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 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.

"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
	Research Assistant at Center for Research in Applied Economics	2013 – 2014

TEACHING EXPERIENCE	**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

REFEREEING *Journal of Political Economy: Microeconomics*

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

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: November 2023