



DEPARTMENT OF ECONOMICS

Econ 143

## EXPERIMENTAL ECONOMICS

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215 Economics Building

Class webpage: <http://econ.ucsd.edu/~jandreoni/143>

**Course Description:** This course will be a survey of some of the recent literature on Experimental Economics. This is one of the fastest growing areas of economic research. Traditionally, economic science was conducted purely by observing behavior “in the field”. For the last 30 years—and most intensively for the last 10-15 years—economists have increasingly turned to doing controlled experiments to learn about economic behavior. There have been thousands of studies. We will attempt to cover some of these, hopefully choosing topics that we all will find most relevant to our own economic interactions.

**Text:** There is no text for the course—no texts actually exist for this topic, since it is changing so fast. There will be readings for every lecture, however. These will be drawn mostly from academic journals. I will make every attempt to have these posted for you on the course website well before each lecture. You will be reading a lot of papers that are pretty advanced. Fortunately, the experiments are (by design) pretty easy to understand, although some of the economic theory and econometric analysis may be fairly advanced. In such cases I will try to give you a “reader’s guide” to each paper.

**Lab Fee:** There will be a \$20 lab fee for this course that we will use to add incentives to our classroom experiments. I will also add \$20 to the pot. The total lab fees will be refunded to the class at the end of the term as a function of how many points people earn in the demonstrations. [See the details.](#)

**Format:** This course will be taught in a seminar format, with plenty of interaction and discussion among the students. We will often do classroom demonstrations of the experiments we are studying. I invite students to ask a lot of questions, challenge the economic models and predictions, and perhaps we will even be motivated to dream up new economic theories and experimental tests!

**Exams and Grades:** The course will have two exams, one at midterm and one during finals week, and two short papers. Exams will each be worth 40%. Each paper is worth 10%. The midterm exam will be Tuesday, February 13, in class.

**Short papers:** You will also be graded on two short papers. Each short paper should be about 3 pages. It should summarize the hypothesis, experimental design, and empirical finding of one experimental paper published in a leading economics journal, *but not discussed in detail in class*. You can search for a topic in the references of one of the papers we read, or by using the Web of Science (<http://portal.isiknowledge.com/portal.cgi?> ) to look up other papers that may have cited paper we have read. Your first paper can be completed a week before the first midterm, and the second a week before the last class.

**Reading List:** See the website!!! (it's long...)

## LECTURES

Dates	Topic
Sep 27, Oct 2	<a href="#">Introduction</a>
Oct 2	Ultimatum Games: Instructions & Results
Oct 4 & 9	Ultimatum Games
Oct 9	Ultimatums 2, Trust Game Demonstration.
Oct 11	Trust Games 1
Oct 16	Trust Games 2
Oct 18	Trust Games 2, Public Goods Demonstration, Public Goods 1
Oct 23	Public Goods 2 <b><i>**Paper 1 Due in class**</i></b>
Oct 25 & 30	Preferences for Altruism, Gender Differences in Altruism
Nov 1	Exam 1: Required Readings for 1st exam
Nov 6 & 8	Risk 1, Risk 2, Risk Demonstration Results
Nov 13	Coordination 1
Nov 15	Coordination Demonstration, Results, Coordination 2
Nov 20	Time 1
Nov 27	Time 2
Nov 29	Information <b><i>* Paper 2 Due in class**</i></b>
Dec 4 & 6	Discrimination
Final Exam	Time, Place TBA Required Readings for 2nd Exam