

SOCIETY FOR JUDGMENT AND DECISION MAKING

2000 EXECUTIVE BOARD

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JDM NEWSLETTER

Editor (as of 1/1/2000):

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FROM THE EDITOR . . .

The *JDM Newsletter* welcomes submissions from individuals and groups. However, we do not publish substantive papers. Book reviews will be published. If you are interested in reviewing books and related materials, please write to the editor.

There are few ground rules for submissions. The best way to send your contribution is via EMAIL or a 3.5" diskette. Send an IBM-compatible text file or word-processed document up to versions WordPerfect 8 or Word 2000. If you must send hard-copy (e.g., if you are using special graphics or do not have computer access), please submit camera-ready copy. This means that the copy should be typed single-spaced on white 8½ by 11 paper. If possible, use a carbon or film ribbon. Please mail flat -- do not fold.

Subscriptions: Subscriptions are available on a calendar year basis only. Requests for information concerning membership in the Society for Judgment and Decision Making should be sent to Sandra Schneider.

Advertising Rates: Advertising can be submitted to the editor. Inclusion of the ad and the space given to the ad is at the editor's discretion. The current charge is \$100 per page to cover production and mailing costs. Contact Stephen Edgell for details. Alternatively, you can use--

Mailing Labels: Some readers may wish to send reprint lists or other material to people listed in the directory. The current charge is \$125 for a set of labels. A diskette of the database is available for one-time use. The charge is \$50 for commercial use, \$25 for nonprofit use. Contact Sandra Schneider for details.

Address corrections: Please check your mailing label carefully. Because the *JDM Newsletter* is usually sent by bulk mail, copies with incorrect addresses or which are otherwise undeliverable are neither forwarded nor returned. Therefore, we have no way of knowing if copies are delivered. Address changes or corrections should be sent to Sandra Schneider.

Nominations for JDM Executive Board Members

Please take a few minutes to think about suitable candidates for these positions and send in your nominations. Your participation in this process is very important. Either send in this form or send your nominations to Sandra Schneider at the address below.

The Society bylaws provide for election of two officers each year: the President-Elect (who thereafter becomes President, then Past President, and then leaves the Board); and one member of the Executive Board (who serves for three years, and then rotates off). The first step in the process is the nomination of candidates for these posts. This is the task of the membership, i.e., **YOU**. The election ballot will be in the September issue of the *Newsletter*.

Please take a moment to think of people that you would like to see leading our Society. You may nominate up to FIVE for the Board, up to TWO for President-Elect. Note that ex-Presidents are not eligible for reelection as President, though they may serve as Board members. (For your information, a list of the Society's presidents is on page 5 of this newsletter.) Any Presidential nominations ineligible by this rule will be counted as Board nominations. Please do nominate at least a few candidates--quite modest numbers of nominations have put candidates on the ballot in past years.

Nominate up to FIVE people as candidates for the Executive Board:

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____

Nominate up to TWO people as candidates for President-Elect:

- 1. _____
- 2. _____

Return your nominations to:
 JDM Nominations
 c/o Sandra Schneider
 Department of Psychology
 University of South Florida
 4202 E. Fowler Ave.
 Tampa, FL 33620-8200 USA

or send by e-mail:
 sjdm@web.usf.edu

<p>NOMINATIONS MUST</p> <p>BE RECEIVED BY</p> <p>August 11, 2000</p>
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A LETTER FROM THE PRESIDENT

According to a well known underground story, a decision theorist was trying to decide whether to remain at his university or accept a position at another one. After observing his continued agitation, a colleague commented that the choice process should be easy for someone in his field: Simply determine the relevant attributes, estimate their utilities and probabilities under each option, and take the one with the highest expected utility. "Are you kidding?" he responded. "This is important!"

I thought of that story often while my wife and I were deciding whether to accept positions at the University of Maryland. Like the apocryphal decision theorist, we too did not find utility theory particularly helpful in making the choice. We did accept the offers, and now the story comes back to me again as we search for a house in the Washington DC area. This time, I thought, we will apply normative decision theory. Or if not that, at least I will stand back and observe our choice processes to determine which of the many available models describes our actions.

I've had three opportunities now to observe our behavior, and I hope I will have only one more. We've bid for three houses so far in this sellers' market and lost each time.

On a typical house-hunting weekend, our realtor takes us to four to six houses, which collectively exhaust the supply of options that meet our price, neighborhood, size, and style criteria. (The process that led us to these criteria is interesting in its own right and not easily described by available models. But that is another story.) Our choice for the weekend, therefore, is whether to bid on a house, and if so how much, or whether to wait for other houses to come on the market in the future. One reason why none of the more commonly invoked models apply is immediately apparent. Our goal is not simply to select the best of a finite set and then value it, but to decide first whether any of the houses is above our vaguely defined threshold; if not, should we maintain that threshold or lower it? Maintaining the threshold is costly in both psychic and monetary terms, but lowering it too far has its costs as well. As common as this type of situation is, none of the standard models or theories provide guidance or seem to describe the mental processes that are occurring. Included in this set are such models as SEU, Prospect Theory and its recent generalizations, as well as models that focus on dimension-wise processing, including lexicographic semi-orders or elimination by aspects. Image Theory comes close, in that it provides for enlarging the search set and altering the threshold if none of the options is satisfactory, but it seems to fail on other grounds that I will get to.

On three occasions we did decide that a house was above threshold. How did we determine that and how did we decide what to bid? Notable is that the two decisions were separate. We decided first whether we wanted a house and only later how much to bid for it. The fascinating fact about determining whether a house was above threshold is that on all three occasions, we walked into it and within ten minutes knew that we wanted it. Deciding that a house was below threshold took much longer and was a much more analytic process. In attempting to convince ourselves that a house was right, we looked at its separate features and tried to determine whether the sum of the parts was sufficiently great. I think the problem was that the features of a house are not independent; indeed they are not even distinct. All the models of which I am aware, including Image Theory, assume that choice options are bundles of finite, well defined dimensions, just ready to be evaluated. Often that is true, but many other times, as in our problem, the options are collections of amorphous aspects that combine and redefine themselves into dimensions that seem real for the moment, only to be reconfigured the next time the option enters working memory. Thus, separately evaluating the features of a house invariably led to a value or an impression that felt wrong for the house taken as a whole, while simultaneously a quick overview led to one that felt right.

Having selected a house, we arrived at a bid on almost completely strategic grounds. Specific characteristics of the house faded into the background as we tried to guess what it would take to get the house in this market, whether we could afford that amount, and whether we would be likely to recover the investment in the future.

Although self-observation of this sort is deeply problematic and I would never use it to evaluate a theory, it does seem to me that none of the more commonly invoked models come close to being adequate for prescribing or describing choice behavior in this context. First, no static model will do. A stochastic dynamic one, perhaps along the lines of dynamic field theory or its variants, is required. Moreover the model must allow evaluations of $N > 2$ alternatives with the option of none being selected, and must not require that the alternatives be represented as well defined vectors of features. Also, while pricing in a hot real estate market may have special characteristics, it seems to me that choosing and pricing are two rather distinct processes.

That is not all I have learned. I have also learned that we must rent an apartment while we try to find a house and that we had better bid higher the next time.

Thomas Wallsten, President

PRESIDENTS

Society for Judgment and Decision Making

James C. Shanteau	1986-1987	Kenneth R. Hammond	1987-1988
Robyn M. Dawes	1988-1989	Lola L. Lopes	1989-1990
Baruch Fischhoff	1990-1991	Robin M. Hogarth	1991-1992
Daniel Kahneman	1992-1993	J. Frank Yates	1993-1994
Terry Connolly	1994-1995	Barbara Mellers	1995-1996
Hal R. Arkes	1996-1997	Elke Weber	1997-1998
Irwin P. Levin	1998-1999	Thomas Wallsten	1999-2000
David Budescu	2000-2001		

Editor's Notes

Dissertations: For several years now, the Newsletter has published a regular column listing recent dissertations in the JDM area. However, no one has sent me any. Certainly some excellent students have just graduated. Please send me the names of the students, the title of their dissertations, the university, and other relevant information.

Directory: In the past the Society's Directory was mailed with the June Newsletter. However, because most members are receiving their Newsletter via email, the Directory will be mailed separately.

CALL FOR SUBMISSIONS 2000 JDM ANNUAL MEETING

New Orleans, November 18-20, 2000

Submission Deadline: July 1, 2000

The JDM program committee invites proposals for symposia, individual papers, and posters on any theoretical, empirical, or applied topic related to judgment and decision making. This year we are moving to a web-based submission process. The website can be accessed through the JDM webpage located at: <http://www.sjdm.org>. After completing a web-based submission you should receive a confirmation message via e-mail. If you do not receive confirmation via e-mail or have any problems with the webpage submission, you can also submit copies of your submission via e-mail (as Word or text attachments) to:

Symposia and papers:

Maurice Schweitzer

Schweitz@wharton.upenn.edu

Posters:

Rami Zwick

mkzwick@ust.hk

The other members of the program committee are David Budescu, Marlys Lipe and Sandra Schneider.

PLEASE NOTE:

- At least one author of each submitted presentation must be a JDM member. Joining the JDM Society at the time of submission will satisfy this requirement. (A membership form is included elsewhere in this newsletter.)
- Any individual may present at most one paper (but may be a co-author on multiple papers).
- Any individual may be the first author of at most one poster (but may be a co-author on multiple posters).
- Preference will be given to authors of submissions for spoken presentations (i.e., papers or contributions to symposia) who were not the first authors or presenters of any papers or symposium contributions at the 1999 JDM meetings in Los Angeles.
- A \$100 prize will be given to the best poster presentation whose first author is a student member of the JDM Society. Joining the JDM Society at the time of submission will satisfy the membership requirement.

At the top of each submission please indicate:

- Type of submission (symposium, paper, or poster).
- Names, institutional affiliations, and JDM membership status of all authors.
- Which, if any, of the authors were first authors and/or presenters of any papers or symposium contributions at the 1999 meeting in Los Angeles.
- If the first author is not the designated presenter, please indicate this on the submission.
- Name and e-mail address of corresponding author.
- The title of your proposed presentation.

TO PROPOSE A SYMPOSIUM

Symposia are usually allotted about 90 minutes and include 3 or 4 speakers and perhaps a discussant. Submit a 100-200-word description of the intended theme and format of the session. Attach a list of intended participants and discussants, including for each an e-mail address with a brief description (100 words) of the topic of his or her talk. Please confirm the speakers' and the discussants' willingness to participate prior to submitting their names. Indicate which talks speakers would be willing to present as a poster if a symposium slot is not available.

TO SUBMIT AN INDIVIDUAL PAPER

Submit: (1) a one-page abstract of the paper, and (2) a short 100-word (strictly enforced) version of your abstract. (The program committee will evaluate the one-page abstract; the 100-word abstract will be printed in the program if the paper is accepted.) Indicate whether you would be willing to present your paper as a poster if an individual paper slot is not available.

TO SUBMIT A POSTER

Submit a short abstract of no more than 100 words (strictly enforced). Indicate whether the submission is eligible for the student prize (i.e., whether the first author is a student member of the JDM Society). You may be the first author on a maximum of 1 poster presentation. (Therefore, if you are also the first author of a submitted paper which is later converted to a poster, you may present only 1 of the resulting 2 posters. Please anticipate this contingency and indicate which of the resulting posters you would present.)

ELECTRONIC DISTRIBUTION OF THE NEWSLETTER

Beginning with the previous issue, the newsletter is being distributed electronically only unless we do not have a working email address for you or you explicitly requested a print version. Note that the newsletter is available to all members on the Society's webpage, no matter which option is selected. The electronic version of the newsletter is in the form of an Adobe Acrobat 4.0 pdf file. The program needed to read this file is available on the Society's webpage. If you want to change your distribution option, please complete this form and send it to: Sandra Schneider/JDM; Department of Psychology, BEH 339; University of South Florida; 4202 E. Fowler Ave.; Tampa, FL 33620-8200.

Delivery Options (please check one):

- Print version only (default method for those for whom we do not have an e-mail address).
- Electronic version only—send the newsletter as an e-mail attachment (default method for those for whom we do have an e-mail address).
- Electronic and print version—with electronic delivery as an e-mail attachment.

Name: _____ **e-mail:** _____

ANNOUNCING THE "HILLEL EINHORN NEW INVESTIGATOR" AWARD FOR 2000

The Society for Judgment and Decision Making is soliciting submissions for the Hillel Einhorn New Investigator Award. The purpose of this award is to encourage outstanding work by new researchers. Individuals are eligible if either they have not yet completed their Ph.D. or they have completed their Ph.D. within the last five years (on or after July 1, 1995).

To be considered, submit four copies of a journal-style manuscript on any topic related to judgment and decision making. Submissions should be accompanied by (1) four copies of a summary or extended abstract of the paper, not to exceed four pages in length, and (2) a cover letter that includes the name of the investigator's graduate advisor and the date that the Ph.D. was awarded (if applicable). If the paper is co-authored with other investigators, the new investigator must be the first author and should be the primary source of ideas. Submissions in dissertation format will not be considered, but articles based on a dissertation are encouraged. Both reprints of published articles and manuscripts that have not yet been published are acceptable.

Submissions will be judged by a committee appointed by the Society and chaired by Lola Lopes. To be considered, submissions must be received by July 1, 2000. The committee will announce the results to the participants by September 15, 2000. The award will be announced and presented at the annual meeting of the Society for Judgment and Decision Making which will be held in New Orleans on November 18-20, 2000. The winner will be invited to give a presentation at that meeting. If the winner cannot obtain full funding from his/her own institution to attend the meeting, an application may be made to the Society for supplemental travel needs.

Materials should be submitted by July 1, 2000 to: Professor Lola L. Lopes, Tippie College of Business, University of Iowa, Iowa City, IA 52242. Lola-Lopes@uiowa.edu

New Books

Our friends at LEA paid (warms an ex-Secretary/Treasurer's heart) for the advertisement, appearing on the back cover, for *Who Is Rational? Studies of Individual Differences in Reasoning* by Keith E. Stanovich. Check it out.

The Mating Mind: How Sexual Choice Shaped the Evolution of Human Nature was published by Geoffrey F. Miller (Doubleday, May 2000). The relevance to JDM research is that the book proposes that one domain-specific form of judgment and decision-making by our hominid ancestors (specifically, choice of sexual partners), constituted one of the most potent selection pressures on the human mind. That is, it puts JDM processes at the heart of human mental evolution. The book grew out of work Geoffrey did with Gerd Gigerenzer's ABC group when it was in Munich, and work at University College London on applying evolutionary game theory to decision-making and two-sided matching in mating markets. (Would someone like to review this book for the newsletter? If so contact the editor.)

Don't forget our Society's new book *Behavioral Law and Economics*, Edited by Cass R. Sunstein, which was described in the previous issue of this newsletter.

DUES AND JOURNAL SUBSCRIPTIONS

Members residing outside the United States who incur expenses in getting checks written in U.S. funds have the privilege of paying in advance for multiple years. The label date should indicate if you have done this. Members residing in countries where getting checks written in U.S. funds is impractical or illegal may apply to the Society for a free membership. Such members will find a "*" next to their names on the label. Note that credit card payment is now accepted.

SOCIETY FOR JUDGMENT AND DECISION MAKING: DUES/ADDRESS CORRECTION/JOURNAL ORDERS FORM

Name _____ Phone _____

Address _____

City _____ State _____ ZIP _____

Country _____

Email Address _____

*Students must have endorsement of a faculty member:

Faculty Signature: _____ Date: _____

Printed Name: _____ Institution: _____

2000 Dues:
Member \$25
Student \$5*

I wish to subscribe to the following for 2000:

- [The journal will bill you later for the price of subscription at the special Society rates shown]
Organizational Behavior and Human Decision Processes (12 issues, \$270)
Journal of Behavioral Decision Making (4 issues, \$105)
Risk, Decision & Policy (3 issues, \$39)

METHOD OF PAYMENT:

G Check/Money Order (Please, no cash); Please make checks payable to: Society for Judgment and Decision Making.

G MasterCard G VISA G American Express

Account Number:

Grid for account number input

Signature _____ Expiration Date _____

If paying by credit card

Name on credit card: _____

Home Address: _____

ON-LINE

We welcome suggestions and comments about new features.

---- Alan Cooke <acooke@sjdm.org>
Alan Schwartz <alansz@sjdm.org>

Electronic Mailing Lists

To subscribe, send a message of the form:

subscribe *mailing-list* YOUR FULL NAME

to the following address:

listproc@mail.sjdm.org

where *mailing-list* is:

jdm-society for members of the society in general

jdm-grads for graduate students (Note: This is a sublist of the entire mailing list. Graduate students receive messages to both lists.)

To send a message to all subscribers (including graduate students), send the message to:

jdm-society@mail.sjdm.org

To send a message only to graduate students, send the message to:

jdm-grads@mail.sjdm.org

To cancel your subscription, send a message to the same address as for subscriptions of the form:

unsubscribe *mailing-list* YOUR FULL NAME

Reference Archive

The system allows users to store and retrieve book and chapter references related to the fields of judgment and decision making. The archive is located at:

references@mail.sjdm.org

You can also access the reference archive through the Society's web site (address below). For more information send the message "help" to the e-mail address.

World Wide Web

The JDM Society has a set of pages on the World-Wide Web, providing information about the Society and Society membership, upcoming events, all our electronic services (including course syllabi, easy-to-use forms for subscribing to SJDM mailing lists, and help with the reference archive), links to related Web sites that may be of interest to members, copies of the JDM Newsletter (for society members), and the SJDM directory with links to members' home pages. The URL (uniform resource locator) for the Web page is:

<http://www.sjdm.org>

On-line Society Newsletters

The SJDM newsletters are available on-line and through e-mail. If you would like to receive text-only versions of the newsletter via e-mail, subscribe to the "jdm-newsletter" mailing list. Send mail to:

listproc@mail.sjdm.org

The message should say:

subscribe *jdm-newsletter* YOUR FULL NAME

You must be a member of the Society in good standing to subscribe to this mailing list

Special News Items

Special Issue of *Memory* on 'Hindsight Bias'

Contributions are invited for this special Issue of *Memory* to be edited by Ulrich Hoffrage (Hoffrage@mpib-berlin.mpg.de) and Ruediger Pohl (Ruediger.Pohl@psychol.uni-giessen.de). The issue will provide novel empirical and theoretical contributions to the understanding of hindsight bias, up-to-date reviews of key experimental findings and theories, and links between hindsight bias and related topics. Send five copies of manuscripts to the Editors of *Memory*, Susan E. Gathercole and Martin A. Conway, Department of Experimental Psychology, University of Bristol, 8 Woodland Road, Bristol BS8 1TN, England. Deadline for submission is February 1, 2001.

A Forecasting Dictionary

J. Scott Armstrong reports that he has completed a Forecasting Dictionary which is available on the web at <http://www-marketing.wharton.upenn.edu/forecast/dictionary.html>. He would welcome suggestions or revisions (armstrong@wharton.upenn.edu). Give it a look.

Jury Decision Making

In case you don't regularly read the Columbia Law Review, you might want to check the May issue for an article by David Schkade, Daniel Kahneman, and Cass Sunstein: *Deliberating About Dollars: The Severity Shift*.

Postdoctoral Fellowships

Tony Marley will soon appoint one or more postdoctoral fellowships in a host of areas including several of interest to JDM people. If interested contact him ASAP (6/23 is the deadline) at tony@hebb.psych.mcgill.ca

JDM/Mental Retardation

The Society's founder and first president, Jim Shanteau, was appointed to the National Research Council's Committee on Disability Determination for Mental Retardation. He would appreciate references to literature on JDM/risk analyses relevant to mental retardation.

INFORMS Off to a Good Start

INFORMS held its first session on Naturalistic Decision-Making, chaired by Alan Brothers. The first speaker, Lee Beach, gave a fascinating description of the history of the field, beginning with his work on behavioral decision theory with Ward Edwards at the University of Michigan. He observed that the assumption had always been that decision theory was normative and that when people deviated from it, they were being irrational. He described how Lola Lopes challenged that assumption and, thus, in many ways, helped trigger this focus on how skilled individuals actually made decisions. The second speaker, Bob Bordley, noted that normative decision theory actually could be formalized in two different ways. The traditional way is to formalize it as maximizing expected utility. A recently discovered, but mathematically correct, way is to formalize it as maximizing the probability of achieving an uncertain target. Bordley showed that this model could be motivated by thinking of the decision maker as making a short-run decision aimed at achieving a long-run, dimly understood, target. He was followed by Jim Wise who discussed how naturalistic decision making provided a way of seriously integrating decision theory and the theory of design. Robin Keller then followed with a discussion of how many of the insights of naturalistic decision making could be incorporated into a more realistic application of normative decision theory. (Contact robert.bordley@gm.com for more information.)

A Local Conference Is Growing

The Oklahoma-Kansas Judgment and Decision Making Meeting (OKJDM) was held at the FAA Civil Aeromedical Institute (CAMI) in Oklahoma City on Saturday, April 29th, hosted by the Human Resources Research Division. Dr. Wm. E. Collins, CAMI's Director kicked off the meeting and welcomed the group. OKJDM is a regional conference which rotates hosting duties among regional research institutions. In the past these have been University of Oklahoma Department of Psychology, University of Oklahoma's Health Sciences Center (OUHSC), and the Oklahoma State University (OSU) Marketing Department. The meeting typically draws attendees from Oklahoma, Kansas, and Texas. This year's attendees also traveled from California and New York. The intent of the meetings was to get back to small group discussions of emerging research projects and concepts, and de-emphasizing completed work. The meeting provides a particularly convivial atmosphere to try out and get feedback on fledgling ideas from what is typically an eclectic group of researchers. The atmosphere is informal and highly interactive. Questions and discussion are encouraged as are presentations from a wide variety of domains. Attendees to past meetings have seen presentations on topics from medicine, psychology, marketing, accounting, aviation, law, political science, and management. The only requirement is that the presentations have some connection to judgment and decision making research. Next year's meeting will be hosted by Kansas State University's Department of Psychology in Manhattan, KS. (For more information contact: Julia_Pounds@mmacmail.jccbi.gov)

JDMer Gets Patent

Steven J. Brams, professor of politics at New York University, was awarded U.S. patent 5,983,205 for a fair-division procedure called "adjusted winner." The algorithm for this procedure is described and illustrated in *Fair Division: From Cake-Cutting to Dispute Resolution* (Cambridge University Press, 1996) and *The Win-Win Solution: Guaranteeing Fair Shares to Everybody* (W.W. Norton, 1999), which Brams co-authored with Alan D. Taylor, a mathematician at Union College and co-holder of the patent. The patent is assigned to New York University and is believed to be the first patent awarded for a dispute-resolution or legal procedure.

2000 STUDENT PAPER COMPETITION IN DECISION ANALYSIS

Each year the Decision Analysis Society (DAS) of INFORMS solicits student papers on decision analysis, typically (but not necessarily) based upon a dissertation or thesis. These papers are evaluated by a panel of judges, and the winner receives a cash prize of \$500 and is invited to present his/her paper at the fall INFORMS meeting where the result of the competition is announced.

If you are a faculty member who is supervising students, please inform them of this opportunity. If your students are not currently members of DAS, you might also encourage them to join. If you are a student reading this, please encourage your classmates to submit a paper and to join the society. DAS is a congenial organization of close to 800 members (of which almost 200 are students), and there has been a rise in recent student participation. Joining DAS is a good start toward developing a professional identity. However, students do not need to be DAS members to be eligible for the competition. All students doing work in or related to decision analysis are encouraged to submit a paper. The work must be predominately that of the student, though faculty members or other mentors can be co-authors if appropriate. The paper should be 30 pages or less (double spaced) and in standard Management Science or Operations Research format. For questions, contact Lindsley Boiney at: lboiney@pepperdine.edu or (310) 568-2326.

To be considered for the 2000 competition, please send three copies of the paper to: Prof. Lindsley Boiney, Dept. of Decision & Information Systems, Graziadio School of Business & Management, Pepperdine University, Ventura County Center, 2829 Townsgate Road, Westlake Village, CA 91362.

All submissions must be received by July 31, 2000.

MEETINGS

American Psychological Society: Fontainebleau Hilton Resort & Towers, Miami, FL, June 8-11, 2000. Submission Deadline: has passed. For information contact: Randall Engle, Program Committee Chair, Georgia Institute of Technology, (404) 894-2680, fax: (404) 894-8905, <re23@prism.gatech.edu>, <<http://www.psychologicalscience.org>>.

International Meeting of the Economic Science Association: New York University, New York City, NY, June 16-18, 2000. Submission deadline: has passed. For information contact: Andy Schotter <esa@rsage.org>.

International ICSC Symposium on Engineering of Intelligent Systems: University of Paisley, Scotland, UK, June 29 - July 2, 2000. For information contact: ICSC International Computer Science Conventions; P.O. Box 279, Millet, Alberta T0C 1Z0 ; Canada; +1-780-387-3546; fax +1-780-387-4329; <operating@icsc.ab.ca>; <<http://www.icsc.ab.ca/eis2000.htm>>.

Logic and the Foundations of the Theory of Games and Decisions: ICIR, Torino, Italy, June 29 - July 2, 2000. Submission deadline: has passed. For information contact: The Organizing Committee, LOFT4; International Centre for Economic Research; Villa Gualino ; Viale Settimio Severo, 63; 10133 Torino, ITALY; fax: +39.011.6600082; <icer@inrete.it>; <<http://pages.inrete.it/icer>>.

Conference on Uncertainty in Artificial Intelligence: Stanford University, Stanford, CA, June 30 - July 3, 2000. Submission deadline: has passed. For information contact: Kathryn Laske; Department of Systems Engineering and Operations Research; George Mason University; Fairfax, VA 22030-4444 USA; (703) 993-1644; fax: (703) 993-1521; <klaskey@gmu.edu>; <<http://www.cs.toronto.edu/~uai2000>>.

International Conference on Information Processing and Management of Uncertainty in Knowledge-Based Systems: Madrid, Spain, July 3-7, 2000. For information contact: <ipmu@mat.upm.es>; <<http://www.mat.upm.es/ipmu>>.

The Brunswik Society: The Brunswik Society is an informal association of researchers concerned with understanding and improving human judgment and decision making, (for more information see <http://www.albany.edu/cpr/brunswik/>). Anyone who is interested in these topics and their relationship to Egon Brunswik's work is invited to the upcoming Sixteenth Annual Meeting of the Society. It will be held July 20-22, 2000 at the Max Planck Institute for Human Development in Berlin, Germany. The deadline for paper abstracts has passed. On-line registration, paper submission, and hotel reservation form is at <http://www-abc.mpib-berlin.mpg.de/brunswik2000/index.html>. If you have any questions about the meeting, we can be reached by e-mail at: brunswik2000@mpib-berlin.mpg.de. Regular mail may be sent to: Max Planck Institute for Human Development, Adaptive Behavior and Cognition Lentzeallee 94 14195 Berlin Germany.

The Society For Chaos Theory in Psychology & Life Sciences will hold its 10th international conference in Philadelphia, PA, from July 20 - July 23, 2000. (Submission deadline passed.) <http://www.vanderbilt.edu/AnS/psychology/cogsci/chaos/Conf00/papercall00.html>

Human Factors and Ergonomics Society; and the International Ergonomics Association: will meet July 30-August 4, 2000 in San Diego at the Marriott Hotel and Marina. Information: <http://iea2000.hfes.org/>.

Random Utility 2000: Fuqua School of Business, Durham, NC, August 3-8, 2000. For information: <<http://www.fuqua.duke.edu/ru200>>.

The Society for Mathematical Psychology Meeting will be held August 10-13 at Queen's University in Kingston, Ontario. (Submission deadline passed.)
URL: <http://psyc.queensu.ca/~smp2000/>

Cognitive Science Society: University of Pennsylvania, Philadelphia, PA, August 13-15, 2000. Submission deadline: has passed. For information contact: Lila Gleitman and Aravind Joshi; CogSci2000; Institute for Research in Cognitive Science; University of Pennsylvania; 400A 3401 Walnut Street; Philadelphia, PA 19104-6228 USA; 215-898-0357; fax: 215-573-9247; <cogsci2000@cis.upenn.edu>; <www.cis.upenn.edu/~ircs/cogsci2000>.

The 31st European Mathematical Psychology Group Meeting will be held from Sept. 3-7, 2000 at the University of Graz in Austria/Europe Deadline for submission of abstracts and for early registration: June 16, 2000. URL:<http://psyserver.kfunigraz.ac.at/empg2000/>

Society for Medical Decision Making: Hyatt Regency, Cincinnati, OH, September 24-27, 2000. For information: <<http://www.gwu.edu/~smdm>>.

Self-Organization of Cognition and Applications to Psychology: Ascona, Switzerland, October 26-28, 2000. For information: <<http://www.upd.unibe.ch/research/symposien/HA9.html>>. A focal point of the Monte Verita 2000 symposium is the disenchantment with the information processing view in psychology and cognitive science. The approach of symbolic information processing has resulted in doubtful "solutions" to fundamental problems of our understanding of cognition and action. One such problem is to understand volition and intentionality. Related problems arise from issues such as representation, constructivism and situatedness. The consequences of this discussion for psychology and cognitive science will have to be examined. The aim of the Monte Verita symposium is to bring together representatives of a new dynamical approach to cognition from various disciplines.

The Society for Computers in Psychology meets in New Orleans just a few days before JDM (November 16, 2000). Submission deadline: 6/30. <http://www.gsu.edu/~lrcdaw/call2000.htm>

The Psychonomic Society: New Orleans, LA, November 16-19, 2000. For information contact: Roger L. Mellgren, Secretary-Treasurer, Dept of Psychology, Box 19528, University of Texas, Arlington TX 76019-0528 USA, (817) 272-2775, fax: (817) 272-2364, <mellgren@uta.edu>.

Society for Judgment and Decision Making: New Orleans, LA, November 18-20, 2000.

The Society for Risk Analysis will meet December 3-6, 2000, at the Crystal Gateway Marriott Hotel in Arlington, Virginia with the theme of "Applications of Risk Analysis in Industry and Government. (Submission deadline passed.) URL: <http://www.sra.org/events.htm>.

Future SJDM meeting: 2001: Orlando, November 17-19.

The Teachers Corner

Dale Rude suggested a new, ongoing feature for the newsletter that I think you will agree is a great idea. He suggested we publish exercises that teachers of decision making classes have found useful. He even provided several of his for me to use. Below I have published one of these. (I only published one as there is a space issue with the newsletters. Due to our printing format, the number of pages must be evenly divisible by 4. I know that most of you get the newsletter by email so this is not a constraint, but some of our members still receive it by mail. He didn't send me sufficient material for this and 4 more pages. So I will save his other material for future editions.)

I invite (beg, plead) everyone to send me those items that you have found useful in your teaching so they can be shared with your colleagues. I will try to make this a continuing feature and fit the material I get in as space permits.

The \$1 Bill Drop: A Useful Demonstration of Subjective Probability (shared by Dale Rude)

Exercise:

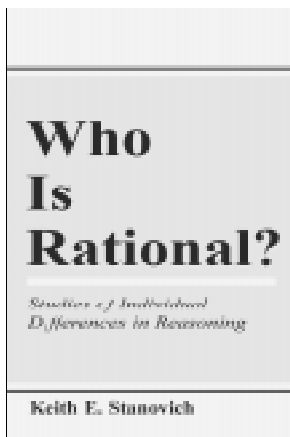
Hold up a \$1 dollar bill and state that you will give someone the opportunity to catch the \$1 bill. If they catch it, s/he will keep it. As you are doing so, drop with one hand and catch with the other (holding hand holds end of bill between thumb and forefinger, other thumb and finger are one inch apart at the midpoint of the bill). Then ask each person to choose an amount between \$0.00 and \$1.00 that the opportunity to catch the \$1 bill would be worth to them. Survey the class concerning their values. At this point derive the subjective probability of catching the \$1 bill (see below). Pick the person with the highest subjective probability to come to the front of the room and try to catch the \$1 bill. Hold bill between your thumb and index finger and have the student place his/her thumb and index finger one inch apart at the middle of the bill. Then, after wiggling the bill for a few moments to increase difficulty, drop the bill. Instruct other class members to pair up and try it at their seats.

Background

Set a up decision tree containing two branches (sure thing and catch the \$1 bill). Tell students to set a value for the sure thing payoff which approximates the worth of the opportunity to catch the \$1 bill. Thus, the two branches of the decision tree have the same expected value. The expected value of the "catch the \$1 bill" branch is worth P (the subjective probability of catching it) times \$1.00 (the payoff if it is caught). The expected value of the "sure thing" branch is \$1.00 (the subjective probability of receiving the sure thing) times the value they have chosen. If we solve for P , P is equal student's value of catching the \$1 bill divided by \$1 (the sure thing payoff).

I use this to illustrate the notion of subjective probability in the expected utility model.

Note. If you wiggle the \$1 bill before dropping it, the \$1 bill is virtually impossible to catch.



WHO IS RATIONAL? Studies of Individual Differences in Reasoning

Keith E. Stanovich
University of Toronto

"This book gives the definitive account of the relation between reasoning ability and intelligence."

—**Philip Johnson-Laird**
Princeton University

"This book describes an important project which shows consistent individual differences across a variety of reasoning problems. The consistencies involve a much wider range of tasks than those that have been studied before in this way. The tasks include many of those used to study fallacies and biases in judgments, decisions, and reasoning. The findings constrain what can be said about the relevance of normative models to prescriptive and descriptive models of judgment and reasoning. For example, they raise a problem for the view that prescriptive models designed to improve reasoning (according to the usual normative standards) are self-defeating. This book will be of interest to scholars at all levels with interests in reasoning, judgment, decision making, and individual differences in mental abilities, as well as to those in social and developmental psychology who have explored related issues."

—**Jonathan Baron**
University of Pennsylvania

"This remarkable book has emerged from an exciting research programme which provides some of the clearest evidence to date that the study of individual differences in task performance can lead to theoretical advances in our understanding of mental processes. Professor Stanovich provides a discussion of rationality and thought processes which is equally impressive for its breadth of scholarship as for its depth of intellectual argument. The issues he discusses are of central importance for cognitive scientists and deserve attention from all serious students of this fascinating topic."

—**Jonathan Evans**
University of Plymouth

Integrating a decade-long program of empirical research with current cognitive theory, this book demonstrates that psychological research has profound implications for current debates about what it means to be rational. The author brings new evidence to bear on these issues by demonstrating that patterns of individual differences—largely ignored in disputes about human rationality—have strong implications for explanations of the gap between normative and descriptive models of human behavior. Separate chapters show how patterns of individual differences have implications for all of the major critiques of purported demonstrations of human irrationality in the heuristics and biases literature. In these critiques, it has been posited that experimenters have observed performance errors rather than systematically irrational responses; the tasks have required computational operations that exceed human cognitive capacity; experimenters have applied the wrong normative model to the task; and participants have misinterpreted the tasks.

In a comprehensive set of studies, Stanovich demonstrates that gaps between normative and descriptive models of performance on some tasks can be accounted for by positing these alternative explanations, but that not all discrepancies from normative models can be so explained. Individual differences in rational thought can in part be predicted by psychological dispositions that are interpreted as characteristic biases in people's intentional-level psychologies. Presenting the most comprehensive examination of individual differences in the heuristics and biases literature that has yet been published, experiments and theoretical insights in this volume contextualize the heuristics and biases literature exemplified in the work of various investigators.

Contents: Preface. Conceptualizing Rationality: Some Preliminaries. With **R.F. West**, Performance Errors and Computational Limitations. The Inappropriate Norm Argument. The Problem of Rational Task Construal. Dual-Process Theories and Evolutionary Adaptation Versus Normative Rationality. With **R.F. West**, **W.C. Sá**, Thinking Dispositions and Decontextualized Reasoning. The Fundamental Computational Bias. Has Human Irrationality Been Empirically Demonstrated?

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