

**Herd Behaviour and Keeping up with the Joneses: CEP Lecture by Andrew Oswald
November 2011**

Economists and many social scientists see herd behaviour as the result of informational advantage. They are not aware of a zoological literature on rational flocking caused by concern for relative position within animal herds. There is growing scientific evidence for positional concerns in humans. I suggest that, just as in non-human animals, much human herd behaviour is triggered by mass relative feelings.

The classic reference in mathematical biology, which builds on work by Francis Galton, is:

Title: Geometry for the selfish herd

Author(s): HAMILTON WD

Source: JOURNAL OF THEORETICAL BIOLOGY Volume: 31 Issue: 2 Pages: 295-& DOI: 10.1016/0022-5193(71)90189-5 Published: 1971

Some background literature (across the sciences and social sciences)

Title: A simple model of herd behavior

Author(s): BANERJEE AV Source: QUARTERLY JOURNAL OF ECONOMICS Volume: 107 Issue: 3

Pages: 797-817 DOI: 10.2307/2118364 Published: AUG 1992

Title: Imitative obesity and relative utility

Author(s): Blanchflower David G.; Oswald Andrew J.; Van Landeghem Bert Source: JOURNAL OF THE EUROPEAN ECONOMIC ASSOCIATION Volume: 7 Pages: 528-538 Published: APR 2009

Title: Positional spending and status seeking in rural China

Author(s): Brown Philip H.; Bulte Erwin; Zhang Xiaobo Source: JOURNAL OF DEVELOPMENT ECONOMICS Volume: 96 Issue: 1 Pages: 139-149 DOI: 10.1016/j.jdeveco.2010.05.007 Published: SEP 2011

Title: Learning from the behavior of others: Conformity, fads, and informational cascades

Author(s): Bikhchandani S; Hirshleifer D; Welch I Source: JOURNAL OF ECONOMIC PERSPECTIVES Volume: 12 Issue: 3 Pages: 151-170 Published: 1998

Title: Inequality at work: The effect of peer salaries on job satisfaction

Author(s): CARD D; MAS A; MORETTI E; SAEZ E. Source: NBER Working Paper 16396 Published: 2010

Title: The spread of obesity in a large social network over 32 years

Author(s): Christakis Nicholas A.; Fowler James H. Source: NEW ENGLAND JOURNAL OF MEDICINE Volume: 357 Pages: 370-379 DOI: 10.1056/NEJMsa066082 Published: JUL 2007

Title: Comparison-concave utility and following behaviour in social and economic settings

Author(s): Clark AE; Oswald AJ Source: JOURNAL OF PUBLIC ECONOMICS Volume: 70 Issue: 1 Pages: 133-155 DOI: 10.1016/S0047-2727(98)00064-4 Published: OCT 1998

Title: Flocking is an effective anti-predation strategy in redshanks tringa-tetanus

Author(s): CRESSWELL W Source: ANIMAL BEHAVIOUR Volume: 47 Issue: 2 Pages: 433-442 DOI: 10.1006/anbe.1994.1057 Published: FEB 1994

Title: Relative versus absolute income, joy of winning, and gender: Brain imaging evidence

Author(s): Dohmen Thomas; Falk Armin; Fliessbach Klaus; et al. Source: JOURNAL OF PUBLIC ECONOMICS Volume: 95 Issue: 3-4 Special Issue: SI Pages: 279-285 DOI: 10.1016/j.jpubeco.2010.11.025 Published: APR 2011

Title: Income and happiness: Towards a unified theory

Author(s): Easterlin RA Source: ECONOMIC JOURNAL Volume: 111 Issue: 473 Pages: 465-484 DOI: 10.1111/1468-0297.00646 JUL 2001

Title: Social comparison affects reward-related brain activity in the human ventral striatum
Author(s): Fliessbach K.; Weber B.; Trautner P.; Falk A. **Source:** SCIENCE **Volume:** 318 **Issue:** 5854
Pages: 1305-1308 **DOI:** 10.1126/science.1145876 **Published:** NOV 23 2007

Title: Simulating dynamical features of escape panic
Author(s): Helbing D; Farkas I; Vicsek D **Source:** NATURE **Volume:** 407 **Issue:** 6803 **Pages:** 487-490 **DOI:** 10.1038/35035023 **Published:** SEP 28 2000

Title: Causes and consequences of imitation
Author(s): Heyes C **Source:** TRENDS IN COGNITIVE SCIENCES **Volume:** 5 **Issue:** 6 **Pages:** 253-261 **DOI:** 10.1016/S1364-6613(00)01661-2 **Published:** JUN 2001

Title: Running to keep in the same place: Consumer choice as a game of status
Author(s): Hopkins E; Kornienko T **Source:** AMERICAN ECONOMIC REVIEW **Volume:** 94 **Issue:** 4 **Pages:** 1085-1107 **DOI:** 10.1257/0002828042002705 **Published:** SEP 2004

Title: Predatory threat induces huddling in adolescent rats and residual changes in early adulthood suggestive of increased resilience **Author(s):** Kendig Michael D.; Bowen Michael T.; Kemp Andrew H.; et al. **Source:** BEHAVIOURAL BRAIN RESEARCH **Volume:** 225 **Issue:** 2 **Pages:** 405-414 **DOI:** 10.1016/j.bbr.2011.07.058 **Published:** DEC 1 2011

Title: Human satisfactions and public policy
Author(s): LAYARD R **Source:** ECONOMIC JOURNAL **Volume:** 90 **Issue:** 360 **Pages:** 737-750 **DOI:** 10.2307/2231740 **Published:** 1980

Title: Why do firms imitate each other?
Author(s): Lieberman MB; Asaba S **Source:** ACADEMY OF MANAGEMENT REVIEW **Volume:** 31 **Issue:** 2 **Pages:** 366-385 **Published:** APR 2006

Title: Neighbors as negatives: Relative earnings and well-being
Author(s): Luttmer EFP **Source:** QUARTERLY JOURNAL OF ECONOMICS **Volume:** 120 **Issue:** 3 **Pages:** 963-1002 **DOI:** 10.1093/qje/120.3.963 **Published:** AUG 2005

Title: Birds of a feather: Homophily in social networks
Author(s): McPherson M; Smith-Lovin L; Cook JM **Source:** ANNUAL REVIEW OF SOCIOLOGY **Volume:** 27 **Pages:** 415-444 **DOI:** 10.1146/annurev.soc.27.1.415 **Published:** 2001

Title: Objective confirmation of subjective measures of human well-being: Evidence from the USA
Author(s): Oswald Andrew J.; Wu Stephen **Source:** SCIENCE **Volume:** 327 **Issue:** 5965 **Pages:** 576-579 **DOI:** 10.1126/science.1180606 **Published:** JAN 29 2010

Title: Complexity, pattern, and evolutionary trade-offs in animal aggregation
Author(s): Parrish JK; Edelman-Keshet L **Source:** SCIENCE **Volume:** 284 **Issue:** 5411 **Pages:** 99-101 **DOI:** 10.1126/science.284.5411.99 **Published:** APR 2 1999

Title: Herding in humans
Author(s): Raafat Ramsey M.; Chater Nick; Frith Chris **Source:** TRENDS IN COGNITIVE SCIENCES **Volume:** 13 **Issue:** 10 **Pages:** 420-428 **DOI:** 10.1016/j.tics.2009.08.002 **Published:** OCT 2009

Title: The principles of collective animal behaviour
Author(s): Sumpter DJT **Source:** PHILOSOPHICAL TRANSACTIONS OF THE ROYAL SOCIETY B-BIOLOGICAL SCIENCES **Volume:** 361 **Issue:** 1465 **Pages:** 5-22 **Published:** JAN 29 2006

Title: Flocks, herds, and schools: A quantitative theory of flocking
Author(s): Toner J; Tu YH **Source:** PHYSICAL REVIEW E **Volume:** 58 **Issue:** 4 **Pages:** 4828-4858 **DOI:** 10.1103/PhysRevE.58.4828 **Published:** OCT 1998

Title: Toad tadpole aggregation behaviour: evidence for a predator avoidance function
Author(s): Watt PJ; Nottingham SF; Young S **Source:** ANIMAL BEHAVIOUR **Volume:** 54 **Pages:** 865-872 **DOI:** 10.1006/anbe.1996.0512 **Published:** OCT 1997