

The third quirk is that we assume other people will see the transaction from the same perspective as we do. We somehow expect the buyer of our VW to share our feelings, emotions, and memories. Or we expect the buyer of our house to appreciate how the sunlight filters through the kitchen windows. Unfortunately, the buyer of the VW is more likely to notice the puff of smoke that is emitted as you shift from first into second; and the buyer of your house is more likely to notice the strip of black mold in the corner. It is just difficult for us to imagine that the person on the other side of the transaction, buyer or seller, is not seeing the world as we see it.

OWNERSHIP ALSO HAS what I'd call "peculiarities." For one, the more work you put into something, the more ownership you begin to feel for it. Think about the last time you assembled some furniture. Figuring out which piece goes where and which screw fits into which hole boosts the feeling of ownership.

In fact, I can say with a fair amount of certainty that pride of ownership is inversely proportional to the ease with which one assembles the furniture; wires the high-density television to the surround-sound system; installs software; or gets the baby into the bath, dried, powdered, diapered, and tucked away in the crib. My friend and colleague Mike Norton (a professor at Harvard) and I have a term for this phenomenon: the "Ikea effect."

Another peculiarity is that we can begin to feel ownership even before we own something. Think about the last time you entered an online auction. Suppose you make your first bid on Monday morning, for a wristwatch, and at this point you are the highest bidder. That night you log on, and you're