

Gonzalo Arrieta

CONTACT

Department of Economics
Stanford University
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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
niederle@stanford.edu

[B. Douglas Bernheim](#)

Dept. of Economics,
Stanford University
bernheim@stanford.edu

[Alvin Roth](#)

Dept. of Economics,
Stanford University
alroth@stanford.edu

[Kirby Nielsen](#)

Div. of the Humanities and Social Sciences,
California Institute of Technology
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.

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 POSITIONS	Department of Economics, Stanford University	
	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
TEACHING EXPERIENCE	Research Assistant at Center for Research in Applied Economics	2013 – 2014
	Department of Economics, Stanford University	
	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)	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 ACTIVITIES	Department of Economics, Stanford University	
	Behavioral and Experimental Faculty Seminar Organizer	2021 –
	Behavioral and Experimental Student Workshop Organizer	2019 – 2021
INVITED TALKS AND CONFERENCE PRESENTATIONS	Esade Workshop in B&E Economics (Barcelona), RIDGE LACEA BRAIN (Chile), LIPNE Lab (University of Cambridge), UBC (Vancouver), NYU Abu Dhabi (virtually)	2024
	NABE TEC (Santa Clara), Universidad de Montevideo (virtually), BUE-EBEL (virtually); IIPF (Logan, UT); SITE (Stanford); M-BEES/M-BEPS (Maastricht); BABEEW (San Jose)	2023
OTHER	Languages: Spanish (native); English (fluent); Portuguese (intermediate) Softwares: Python; JavaScript; Stata; \LaTeX	

Last updated: May 2024