

'Freakonomics' co-author wants to close the fear gap



Economist and author Stephen Dubner, right, talks with Brian W. Thompson, president and chief executive officer of Commerce Bank, during a reception Tuesday with the Worcester Economic Club at The Hanover Theatre for the Performing Arts. (T&G Staff/CHRISTINE HOCHKEPPEL)

By Mark Sullivan CORRESPONDENT

WORCESTER — As co-author of the best-selling "Freakonomics" book series, Stephen Dubner makes what has been called "the dismal science" — economics — less dismal for millions of readers. He brought a colorful, iconoclastic and hopeful perspective to Worcester Economic Club meeting Tuesday night at The Hanover Theatre for the Performing Arts.

"I do really try to be optimistic," said Mr. Dubner, the author, with Steven Levitt, of the best-sellers "Freakonomics," "SuperFreakonomics" and "Think Like a Freak," which have sold more than 7 million copies around the world.

"I think there is so much to be positive about in our culture, in our society, in our country, even our politics," he told the Telegram & Gazette before his speech. "A lot of what we try to do in our work is show a lot of the things that people really, really worry about aren't worth worrying about.

"We're terrible risk assessors, human beings, absolutely terrible. We're really scared of the big anomalous things that are noisy, but rarely happen; whereas we don't think about saving five, 10 percent of your income. That is something to be scared of not doing, but we're not scared of that at all," he said, with a laugh.

Mr. Dubner's presentation focused on incentives, a topic he said can shed light on people's behavior with money. "It sounds simple, but it's actually hard to figure that out," he said. "A lot of times people will say one thing, because they know it's the right thing to say, but then do something else based on how the incentives present themselves.

"You want to understand human behavior around money, which is very important obviously, but it's hard to do, because when you ask people, 'Do you think you will save 10 percent of your income this year for retirement?' nobody in their right mind wants to say no."

His talk, he said, would focus on "the gap between what we think we'll do and how we actually behave — and how to narrow that gap."

Mr. Dubner said: "The more you can understand incentives and the way the world actually works, the less fearful we should be. All the things we fear a lot — terrorism, crime — of course happen in some measure.

"But honestly, the world is in much better shape now than it's ever been in history by a long shot, by any measure you can think of. I do like to look to opportunities to grow and prosper and to make a rising tide that lifts all boats. That's where an economic understanding can be really helpful."

Mr. Dubner's remarks to the Worcester Economic Club drew an estimated 700 guests to the Hanover. His appearance, sponsored by Commerce Bank and Fallon Health, was presented in conjunction with the Hanover Theatre's Distinguished Speaker Series.

Source: Telegram.com