

# Gonzalo Arrieta

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## CONTACT

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## EDUCATION

**Stanford University**, Ph.D. in Economics

Expected: 2024

**Universidad de Montevideo**

Diploma in Economics

2017

B.S. in Economics (*Dean's List*)

2015

## REFERENCES

[Muriel Niederle](#)

Dept. of Economics,  
Stanford University  
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[B. Douglas Bernheim](#)

Dept. of Economics,  
Stanford University  
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[Alvin Roth](#)

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[Kirby Nielsen](#)

Div. of the Humanities and Social Sciences,  
California Institute of Technology  
[kirby@caltech.edu](mailto:kirby@caltech.edu)

## RESEARCH INTERESTS

Experimental and Behavioral Economics, Decision Theory  
Public Economics, Welfare Economics

## JOB MARKET PAPER

**“Procedural Decision-Making in the Face of Complexity”** with Kirby Nielsen

A large body of work documents that complexity affects individuals’ choices, but the literature has remained mostly agnostic about why. We provide direct evidence that individuals use fundamentally different choice processes for complex and simple decisions. We hypothesize that individuals resort to “procedures”—cognitively simpler choice processes that we characterize as being easier to describe to another person—as the complexity of the decision environment increases. We test our hypothesis using two experiments, one with choices over lotteries and one with choices over charities. We exogenously vary the complexity of the decision environment and measure the descriptibility of choice processes by how well another individual can replicate the decision-maker’s choices given the decision-maker’s description of how they chose. We find strong support for our hypothesis: Both of our experiments show that individuals’ choice processes are more describable in complex choice environments, which we interpret as evidence that decision-making becomes more procedural as complexity increases. We show that procedural decision-makers choose more consistently and exhibit fewer dominance violations, though we remain agnostic about the causal effect of procedures on decision quality. Additional secondary evidence suggests that procedural decision-making is a choice simplification that reduces the cognitive costs of decision-making.

## PUBLISHED PAPERS

**“Caring to Work or Working to Care: The Intra-Family Dynamics of Health Shocks”**  
with Gina Li

*American Journal of Health Economics* 9(2), 175-204, 2023

## WORKING PAPERS

**“What You Don’t Know May Hurt You: Preferences Over Mental And External States”** with Lukas Bolte

The dominant approach to welfare, revealed preference, is restricted to settings where the individual knows their preferences have been fulfilled. We use a choosing-for-others framework to experimentally study welfare when what the individual believes differs from what is actually

true. 42% of participants see welfare as independent of beliefs; 22% see welfare as exclusively determined by beliefs; and 29% care about both beliefs and reality. Furthermore, the average participant values accurate beliefs. While there is large heterogeneity, our results suggest most people support the idea that welfare goes beyond beliefs, which can inform media regulation, informational policies, and government communication.

**“To Screen or Not to Screen: The Inference Cost of Policies”** with Maxim Bakhtin

Effective policymaking requires balancing the need for desirable outcomes with the ability to learn valuable information. However, when policies promote uniform behavior, they can hinder the ability to infer information from people’s actions. We propose that individuals may select suboptimal policies because they fail to consider the effects of inference. To test this hypothesis, we conduct an online experiment that simulates a hiring scenario with an initial trial task. Participants make two decisions: selecting a trial task and then choosing which candidate to hire. The majority of participants opt for the suboptimal task that does not reveal the candidates’ quality. This leads to suboptimal hires and lower payoffs because these participants do not know which candidate is better. Our findings suggest that the primary mechanism driving this behavior is the failure to anticipate inference. Our study underscores the significance of accounting for the effects of inference when designing policies.

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|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| WORK IN PROGRESS     | <b>“The Demand and Supply of Paternalism in Financial Planning”</b> with Sandro Ambuehl, Bjoern Bartling, and B. Douglas Bernheim<br><b>“Procedural Paternalism”</b> with Muriel Niederle and Kirby Nielsen<br><b>“The Welfare Costs of False Beliefs”</b> with B. Douglas Bernheim and Lukas Bolte                                                                                                                                                                                                            |  |
| RELEVANT POSITIONS   | <b>Department of Economics, Stanford University</b><br>Research Assistant for Muriel Niederle 2022 –<br>Stanford Economics Research Laboratory (SERL), Manager 2021 – 2022<br>Research Assistant for Muriel Niederle 2020 – 2021<br>Research Assistant for Douglas Bernheim 2018 – 2020<br><b>Department of Economics, Universidad de Montevideo</b><br>Research Assistant for Alejandro Cid and José María Cabrera 2014 – 2015<br>Research Assistant at Center for Research in Applied Economics 2013 – 2014  |  |
| TEACHING EXPERIENCE  | <b>Department of Economics, Stanford University</b><br>Teaching Assistant for Muriel Niederle, Econ 179 (Experimental) Winter 2019<br><b>Department of Economics, Universidad de Montevideo</b><br>Lecturer (Intermediate Macro) 2017<br>Teaching Assistant for Fernando Borraz (Econometrics) 2016<br>Teaching Assistant for Ignacio Presno (International Trade) 2014<br>Teaching Assistant for Danilo Trupkin (Intermediate Macro) 2014<br>Teaching Assistant for Danilo Trupkin (International Trade) 2013 |  |
| AWARDS & FELLOWSHIPS | Leonard W. Ely and Shirley R. Ely Fellowship, SIEPR 2023 – 2024<br>Stanford Center for American Democracy Graduate Student Fellow 2020 – 2021<br>McCoy Family Center for Ethics in Society Graduate Student Fellow 2020 – 2021<br>ANII - Agencia Nacional de Investigación e Innovación (uruguayan NSF) 2014 – 2015<br>Excellence Scholarship, Universidad de Montevideo 2011 – 2015                                                                                                                           |  |

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|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| RESEARCH GRANTS                                  | Graduate Research Opportunities Fund, Stanford University (\$5,000)                                                                                                                          | 2022        |
|                                                  | George P. Shultz Dissertation Fund, Stanford University (\$6,810)                                                                                                                            | 2020        |
|                                                  | IRiSS Center for American Democracy, Stanford University (\$2,000)                                                                                                                           | 2020        |
|                                                  | IRiSS Research Data Grants, Stanford University (\$1,500)                                                                                                                                    | 2020        |
| REFEREING                                        | <i>Journal of Political Economy: Microeconomics</i>                                                                                                                                          |             |
| PROFESSIONAL<br>ACTIVITIES                       | <b>Department of Economics, Stanford University</b>                                                                                                                                          |             |
|                                                  | Behavioral and Experimental Faculty Seminar Organizer                                                                                                                                        | 2021 –      |
|                                                  | Behavioral and Experimental Student Workshop Organizer                                                                                                                                       | 2019 – 2021 |
| INVITED TALKS AND<br>CONFERENCE<br>PRESENTATIONS | BRIC-X (Venice), BDRM (Chicago), Esade Workshop in B&E Econ. (Barcelona),<br>RIDGE LACEA BRAIN (Chile), LIPNE Lab (University of Cambridge), UBC (Van-<br>couver), NYU Abu Dhabi (virtually) | 2024        |
|                                                  | NABE TEC (Santa Clara), Universidad de Montevideo (virtually), BUE-EBEL (virtu-<br>ally); IIPF (Logan, UT); SITE (Stanford); M-BEES/M-BEPS (Maastricht); BABEEW<br>(San Jose)                | 2023        |
| OTHER                                            | Languages: Spanish (native); English (fluent); Portuguese (intermediate)                                                                                                                     |             |
|                                                  | Softwares: Python; JavaScript; Stata; L <sup>A</sup> T <sub>E</sub> X                                                                                                                        |             |

*Last updated: June 2024*