



NATIONAL ENDOWMENT FOR THE HUMANITIES

DIVISION OF RESEARCH PROGRAMS

Narrative Section of a Successful Application

The attached document contains the grant narrative and bibliography of a previously funded grant application. It is not intended to serve as a model, but to give you a sense of how a successful application may be crafted. Every successful application is different, and each applicant is urged to prepare a proposal that reflects its unique project and aspirations. Prospective applicants should consult the Research Programs application guidelines at <http://www.neh.gov/grants/research/summerstipends> for instructions. Applicants are also strongly encouraged to consult with the NEH Division of Research Programs staff well before a grant deadline.

Note: The attachment only contains the grant narrative and bibliography, not the entire funded application. In addition, certain portions may have been redacted to protect the privacy interests of an individual and/or to protect confidential commercial and financial information and/or to protect copyrighted materials.

Project Title: The Power of Frames: Rethinking Models of Rational Decision Making

Project Director: Jose Bermudez Ospina

Institution: Texas A&M University

Grant Program: Summer Stipends

THE POWER OF FRAMES: RETHINKING MODELS OF RATIONAL DECISION-MAKING

José Luis Bermúdez (Texas A&M University)

BRIEF SUMMARY

Should values and decisions be influenced by how we frame the outcomes we confront and the choices we have to make? The orthodox view (as found, for example, in psychology and behavioral economics) is that any such influence is fundamentally irrational. The goal of this project is a book, *The Power of Frames* (under contract to Cambridge University Press) in which I will argue against this orthodox view. Problems with standard ways of thinking about framing emerge when we apply insights from philosophy and related areas of the humanities. The book explores a range of cases illustrating how *frame-sensitivity* is an integral part of rational decision-making. I draw on examples from Greek and Shakespearean tragedy, ethical dilemmas, group identification, social coordination, and practical psychological problems such as exercising self-control in the face of temptation.

RELEVANCE TO THE HUMANITIES AND THE PUBLIC SQUARE INITIATIVE

This project is relevant to the NEH's *Humanities in the Public Square Initiative* for two reasons. First, it presents a novel, humanities-driven challenge to widely held views in economics, psychology, and other social sciences. Second, my book *The Power of Frames* will argue that recognizing the role that framing plays in values and choices has very important implications for policy-making and public discourse more generally. One important message from the book is that all of us involved in education, from K-12 through the university level, need to think hard about how to educate people to appreciate that complex issues can be framed in multiple ways. Learning how to reflect and debate not just within a single frame but also across and between different and inconsistent frames improves critical thinking skills and the abilities to find effective compromises.

PROJECT DESCRIPTION: RESEARCH AND CONTRIBUTION

Framing effects are everywhere – from marketing to finance, from political debates to high school curricula. An estate tax looks very different to a death tax. Gun safety seems to be one thing; gun control another. Some people who would never vote for increasing taxes will happily consider proposals for increasing revenue. The same outcome or proposal can look different in different frames. That is an undeniable fact about human psychology, confirmed by everyday experience and many experiments.

Yet, the overwhelming consensus from decision theorists, finance professionals, psychologists, and economists is that frame-dependence is the height of irrationality. This view is enshrined both in academic publications and in the popular press. *The Power of Frames* argues, against the consensus view, that framing is one of the most powerful tools we have for making decisions and solving problems. It can be perfectly rational to value the same thing differently in two different frames, even when the decision-maker knows that these are really two different ways of viewing the same thing. In fact, there are many occasions when rational agents should actively seek different ways of framing and reframing complex decisions. This becomes apparent when we move away from the artificial environment of the laboratory and the narrow sphere of financial investment to consider the perspectives on framing that come from philosophy and other areas of the humanities.

The Power of Frames shows how the toughest decisions we face are often really clashes between different frames – and how those clashes can be rationally resolved. This idea can be made vivid with an example from Greek tragedy. In Aeschylus's *Agamemnon*, the first play in the *Oresteia* trilogy, Agamemnon is told by the prophet Calchas that, in order to placate the goddess Artemis, he must sacrifice his daughter Iphigenia to allow the Greek fleet, becalmed at Aulis, to sail to Troy. There is a single outcome, the death of Iphigenia, that Agamemnon frames in two different ways –

as Sacrificing his Daughter, on the one hand, and as Following Artemis's Will, on the other. The alternative is Failing his Ships and People. Agamemnon's dilemma is that he prefers Following Artemis's Will to Failing his Ships and People, but also prefers Failing his Ships and People to Sacrificing His Daughter – and he has these preferences despite knowing full well that Sacrificing His Daughter is the same outcome as Following Artemis's Will.

Building on this and other examples, I argue that simultaneously engaging multiple frames allows decision-makers to choose and to act in ways that are intuitively rational, but that orthodox theories of individual choice and social interaction are famously unable to accommodate. Self-control is a good example. From the perspective of classical decision theory, self-control is very difficult to understand. Self-control involves acting against one's strongest desires. Yet, the rational agents of classical decision theory are expected to maximize expected utility, which is understood purely in terms of current desires. Past commitments are relevant only to the extent that they are reflected in current desires. A much richer perspective comes from placing self-control in the context of philosophical discussions of weakness of will and incontinence (*akrasia*). Drawing on both contemporary and historical discussions, I explore how successfully overcoming weakness of will is often really a matter of how one frames oneself and one's goals.

Collaboration, cooperation, and team reasoning is another example. It has long been a puzzle for game theorists to explain how and why it might be rational for agents to set aside their immediate self-interests and work together. Games such as the Prisoner's Dilemma and the Stag Hunt are abstract models of very common human interactions where game theorists have in effect denied that it can be rational to end up in the collaborative and optimal outcome (where the prisoners cooperate or the hunters jointly hunt the stag). Yet when they face comparable situations in the real world apparently rational people regularly do collaborate and cooperate. One way to make sense of this is to see collaborators as engaged in a different type of reasoning – reasoning as members of a team rather than as individuals. In *The Power of Frames* I show how this is at bottom a matter of framing – whether the situation is framed collectively or individually. It can be perfectly rational to frame a decision problem so that team reasoning applies.

Since individual decision-making and problem-solving is so frame-dependent, framing can be a powerful tool in policy-making and public discourse. Much attention has been devoted to how decision-makers and consumers can be “nudged” towards healthier and more prudent options by how particular choices and programs are structured in, for example, cafeteria menus and retirement savings plans. Nudging is a matter of designing choice architectures and setting default options. Some nudges create and modify frames, but framing is more general than nudging. Often as important as how defaults are set and information presented at the micro-level is how things are framed at the macro-level. This is true of some of the most polarizing contemporary issues – such as gun control, abortion, climate change, and immigration. In particular, I intend to argue, the principal barrier to regaining intelligent and civil discourse in the political and social arena is the widespread inability, in every part of the political spectrum, to reflect and debate not just within a single frame but also across and between different and inconsistent frames.

COMPETENCIES AND SKILLS

Engaging with discussions of framing in psychology, economics, and other social sciences requires a facility with interdisciplinary discussions. Working on my textbook *Cognitive Science: An Introduction to the Sciences of the Mind* (CUP, 2010 – 3rd edition in preparation) has helped me acquire a good, working knowledge of the relevant disciplines. Much of my work in philosophy has been interdisciplinary, exploring the points of contact between traditional philosophical problems and contemporary research in the social sciences. My books *The Paradox of Self-Consciousness* (MIT

Press, 1998) and *Thinking Without Words* (OUP, 2003) both explored the interface between the behavioral and cognitive sciences, on the one hand, and philosophical discussions of self-consciousness and the nature of thinking, on the other. In *Decision Theory and Rationality* (OUP, 2009) I explored a theme directly relevant to the current project, namely, the relation between normative models of how rational people *ought to* reason and descriptive models of how people *actually do* reason.

WORKPLAN

My book *The Power of Frames*, which will be the principal output of this project, is under contract to Cambridge University Press. The manuscript is projected to contain nine chapters, as follow:

- Ch. 1 Framing: The classic view
- Ch. 2 Investors, frames, and markets
- Ch. 3 Framing and the brain
- Ch. 4 Juliet's Principle: "A rose by any other name"
- Ch. 5 The world as we frame it
- Ch. 6 Agamemnon's dilemma: When frames clash
- Ch. 7 Using frames to fight temptation
- Ch. 8 Stags and Prisoners: Framing cooperation and collaboration
- Ch. 9 Frames in public discourse

The first four chapters set up the problem. Chapters 1 and 2 review (in a manner accessible to scholars from Philosophy and other humanities disciplines) the evidence for widespread framing effects in wildly different areas – from laboratory studies to high-level properties of financial markets. Chapter 3 reviews some of the psychological and neural mechanisms believed to be responsible. Chapter 4 sets out the theoretical background, explaining why susceptibility to framing effects is held to be irrational by classical conceptions of rationality dominant in economics, finance, and the decision sciences. Preliminary versions of these four chapters have been drafted.

The argumentative weight of the book is borne by Chapters 5 through 9, and it is to support work on this part of the book that I am seeking an NEH Summer Stipend. Preliminary versions of Chapters 6, 7, and 8 were delivered in lecture form in April 2016 at the Institut Jean Nicod at the Ecole Normale Supérieure (Paris, France), where I received very useful feedback and comments. Award of a summer stipend would allow me to revise those lectures into book chapters. I plan to work on that revision in the summer of 2018. Award of an NEH Summer Stipend would make it possible for me to work full-time on this project for the months of June and July 2018.

Being able, with the support of an NEH Summer Stipend, to revise these chapters in June and July 2018 would allow me to complete the manuscript during the 2018 – 2019 academic year, with a projected submission date to the publishers of June 1, 2019.

FINAL PRODUCT AND DISSEMINATION

The principal product from this project will be my book *The Power of Frames*, which has been accepted for publication by Cambridge University Press. The book is being written for a broad academic audience, and will be accessible to the general reader. I will disseminate the key ideas more broadly, particularly those with public policy implications, through op-ed pieces in newspapers and digital media, including places where I have already published, such as *Inside Higher Education* and the *Houston Chronicle*, as well as venues aimed at communicating academic research to a general audience, such as *The Conversation*.

BIBLIOGRAPHY
José Luis Bermúdez (Texas A&M University)

Background (Psychology, Behavioral Economics, and Neuroscience)

- Ainslie, G. 2001. *Breakdown of Will*: Cambridge University Press.
- Benartzi, S. and R. H. Thaler. 1995. Myopic loss aversion and the equity premium Puzzle. *The Quarterly Journal of Economics* 110: 73-92.
- De Martino, B., D. Kumaran, B. Seymour, and R. J. Dolan. 2006. Frames, biases, and rational decision-making in the human brain. *Science* 313: 684-87.
- Kahneman, D. and A. Tversky. 2000. *Choices, Values, Frames*. Cambridge: Cambridge UP.
- Mandel, D. 2013. Do framing effects reveal irrational choices? *Journal of Experimental Psychology: General* 143: 1185-98.
- Thaler, R. H. and C. R. Susstein. 2008. *Nudge: Improving Decisions about Health, Wealth, and Happiness*. New Haven: Yale University Press.
- Tversky, A. and D. Kahneman. 1986. Rational choice and the framing of decisions. *The Journal of Business* 59: S251-S78.
- Yu, R. and P. Zhang. 2014. Neural evidence for description dependent reward processing in the framing effect. *Frontiers in Neuroscience* 8.

Philosophy

- Andreou, C. 2005. Incommensurable alternatives and rational choice. *Ratio* 18: 249-61.
- Bacharach, M. 2006. *Beyond Individual Choice: Teams and Frames in Game Theory*. Princeton, NJ: Princeton UP.
- Beaney, M., B. Harrington, and D. Shaw (Eds.). 2015. *Aspect Perception After Wittgenstein: Seeing-as and Novelty*. London: Routledge.
- Bermudez, J. L. 2009. *Decision Theory and Rationality*. Oxford: Oxford University Press.
- Bratman, M. E. 2014. *Shared Agency: A Planning Theory of Acting Together*. New York: Oxford UP.
- Chang, R. 1997. *Incommensurability, Incomparability and Practical Reason*: Harvard UP.
- Gold, N. 2013. Team Reasoning, Framing and Self-Control: An Aristotelian Account. In *Addiction and Self-Control*, ed. N. Levy.
- Gold, N. and C. List. 2004. Framing as path-dependence. *Economics and Philosophy* 20: 253-77.
- Hanna, J. 2011. Consent and the Problem of Framing Effects. *Ethical Theory and Moral Practice* 14: 517-31.
- Kelly, J. T. 2012. *Framing Democracy: A Behavioral Approach to Democratic Theory*: Princeton UP.
- Mele, A. R. 2012. *Backsliding: Understanding Weakness of Will*. New York: Oxford UP.
- Nozick, R. 1993. *The Nature of Rationality*. Princeton, NJ: Princeton UP.
- Nussbaum, M. C. 1986. *The Fragility of Goodness: Luck and Ethics in Greek Tragedy and Philosophy*. Cambridge: Cambridge UP.
- Pacherie, E. 2011. Framing Joint Action. *Review of Philosophy and Psychology* 2: 173-92.
- Price, A. W. 2005. *Mental Conflict*. London: Routledge.
- Schick, F. 1991. *Understanding Action*. Cambridge: Cambridge University Press.
- Schick, F. 1997. *Making Choices*. Cambridge: Cambridge University Press.
- Schroeder, S. 2010. A Tale of Two Problems. In *Mind, Method, and Morality: Essays in Honour of Anthony Kenny*, ed. J. Cottingham and P. Hacker: Oxford UP.
- Searle, J. 1995. *The Construction of Social Reality*. Vol. 2: Free Press.
- Sinnott-Armstrong, W. (2008). Framing moral intuitions. In W. Sinnott-Armstrong (Ed.), *Moral Psychology, Vol. 2: The Cognitive Science of Morality: Intuition and Diversity* (pp. 47-76). Cambridge, MA: MIT Press.
- Skyrms, B. 2012. *The Stag Hunt and the Evolution of Social Structure*: Cambridge UP.
- Sugden, R. 2015. Team Reasoning and Intentional Cooperation for Mutual Benefit. *Journal of Social Ontology* 1: 143-66.
- Valles, S. A. 2015. Bioethics and the Framing of Climate Change's Health Risks. *Bioethics* 29: 334-41.
- Weirich, P. 2010. Utility and framing. *Synthese* 176: 83 - 103.