

Government Interventions that Use Psychological Insights – Why Does it Bother Us?



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In recent years, there has been a growing popularity of “soft” government interventions that do not impose certain decisions on the public but rather use psychological insights to steer people to make decisions that the government believes are right for them. We examine how the public feel about government interventions that manipulate us in our personal decisions. Using an online questionnaire, we examined the attitudes of students in Germany, Israel and the US regarding various aspects of these interventions. We found that a considerable group of individuals resist such intervention even when the purpose of the intervention is desirable in their view. We discuss the main reasons for the resistance and argue that provision of information to the public that will enable making an informed decision may be preferable. Considering the effect of such interventions on public welfare, one must take into account the opposition to the method itself.

Antitrust Enforcement of the Prohibition of Excessive Prices: The Israeli Experience



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Until recently, there was no antitrust enforcement of a prohibition on excessive pricing in Israel. However, in recent years, a large and growing number of motions to certify class actions alleging excessive prices have been filed, although so far, only one class action has been certified by the court and it may take years before a final verdict is issued. Given this trend and given that courts are yet to clarify what excessive prices are and when high prices are deemed excessive and violate the Israeli Antitrust Law, monopolies in Israel face a high degree of legal uncertainty. In this paper, I review these developments in detail and discuss the lessons that can be drawn from the Israeli experience.