The 'Behavioral Economists'

Circle of Evil Around President Obama

April 30—In his April 28 international webcast, Lyndon LaRouche said, "But you have to see the element of malice, and when you think of the essential immorality of Larry Summers—this guy has a track record: The man is utterly immoral. He's a predator. He belongs in the Adolf Hitler category, or similar categories. And the behavioral economists are the same thing: These people are *evil*. Nothing will come from them but evil. And they're saying, 'Give Satan a chance!'"

But did LaRouche exaggerate? Are the behaviorists as evil, as thoroughly rotten, as he said they were? Let us examine the case of one of their top world leaders, Israeli-American Dan Ariely of Duke University. Ariely is a member of the Fabian Russell Sage Foundation's prestigious 29-member "Roundtable of Behavioral Economics," which had given frequent written instructions to the Obama campaign, and then to the Obama Presidency, since early 2008 at the latest, according to *Time* magazine of April 12. The magazine cited Ariely by name as a top behaviorist advisor to the President. British Conservative Party leader George Osborne also named Ariely as a top influence there in an April 8 speech.

In a videotaped memoir available on YouTube from FORA.tv, Ariely traces his interest in "behavioral economics" to a year-long hospitalization in Israel, following an explosion in which he suffered burns covering over 70% of his body. There are two ways to remove bandages, he said: either slowly, causing less intense pain for a longer period, or else rapidly, causing greater pain over a shorter period. His nurses believed in removing them rapidly, but since he was burned over most of his body, this caused him a full hour per day of intense pain. He urged the nurses to try another way, but they refused.

There *is* an experimental method to decide these questions, Ariely says. After he left the hospital, his first series of experiments was to place the fingers of



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The behavioral economist Dan Ariely is obsessed with the application of pain to shape human behavior. He developed a "pain suit" for use on his experimental victims.

subjects in a vise, and to squeeze them more or less hard, with or without "time-out" breaks. "When I finished hurting the people," he said, he asked them, "How painful was it?"

From putting people's fingers in a vise, Ariely went on to using painful sounds and electric shocks. He even developed a "pain suit, through which," he said "people can feel much more pain." In a later study, which explored "The Effect of Past Injury on Pain Threshold and Tolerance," the subjects were all injured Israeli Army veterans. They were divided into two groups: the more-seriously versus the less-seriously injured. Both groups were subjected to thermal pain; Ariely discovered that chronic pain patients have higher pain tolerance.

"Willingness to accept pain for payment" is one of Ariely's frequent tools, among others, in these "studies."

Ariely's "research" showed that his hospital nurses had been wrong. The right way to remove his bandages would have been to remove them more slowly, starting at the face, the most painful part, and to give him rest-breaks during the process. But, when he went back to share these results with his favorite nurse, she

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defended herself, among other reasons, on the grounds that she did not feel herself entitled to experiment on human beings!

Cheating and Masturbating

Another of Ariely's major lines of research over the years, has been to investigate what will persuade people to cheat, or else to steal, or more generally to do evil in various ways and degrees. He has administered mathematics tests in which subjects were paid a few dollars per correct answer, and then encouraged them to cheat by asking them to grade their own answers, for instance. He once planted Cokes throughout the student refrigerators at MIT, and noted the rate at which they were stolen over time. He then planted \$1 bills on plates in the same refrigerators, and compared the rate at which they were stolen.

It has been suggested that Larry Summers may have come over from nearby Harvard to steal all the Cokes, and then to take all the dollar-bills to autograph them! (Students used to ask then-Harvard president Summers to autograph their dollar bills, on which his signature appeared as Treasury Secretary.)

Among other findings, Ariely discovered that requiring subjects to try to recite the Ten Commandments from memory, was a greater disincentive to cheating, than requiring them to try to recite from memory the names of ten books they had read in high school.

With George Loewenstein, another top behaviorist, Ariely once compared the responses of male college students to sexually-oriented questions/suggestions first, before masturbating, and then, while they were masturbating. The experimenters noted with a smirk that their set-up allowed each student subject to use his "non-dominant hand" to answer their computerized questionnaire during the "study." They entitled their paper, "The Heat of the Moment."

Just at the moment when we have finally turned out the Dick Cheney Administration after eight terrible years, it can be very hard to face the fact that these sorts of influences are dominating our government once more. But facts are facts.

What is more, left to his own Nero-like tendencies, President Obama will purge all his moral and competent advisors in favor of deformed, Satanic creatures like Ariely and Summers, as he has already pretty much purged Paul Volcker. There goes his Presidency, then the country, then the world!

Why Summers Should Be Immediately Unemployed

by Nancy Spannaus

Given the abysmal performance of the Obama Administration on the question of life or death for most Americans—employment—it might not be surprising to learn that the President's chief economic advisor, Lawrence Summers, has a record of what is considered "expertise" in analyzing joblessness. His argument? Longterm unemployment is "caused" (his word), at least in part, by the existence of unemployment insurance, welfare payments, and unionization!

Could there be a better case for demanding that Summers himself be sent to the unemployment lines?

Summers, a Harvard PhD in what passes for economics these days, began specializing in the study of unemployment back in 1979, when he wrote a paper for the Brookings Institution with Kim B. Clark, entitled "Labor Market Dynamics and Unemployment: A Reconsideration." This study has formed the basis for a subsequent series of articles which have continued to the present day, the latest being a piece entitled, "Unemployment," written in 2008, for *The Concise Encyclopedia of Economics*.

In a tone of indifference, both to the condition of the unemployed and their families, as well as to the physical condition of an economy which does not utilize its labor force productively, Summers makes the case that long-term unemployment in the U.S. is more significant than many economists think. He then purports to explain the *causes* of such unemployment (leaving out, of course, as is traditional, those millions of unemployed who have left the workforce out of discouragement).

Summers' assertions are identical to those of the neocon, or, better-called fascist, economists who dominate the profession today. His conclusions are so contrary to traditional Democratic Party thinking, that they must be quoted, to be believed.

"Empirical evidence shows that two causes [of recorded long-term unemployment—ed.] are *welfare* payments and unemployment *insurance*," Summers begins (emphasis added). This is because those who sign up for such government assistance have to show they are actively looking for work, he says, even though

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