

the common cold aside for the moment, are many of us going to pinch pennies when our lives are at risk? No—we want the best, for ourselves, our children, and our loved ones.

If we want the best for ourselves, does an expensive drug make us feel better than a cheaper drug? Does cost really make a difference in how we feel? In a series of experiments a few years ago, that's what Rebecca Waber (a graduate student at MIT), Baba Shiv (a professor at Stanford), Ziv Carmon, and I decided to find out.

IMAGINE THAT YOU'RE taking part in an experiment to test the efficacy of a new painkiller called Veladone-Rx. (The actual experiment involved about 100 adult Bostonians, but for now, we'll let you take their place.)

You arrive at the MIT Media Lab in the morning. Taya Leary, a young woman wearing a crisp business suit (this is in stark contrast to the usual attire of the students and faculty at MIT), greets you warmly, with a hint of a Russian accent. A photo ID identifies Taya as a representative of Vel Pharmaceuticals. She invites you to spend a moment reading a brochure about Veladone-Rx. Glancing around, you note that the room looks like a medical office: stale copies of *Time* and *Newsweek* are scattered around; brochures for Veladone-Rx are spread out on the table; and nearby is a cup of pens, with the drug's handsome logo. "Veladone is an exciting new medication in the opioid family," you read. "Clinical studies show that over 92 percent of patients receiving Veladone in double-blind controlled studies reported significant pain relief within only 10 minutes, and that pain relief lasted up to eight hours." And how much does it cost? According to the brochure, \$2.50 for a single dose.