring science.

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RÉSUMÉ

Le raisonnement économique a pu être appliqué avec succès aux champs traditionnels de la psychologie (sociale). Bien que des progrès puissent certainement encore être faits dans ce type d'approche, la loi des rendements décroissants s'applique déjà.

Il est temps maintenant de changer de paradigme en substituant celui de "l'économie inspirée" à celui de l'impérialisme économique. La psychologie contient bien des idées qui peuvent enrichir la science économique à venir sans abandonner ses propres fondations. Le champ des anomalies comportementales des motivations humaines et du bien-être subjectif en offre des exemples pertinents.

■ Mots-clés :

science économique et psychologie, interdisciplinarité, paradigmes des sciences sociales

ABSTRACT

Economic reasoning has been successfully applied to traditional areas of (social) psychology. While progress can certainly be made by further applying the economic approach to these areas outside the economy, diminishing returns have set in.

It is now time to change from imperialistic to inspired economics. Psychology contains many ideas which can enrich future economics without giving up its sound foundations. The areas of behavioural anomalies, human motivation and subjective well-being are pertinent examples.

■ Key words :

economics and psychology, interdisciplinarity, social science paradigm

■ Classification JEL

A10, A12