

## Call for paper proposals for a symposium to be published in

### *Public Finance and Management*

## Behavioral Public Finance: New Approaches to Old Questions

Guest editors: Salvador Espinosa, San Diego State University; Kenneth A. Kriz, University of Illinois at Springfield; Wie Yusuf, Old Dominion University

The “rational” model of decision-making has traditionally been the lens through which public finance decisions and outcomes have been studied. In this model, rational actors evaluate all possible outcomes and make decisions based on the expected utility of the outcomes. Risk or uncertainty is assessed through using objective weights representing the probability of events, producing risk-adjusted measures of potential outcomes.

However, scholars like Tversky and Kahneman (1974), Thaler (1991) have proposed another theoretical framework to understand how individuals make decisions. Behavioral economics stresses that economic actors approach uncertain decisions through the use of heuristics because of the overwhelming complexity of evaluating the outcomes and probabilities of even relatively small problems. In essence, in the behavioral approach the weights used in the decision making process are not objectively determined but rather subjectively determined and are influenced by which heuristic is chosen.

McCaffery and Slemrod (2006) suggested a possible intersection between behavioral economics and public finance. Their proposal was to analyze broad clusters of questions concerning the forms of public finance mechanisms, problems of inter- temporal choice, and models of taxpayer compliance. While there have been attempts to incorporate behavioral principles to address applied public finance questions (see e.g., Kriz, 2005, 2004; O’Connell and Yusuf, 2011; Yusuf, et.al., 2018 and Brunner, Robbins and Simonsen, 2018) , there is a need for further research demonstrating the application of behavioral economics and finance theories to public finance issues.

Recognizing this need, Public Finance and Management invites scholars to contribute to a symposium issue of the journal. We invite article submissions that explore the many dimensions of public finance behavior, either theoretically or empirically.

Potential topics include (but are not limited to):

- Critical reviews of the pertinent literature;
- Theories and models of decision-making and their applicability to the public finance and management field;
- The effect of heuristics on public finance decisions;
- The impact of biases on support for public spending or taxes, tax compliance issues approached from a behavioral lens; and
- Behavioral approaches to public finance theory, and experimental results assessing public finance theories.

Proposals are due to [kkriz4@uis.edu](mailto:kkriz4@uis.edu) by February 28. Authors will be notified that they will be invited to submit a full manuscript by March 15. Final manuscripts are due August 15, 2019. Reviews and final acceptance will occur through October.

A ranking article of public finance journals including PFM can be found in the *Journal of Public Economic Theory*, 10 (1), 2008, pp. 55-76.

In addition, authors may choose to present (drafts of) their papers at the [11th Global Conference of the Forum for Economists International](#) in Amsterdam, Netherlands, May 24-27, 2019 and receive comments additional to the peer review. Note that participation in the conference is optional and unrelated to the decision to accept or reject a manuscript for publication in PFM.