

Reference Dependence and Monetary Incentive

-Evidence from Major League Baseball-

Reio TANJI

Osaka University

Dec 14th, 2018

Abstract

- Empirical research that specifies the existence of reference point dependence observed in field setting:
We pick up evidence of Major League Baseball (MLB)
- Players take some round numbers of the batting performance indexes as reference points, and adjust their effort level to meet the goals
- There are NOT observed any evidence for the monetary incentives that is paid to the players if they achieve these internal goals

