

# CEAR Workshop

## *The Economics of Gambling*

Monday January 27 – Wednesday January 29, 2014

Cape Town

### General Information

Gambling behavior incorporates a range of attitudes towards risk, and perceptions of risk. It fundamentally challenges the methodologies of several traditional academic disciplines, particularly in its manifestations as ‘problem’ or ‘addictive’ gambling. But even in its most controlled forms, it raises puzzles. As Milton Friedman asked decades ago, how are we to understand the fact that many people pay for gambles with miniscule expected values, while simultaneously paying for insurance policies that could not possibly optimize utility for a person as risk loving as their gambling behavior implies?

The longer-term objective of this workshop is to get together a group of academics with clear interests in the topic of gambling from a range of disciplines, ideally to help develop a multi-institution, multi-year research agenda. There are large, unexploited gains from having serious academic researchers get together more or less annually around this specific topic, and develop a tight network of researchers over a number of years. This year we, capitalizing on our discussions at the 2013 workshop held in Atlanta, we again focus mainly on gambling work by economists, but now with added emphasis on regulatory policy towards gambling.

We do not intend this network to be exclusionary, and expect it to evolve over the years naturally. Although there will be a strong contingent of economists participating, we are committed to involving other disciplines.

### Organizer

Don Ross (Professor of Economics and Dean of Commerce, University of Cape Town and CEAR Program Director for Methodology) is the organizer of this workshop. Funding is being provided by the Center for the Economic Analysis of Risk (CEAR) at Georgia State University. See [cear.gsu.edu](http://cear.gsu.edu) for more information on CEAR. Should you have questions, please contact Dr. Ross at [don.ross@uct.ac.za](mailto:don.ross@uct.ac.za) about the substance of the workshop, and contact Mark Schneider at [cear@gsu.edu](mailto:cear@gsu.edu) with questions about participation and logistics.

### Location

This year’s workshop will be held the University of Cape Town in South Africa. Our local hosts will be the Research Unit for Behavioral Economics and Neuroeconomics (RUBEN), a partner of CEAR on several current research projects. (See <http://www.ruben.uct.ac.za/Default.aspx> for more information on RUBEN.)

UCT is spectacularly perched halfway up the north slope of the famous Table Mountain, from which both the Atlantic and Indian oceans can be seen at the same time. Workshop participants are encouraged to reserve some time during their visit to see some of the region’s unique attractions, which include beaches, tasting tours of wine estates, and, just a few hours’ trip away by car or plane, the large wild animals of Africa.

In January, it will be summer in Cape Town – typically hot, but dry and with steady breezes.

The following air routes are available to Cape Town:

*Direct from North America:*

Delta via Atlanta and Johannesburg  
South African Airways via Washington (Dulles) or New York (JFK) and Johannesburg  
Emirates via multiple North American cities and Dubai  
Turkish Airways via multiple North American cities and Istanbul

*From Europe*

British Airways direct from Heathrow  
Virgin Atlantic direct from Heathrow  
South African Airways via Heathrow, Frankfurt or Munich and Johannesburg  
KLM direct from Amsterdam  
Lufthansa via Frankfurt or Munich and Johannesburg  
Air France via Paris and Johannesburg  
Emirates via multiple European cities and Dubai  
Turkish Airways via multiple European cities and Istanbul

**Dates & Times**

Monday 1/27 – 9 am to 5 pm. Refreshments and lunch will be provided by RUBEN.  
Tuesday 1/28 – 10 am to 5 pm. Refreshments and lunch will be provided by RUBEN.  
Wednesday 1/29 – 9am to noon. Refreshments will be provided by RUBEN.

Contact Mark Schneider at [cear@gsu.edu](mailto:cear@gsu.edu) for special dietary needs.

**Lodging**

Rooms for participants have been arranged, and fully paid including breakfast, at a secure and comfortable guest house close to the UCT campus, Little Scotia: <http://www.scotia.co.za>

**Confirmed Participants**

Aaron Brown  
Sebastian Ebert  
Glenn Harrison  
Johnnie Johnson  
Harold Kincaid  
Morten Lau  
Joe Mazur  
Don Ross  
Tony Schellinck  
Tracy Schrans  
Vanessa Sung  
Leighton Vaughan Williams  
Doug Walker