

Preface

The economic problems of the real world are directly and inescapably involved with questions of human behavior, but the psychological variables that control behavior have no place in the strictly logical structure of traditional microeconomic analysis. In the present study, by contrast, psychology is the centerpiece around which I have tried to formulate a model of the microeconomic behavior of consumers. In this attempt to introduce psychological insights into the corpus of economic analysis, I am joining a growing list of contributors—two distinguished recent examples are Tibor Scitovsky, *The Joyless Economy* (Oxford, 1976) and Harvey Leibenstein, *Beyond Economic Man* (Harvard, 1976). Since psychology is a large and diverse field, I should explain that, as used in this study, *psychology* refers to the experimental analysis of behavior.

This study presents a detailed analysis of buy behavior, and I hope that it will be regarded as a contribution in that area; but the analysis of buy behavior is a secondary objective. My main objective in this study has been to show that microeconomic analysis can be based on an alternative foundation, one which sidesteps the traditional emphasis on utility and rationality in favor of an operational analysis that is based entirely on the well-established findings of experimental psychology. This is not a small undertaking, and it goes without saying that I have not presented a completed alternative structure; but I

think that I have gone far enough to indicate the lines along which an alternative to utility and rationality can be developed and also far enough to demonstrate that it is a feasible and viable alternative. It should be emphasized, however, that the validity of this alternative approach is separable from my own degree of success in trying to implement it. I mention this because an interdisciplinary study is subject to the double jeopardy of falling into serious error or deficiency in two fields rather than one, and I would not want my own failings in either field to discredit a promising approach. This is perhaps also the point to mention that, although this study has cleared the prepublication filters of anonymous reviewers in both economics and psychology, I bear sole responsibility for any errors that may have slipped through those filters.

Since an interdisciplinary study in economics and psychology must incorporate the language and concepts of both disciplines, a potentially serious communication problem exists with respect to specialists in each of the fields. To accommodate economists who are not familiar with the literature on the experimental analysis of behavior, I have provided a handy reference in the form of a couple of carefully selected textbooks that do not presume a previous background in experimental psychology. At a number of points where I thought it would be helpful, I have referred the reader to one of those textbooks, often in lieu of more technical sources scattered widely over the psychology literature. Although this study is addressed primarily to my fellow economists, I hope that its interdisciplinary approach will also be interesting to many psychologists. For those who do not have a background in technical economics, Hirshleifer's excellent text in price theory (cited in this study) is recommended as a background reference.

This attempt to reformulate the traditional economic theory of consumer behavior along interdisciplinary lines began with my reading of B. F. Skinner's works, and my general intellectual indebtedness to his writings will be obvious to all who are familiar with them. In addition, I have benefited greatly from Neal Miller's writings on conflict. At a personal level, I have been fortunate to have the support and counsel of my wife, Charlotte Pechman Alhadeff, as I struggled to clarify my thinking in an unfamiliar area. It is also a pleasure to acknowledge the clerical support provided by the Institute of Business and Economic Research at the University of California, Berkeley. The typing of the manuscript was carried out with superb professionalism by Betty Kendall.

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