

# **Workshop on Perceptions and Public Policies**

**Venue:** Bar-Ilan University, Israel. **Dates:** 16-17 September 2018

**Organizers:** Prof. Nigar Hashimzade (Durham University), Dr. Limor Hatsor (Bar Ilan University) and Dr. Sarit Cohen Goldner (Bar Ilan University and IZA)

## **Outline**

Beliefs and perceptions play an important role in the economic decisions of agents and receive much attention recently by governments and by the economic literature in a variety of fields such as health, education and marketing. Specifically, changes in consumer belief in response to certain signals or policies may have far reaching economic implications, e.g., the realization of safety hazards may cause fear and exaggerated perception of risk. In general, misperception of risk may act as a 'tax' or a 'subsidy' in the sense that it distorts the relative prices.

Understanding the rational and behavioural responses to incentives can be beneficial to governments in pursuit of public policy objectives or to firms in developing strategies towards their workers (effort and productivity) and their consumers (advertising targeting, labeling). Governments in many countries are implementing behavioural policies, whose triumphant achievements have been most recently recognized in the award of the Nobel Prize in Economics to Richard Thaler. A widely cited successful example is the default enrollment of workers in pension savings scheme, with a possibility to opt-out. This policy, based on the so-called status quo bias, has led to much wider pension scheme coverage than the traditional approach, with no enrollment as a default and a possibility for workers to enroll.

The workshop has aimed to host theoretical as well as empirical articles on overarching topics in Labour Economics, Industrial Organization, and Behavioural Economics, with papers focussing on perceptions and their crucial implications on the individual life paths and on the economy.

## **Goal**

The main idea was to discuss this major issue in Economics concerning both excellent theoretical and empirical scholars. All participants have had an opportunity to receive expert comments on their articles, exchange views and ideas on their mutual topic of interest, and strengthen informal academic and personal connections, encouraging future research collaborations between UK and Israeli creative researchers.

## **Format**

The two-day workshop took place in September 16-17, 2018 at Bar Ilan University in Israel. Each participant had about 30 minutes to present their work including questions and discussion. The articles or presentation slides have been made available online for all participants in advance to facilitate the discussion. The keynote speech was delivered by Prof. Robert Aumann (Hebrew University; 2005 Nobel Prize in Economics).

## **Catering and dinner**

On both days morning and afternoon refreshments and lunch were served for the workshop participants. On September 16 the participants have enjoyed dinner at Maganda restaurant in Tel Aviv famous for its local cuisine.

## **Organization and Finance**

The workshop was organized by Nigar Hashimzade (Durham University), Limor Hatsor (Bar Ilan University) and Sarit Cohen Goldner (Bar Ilan University and IZA) thanks to generous funding by Friends of Israel Educational Foundation, Academic Study Group (travel and accommodation for the UK participants and workshop dinner) and Bar Ilan University (catering, transfers between the hotel and the workshop venue for UK participants, and the travel for Prof. Aumann).

## **Special issue of *Journal of Economic Behavior and Organization***

The organisers agreed with the editors of the *Journal of Economic Behavior and Organisation*, one of the top journals in the discipline of Economics, to edit a special issue of the journal on the topic of “Perceptions and Public Policies”. The call for papers is due to be published in November 2018, and the special issue is planned for publication in February-March 2020.