



COURSE (MODULE) DESCRIPTION

Course title	Code
Behavioral and Experimental Economics	

Staff	Department
Coordinator(s): Dr. Agne Kajackaite	WZB Berlin Social Science Center

Study cycle	Course type
First (Bachelor's)	Optional

Form of implementation	Period of implementation	Language of instruction
Face-to-face	Fall semester	English

Requirements for student	
Prerequisites: Economic Principles I-II	Additional requirements (if any): None

Number of ECTS credits	Student's workload	Contact hours	Individual work hours
5	130	36	94

Purpose of the course and competences developed
The purpose of the course is to provide students with knowledge about behavioral and experimental economics. The main objective of this course is to review the main results obtained in behavioral and experimental economics. Another objective is after critically discussing the findings, developing own research ideas and learning how to design own experiments.

Learning outcomes (corresponding learning outcomes of the programme)	Teaching methods	Assessment methods
Will learn to apply behavioral models in different fields of economics.	Lectures, homework	Written exam (80%) Presentation (20%)
Learn how to analyze the main strengths and weaknesses of experimental research.	Lectures, tutorials	
Learn to differentiate between situations in which human behavior converges to a rational benchmark and situations where it does not.	Lectures	
Develop critical thinking skills and apply them to economic experiments.	Lectures, presentation, tutorials	
Construct complex arguments and communicate them.	Lectures, presentation, tutorials	
Organize and plan their own work independently and make decisions depending on circumstances.	Lectures, presentation, tutorials	

Course themes	Contact / Individual work: time and assignments							Individual work	Assignments
	Lectures	Tutorials	Seminars	Practical classes	Laboratory work	Practice	Contact hours		
1. Introduction to behavioral and experimental economics	2						2		
2. Individual decision making: Biases and heuristics	3						3		Reading: Tversky and Kahneman (1974) & Kahneman, D., Knetsch, J. and Thaler, R. (1991)
3. Experimental economics methodology I	2						2		Reading: Materials made available in class
4. Risk preferences	2						2		Reading: Holt and Laury (2002)
5. Time preferences	2						2		Reading: Materials made available in class
6. Experimental economics methodology II	2						2		Homework set
7. Other-regarding preferences	2						2		Reading: Materials made available in class
8. Gender differences	1						1		
9. Statistical analysis of experimental data	1						1		
10. Introduction to game theory	2						2		
11. Cooperation and coordination	1						1		
12. A manual on developing own research ideas and designing experiments	2						2		
13. Lying aversion	2						2		
14. Incentives	2						2		
15. Applications of experimental methods; testing and applying behavioral theories		10					10		Presentation
Total	26	10					36	94	

Assessment strategy	Share in %	Time of assessment	Assessment criteria
Written exam	80	At the end of the course	The exam will consist of both longer open questions in which students have to show their analytical capabilities and of shorter questions simply testing students' knowledge.
Essay	20	During the course	In the presentation, students will discuss their own

			research idea and experimental design
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Author	Published in	Title	Issue No. or Volume	Publishing house or Internet site
Required reading				
Holt and Laury	2002	Risk Aversion and Incentive Effects	92	American Economic Review
Amos Tversky and Daniel Kahneman	1974	Judgment under uncertainty: Heuristics and biases	185	Science
Kahneman, D., Knetsch, J. and Thaler, R.	1991	Anomalies: The Endowment Effect, Loss Aversion, and Status Quo Bias	5	Journal of Economic Perspectives