Gonzalo Arrieta

Paper

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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 B. Douglas Bernheim

Dept. of Economics,
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Alvin Roth Kirby Nielsen

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Stanford University California Institute of Technology

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Research Experimental and Behavioral Economics, Decision Theory

Interests Public Economics, Welfare Economics

JOB MARKET "Procedural Decision-Making in the Face of Complexity" with Kirby Nielsen

A large body of work studies how complexity affects the choices that individuals make, but this literature has remained mostly agnostic about the mechanism through which this takes place. We provide direct evidence that individuals use fundamentally different choice processes as decisions get more complex. Our hypothesis is that individuals resort to procedures—characterized as choice processes that are more "describable" 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 describability of choice processes by how well another individual can replicate the decision-maker's choices given the decision-maker's description of how they made choices. We find strong support for our hypothesis: Both of our experiments show that the choice process descriptions increase replication significantly more as complexity increases, which we interpret as evidence that decision-making becomes more procedural as complexity increases. We show evidence that using procedural choice processes can lead decision-makers to make different choices and choices of different quality, as well as evidence suggesting 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: A Revealed Preferences Approach" with

Lukas Bolte

The dominant approach to welfare is based on revealed preferences and thus 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 to be true differs from what is actually true. We find substantial heterogeneity. About 40% of participants see welfare as independent of beliefs; 10% see welfare impact only via beliefs; and 50% exhibit mixed behavior. Our results suggest most people support the idea that welfare goes beyond awareness, which may inform media regulation, informational policies, and government communication.

"The Inference Cost of Interventions" 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.

Work in Progress

"The Demand and Supply of Paternalism in Financial Planning" with Sandro Ambuehl, Bjoern Bartling, and B. Douglas Bernheim

"Procedural Paternalism" with Muriel Niederle and Kirby Nielsen

"The Welfare Costs of False Beliefs" with B. Douglas Bernheim and Lukas Bolte

Relevant	Department of Economics, Stanford University	
Positions	Research Assistant for Muriel Niederle	2022 -
	Stanford Economics Research Laboratory (SERL), Manager	2021-2022
	Research Assistant for Muriel Niederle	2020 - 2021
	Research Assistant for Douglas Bernheim	2018 - 2020
	Department of Economics, Universidad de Montevideo Research Assistant for Alejandro Cid and José María Cabrera	2014 - 2015
	Research Assistant at Center for Research in Applied Economics	2013 - 2014
Teaching	Department of Economics, Stanford University	
Experience	Teaching Assistant for Muriel Niederle, Econ 179 (Experimental)	Winter 2019
	Department of Economics, Universidad de Montevideo	
	Lecturer (Intermediate Macro)	2017
	Teaching Assistant for Fernando Borraz (Econometrics)	2016
	Teaching Assistant for Ignacio Presno (International Trade)	2014
	Teaching Assistant for Danilo Trupkin (Intermediate Macro)	2014
	Teaching Assistant for Danilo Trupkin (International Trade)	2013
Awards & Fellowships	Leonard W. Ely and Shirley R. Ely Fellowship, SIEPR	2023 - 2024
	Stanford Center for American Democracy Graduate Student Fellow	2020 - 2021
	McCoy Family Center for Ethics in Society Graduate Student Fellow	2020 - 2021
	ANII - Agencia Nacional de Investigación e Innovación (uruguayan NSF)	2014 - 2015
	Excellence Scholarship, Universidad de Montevideo	2011 - 2015

RESEARCH GRANTS	Graduate Research Opportunities Fund, Stanford University (\$5,000) George P. Shultz Dissertation Fund, Stanford University (\$6,810) IRiSS Center for American Democracy, Stanford University (\$2,000) IRiSS Research Data Grants, Stanford University (\$1,500)	2022 2020 2020 2020
Refereeing	Journal of Political Economy: Microeconomics	
Professional Activities	Department of Economics, Stanford University Behavioral and Experimental Faculty Seminar Organizer Behavioral and Experimental Student Workshop Organizer	2021 - 2019 - 2021
Invited Talks and Conference Presentations	NABE TEC (Santa Clara), Universidad de Montevideo (virtually), BUE-EBEL (virtually); IIPF (Logan, UT); SITE (Stanford); M-BEES/M-BEPS (Maastricht); BABEEW (San Jose)	
OTHER	Languages: Spanish (native); English (fluent); Portuguese (intermediate) Softwares: Python; JavaScript; Stata; LaTeX	

Last updated: September 2023