

Econ 264 ♦?

A decorative horizontal border consisting of two rows of black diamond shapes, each containing 25 diamonds in total, creating a repeating pattern across the page.

◆ ◆ ◆ ◆ Winter 2007

Experimental Economics

Professor James Andreoni

andreoni@ucsd.edu - 215 Economics Building -

◆ <http://econ.ucsd.edu/~jandreon/264/>

Course Description: This course will be a survey of some of the recent literature on Experimental Economics. The background for the course is graduate microeconomic theory and game theory.

Text: There is no text for the course, but students are encouraged to purchase these:

◆ John Kagel and Alvin Roth, *Handbook of Experimental Economics*, Princeton, 1995.

Camerer, Colin, *Behavioral Game Theory*, New York, Russell Sage & Princeton University Press, 2003.

Format: This course will be taught in a seminar format, with plenty of interaction and discussion among the students. ♦ Students will be expected to make at least one presentation during the term, leading the discussion on a paper or topic. Students are expected to read the assigned papers before each meeting.

Course Project: There will be no exams for the course, but students will be required to submit a course project. Students must complete two projects.

PROJECT 1: Write a paper that surveys the literature on one area of interest of any topic concerning experimental economics, and to suggest tests of open questions. ♦ Topics need not be restricted to those covered in the course, but should be approved by Professor Andreoni. ♦ Maximum length should be 10 pages.

PROJECT 2: Design an experiment. ♦ The design should include a statement of the research question, a prediction based in economic theory, the task the subjects will complete, a sketch of the protocol (instructions for subjects, directions for experimenters), number of subjects per condition, and a description of how the data will be analyzed to test the

prediction. Students are encouraged to work in pairs to design their studies. ♦ At the end of the semester, each team of designers must present their experimental ideas to the class.

Course Outline: Following is a course outline. This is a living document that will likely change and evolve as the semester proceeds-expect updates often. There are far too many papers listed here to cover in one quarter, so as the term progresses we will respond to both time and student interest to direct our attention and the depth of our discussions on the topics below.



PROPOSED OUTLINE FOR THE COURSE:

1. Background and Introduction
2. Altruism, Fairness, Trust
 - a. Ultimatum Games
 - b. Dictator Games
 - c. Trust Games
 - d. Anonymity and Social Distance
 - e. Models of Inequality Aversion
 - f. A Rational Approach to Giving and Altruism
 - g. Altruism and the Number of Recipients
2. Public Goods
 - a. Linear
 - b. Provision Point
 - c. Mechanism Design
 - d. Fund-raising
 - e. Field Studies
3. Building Cooperation
 - a. Reputation building
 - b. Sorting

- c. Punishments and rewards
- 4. Uncertainty and Expected Utility
- 5. Coordination
- 6. Communication
 - a. And altruism
 - b. And coordination
 - c. And deception
- 7. Over-Confidence
- 8. Belief Polarization
- 9. Information and Signaling
- 10. Time Consistency/Hyperbolic Discounting
- 11. Endowment Effect
- 12. Sex and Beauty
- 13. Auctions
- 14. Errors and Learning
 - a. Adaptive and Evolutionary Learning
 - b. Belief Based Learning
 - c. Reinforcement Learning
 - d. Combinations of Belief and Reinforcement
 - e. Quantile Response Equilibrium
- 16. Neuro-economics

Experimental Economics

Econ 264

****CURRENT VERSION OF READING LIST: February 23, 2007 ****

0. Background and Introduction

Roth, Alvin E. "The Early History of Experimental Economics." *Journal of the History of Economic Thought*, 1993, 15(2), pp. 184-209. [html](#)

Samuelson, Larry. ♦Economic Theory and Experimental Economics.♦ *Journal of Economic Literature*, 2005, 43(1), pp. 65-107. [pdf](#)

Rubinstein, Ariel, ♦Dilemmas of an Economic Theorist.♦ *Econometrica*, 74 (4), July 2006, 865-883. [pdf](#)

Rabin, Matthew. ♦Psychology and Economics.♦ *Journal of Economic Literature*, 1998, 36(1), pp. 11-46. [pdf](#)

Hertwig, Ralph and Andreas Ortmann. ♦Experimental Practices in Economics: A Methodological Challenge for Psychologists?♦ *Behavioral and Brain Sciences*, 2001, 24(3), pp. 383-402. [pdf](#)

Kahneman, Daniel. ♦Maps of Bounded Rationality: Psychology for Behavioral Economics.♦ *American Economic Review*, 2003, 93(5), pp. 1449-1475. ♦[pdf](#)

Binmore, Ken. ♦ Economic Man ♦ or Straw Man? Commentary on Heinrich, et al. ♦
Behavioral and Brain Sciences, 2005, 28, pp. 815-818. [html](#)

Roth, Alvin E. "Lets Keep the Con out of Experimental Econ.: A Methodological Note." *Empirical Economics*, 1994, 19(2), pp. 279-289. [html](#)

1. Altruism, Fairness, Trust

a. Ultimatum Games and Dictator Games

Guth, Werner, R. Schmittberger and B. Schwartz. ♦ An Experimental Analysis of Ultimatum Bargaining. ♦ *Journal of Games and Economic Behavior*, 1982, 3(4), pp. 367-388. [pdf](#)

Forsythe, Robert, Joel Horowitz, N.S. Savin and Martin Sefton. ♦ Fairness in Simple Bargaining Experiments. ♦ *Games and Economic Behavior*, 1994, 6(3), pp. 347-369. [pdf](#)

Ochs, Jack and Alvin E. Roth. ♦ An Experimental Study of Sequential Bargaining. ♦ *American Economic Review*, 1989, 79(3), pp. 355-384. [pdf](#)

Roth, Alvin E., V. Prasnikar, M. Okuno-fujiwara and S. Zamir. ♦ Bargaining and Market

Behavior in Jerusalem, Ljubljana, Pittsburgh, and Tokyo: An Experimental Study. ♦ *American Economic Review*, 1991, 81(5), pp. 1068-1095. [pdf](#)

Slonim, Robert and Alvin E. Roth. ♦ Learning in High Stakes Ultimatum Games: An Experiment in the Slovak Republic. ♦ *Econometrica*, 1988, 66(3), pp. 569-596. [pdf](#)

b. Trust Games

Berg, Joyce, John Dickhaut and Kevin McCabe. ♦ Trust, Reciprocity, and Social History. ♦ *Games and Economic Behavior*, 1995, 10(1), pp. 122-142. [pdf](#)

Van Huyck, John B.; Raymond C. Battalio and Mary F. Walters. ♦ Commitment versus Discretion in the Peasant-Dictator Game. ♦ *Games and Economic Behavior*, 1995, 10(1), pp. 143-170. [pdf](#)

Fehr, Ernst, et al. ♦ Does Fairness Prevent Market Clearing? An Experimental Investigation. ♦ *Quarterly Journal of Economics*, 1993, 108(2), pp. 437-459. [pdf](#)

Glaeser, Edward L., et al. ♦ Measuring Trust. ♦ *Quarterly Journal of Economics*, 2000, 115(3), pp. 811♦846. [pdf](#)

Cox, James C. ♦ How to Identify Trust and Reciprocity. ♦ *Games and Economic Behavior*, 2004, 46(2), pp. 260♦281. [pdf](#)

Fehr, Ernst, Simon Gächter and Georg Kirchsteiger. ♦ Reciprocity as a Contract Enforcement Device: Experimental Evidence. ♦ *Econometrica*, 1997, 65(4), pp. 833♦860. [pdf](#)

Bohnet, Iris, Bruno S. Frey and Steffen Huck. ♦ More Order with Less Law: On Contract Enforcement, Trust, and Crowding. ♦ *American Political Science Review*, 2001, 95(1), pp. 131♦144. [pdf](#)

Andreoni, James. "Trust, Reciprocity, and Contract Enforcement: Experiments on Satisfaction Guaranteed."2005, Working Paper. [pdf](#)

Sobel, Joel. ♦ [Interdependent Preferences and Reciprocity](#). ♦ *Journal of Economic Literature*, 2005, 43(2), pp. 392-436. [pdf](#)

?????????????

Engelmann, Dirk and Andreas Ortmann. ♦ The Robustness of Laboratory Gift Exchange: A Reconsideration. ♦ 2002, Working Paper, CERGE-EI, Prague, Czech Republic. [pdf](#)

c. Other Sequential Games

Prasnikar, V. and Alvin E. Roth. ♦ Considerations of Fairness and Strategy: Experimental Data From Sequential Games. ♦ *Quarterly Journal of Economics*, 1992, 107(3), pp. 865-888. [pdf](#)

Andreoni, James, Paul Brown and Lise Vesterlund."What Makes an Allocation Fair? Some Experimental Evidence." *Games and Economic Behavior*, 2002, 40(1), pp. 1-24. [pdf](#)

d. **Anonymity and Social Distance**

Hoffman, E., K. McCabe, K. Shachat, and V. Smith. ♦ Preferences, Property Rights and Anonymity in Bargaining Games. ♦ *Games and Economic Behavior*, 1994, 7(3), pp. 346-380. [pdf](#)

Hoffman, E., K. McCabe, and V. Smith. ♦ Social Distance and Other-Regarding Behavior in Dictator Games. ♦ *American Economic Review*, 1996, , pp. 653-660. [pdf](#)

Bohnet, Iris and Bruno S. Frey. ♦ Social Distance and Other-Regarding Behavior in Dictator Games: Comment. ♦ *American Economic Review*, 1999, 89(1), pp. 335-339. [pdf](#)

Bolton, Gary E. and Rami Zwick. ♦ Anonymity versus Punishment in Ultimatum Bargaining. ♦ *Games and Economic Behavior*, 1995, 10(1), pp. 95-121. [pdf](#)

Bohnet, Iris and Frey, B. ♦ The Sound of Silence in Prisoner♦s Dilemma and Dictator Games. ♦ *Journal of Economic Behavior and Organization*, 1999, 38(1), pp. 43♦ 57. [pdf](#)

e. **Models of Inequality Aversion**

Fehr, Ernst and Klaus Schmidt. ♦ A Theory of Fairness, Competition, and Cooperation. ♦
Quarterly Journal of Economics, 1999, 114(3), pp. 817-868. [pdf](#)

Bolton, Gary E. and Axel Ockenfels. ♦ERC} A Theory of Equity, Reciprocity and
Competition. ♦ *American Economic Review*, 2000, 90(1), pp. 166-193. [pdf](#)

Rabin, Matthew ♦ Incorporating Fairness into Game Theory and Economics. ♦
American Economic Review, 1993, 83(5), pp. 1281-1302. [pdf](#)

Charness, Gary and Matthew Rabin. ♦ Understanding Social Preferences with Simple
Tests. ♦ *Quarterly Journal of Economics*, 2002, 117(3), pp. 817-869. [pdf](#)

Levine, D. ♦Modelling Altruism and Spitefulness in Game Experiments. ♦ *Review of
Economic Dynamics*, 1998, 1(3), pp. 593♦622. [pdf](#)

Dufwenberg, M. and G. Kirchsteiger. ♦ A Theory of Sequential Reciprocity. ♦ *Games
and Economic Behavior*, 2004, 47(2), pp. 268-98. [pdf](#)

Li, Jing. "The Power of Convention: A Theory of Social Preferences." *Journal of
Economic Behavior and Organization*, 2005, forthcoming. [pdf](#)

Joel Sobel, ♦Putting Altruism in Context,♦ *Brain and Behavioral Science*, 2002, 25(2),
pp. 275-276. [pdf](#)

f. **A Rational Approach to Giving and Altruism**

Andreoni, James. ♦ Giving with Impure Altruism: Applications to Charity and Ricardian Equivalence. ♦ *Journal of Political Economy*, 1989, 97(6), pp. 1447-58. [pdf](#)

Andreoni, James. ♦ Impure Altruism and Donations to Public Goods: A Theory of Warm-Glow Giving. ♦ *Economic Journal*, 1990, 100(401), pp. 464-477. [pdf](#)

Andreoni, James and ♦ J.H. Miller. ♦ Giving According to GARP: An Experimental Test of the Consistency of Preferences for Altruism. ♦ *Econometrica*, 2002, 70(2), pp. 737-753. [pdf](#)

Andreoni, James, Marco Castillo and Ragan Petrie. ♦ What do Bargainers ♦ Preferences Look Like? Experiments with a Convex Ultimatum Game. ♦ *American Economic Review*, 2003, 93(3), pp. 672-685. [pdf](#)

Andreoni, James, Marco Castillo and Ragan Petrie. ♦ Revealing Preferences for Fairness in Ultimatum Bargaining. ♦ 2005, Working Paper. [pdf](#)

g. Giving and the Number of Recipients

Andreoni, James. ♦ Giving Gifts to Groups: How Congestible is Altruism? ♦ 2006, Working Paper.

2. Public Goods

Ledyard, John. ♦ Public Goods: A Survey of Experimental Research. ♦ Chapter 2 in KR.

a. **Linear Public Goods Games**

Marwell, Gerald and Ruth Ames. ♦ Economists Free Ride, Does Anyone Else?

Experiments on the Provision of Public Goods, IV. ♦ *Journal of Public Economics*, 1981, 15(3), pp. 295-310. [pdf](#)

Isaac, R. Mark and James Walker. ♦ Group Size Effects in Public Goods Provision: The Voluntary Contributions Mechanism. ♦ *Quarterly Journal of Economics*, 1988, 103(1), pp. 179-199. [pdf](#)

Isaac, R. Mark, James Walker and Arlington Williams. ♦ Group Size and the Voluntary Provision of Public Goods: Experimental Evidence Utilizing Large Groups. ♦ *Journal of Public Economics*, 1994, 54(1), pp. 1-36. [pdf](#)

Andreoni, James. ♦ Why Free Ride?: Strategies and Learning in Public Goods Experiments. ♦ *Journal of Public Economics*, 1988, 37(3), pp. 291-304. [pdf](#)

Andreoni, James. ♦ Cooperation in Public Goods Experiments: Kindness or Confusion? ♦ *American Economic Review*, 1995, 85(4), pp. 891-904. [pdf](#)

Andreoni, James. ♦ Warm-Glows versus Cold Prickle: The Effects of Positive and Negative Framing in Public Goods Experiments. *Quarterly Journal of Economics*, 1995, 110(1), pp. 1-21. [pdf](#)

Palfrey, Thomas and Jeffrey Prisbrey. ♦ Anomalous Behavior in Public Goods Experiments: How Much and Why? ♦ *American Economic Review*, 1997, 87(5), pp. 829-846. [pdf](#)

Palfrey, Thomas and Jeffrey Prisbrey. ♦ Altruism, Reputation, and Noise in Linear Public Goods Experiments. ♦ *Journal of Public Economics*, 1996, 61(3), pp. 409-427. [pdf](#)

Andreoni, James. ♦ An Experimental Test of the Public Goods Crowding-Out Hypothesis. ♦ *American Economic Review*, 1993, 83(5), pp. 1317-1327. [pdf](#)

Palfrey, Thomas and Howard Rosenthal. ♦ Testing for Effects of Cheap Talk in a Public Goods Game with Private Information. ♦ *Games and Economic Behavior*, 1991, 3(2), pp. 183-220.

Anderson, Simon P., Jacob K. Goeree and Charles A. Holt. ♦ A Theoretical Analysis of Altruism and Decision Error in Public Goods Games. ♦ *Journal of Public Economics*, 1998, 70(2), pp. 297-323. [pdf](#)

Goeree, Jacob K., Charles A. Holt and S. Laury. ♦ Private Costs and Public Benefits: Unraveling the Effects of Altruism and Noisy Behavior. ♦ *Journal of Public Economics*, 2002, 83(2), pp. 257-278. [pdf](#)

b. Provision Point

Davis, Douglas and Charles Holt. *Experimental Economics*. Princeton: Princeton University Press, pp. 338-343.

Dawes, Robin, John Orbell, R.T. Simmons and A.J.C. van de Kragt. ♦ Organizing Groups for Collective Action. ♦ *American Political Science Review*, 1986, 80(4), pp.1171-85. [pdf](#)

Bagnoli, Mark and Michael McKee. ♦ Voluntary Contributions Games: Efficient Private Provision of Public Goods. ♦ *Economic Inquiry*, 1991, 29(2), pp. 351-366. [pdf](#)

Bagnoli, Mark, Shaul Ben-David and Michael McKee. ♦ Voluntary Provision of Public Goods: The Multiple Unit Case. ♦ *Journal of Public Economics*, 1994, 47(1), pp. 85-106. [pdf](#)

Rondeau, Daniel, William D. Schulze and Gregory L. Poe. ♦ Voluntary Revelation of the Demand for Public Goods Using a Provision Point Mechanism. ♦ *Journal of Public Economics*, 1999, 72(3), pp. 455-470. [pdf](#)

Rondeau, Daniel, Gregory L. Poe and William D. Schulze. ♦ VCM or PPM? A comparison of the performance of two voluntary public goods mechanisms. ♦ *Journal of Public Economics*, 2005, 89(8), pp. 1581-1592. [pdf](#)

c. Mechanism Design

Sefton, Martin and Abdullah Yavas. ♦ Abreu-Matsushima Mechanisms: Experimental Evidence. ♦ *Games and Economic Behavior*, 1996, 16(2), pp. 280-302. [pdf](#)

Chen, Yan and Charles Plott. ♦ The Groves-Ledyard Mechanism: An Experimental Study of Institutional Design. ♦ *Journal of Public Economics*, 1996, 59(3), pp. 335-364. [pdf](#)

Chen, Yan and Fang-Fang Tang. ♦ Learning and Incentive-Compatible Mechanisms for Public Goods Provision: An Experimental Study. ♦ *Journal of Political Economy*, 1998, 106(3), pp. 633-662. [pdf](#)

Andreoni, J. and Hal Varian ``Pre-Play Contracting in the Prisoners' Dilemma." with H.R.Varian, *Proceedings of the National Academy of Sciences*, v.96, September 1999, 10933-10938. [pdf](#)

d. Fund-raising and Organic Mechanisms

Morgan, John. ♦ Financing Public Goods by Means of Lotteries. ♦ *Review of Economic Studies*, 2000, 67(4), pp. 761-784. [pdf](#)

Morgan, John and Martin Sefton. ♦ Funding Public Goods with Lotteries: Experimental Evidence. ♦ *Review of Economic Studies*, 2000, 67(4), pp. 785-810. [pdf](#)

Andreoni, James and Ragan Petrie. ♦ Public Goods Experiments Without Confidentiality: ♦ A Glimpse Into Fund-Raising. ♦ *Journal of Public Economics*, 2004, 88(7-8), pp. 1605-1623. [pdf](#)

Vesterlund, Lise, Jan Potters and Martin Sefton. ♦ After You--Endogenous Sequencing in Voluntary Contribution Games. ♦ *Journal of Public Economics*, 2005, 89(8), pp. 1399-1419. [pdf](#)

John, Jack Ochs, and Lise Vesterlund, Lise, ♦ ♦ Giving Little by Little: Dynamic Voluntary Contribution Games. ♦ 2005, Working Paper. [pdf](#)

Duffy, John and Tatiana Kornienko. ♦ Does Competition Affect Giving? An Experimental Study. ♦ 2005, Working Paper. [pdf](#)

Cinyabuguma, Matthias, Talbot Page and Louis Puterman. ♦ Cooperation Under the Threat of Expulsion in a Public Goods Experiment. ♦ *Journal of Public Economics*, 2005, 89(8), pp. 1421-1435. [pdf](#)

Gailmard, Sean and Thomas R. Palfrey. ♦ An Experimental Comparison of Collective Choice Procedures for Excludable Public Goods. ♦ *Journal of Public Economics*, 2005, 89(8), pp. 1361-1398. [pdf](#)

Eckel, Catherine C., Philip J. Grossman and Rachel M. Johnston. ♦ An Experimental Test of the Crowding Out Hypothesis. ♦ *Journal of Public Economics*, 2005, 89(8), pp. 1543-1560. [pdf](#)

Goeree, Jacob, S. Onderstal, E. Maasland and J. Turner. ♦ How (Not) to Raise Money. ♦ *Journal of Political Economy*, 2005, 113(4), pp. 897-918. [pdf](#)

e. Social Learning

Chaudhuri A, Graziano S, Maitra P. ♦ Social learning and norms in a public goods experiment with inter-generational advice. ♦ *Review of Economic Studies*, 73 (2): 357-380, APR 2006. [pdf](#)

f. Field Studies

List, John A. and David Lucking-Reiley. ♦ The Effects of Seed Money and Refunds on Charitable Giving: Experimental Evidence from a University Capital Campaign. ♦ *Journal of Political Economy*, 2002, 110(1), pp. 215-233. [pdf](#)

Landry, Craig, Andreas Lange, ♦ John A. List, Michael K. Price and Nicholas G. Rupp. "Toward an Understanding of the Economics of Charity: Evidence from a Field Experiment," *Quarterly Journal of Economics*, May 1, 2006, Vol. 121, No. 2, Pages 747-782. ♦ [pdf](#)

Karlan, Dean and John List. ♦ Does Price Matter in Charitable Giving? Evidence from a Large-Scale Natural Field Experiment ♦ 2006, Working Paper. [pdf](#)

3. Building Cooperation

a. Reputation building

Selten, R. and R. Stoecker. ♦ End Behavior in Sequences of Finite Prisoner's

Dilemma Supergames: A Learning Theory Approach. ♦ *Journal of Economic Behavior and Organization*, 1986, 7(1), pp. 47-70. [pdf](#)

Andreoni, James and ♦ J.H.Miller. ♦ Rational Cooperation in the Finitely Repeated Prisoner's Dilemma: Experimental Evidence. ♦ *Economic Journal*, 1993, 103(418), pp. 570-585. [pdf](#)

Camerer, C., and K. Weigelt. ♦ Experimental Tests of a Sequential Equilibrium Reputation Model. ♦ *Econometrica*, 1988, 56(1), pp. 1-36. [pdf](#)

Cooper, R., D. DeJong and R. Forsythe ♦ Cooperation Without Reputation: Experimental Evidence from Prisoner♦'s Dilemma Games. ♦ *Games and Economic Behavior*, 1996, 12(2), pp. 187-218. [pdf](#)

Duffy, John and Jack Ochs. ♦ Cooperative Behavior and the Frequency of Social Interaction. ♦ 2005, Working Paper. [pdf](#)

Dal B♦, P. ♦ Cooperation under the Shadow of the Future: Experimental Evidence from Infinitely Repeated Games. ♦ *American Economics Review*, 2005, 95(5), pp. 1591-1604. [pdf](#)

Ellison, G. ♦ ♦ Cooperation in the Prisoner's Dilemma with Anonymous Random Matching. ♦ *Review of Economic Studies*, 1994, 61(3), pp. 567-588. [pdf](#)

b. Signalling and Sorting among Cooperators

Andreoni, James and ♦ Larry Samuelson. ♦ Building Rational Cooperation. ♦ *Journal of Economic Theory*, 127, 2006, pp. 117-154. [pdf](#)

c. Punishments and rewards

Fehr, E. and S. Gachter. ♦ Cooperation and Punishment in Public Goods Experiments. ♦ *American Economic Review*, 2000, 90(4), pp. 980-994. [pdf](#)

Experimental Econ paper

Andreoni, James, William H. Harbaugh and Lise Vesterlund. ♦ The Carrot or the Stick: Rewards, Punishments and Cooperation. ♦ *American Economic Review*, 2003, 93(3), pp. 893-902. [pdf](#)

Masclet, David, Charles Noussair, Steven Tucker, and Marie-Claire Villeval. ♦ Monetary and Non-Monetary Punishment in the Voluntary Contributions Mechanism. ♦ *American Economic Review*, 2003, 93(1), pp. 366-380. [pdf](#)

4. Uncertainty and Expected Utility



Kahneman and Tversky, ♦ Prospect Theory: ♦ An Analysis of Decision Under Risk."♦
Econometrica, March 1979, vol 47, p263♦291.

Tversky and Wakker, ♦ Risk Attitudes and Decision Weights." *Econometrica*, November 1995, vol 63, p1255--1280.

Rabin, Matthew, ♦ Risk Aversion and Expected Utility Theory: ♦ A Calibration Theorem," ♦*Econometrica*, September 2000, vol 68, 1281-1292.

Rabin and Thaler, ``Anomalies: Risk Aversion," ♦*J. Econ Perspectives*, Winter 2001.

Charles A. Holt; Susan K. Laury, ♦ Risk Aversion and Incentive Effects♦ *American Economic Review*, Vol. 92, No. 5. (Dec., 2002), pp. 1644-1655. [pdf](#)

List, John A. ♦ Neoclassical Theory Versus Prospect Theory: Evidence from the Marketplace.♦ *Econometrica*, 2004, 72(2), pp. 615-625. [pdf](#)

5. Coordination

Ochs, Jack. ♦ Coordination.♦ In KR.

Van Huyck, John B.; Battalio, Raymond C. and Beil, Richard O. ♦ Tacit Coordination Games, Strategic Uncertainty, and Coordination Failure.♦ *American Economic Review*, 1990, 80(1), pp. 234♦48. [pdf](#)

Van Huyck, J.B., J.M. Wildenthal and R.C. Battalio. ♦ Tacit Cooperation, Strategic Uncertainty, and Coordination Failure: Evidence From Repeated Dominance Solvable Games. ♦ *Games and Economic Behavior*, 2002, 38(1), pp. 156-175. [pdf](#)

Schotter, Andy and Barry Sopher. ♦ Social Learning and Convention Creation in Inter-Generational Games: An Experimental Study. ♦ *Journal of Political Economy*, 2003, 111(3), pp. 498-529. [pdf](#)

Holt, Charles and J. Goeree. ♦ An Experimental Study of Costly Coordination. ♦ ♦ *Games and Economic Behavior*, 2005, 51(2), pp. 349-364. [pdf](#)

Roberto A. Weber, ♦ ♦ Managing Growth to Achieve Efficient Coordination in Large Groups. ♦ ♦ *American Economic Review*, 2006, 96 (1), March, 114-126. [pdf](#)

Andreas Blume, Andreas Ortmann, ♦ The effects of costless pre-play communication: Experimental evidence from games with Pareto-ranked equilibria. ♦ *Journal of Economic Theory*, 132, 2007, 274 ♦ 290. [pdf](#)

6. Communication

a. And altruism

Chaudhuri A, Graziano S, Maitra P. ♦ Social learning and norms in a public goods experiment with inter-generational advice. ♦ *Review of Economic Studies*, 73 (2): 357-380, APR 2006. [pdf](#)

b. And coordination

Schotter, Andy, Yaw Nyarko and Barry Sopher. ♦ On the Informational Content of Advice: A Theoretical and Experimental Study. ♦ *Economic Theory*, 2005. [pdf](#)

Schotter, Andy and Barry Sopher. ♦ Social Learning and Convention Creation in Inter-generational Games: An Experimental Study. ♦ *Journal of Political Economy*, 2003, 111(3), pp. 498-529. [pdf](#)

Schotter, Andy. ♦ Decision Making with Naive Advice. ♦ *American Economic Review*, 2003, 93(2), pp. 196-201. [pdf](#)

Schotter, Andy and Antonio Merlo. ♦ Learning By Not Doing: An Experimental Investigation of Observational Learning. ♦ *Games and Economic Behavior*, 2003, 42(1), pp. 116-136. [pdf](#)

c. And deception

Akerlof, A. ♦ The Market for Lemons: Quality Uncertainty and the Market Mechanism. ♦ *Quarterly Journal of Economics*, 1970, 84(3), pp. 488-500. [pdf](#)

Brandts, J. and G. Charness. ♦ Truth or Consequences: An Experiment. ♦ *Management Science*, 2003, 49(1), pp. 116-130. [pdf](#)

Charness, G. ♦ Self-Serving Cheap Talk: A Test of Aumann's Conjecture. ♦ *Games and Economic Behavior*, 2003, 33(2), pp. 177-194. [pdf](#)

Charness, G. and M. Dufwenberg. ♦ Promises & Partnership. ♦ 2004, Working Paper. [pdf](#)

Cooper, R., D. DeJong, R. Forsythe and T. Ross. ♦ Communication in Coordination Games. ♦ *Quarterly Journal of Economics*, 1992, 107(2), pp. 739-771. [pdf](#)

Crawford, V. ♦ ♦ A Survey of Experiments on Communication via Cheap Talk. ♦ *Journal of Economic Theory*, 1998, 78(2), pp. 286-298. [pdf](#)

Gneezy, U. ♦ Deception: The Role of Consequences. ♦ *American Economic Review*, 2005, 95(1), pp. 384-394. [pdf](#)

Duffy, John and Nick Feltovich. ♦ Words, Deeds and Lies: Strategic Behavior in Games with Multiple Signals. ♦ 2005, Working Paper. [pdf](#)

7. Over-Confidence

Benabou, Roland and Jean Tirole. ♦ Self-Confidence and Personal Motivation. ♦ *Quarterly Journal of Economics*, 2002, 117(3), pp. 871-915. [pdf](#)

Yildiz, Muhamet. ♦ Wishful Thinking in Strategic Enviornments. ♦ 2004, Working Paper. [pdf](#)

Yildiz, Muhamet. ♦ Bargaining Without a Common Prior - An Immediate Agreement Theorem. ♦ *Econometrica*, 2003, 71(3), pp. 793-811. [pdf](#)

Yildiz, Muhamet. ♦ Waiting to Persuade. ♦ *Quarterly Journal of Economics*, 2004, 119(1), pp. 223-248. [pdf](#)

Massey, Cade and Richard H. Thaler. ♦ Overconfidence vs. Market Efficiency in the National Football League. ♦ NBER Working Papers, 2005, 11270, National Bureau of Economic Research, Inc. [pdf](#)

Bengtsson, Claes, Mats Persson and Peter Willenborg. ♦ ♦ Gender and Overconfidence. ♦ *Economics Letters*, 2005, 86(2), pp. 199♦203. [pdf](#)

DellaVigna, Stefano and Ulrike Malmendier. ♦ Overestimating Self-control: Evidence from the Health Club Industry. ♦ NBER Working Papers, 2004, 10819, National Bureau of Economic Research, Inc. [pdf](#)

Camerer, Colin, and D. Lovallo. ♦ Overconfidence and Excess Entry: An Experimental Approach. ♦ *American Economic Review*, 1999, 89(1), pp. 306-318. [pdf](#)

Barber, Brad and T. Odean. ♦ Boys will be Boys: Gender, Overconfidence, and Common Stock Investment. ♦ *Quarterly Journal of Economics*, 2001, 116(1), pp. 261-292. [pdf](#)

Odean, T. ♦ Do Investors Trade Too Much? ♦ *American Economic Review*, 1999, 89(5), pp. 1279-1298. [pdf](#)

Malmendier, Ulrike and Geoffrey Tate. ♦ CEO Overconfidence and Corporate Investment. ♦ 2002, Working Paper. [pdf](#)

Malmendier, Ulrike and Geoffrey Tate. ♦ Who Makes Acquisitions? CEO Overconfidence and the Market's Reaction. ♦ 2003, Working Paper. [pdf](#)

8. Belief Polarization

9. Information and Signalling

Holt, Charlie and Lisa Anderson. ♦"Information Cascades in the Laboratory." *American Economic Review*, 1997, 87(5), pp. 847-862. Received a 1999 ANBAR Citation of Excellence. [pdf](#)

10. Time Consistency/Hyperbolic Discounting

The time-additive stationary model: Varian, Microeconomic Analysis, 3rd ed., pp 358-359.

Strotz, Robert. ♦Myopia and Inconsistency in Dynamic Utility Maximization. ♦
Review of Economic Studies, 1956, 23(3), pp. 165-180. [pdf](#)

Battigali, P. ♦Dynamic Inconsistency and Imperfect Recall. ♦*Games and Economic Behavior*, 1997, 20(1), pp. 31-50. [pdf](#)

Laibson, D. ♦Golden Eggs and Hyperbolic Discounting. ♦*Quarterly Journal of Economics*, 1997, 112(2), pp.443-477. [pdf](#)

Gruber, J. and B. Keszegi. ♦Is Addiction "Rational"? Theory and Evidence. ♦
Quarterly Journal of Economics, 2001, 116(4), pp. 1261-1303. [pdf](#)

O'Donoghue, Ted ♦ and Matthew Rabin. "Choice and Procrastination." *Quarterly Journal of Economics*, 2002, 116(1), pp. 121-160. [pdf](#)

O♦Donaghue, Ted and Matthew Rabin. ♦Doing It Now or Later.♦ *American Economic Review*, 1999, 89(1), pp. 103-124. [pdf](#)

Gul, F. and W. Pesendorfer. ♦The Revealed Preference Theory of Changing Tastes.♦ *Review of Economic Studies*, 2005, 72, pp. 429-448. [pdf](#)

Ok, E. and Y. Masatlioglu. ♦A General Theory of Time Preferences.♦ 2003, Working Paper. [pdf](#)

11. Endowment Effect

Kahneman, D., J. Knetsch and R. Thaler. ♦Anomalies: The Endowment Effect, Loss Aversion, and the Status Quo Bias.♦ *Journal of Economic Perspectives*, 1991, 5(1), pp. 193-206. [pdf](#)

List, J. ♦The Effect of Market Experience on the WTA/WTP disparity: Evidence from a Field Experiment with Sports Memorabilia.♦ 2000, Working Paper. [pdf](#)

Knetsch, Jack L. ♦The Endowment Effect and Evidence of Nonreversible Indifference Curves.♦ *American Economic Review*, 1989, 79(5), pp. 1277-1284. [pdf](#)

Jack L. Knetsch ♦ ♦The Endowment Effect and Evidence of Nonreversible Indifference Curves♦ *The American Economic Review*, Vol. 79, No. 5. (Dec., 1989), pp. 1277-1284.
[\[Article\]](#)

Harbaugh, William T., Kate Krause and Lise Vesterlund. ♦ Are Adults Better Behaved Than Children? Age, Experience, and the Endowment Effect.♦ *Economics Letters*, 2001, (70)2, pp. 175-181. [pdf](#)

Thaler, Richard and Cass Sunstein. ♦ Libertarian Paternalism.♦ *American Economic Review*, 2003, 93(2), pp. 175-179. [pdf](#)

12. Sex and Beauty

Andreoni, J. and L. Vesterlund. ♦ Which is the Fair Sex? Gender Differences in Altruism.♦ *Quarterly Journal of Economics*, 2001, 116 (1), pp. 293♦312. [pdf](#)

Vesterlund, Lise and Muriel Niederle. ♦ Do Women Shy Away from Competition? Do Men Compete Too Much?♦ NBER Working Papers, 2005, 11474, National Bureau of Economic Research, Inc. [pdf](#)

Andreoni, James and♦ Ragan Petrie. ♦Beauty, Gender and Stereotypes: Evidence From Laboratory Experiments.♦ 2005, Working Paper. [pdf](#)

Mobius, Markus M.and Rosenblat, Tanya S. ♦ Why Beauty Matters.♦ *The American Economic Review*, 2006, 96(1), pp. 222-235 [pdf](#)

13. Auctions

Kagel, John. ♦ ♦Auctions. ♦ Chapter 7 in KR.

Thaler, Richard H. ♦ Anomalies: The Winner's Curse. ♦ *Journal of Economic Perspectives*, 1988, 2(1), pp. 191-202. [pdf](#)

Milgrom, Paul. ♦ Auctions and Bidding: A Primer (in Symposia: Auctions). ♦ *Journal of Economic Perspectives*, 1989, 3(3), pp. 3-22. [pdf](#)

Lucking-Reiley, David. ♦ Using Field Experiments to Test Equivalence Between Auction Formats: Magic on the Internet. ♦ *American Economic Review*, 1999, 89(5), pp. 1063-1080. [pdf](#)

Riley, John G. ♦ Expected Revenue from Open and Sealed Bid Auctions (in Symposia: Auctions). ♦ *Journal of Economic Perspectives*, 1989, 3(3), pp. 41-50. [pdf](#)

Kagel, J., R. Harstad and D. Levin. ♦ Information Impact and Allocation Rules in Auctions with Affiliated Private Values: A Laboratory Study. ♦ *Econometrica*, 1987, 55(6), pp. 1275-1304. [pdf](#)

Andreoni, James and John H. Miller. ♦ Auctions with Artificial Adaptive Agents. ♦ *Games and Economic Behavior*, 1995, 10(1), pp. 39-64. [pdf](#)

Levin, Dan, John Kagel and Jean-Francois Richard. ♦ Revenue Effects and Information Processing in English Common Value Auctions. ♦ *American Economic Review*, 1996, 86(3), pp. 442-460. [pdf](#)

Anderson, Simon P., Jacob K. Goeree and Charles A. Holt. ♦ Rent Seeking with Bounded Rationality: An Analysis of the All-Pay Auction. ♦ *Journal of Political Economy*, 1998, 106(4), pp. 828-853. [pdf](#)

List, John A. and David Lucking-Reiley. ♦ Demand Reduction in Multiunit Auctions: Evidence from a Sportscard Field Experiment. ♦ *American Economic Review*, 90(4), 2000, pp. 961-972. [pdf](#)

Kagel, John H. and Dan Levin. ♦ Common Value Auctions with Insider Information. ♦ *Econometrica*, 1999, 67(5), pp. 1219-1238. [pdf](#)

Andreoni, James, Yeon-Koo Che and Jinwoo Kim. ♦ ♦ Asymmetric Information about Rivals♦ Types in Standard Auctions: An Experiment. ♦ 2005, Working Paper.
[pdf](#)

14. Errors and Learning

a. Adaptive and Evolutionary Learning

Andreoni, James and John H. Miller. ♦ Can Evolutionary Dynamics Explain Free Riding in Experiments?♦ *Economics Letters*, 1991, 36(1), pp. 9-15. [pdf](#)

Andreoni, James and John H. Miller. ♦ Auctions with Artificial Adaptive Agents.♦ *Games and Economic Behavior*, 1995, 10(1), pp. 39-64. [pdf](#)

Binmore, Ken, John Gale, and Larry Samuelson. ♦ Learning to be Imperfect: The Ultimatum Game.♦ *Games and Economic Behavior*, 1995, 8(1), pp. 56-90. [pdf](#)

Crawford, Vincent P. ♦ Adaptive Dynamics in Coordination Games.♦ *Econometrica*, 1995, 63(1), pp. 103-143. [pdf](#)

Van Huyck, John B., Joseph Cook and Raymond C. Battalio. ♦ Selection Dynamics, Asymptotic Stability, and Adaptive Behavior.♦ *Journal of Political Economy*, 1994, 102(5), pp. 975-1005. [pdf](#)

b. Belief Based Learning

Fudenberg, Drew and David Levine. ♦ Measuring Players' Losses in Experimental Games.♦ *Quarterly Journal of Economics*, 1997, 112(2), pp. 507-536. [pdf](#)

Mookherjee, Dilip and Barry Sopher. ♦ Learning and Decision Costs in Experimental Constant Sum Games.♦ *Games and Economic Behavior*, 1997, 19(1), pp. 97-132. [pdf](#)

Stahl, Dale O. ♦ Boundedly Rational Rule Learning in a Guessing Game.♦ *Games and Economic Behavior*, 1996, 16(2), pp. 303-330. [pdf](#)

c. Reinforcement Learning

Roth, Alvin E. and Ido Erev. ♦ Learning in Extensive-Form Games: Experimental Data and Simple Dynamic Models in the Intermediate Term. ♦ *Games and Economic Behavior*, 1995, 8(1), pp. 164-212. [pdf](#)

Erev, Ido and Alvin E. Roth. ♦ Predicting How People Play Games: Reinforcement Learning in Experimental Games with Unique, Mixed Strategy Equilibria. ♦ *American Economic Review*, 1998, 88(4), pp. 848-881. [pdf](#)

Slonim, Robert and Alvin E. Roth. ♦ Learning in High Stakes Ultimatum Games: An Experiment in the Slovak Republic. ♦ *Econometrica*, 1998, 66(3), pp. 569-596. [pdf](#)

d. Combinations of Belief and Reinforcement

Camerer, Colin and Teck-Hua Ho. ♦ Experience-Weighted Attraction Learning in Normal Form Games. ♦ *Econometrica*, 1999, 67(4), pp. 827-874. [pdf](#)

Feltovich, Nick. ♦ Reinforcement-Based vs. Belief-Based Learning Models in Experimental Asymmetric-Information Games. ♦ *Econometrica*, 2000, 68(3), pp. 605-642. [pdf](#)

e. Quantal Response Equilibrium

McKelvey and Palfrey. ♦ Quantal Response Equilibria for Normal Form Games. ♦ *Games and Economic Behavior*, 1995, 10(1), pp. 6-38. [pdf](#)

Charles Holt, Jacob Goeree and Tom Palfrey. ♦ Regular Quantal Response Equilibrium. ♦ 2005, Working Paper. [pdf](#)

Holt, Charlie and Jacob Goeree. ♦ A Model of Noisy Introspection. ♦ *Games and Economic Behavior*, 2004, 46(2), pp. 281-294. [pdf](#)

Holt, Charlie and Jacob Goeree. ♦ Ten Little Treasures of Game Theory, and Ten Intuitive Contradictions. ♦ *American Economic Review*, 2001, 91(5), pp. 1402-1422. [pdf](#)

15. Neuroeconomics

Camerer, Colin, George Loewenstein and Drazen Prelec. ♦ Neuroeconomics: How Neuroscience Can Inform Economics. ♦ *Journal of Economic Literature*, 2005, 43(1), pp. 9-64. [pdf](#)

Bernheim, D. and A. Rangel. ♦ Addiction and Cue-Triggered Decision Processes. ♦ *American Economic Review*, 2004, 94(5), pp. 1558-1590. [pdf](#)