



## Altruism and Rationality Within the Framework of Behavioral Economics<sup>1</sup>

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### ABSTRACT

In this study, behavioral economics and as one of the research topics of this new field, what altruism is, its types, psychological or environmental reasons, the contradictions of rational human and altruism, one of the basic assumptions of economics, were examined. A survey form was created to obtain data during the research process. While the distribution and variability criteria were used in the interpretation of the findings obtained from the research, Microsoft Excel and SPSS programs were used in the analysis and arrangement of the data. When the data is evaluated, individuals move away from rational behaviors due to the element of altruism, and limited rationality emerges. While the individual tries to be rational in many aspects; Due to empathy, happiness, ethical norms, and religious values, they may move away from rationality depending on the development of altruism. Therefore, based on this study, we can assume that individuals exhibit limited rational behaviors. Transferring the science of economics with the theoretical background from a mathematical point of view makes it difficult to be applicable, observable, and interpretable in real life. It will not be sufficient and correct to evaluate economics, which is not a new science, with rational choices and models only within the framework of the neoclassical economics approach. For economics, both mathematical methods and psychology should be means, not aim. Behavioral economics, which has become very popular in recent years, examines the common denominator of human economic preferences, decision-making processes, and the basic assumption of neoclassical economics, how rational people can be in real life, with the combination of economics and psychology.

**Keywords: Behavioral Economics, Altruism, Rationality, Behavioral Finance, Experimental Economics**

### Introduction

Economics is a branch of science that can create a joint area with other social sciences. Behavioral economics, which emerged from the combination of economics and psychology, gathered these two disciplines together, which deals with humans and human behavior. While psychology is concerned with human behavior and its reasons, economics is concerned with people's economic choices and consequences thereof.

The common denominator in behavioral economics, which comprises the cooperation of economics and psychology, is human. Behavioral economics is concerned with people's preferences, decisions, and the factors which affect them. It also deals with the consequences of decisions and preferences in terms of meeting needs (Otto, 2009, p.16).

While the foundations of economics were more focused on human behavior, during the subsequent periods, economics became a mathematics-based science, and the individual, who is an economic actor, was accepted as rational (homo economicus) and remained in the background. One of the main reasons for the emergence of the rational human hypothesis is the disregard and disregard of these characteristics with the thought that the individual has characteristics that cannot be measured.

The emphasis on the rationality of the individual in neoclassical economics is a kind of abstraction. Considering that the social life, psychological and cultural characteristics of the individual do not affect their economic decisions, these factors have been isolated. The variability of an individual's economic preferences or behaviors and the view that they may not always be consistent make it very difficult for the discipline of economics to reach definitive judgments.

The neoclassical economics and its rational human hypothesis have been insufficient to explain the economic decision-making process of individuals and this behavior. The fact that economics has moved away from other social sciences has rendered it difficult to interpret the events we encounter in daily life. Over time, it was understood that the behavior of individuals is not predictable and understandable enough to remain under the hypothesis of rational people. Behavioral economics, at this point, objects to the rational human hypothesis assumed by neoclassical economics and states that real-life human behavior and rational human hypothesis are incompatible with scientific assumptions rather than scientific assumptions.

The rational human (homo economicus) assumption, which is used as a basis with the purpose to facilitate the

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measurability of economics, omits that human beings lead a social life, or in other words, that they are a social individual. Many variables such as the society, immediate environment, family, culture, socioeconomic status and the way other alternatives are presented affect the economic preferences or decisions of individuals.

The new trend of behavioral economics, which investigates the sufficiency and success of the rational human hypothesis, one of the assumptions of neoclassical economics, in explaining the economic events we encounter in real life, and what altruism is, which is one of the research topics of this new field, the sources of motivation, the concept of rational human and the contradiction of altruism with rationality were examined in this study. If people are beings who can think rationally or reasonably and make economic decisions, why do they selflessly help others? This question is the main research question of the study.

## **Behavioral Economics**

While economics studies the economic decisions of individuals and the consequences of their decisions, psychology deals with the behavior of individuals and the underlying reasons for behavior. Behavioral economics, on the other hand, deals with the decision-making processes of individuals and examines the psychological factors and processes underlying consumption and other economic behaviors. Behavioral economics studies how cognitive, emotional, and social factors influence the decision-making process in economic decision-making. It examines what people think and how they make decisions. It has been observed that individuals are affected by many factors while choosing between the alternatives offered, and even their preferences may change according to the way of presentation.

Although behavioral economics, which is a new research area that emerged with the combination of economics and psychology, seems to have come prominently after the 1970s, during 1723-1790 Adam Smith, and during 1748-1833 Jeremy Bentham was the economist who was interested in psychology and investigated the basis of economic decisions. However, after the 1940s, economists turned away from psychology. Behavioral economics emerged as a new research area after the 1960s and 1970s when it was understood that the economic preferences and decision-making processes of individuals were different from each other. Herbert Simon in 1978, Daniel Kahneman Vernon Smith in 2002, and Richard Thaler in 2017 were conferred the Nobel Prize in economics for their work in behavioral economics. Especially after the 2000s, this new trend of economics, which is more known and talked about, is advancing by adding to the thoughts and theories of neoclassical economics, leaving behind some assumptions and theories.

Behavioral economics deals with phenomena that cannot be explained by the rational human hypothesis and brings new expansions to classical economic theories. He presented that the rational human hypothesis in classical

economics was at times void and impracticable. The human is a multifaceted being that cannot be reduced to a single factor, and its psychological and social aspects should be included in the research. How much information we have access to, whether we are equipped, our socioeconomic status and the society we live in are factors that affect our decisions.

Behavioral economics, which opposes the rational human (*homo economicus*) hypothesis and argues that people have limited rationality, contributes to the science of economics in today's world with a more realistic approach by way of combining economics and psychology. The concepts of rationality and irrationality limited to behavioral economics are now controversial.

Behavioral economics has led to the emergence of two new research areas as behavioral finance and experimental economics. Behavioral finance examines the decisions individuals make while investing and why they are not rational while making these decisions. He argues that individuals are not always rational under risk and uncertainty (Kahneman, 2003, p. 163). Experimental economics is the implementation area of behavioral economics. Experimental economics collects and analyzes data to examine the relationship between individuals and the economic preferences of individuals in a controlled environment.

The first option in experimental economics is to make the subjects make economic decisions with hypothetical choices. The second option is carrying out field/site studies. The field studies are based on real-life economic preferences and real data. Behavioral economics and its sub-branch, experimental economics, have taken significant steps in explaining anomalies in models based on solid rationality and making new predictions (Camerer and Loewenstein, 2002, p. 48).

The experimental economics and rational human hypothesis have been seen to not always reflect real life. Behavioral economics, a new school, goes through normative assumptions and creates alternatives by showing that these economic models can be violated, based on evidence and observations, thanks to its experimental field. It strives to prove the alternatives it offers by revealing new economic behavior models with behavioral assumptions.

The economic theories and models have made many economic matters which we encounter in daily life more explainable and understandable with this new trend of behavioral economics. The main objective of behavioral economics is being able to understand the economic behavior, attitudes, and actions of the individual, who is an economic actor, and to include them in theory or models.

## **The Interpretation of the Rationality Principle by Behavioral Economics**

The standard assumptions of conventional economics lead to various systematic errors and deviations in the decision-making processes of individuals. Specifically, the recent behavioral economics school does not reject conventional economics completely, however carries out psychology-



supported studies to increase its reality and reduce systematic errors. Behavioral economics has developed behavioral principles and various methods against the rationality principles of conventional economics. Camerer explained these psychologically based methods converting them into tables (Camerer, 1999, p. 10576).

The expectation theory is valid instead of expected utility, and the underlying psychological foundations are explained with concepts frequently mentioned in the field of behavioral economics such as mental accounting, loss aversion, reflection, and others in the table demonstrating the transition from rational principles to behavioral alternatives. Let's take a look at some of these concepts;

Mental accounting uses some components to categorize, encrypt and assess individuals during their economic decisions. They record their decisions in separate mental accounts. While the individual does not spend the \$100

in his savings account by separating it from his salary, he can spend it if he earns \$100 from betting or gambling.

Loss aversion: while the individuals consider the losses and gains, they see losses as more and prefer to avoid risk. Reflection effect: It has been proven by the national lottery experiment that individuals avoid risk when it comes to earning, and are more risk-averse when it comes to losing money. While individuals do not take risks in national lottery games where money is won, they are open to risk in national lottery games with money-losing or negative gains.

The conventional rational decision theory was put forward by Samuelson. The discounted utility model indicates that intertemporal preferences do not depend on the day the preference is made. Individuals weigh their future costs and benefits when making choices. There exist exponential reduction and constant rate reduction.

**Table I. Four key behavioral substitutes for rational modeling principles (Camerer, 1999, s.10576)**

Principle of Rationality	Code of Conduct	Psychological Basis
Expected Benefit $\sum_i P_i u(X_i)$	Prospect Theory	Psychophysics, Adaptation
	$\sum_i \pi(P_i) u(X_i - r)$	Loss avoidance, Reflection Mental accounting, Nonlinearity $\pi(P_i)$
Balance (mutual best response)	Learning, Evolution-Development	Generalized reinforcement-Support
		Urgency preference
Reduced Utility $\sum_t \delta^t u(X_t)$	Hyperbolic Reduction (Exaggerated reduction) $u(X_0) + \sum_{t=1}^{\infty} \delta^t u(X_t)$	
Maximizing Your Own Utility $u x_2(X_1, X_2) = 0$	Social benefit $u x_2(X_1, X_2) \neq 0$	Spending money with other people (Reciprocity, dislike of inequality)

The individuals act in a temporally consistent manner. However, there is no fixed reduction according to behavioral economics. It has been observed that they reduce time according to decreasing reduction ratio or hyperbolic reduction function. Thus, they developed the exaggerated reduction hypothesis. In exaggerated discounting, individuals may engage in actions that will contradict or harm their long-term benefits (eating too much, smoking, not saving, etc.) (Camerer, 1999, p. 10577).

**Concept of Altruism**

The concept of altruism or altruism was first initially as altruism by the French philosopher Auguste Comte in his book System of Positive Polity, published in 1852. Altruism means "of others" which is derived from the Latin word later (Comte, 1875).

When we examine the studies on altruism in different disciplines, we come across different definitions of the concept. Unexpected helping behavior to benefit someone is

called altruism. Altruism can be defined as taking action to increase the welfare of another person.

Even if it imposes a risk or cost to ourselves, it is called altruism to all material-moral aids and sacrifices to increase the welfare of another person. All of the behaviors aimed at increasing the welfare of another person without gaining benefit are defined as altruistic behavior or altruism. The meaning of altruism is (according to the Turkish Language Association):

“1. The moral attitude and view which adopts self-sacrifice for the good of others without observing any self-interest as a principle. 2. The moral view is based on the idea that the main obligation of each person is to devote himself to others, to society, and on which A. Comte and Spencer laid the foundation (http-2).

In the concept of altruism, which A. Comte referred to in his work called Positive Management System, he mentions that there is both selfishness and the will to live for others in the internal world of people (Comte, 1875, p.55). Selfishness



or egoism refers to people living for their benefit. However, people may have a psychological motive for the welfare of others, such as their welfare or happiness (Elster, 2006, p.183). A. Comte indicates that the motive underlying the individual's altruism is existential (Comte, 1875, p.55).

Another definition of altruism is to think about the benefit and well-being of others without thinking for himself, without expecting a reward, sometimes even by paying a personal price (Budak, 2000).

Edward O. Wilson mentioned that altruism is a self-destructive behavior of others (Wilson, 2005). Altruism is also explained as the individual who benefits others also bears an individual cost.

According to Leeds, altruism is a way of behavior that is beneficial to another, performed voluntarily, and is not motivated or motivated by the expectation of benefit or reward (Leeds, 1963).

An altruistic individual is concerned with the needs of others, keeping her/his own needs in the background. He acts selflessly towards someone by taking heroic risks without expecting anything in return. Altruism is the name given to the behavior of helping others without expecting anything in return.

In true and unrequited altruism, the individual is not concerned with negative criticism, attitude, or reward from the outside world. He continues his altruistic behavior or behavior even if it is harmful to him (Zettler and Hilbig, 2010, p.339). It states that people's motivation is not only based on personal pleasure and interest but also pluralistic. There is both altruism and self-interest in the behavior of the individual (Sen, 1999).

Altruism is divided into heroic altruism and conventional altruism. Conventional altruism does not involve significant risk. However, heroic altruism is altruism that is self-sacrificing and involves risk (Oliner, 2003).

Considering the literature, it is seen that the concept of altruism is associated with prosocial behavior. Prosocial behavior is prosocial behavior that promotes sociability. Prosocial behaviors are the behaviors that benefit society and that individuals do voluntarily. Altruism is a sub-type of prosocial behavior or this phenomenon, which we can define

as prosocial behavior. Behaviors such as kindness, altruism, and loyalty can be presented as prosocial behavior.

If the altruistic behavior that is performed to benefit others and is conducted voluntarily by the individual is morally motivated, altruistic behavior that is not morally motivated is done with a request for social approval.

Kohn defines prosocial behavior as behaviors that are performed voluntarily for mutual benefit between individuals. The behaviors such as helping and self-sacrifice also exemplify this behavior (Kohn, 1990). Among the reasons for prosocial behavior such as mental improvement, getting away from one's problems, increased self-confidence, and socialization can be listed (Midlarsky, 1991).

### Method

The general objective of the research is to determine rationality depending on altruism within the framework of behavioral economics. A questionnaire form was generated to obtain data during the research process. First of all, the validity and reliability of the statements in the questionnaire "I strongly agree ... I strongly disagree..." were digitized and tested with a 5-point Likert rating scale, and then individual information was strived to be obtained.

The data for the research was generated by the pick-and-drop method to Anadolu University employees and students and by way of organizing the questionnaire forms which were sent to the participants over the internet in a virtual environment. The demographic characteristics of the sample from which the data obtained in the analysis were provided are given in Table 2.

When we consider the demographic characteristics of the participants, since a survey was conducted with the students studying at Anadolu University, the age group of 20-30 ranks first among the participants with 31.7%. In the lowest rank is the age range of 50-70 years. Since more feedback was received from the participants in the study than the people who studied at the university, 62.2% of the participants were single, 37.7% were married, and undergraduate was the first with 48.2% in terms of education. In terms of education, the lowest rate is seen in primary education with 9%.

**Table 2. The demographic characteristics of the participants**

AGE	NUMBER (N:740)	%	EDUCATION	NUMBER (N:740)	%
20 under	183	24,7	Primary education	67	9
20-30	235	31,7	High school	104	14
30-40	197	26,6	Associate degree	129	17,4
40-50	87	11,7	Undergraduate	357	48,2
50-70	38	5,1	Postgraduate	83	11,2
MARITAL STATUS	NUMBER (N:740)	%	GENDER	NUMBER (N:740)	%
Married	279	37,7	Male	426	57,5
Single	461	62,2	Female	314	42,4



The scales utilized in the research were determined by the expert lecturers and the researcher, and the construct validity of the scales was tested with the application of explanatory factor analysis. While the distribution and variability criteria were used in the interpretation of the findings obtained from the research, Microsoft Excel and SPSS programs were utilized in the analysis and arrangement of the data.

In this context, the emphasis was placed on the reasons affecting altruism, emphasizing empathy, kin selection, ethical norms, happiness, showing off, dignity, and religious values. Yet, it is difficult to measure the reactions of people on some scales in Turkey due to religious values and social desirability. To overcome these difficulties and to ensure reliability, the questionnaire forms were created without the name and surname part and the ball-and-drop method was applied. At the same time, this problem was tried to be eliminated by ensuring that the questionnaires were filled by the mail method and by reducing the mutual communication to some extent.

The scale in the research carried out for altruism in the context of rationality includes 15 question propositions. When

we consider the factor analysis of the question propositions, six-factor dimensions were obtained, comprising empathy, kin selection, ethical norms, happiness, vanity, and religious values. When we consider the analysis results, the lowest factor in terms of the load was 526, while the highest factor was 786. In this case, it was observed that it explained 67.56% of the total variance. When we consider the results obtained depending on the reliability analysis (KMO: 836 Chi-Square: 2943.647; Sd: 161; p: 0.000), the reliability degrees of the altruism sub-dimensions are 804, 726, 762, 703, 751, and 724, respectively. The reliability levels are acceptable for research in this area.

When we consider the sub-dimensions of the perception of altruism, the descriptive findings are given in Table 3.

Looking at the results of the analysis, it is seen that the lowest average belongs to ostentatiousness, while in the sub-dimensions of the perception of altruism; Empathy (X=6, S=52), Relative selection (X=6, S=61), Ethical norms (X=6, N=42), Happiness (X=4, S= 48), Showiness (X= 6, S=68), Religious values (X=6, S=46) averages can be seen.

**Table 3. Descriptive data of sub-variable dimensions**

Variable	Sub-Dimensions	N	Minimum	Maximum	X	S
Altruism	Empathy	740	2,70	5	6	,5289
	Relative Selection	740	1,60	5	6	,6117
	Ethical Norms	740	2,10	5	6	,4258
	Happiness	740	1,85	5	6	,4826
	Panache	740	1,10	5	6	,6841
	Religious Values	740	2,30	5	6	,4638

Based on the demographic characteristics of the variables, descriptive statistical analysis was made regarding the difference analysis that deals with the sub-dimensions, and the data are presented in Table 4.

As you can see in Table 4, no statistically significant relationship was found between altruism sub-dimensions and demographic characteristics. Therefore, it can be indicated that demographic characteristics do not show any difference between the sub-dimensions of altruism.

The correlation coefficient presents the relationship between two variables regardless of the causal link. The correlation coefficient takes values between -1 and +1. A negative value indicates that the two variables move in the

opposite direction, that is, there is an inverse relationship between the two variables, while a positive value indicates that there is a relationship between the two variables in the same direction.

As the coefficient approaches +1 and -1, the level of correlation between the variables increases. Thus, a correlation coefficient of 0.70 and above is considered a high level of correlation, a correlation between 0.40 and 0.70 is considered medium, and a correlation coefficient between 0.10 and 0.40 is considered a low level of correlation. The correlation coefficients for altruism and its sub-branches (excluding kin selection) are outlined in Table 5.

**Table 4. The relationship between altruism sub-dimensions based on the demographic characteristics**

Demographic features	Altruism						P	Conclusion
	Empathy	Relative Selection	Ethical Norms	Happiness	Panache	Religious Values		
Age	F=,947	F=,591	F=,783	F=,635	F=,406	F=,549	p>0,05	RED
Gender	t=,682	t=,633	t=,424	t=,673	t=,841	t=,358	p>0,05	RED
Educational Status	F=,708	F=,816	F=,939	F=,372	F=,477	F=,518	p>0,05	RED
Marital status	t=,552	t=,789	t=,421	t=,469	t=,347	t=,579	p>0,05	RED



Considering the correlation coefficients between the scales in Table 5, the best scale associated with altruism emerged as empathy. It is understood from the table that religious values

and ethical norms also have a positive relationship with altruism, albeit at a moderate level.

**Table 5. Correlation coefficients for altruism and sub-branches**

SCALES	Altruism	Panache	Empathy	Ethical norms	Happiness	Religious values
Altruism	1	-,276**	,672**	,428**	,382**	,516**
Panache		1	-,252**	-,361**	-,127**	,059
Empathy			1	,241**	,395**	,108**
Ethical norms				1	,204**	,451**
Happiness					1	,0,89
Religious values						1

\* p < 0.05  
\*\* p < 0.01

A low level, yet inverse relationship was determined between ostentation and altruism. Since there is a relationship between altruism and all its sub-elements depending on these data, it is demonstrated in the research that these elements will not cause contradictions and problems. The reason why the kin

selection was not included in this study is that it is mostly in the field of sociobiology.

Based on the purpose of the research, regression analysis was carried out in Table 6 to examine the effect of the sub-dimensions of altruism, which has a positive correlation coefficient, on altruism.

**Table 6. The effect of sub-dimensions of altruism on altruism**

Model	Coefficient				
	Beta	S. Error	Beta	T	Sig.
Empathy R= ,648 <sup>a</sup> R <sup>2</sup> = ,402 F= 380,617, p= ,000	,549	,033	,648	18,340	,000
Ethical norms R= ,536 <sup>a</sup> R <sup>2</sup> = ,280 F= 162,714, p= ,000	,528	0,35	,536	16,272	,000
Happiness R= ,520 <sup>a</sup> R <sup>2</sup> = ,245 F= 157,601, p= ,000	,502	0,27	,520	15,660	,000
Religious values R= ,629 <sup>a</sup> R <sup>2</sup> = ,398 F= 326,827, p= ,000	,652	0,39	,629	17,351	,000
a.Predictors (Contant), Altruism					
Anova <sup>a</sup> :Sig.,,000 <sup>b</sup>	Coefficient <sup>a</sup> : Sig.,,000 <sup>b</sup>				

When we examine Table 6, as a result of the analysis, the sub-components of altruism were on altruism by 24.5% (R<sup>2</sup>:.245; β: .502; p: 0.000) to 40.2% (R<sup>2</sup>:.402; β: .549; p: 0.000). was found to be effective in the ratio range. Based on the regression analysis data, altruism was sub-dimension of empathy [(β=.648), (p<0.01)], sub-dimension of ethical norm [(β=.536), (p<0.01)], sub-dimension of happiness [(β=, 520), (p<0.01)], religious value sub-dimension [(β=.629), (p<0.01)] was positively affected, that is, an increase in altruism's sub-elements increased altruism.

**Conclusion and Suggestions**

In economics, the economic preferences and decisions of individuals and the economic consequences of these decisions are the main research subjects. Mainstream economics, which deems that individuals are rational in their economic choices and decisions; argues that individuals want to maximize their gains and minimize their losses. Individuals are rational for their purposes. According to neoclassical economics, the benefit of society increases as the individual maximizes his utility. It is thought that the interests of the

individual and the interests of the society will show parallelism.

However, with the homo economicus hypothesis of mainstream economics, the cultural characteristics, personality traits, cognitive tendencies, beliefs, and close environment of the individual while making economic decisions are ignored. Especially between the 1930s and 1950s, economics and psychology sciences diverged. Human psychology and social aspects are not considered important. The fact that the psychology of psychology was not yet at the scientific stage and that it did not develop in early economics can be seen as one of the obstacles to the convergence of economics and psychology.

Herbert Simon set forth the concept of limited rationality to economics, arguing that individuals' perceptions have a certain limit and capacity and that full rationality cannot be mentioned in the decision-making process. He indicated that the rational individual hypothesis is invalid because the information processing processes and competencies of individuals are limited and different from each other.



Behavioral economics, which developed a new approach by taking Simon's concept of bounded rationality as its starting point, inspected the systematic errors in the rational choice theory of neoclassical economics. Behavioral economics examines not only the results of economic decisions but also the process of decision and the factors affecting the process. He tested the rational human hypothesis by supporting it with psychology. Behavioral economics carried out data analysis with observations and studies on experimental and daily life through experimental economics.

Behavioral economics, which has experienced important developments with the expectancy theory, has revealed that individuals can make irrational decisions. By not rejecting classical and neoclassical economics completely, he emphasizes that the psychological aspect of the individual should also be addressed. The basis of economic events is seen as human behavior, and it is extremely important to understand the economic behavior and attitudes of people. Behavioral economics has sub-topics such as game theory, altruism, happiness, experimental economics, and neuroeconomics.

Altruism, which is one of the main subjects of the research, is defined as sacrificing one's interests for the benefit or welfare of others without the expectation of reward. Another definition is; that it is helping behavior that may contain an element of risk to other people. Are we selflessly helping others as a result of genetic, environmental, or psychological factors? Or can receiving mental, emotional, or physical benefits (various visible and invisible benefits) explain altruistic behavior?

The experimental studies show that helping children share their belongings and meals with people they know or do not know is an innate behavior, maybe with learning. Whether it is an innate or learned behavior, individuals generally do not tend to take risks by acting with heroic altruism.

Fundamentally, a mental sense of benefit or contentment is something that can be seen in true altruistic behavior. Helping with the expectation of reward or reciprocity now or in the future is a condition of the type of altruism that is characterized as reciprocal altruism and not seen as true altruism. If we look at the main causes of altruism; empathy, degree of kinship or intimacy, principled stance, state of being happy, showing off, the desire to be respected and appreciated, devotion to religious values, or the effort to avoid divine punishment.

Empathic anxiety is one of the motivational sources of altruistic behavior. Batson et al. examined whether the motivations of individuals who help others financially or morally or, in general terms, are altruistic towards other

people, are related to their interests, with the hypothesis of empathy and altruism. As the sense of empathy increases, the individuals can engage in altruistic behaviors without caring about the loss of their well-being. The egoistic theory of thought, which is thought to dominate human nature, has now been left behind, and the opposite thoughts have begun to be discussed.

While people who meet or are related to each other make sacrifices for each other, subsequent research has shown that individuals also make sacrifices for people they do not know. According to studies, it is indicated that the reason for the individual's self-sacrifice is mainly sympathy, kindness, and happiness.

The individuals who make sacrifices sincerely believe that they are true altruists and may not realize that they are behaving in a way that is not rational for them. They feel they have made something virtuous and important because of their altruistic actions. This will provide them with mental benefits first and then visible benefits such as reputation and appreciation.

Altruism has many motivational grounds, and all kinds of help, especially with conventional altruism, serve the benefit of the individual in general. Even if the individual cannot make fully rational decisions and act in a way that maximizes his benefit, he takes actions that will maximize his pleasure.

The theories explain how individuals should behave economically. However, if we want to understand the economy, we need to understand the basis of the economy and how people behave. Thus, in the study, analyzes were carried out by considering empathy, vanity, kin selection, happiness, ethical norms, and religious values as the main element of altruism. Since vanity and kin selection was not significant in the study, more altruism; empathy, ethical norms, happiness, and religious values sub-elements were given importance.

As empathy, ethical norms, happiness, and religious values increase, altruism increases, that is, a positive relationship emerges. When this data is assessed, individuals move away from rational behaviors due to the element of altruism, and limited rationality emerges. The limited rationality assumption, which is also included in the theories within the framework of behavioral economics, has been revealed in this study. While the individual tries to be rational in many aspects; Due to empathy, happiness, ethical norms, and religious values, they may move away from rationality due to the development of altruism. Thus, based on this study, we can assume that individuals exhibit limited rational behaviors.

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