Contents

List of figures List of tables Contributors Foreword by David B. Audretsch		vii ix x
	•	XX
	oduction ela A. Stanton, Mellani Day and Isabell M. Welpe	1
PAI	RT 1 THE BLACK BOX	
1	Neuroeconomics of environmental uncertainty and the theory of the firm	13
	Helen Pushkarskaya, Michael Smithson, Xun Liu and Jane E. Joseph	
2	Risk and ambiguity: entrepreneurial research from the perspective of economics Angela A. Stanton and Isabell M. Welpe	29
3	What you think is not what you think: unconsciousness and entrepreneurial behavior Eden S. Blair	50
PAI	RT 2 TRUST, GREED AND THE BLACK BOX	
4	Using brains to create trust: a manager's toolbox Paul J. Zak and Amos Nadler	69
5	The new millennium's first global financial crisis: the neuroeconomics of greed, self-interest, deception, false trust, overconfidence and risk perception Donald T. Wargo, Norman A. Baglini and Katherine A. Nelson	78

PART 3 INSIDE THE BLACK BOX: DECISIONS BY HORMONES

6	In the words of Larry Summers: gender stereotypes and implicit beliefs in negotiations	101
	Laura J. Kray, Connson C. Locke and Michael P. Haselhuhn	101
7	Ovulatory shifts in women's social motives and behaviors:	
	implications for corporate organizations	116
	Kristina M. Durante and Gad Saad	
8	Hormonal influence on male decision-making: implications	101
	for organizational management Angela A. Stanton	131
9	Dopamine, expected utility and decision-making in the firm	151
	Donald T. Wargo, Norman A. Baglini and Katherine A. Nelson	151
PA	RT 4 ENTREPRENEURIAL PROPENSITY	
10	An economic and neuroscientific comparison of strategic	
	decision-making	173
	Theresa Michl and Stefan Taing	
11	Mapping neurological drivers to entrepreneurial proclivity Robert Smith	193
12	Embodied entrepreneurship: a sensory theory of value	217
	Frédéric Basso, Laurent Guillou and Olivier Oullier	
PA	RT 5 ORGANIZATIONAL CULTURE AND ETHICS	
13	What neuroeconomics informs us about making real-world	
	ethical decisions in organizations	235
1.4	Donald T. Wargo, Norman A. Baglini and Katherine A. Nelson	
14	Culture, cognition and conflict: how neuroscience can help to	
	explain cultural differences in negotiation and conflict management	263
	John F. McCarthy, Carl A. Scheraga and Donald E. Gibson	20.
15	Brain and human behavior in organizations: a field of	
	neuro-organizational behavior	289
	Constant D. Beugré	
Inde	9 Y	304

Figures

3.1	Proposition 2b – moderating relationship of trust with venture characteristics and investment decisions	59
4.1	Drive, cognition and performance are maximized at the	57
7.1	'sweet spot'	71
5.1	General view of brain identifying limbic system, prefrontal	
0,1	cortex, orbitofrontal cortex and anterior cingulate cortex	81
5.2	The brain's reward system	86
5.3	Loss-avoidance system of the brain	87
8.1	The human steroidogenesis	134
9.1	Dopamine neurons in the ventral tegmental area (VTA)	
	and the nucleus accumbens (NAcc)	162
9.2	Cocaine blocks dopamine reuptake	163
11.1	Mapping neurobiological precursors to entrepreneurial	
	proclivity	207
12.1	Reciprocal imitation dynamics of entrepreneurs on the	
	market	223
12.2	Connections between sensory and spontaneous orders	224
13.1	The subcomponents of the striatum involved in the	
	processing of reward	239
13.2	Topography of fear: as predatory threat approaches, neural	
	activity in the human brain shifts from the forebrain to the	
	midbrain	243
13.3	The Trolley Problem experiment	246
13.4	Areas of the human brain associated with decision-making, s with higher level cognitive processing and others associated	ome
	with emotional processing	248
13.5	The five hallmark behaviors of ethical decision-making	250
14.1	The linkage path from culture to conflict negotiation	
	strategies	268
14.2	The linkage path from culture to conflict negotiation	
	strategies incorporating language and neuro-psychological	
	processes	268
14.3	40 Hz response upon hearing the verb, frontal region	275
14.4	40 Hz response upon hearing the verb, parietal region	276
14.5	Decision-making task	278

14.0	40 Hz response, decision-making task, frontal region	28
15.1	Neural basis of organizational behavior	29

Neuroeconomics and the firm

viii

Tables

1.1	Classification of uncertainty environments	15
5.1	The consilience of disciplined studies of the reward-seeking system and loss-aversion system	84
6.1	Experiment 1: intercorrelations between individual intended competitiveness and negotiation performance	107
6.2	Experiment 2: means and standard deviations of negotiation	
	performance by implicit theory and gender	112
10.1	Overview of uncertainty and reward in economic and	
	business literature	175
10.2	Overview of uncertainty and reward in neuroscientific	
	literature	178
11.1	Endocrinal influences upon entrepreneurial behavior	202
13.1	The five hallmark behaviors of ethics	250
14.1	Syntactic differences between German and English	271