Consumer Choices Panel

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Federal Reserve Bank of Chicago

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Background

- We are coming off a big crisis in which consumer decisions are believed to have played a considerable role.

- Partly as a response to this crisis, there is a regulatory wave that affects not just the markets that malfunctioned but those that held up reasonably well.

- Regulatory efforts traditionally proceed along two (not mutually exclusive) tracks:
  - Restrict choice: stricter market and product oversight
  - Inform consumers: disclosure, education, counseling

- Need to strike a balance between eliminating the worst excesses and not stifling innovation.
To design effective policy, need to understand how consumers make their decisions

This is what this panel is about

- What is known about consumer payment choices?
- How does one think about recent regulatory and legal developments in the context of consumer decision-making?
- How should regulatory proposals reflect known behavioral biases of consumers?
Panelists

- Victor Stango, Graduate School of Management, University of California - Davis
- Mark Furletti, Ballard Spahr LLP
- Piyush Tantia, Institute for Quantitative Social Science, Harvard University