

Policy perspectives on behavioral and experimental economics

8–12 August 2022, Bonn

Frédéric Gaspart (FG), Jens Rommel (JR)

Course content: Students are introduced to behavioral economic theory and experimental methodology with a focus on agri-environmental and food policy research. Students interested in conducting their own experiment can discuss their designs or data in optional additional consultation sessions (upon agreement). The course combines lectures, group discussions, seminars, and small assignments.

Learning outcomes: Students have a good overview of the diversity of behavioral economic theories economic experiments and after the course are equipped to develop a related research proposal for a graduation project.

Evaluation and assessment: Students take part in lectures and seminars and successfully complete the course by actively taking part in all course activities.

Target group: MSc students with a background in microeconomics and econometrics.

Schedule (small breaks after every hour of teaching)

Monday August 8, 2022

09.30 – 10.30	Introduction of participants, introduction to course content (FG, JR)
10.30 – 12.00	Theme 1: Historical and theoretical perspectives (FG)
13.30 – 15.00	The ultimatum game and discussion (FG)
15.00 – 16.00	Exercises and optional consultation hours for projects, additional questions etc. (JR, FG, PhD students from Uni Bonn)

Tuesday August 9, 2022

09.30 – 12.00	Theme 2: Public good games (FG)
13.30 – 15.00	Experimental design I, factors, treatments, levels (JR)
15.00 – 16.00	Discussion on public good games
19.00	Dinner in town (self-paid, only if there is interest, to be confirmed and to be announced, all)

Wednesday August 10, 2022

09.30 – 12.00	Student presentations (see instructions below)
13.30 – 16.00	Experimental design II, power calculations and statistical planning (JR with Anna Theres Massfeller)

Thursday August 11, 2022

09.30 – 12.00 Student work on group project with an experimental or behavioral research idea (with inputs from JR and Bonn PhD students)

13.30 – 16.00 Students present their research ideas

Friday August 12, 2022

09.30 – 11.30 Ethics in experiments and very short outlook on data analysis

11.30 – 12.00 Course evaluation and goodbye

Before the course

1. Students chose **one** of the papers from the list of primary studies below and present it on the third day of the course (Wednesday morning). The dudle shows the first authors last name. You can work in groups of two people. Sign up for **one** paper **before the summer school start** here: <https://dudle.rwu.de/AFEPA-22/> (using participant as a login and afepa22 as a password). Use your name/s in the dudle. First come first serve. **Do not** choose a paper that has already been picked by someone else (sorry, the exclusive option only exists in the doodle version that you have to pay for)!
2. Instructions: Summarize the key message of the paper and its contribution to the literature in not more than ten minutes (in simple terms). We will then discuss the paper in class.
3. If you have never heard about statistical power analysis (or if you need a refresher), please watch the first five chapters of this Video series in preparation for the course: <https://youtu.be/QBONLU7i28>

In preparation, answer the following question: Which parameters/inputs do you need to conduct a power analysis?

Primary course literature (covering most aspects of the course)

Camerer, C. F. (2011). *Behavioral game theory: Experiments in strategic interaction*. Princeton University Press.

Glennerster, R., & Takavarasha, K. (2013). *Running randomized evaluations*. Princeton University Press.

Jacquemet, N., & l'Haridon, O. (2018). *Experimental Economics*. Cambridge University Press.

Viceisza, A. C. (2012). *Treating the field as a lab* (Vol. 7). Intl Food Policy Res Inst.

Wakker, P. P. (2010). *Prospect theory: For risk and ambiguity*. Cambridge university press.

Supplementary course literature (covering additional aspects and adding depth)

Ellis, P. D. (2010). *The essential guide to effect sizes: Statistical power, meta-analysis, and the interpretation of research results*. Cambridge University Press.

Friedman, S., Friedman, D., & Sunder, S. (1994). *Experimental methods: A primer for economists*. Cambridge University Press.

Harrison, G. W., & List, J. A. (2004). Field experiments. *Journal of Economic Literature*, 42(4), 1009-1055.

Karlan, D., & Appel, J. (2016). *Failing in the Field*. Princeton University Press.

Moffatt, P. G. (2015). *Experiments: Econometrics for experimental economics*. Macmillan International Higher Education.

Papers to select from for presentation in the course

Aflagah, K., Bernard, T., & Viceisza, A. (2022). Cheap talk and coordination in the lab and in the field: Collective commercialization in Senegal. *Journal of Development Economics*, 154, 102751.

Briz, T., Drichoutis, A. C., & Nayga Jr, R. M. (2017). Randomization to treatment failure in experimental auctions: The value of data from training rounds. *Journal of Behavioral and Experimental Economics*, 71, 56-66.

Bryan, G., Choi, J. J., & Karlan, D. (2021). Randomizing religion: the impact of Protestant evangelism on economic outcomes. *The Quarterly Journal of Economics*, 136(1), 293-380.

Camerer, C. F., Dreber, A., Forsell, E., Ho, T. H., Huber, J., Johannesson, M., ... & Wu, H. (2016). Evaluating replicability of laboratory experiments in economics. *Science*, 351(6280), 1433-1436.

Cardenas, J. C., Stranlund, J., & Willis, C. (2000). Local environmental control and institutional crowding-out. *World Development*, 28(10), 1719-1733.

Charness, G., & Viceisza, A. (2016). Three risk-elicitation methods in the field: Evidence from rural Senegal. *Review of Behavioral Economics*, 3(2), 145-171.

Cherry, T. L., Frykblom, P., & Shogren, J. F. (2002). Hardnose the dictator. *American Economic Review*, 92(4), 1218-1221.

Dawes, R. M., & Thaler, R. H. (1988). Anomalies: cooperation. *Journal of Economic Perspectives*, 2(3), 187-197.

DellaVigna, S., & Linos, E. (2022). RCTs to scale: Comprehensive evidence from two nudge units. *Econometrica*, 90(1), 81-116.

Drupp, M. A., Khadjavi, M., & Quaas, M. F. (2019). Truth-telling and the regulator. Experimental evidence from commercial fishermen. *European Economic Review*, 120, 103310.

Duflo, E., Kremer, M., & Robinson, J. (2008). How high are rates of return to fertilizer? Evidence from field experiments in Kenya. *American Economic Review*, 98(2), 482-88.

- Elofsson, K., Bengtsson, N., Matsdotter, E., & Arntyr, J. (2016). The impact of climate information on milk demand: Evidence from a field experiment. *Food Policy*, *58*, 14-23.
- Hill, R. V., & Viceisza, A. (2012). A field experiment on the impact of weather shocks and insurance on risky investment. *Experimental Economics*, *15*(2), 341-371.
- Kasy, M., & Sautmann, A. (2021). Adaptive treatment assignment in experiments for policy choice. *Econometrica*, *89*(1), 113-132.
- Krupka, E. L., & Weber, R. A. (2013). Identifying social norms using coordination games: Why does dictator game sharing vary? *Journal of the European Economic Association*, *11*(3), 495-524.
- Kurz, V. (2018). Nudging to reduce meat consumption: Immediate and persistent effects of an intervention at a university restaurant. *Journal of Environmental Economics and Management*, *90*, 317-341.
- Loft, L., Gehrig, S., Salk, C., & Rommel, J. (2020). Fair payments for effective environmental conservation. *Proceedings of the National Academy of Sciences*, *117*(25), 14094-14101.
- Marwell, G., & Ames, R. E. (1981). Economists free ride, does anyone else? Experiments on the provision of public goods, IV. *Journal of Public Economics*, *15*(3), 295-310.
- Meinzen-Dick, R., Janssen, M. A., Kandikuppa, S., Chaturvedi, R., Rao, K., & Theis, S. (2018). Playing games to save water: Collective action games for groundwater management in Andhra Pradesh, India. *World Development*, *107*, 40-53.
- Mertens, S., Herberz, M., Hahnel, U. J., & Brosch, T. (2022). The effectiveness of nudging: A meta-analysis of choice architecture interventions across behavioral domains. *Proceedings of the National Academy of Sciences*, *119*(1), e2107346118.
- Miguel, E., & Kremer, M. (2004). Worms: identifying impacts on education and health in the presence of treatment externalities. *Econometrica*, *72*(1), 159-217.
- Müller, M. (2020). Leadership in agricultural machinery circles: experimental evidence from Tajikistan. *Australian Journal of Agricultural and Resource Economics*, *64*(2), 533-554.
- Römer, U., Mußhoff, O., Weber, R., & Turvey, C. G. (2018). Assessing the Reliability of Self-reported Income Information in Informal Small Business Lending through a Bogus Pipeline Experiment. *Journal of Agricultural Economics*, *69*(3), 726-738.
- Thomas, F., Midler, E., Lefebvre, M., & Engel, S. (2019). Greening the common agricultural policy: a behavioural perspective and lab-in-the-field experiment in Germany. *European Review of Agricultural Economics*, *46*(3), 367-392.