

PROPOSAL: "PSYCHOLOGICAL ASPECTS OF FINANCIAL DECISION-MAKING".

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This research opportunity is for students interested in behavioral finance, a large and vibrant area of financial economics that builds models of financial markets that are psychologically more realistic than their predecessors - allowing, for example, for less than fully rational thinking on the part of some market participants. The specific summer project will depend on the status of the professor's various projects at the start of summer, and on the student's specific interests. However, the project is likely to be conceptual rather than empirical, i.e. will involve a substantial amount of reading and thinking, rather than pure data work. Potential topics include the role of emotions in financial decision-making, and the psychology of unethical behavior in financial markets. Applicants for the position should obviously have some background in finance (e.g. coursework in finance), but also an openness to interdisciplinary work that may involve reading in the psychology and neuroscience literatures.