Experimental Economics: ECON 885-001

Robinson Hall A249

Wednesdays 4:30-7:10

Spring 2018

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Course Objectives: This is a course in Experimental Economics. The goals of this course are to
(1) critically read and discuss some of the seminal research in Experimental Economics, (2)
explore new research ideas, and (3) develop a research proposal using an economics
experiment to do original research.

Background for Course: Graduate level microeconomic theory.

Readings: There is no required textbook for the course, but here are some books that most
experimental economists will have in their library. These books will be discussed in class. I
have also included the list of required readings. Additional readings can be found on the
reading list on blackboard.

Format: Class will be organized around three sessions as follows:

4:30-5:15 Session One: Lecture/Discussion/Presentation
5:15-5:25 Break
5:25-6:10 Session Two: Lecture/Discussion/Presentation
6:10-6:20 Break
6:20-7:05 Session Three: Lecture/Discussion/Presentation
7:05-7:10 Announcements

Grading: 10% Research Narrative, 15% Experimental Design, 25% Pilot, 50% Grant Proposal.
Each of these typed reports is due on the due date. No exceptions. In addition is you miss too
many classes or fail to turn in a class discussion that can result in a failing grade.

Grant Proposal: A grant proposal is an attempt to get funding for your research. We will use
the National Science Foundation guidelines NSF17_1. The guideline is on blackboard. The
relevant material is in chapter II. Subsection b discusses the format of the proposal and
subsection c discusses the content of the proposal. Note the parts of the proposal you are
responsible for are as follows: Summary page, including intellectual merit and broader impact
(one page); Table of contents; Project description, skip results from prior NSF Support (at most
15 pages); References Cited; Budget and budget justification. More details are given in week
one session three.
**Research Narrative:** Students are expected to type a ten-page double spaced narrative of their research program and the questions they plan to address. Narratives are due at the beginning of class in week six. Students will present their narratives during class. The elements of the narrative are discussed on week one in session two.

**Experimental Design:** Students are expected to type a ten-page double spaced narrative of their first experimental design. Designs are due at the beginning of class in week nine. Students will present their narratives during class on weeks nine and ten. The elements of the experimental design are discussed on week three.

**Experiment Pilot:** Students are expected to type instructions, procedures, and worksheets for a hand run experiment that implements their first experimental design. Pilot materials are due at the beginning of class in week thirteen. Students will run a pilot session during class on weeks thirteen and fourteen. The elements of the pilot are discussed on week three.

**Class Attendance:** Class attendance is mandatory. If you will not be able to make class for any reason inform Professor McCabe as soon as possible before class. If you miss a class you must still turn in a class discussion. Missing too many classes or failing to type up and submit your class discussions can result in a failing grade.

**Class Discussion:** Students are expected to read the discussion paper. For each paper students are expected to type a one paragraph answer to each of the following three questions.

- **Q1:** What is the research narrative for this paper?
- **Q2:** What is the research question answered by this paper?
- **Q3:** What additional research questions could you ask using this paper as a parent paper?

During a reading of the paper students should outline the argument made for the main result in the paper and how it answers the research question. In addition, students should type up two questions they have regarding the author(s)’s argument in support of the main result in the paper. These typed reviews will be used to organize the in-class discussion of the papers.

**Blackboard:** Class announcements, schedule of readings, and other important information will be posted on Blackboard.

**Academic Integrity:** You are expected to follow the George Mason’s Honor Code, [http://universitypolicy.gmu.edu](http://universitypolicy.gmu.edu).

**Disabilities** If you are a student with a disability and you need academic accommodations please see me and contact the Office of Disability Services at (703) 993-2474. All academic accommodations must be arranged through that office. You must contact me within the first week of classes to make arrangements.
**Course Outline**
This is an outline. There will most likely be changes during the semester as we adjust for time to cover the topics listed below and student interest. Any changes will be announced in class.

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Required Readings:

**Week One: Building a Research Program**

Alfred Adler, *How to Read a Book*; Olson, *Houston we have a Narrative*


NSF Grant Proposal Guideline

**Week Two: Market Price Discovery**


**Week Three: Designing Economics Experiments**


**Week Four: Decision Making Experiments**


**Week Five: Exchange Experiments**


**Week Seven: Market Design**


**Week Eight: Money Experiments**


Bigoni, Camera, Casari, “Money and trust among stranger”, 2013, PNAS.

**Week Eleven: Asset Markets**


**Week Twelve: Computational Experiments**

