

MW24.2 Quantitative Economics (SS2021)

Reading List

Lecture 0

Samuelson, L. (2005). Economic theory and experimental economics. *Journal of Economic Literature*, 43(1), pp. 65–107 [sections 1–3]

Lecture 1

Kagel, J.H. & Roth, A.E., eds. (1995). *The Handbook of Experimental Economics*, Princeton University Press [sections 1.I-II]

Roth, A.E. (1993). The early history of experimental economics. *Journal of the History of Economic Thought*, 15(02), pp. 184–209

Lecture 2

Friedman, D. & Shyam, S., eds. (1994). *Experimental Methods: A Primer for Economists*, Cambridge University Press [chapter 3]

Lecture 3

Bardsley, N., Cubitt, R., Loomes, G., Moffatt, P., Starmer, C. & Sugden, R. (2010). *Experimental Economics: Rethinking the Rules*, Princeton University Press [chapter 6]

Camerer, C.F. & Hogarth, R.M. (1999). The effects of financial incentives in experiments: A review and capital-labor-production framework. *Journal of Risk and Uncertainty*, 19(1-3), pp. 7–42

Hertwig, R. & Ortmann, A. (2001). Experimental practices in economics: A methodological challenge for psychologists? *Behavioral and Brain Sciences*, 24, pp. 383–403

Holt, C.A. & Laury, S.K. (2002). Risk aversion and incentive effects. *American Economic Review*, 92(5), pp. 1644–1655

Lecture 4

Fréchette, G. (2011). Laboratory experiments: Professionals versus students. *SSRN Electronic Journal*

Hertwig, R. & Ortmann, A. (2001). Experimental practices in economics: A methodological challenge for psychologists? *Behavioral and Brain Sciences*, 24, pp. 383–403

Lecture 5

Levin, I.P., Schneider, S.L. & Gaeth, G.J. (1998). All frames are not created equal: A typology and critical analysis of framing effects. *Organizational Behavior and Human Decision Processes*, 76(2), pp. 149–188

Zizzo, D. (2010). Experimenter demand effects in economic experiments. *Experimental Economics*, 13(1), pp. 75–98

Lecture 6

Holt, C.A. (2007). *Markets, games, & strategic behavior*, Boston Pearson Addison Wesley [chapters 3.1–3.2]

Axelrod, R. (1980). More effective choice in the prisoner's dilemma. *The Journal of Conflict Resolution*, 24(3), pp. 379–403

Cooper, R., DeJong, D.V., Forsythe, R. & Ross, T.W. (1996). Cooperation without reputation: Experimental evidence from prisoner's dilemma games. *Games and Economic Behavior*, 12(2), pp. 187 – 218

Andreoni, J. & Miller, J.H. (1993). Rational cooperation in the finitely repeated prisoner's dilemma: Experimental evidence. *The Economic Journal*, 103(418), pp. 570–585 [ex. session]

Lecture 7

Holt, C.A. (2007). *Markets, games, & strategic behavior*, Boston Pearson Addison Wesley [chapters 3.3, 12]

Huyck, J.B.V., Battalio, R.C. & Beil, R.O. (1990). Tacit coordination games,

strategic uncertainty, and coordination failure. *The American Economic Review*, 80(1), pp. 234–248

Cooper, R.W., DeJong, D.V., Forsythe, R. & Ross, T.W. (1990). Selection criteria in coordination games: Some experimental results. *The American Economic Review*, 80(1), pp. 218–233 [ex. session]

Lecture 8

Holt, C.A. (2007). *Markets, games, & strategic behavior*, Boston Pearson Addison Wesley [chapter 23]

Güth, W., Schmittberger, R. & Schwarze, B. (1982). An experimental analysis of ultimatum bargaining. *Journal of Economic Behavior & Organization*, 3(4), pp. 367 – 388

Forsythe, R., Horowitz, J.L., Savin, N. & Sefton, M. (1994). Fairness in simple bargaining experiments. *Games and Economic Behavior*, 6(3), pp. 347 – 369

Goeree, J.K. & Holt, C.A. (2000). Asymmetric inequality aversion and noisy behavior in alternating-offer bargaining games. *European Economic Review*, 44(4–6), pp. 1079 – 1089

Binmore, K., Shaked, A. & Sutton, J. (1985). Testing noncooperative bargaining theory: A preliminary study. *The American Economic Review*, 75(5), pp. 1178–1180

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

Iriberry, N. & Rey-Biel, P. (2013). Elicited beliefs and social information in modified dictator games: What do dictators believe other dictators do? *Quantitative Economics*, 4(3), pp. 515–547 [ex. session]

Lecture 9

Holt, C.A. (2007). *Markets, games, & strategic behavior*, Boston Pearson Addison Wesley [chapter 24]

Berg, J., Dickhaut, J. & McCabe, K. (1995). Trust, reciprocity, and social history. *Games and Economic Behavior*, 10(1), pp. 122 – 142

Cox, J. (2004). How to identify trust and reciprocity. *Games and Economic Behavior*, 46(2), pp. 260–281

Fehr, E., Kirchsteiger, G. & Riedl, A. (1993). Does fairness prevent market clearing? an experimental investigation. *The Quarterly Journal of Economics*, 108(2), pp. 437–459

Fehr, E. & Rockenbach, B. (2003). Detrimental effects of sanctions on human altruism. *Nature*, 422(6928), pp. 137–140 [ex. session]

Lecture 10

Holt, C.A. (2007). *Markets, games, & strategic behavior*, Boston Pearson Addison Wesley [chapter 26]

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), pp. 295–310

Goeree, J., Holt, C. & Laury, S. (2002). Private costs and public benefits: unraveling the effects of altruism and noisy behavior. *Journal of Public Economics*, 83(2), pp. 255–276

Croson, R. (1996). Partners and strangers revisited. *Economics Letters*, 53(1), pp. 25–32

Fischbacher, U., Gächter, S. & Fehr, E. (2001). Are people conditionally cooperative? evidence from a public goods experiment. *Economics Letters*, 71(3), pp. 397–404

Fehr, E. & Gächter, S. (2000). Cooperation and punishment in public goods experiments. *American Economic Review*, 90(4), pp. 980–994 [ex. session]

Lecture 11

Holt, C.A. (2007). *Markets, games, & strategic behavior*, Boston Pearson Addison Wesley [chapter 31]

Bikhchandani, S., Hirshleifer, D. & Welch, I. (1992). A theory of fads, fashion, custom, and cultural change in informational cascades. *Journal of Political Economy*, 100(5), pp. 992–1026

Anderson, L. & Holt, C. (1997). Information cascades in the laboratory. *American Economic Review*, 87(5), pp. 847–62

Hung, A.A. & Plott, C.R. (2001). Information cascades: Replication and an extension to majority rule and conformity-rewarding institutions. *American Economic Review*, 91(5), pp. 1508–1520 [ex. session]

Lecture 12

Kagel, J.H. & Roth, A.E., eds. (1995). *The Handbook of Experimental Economics*, Princeton University Press [Bayesian Updating and Representative-

ness, 596—602]

Kahneman, D., Slovic, P. & Tversky, A. (1982). *Judgment under uncertainty: heuristics and biases*, Cambridge; New York: Cambridge University Press [Evidential impact of base rates, 153–160]

Grether, D.M. (1980). Bayes rule as a descriptive model: The representativeness heuristic. *The Quarterly Journal of Economics*, 95(3), pp. 537–557

Lecture 13

Tversky, A. & Kahneman, D. (1983). Extensional versus intuitive reasoning: The conjunction fallacy in probability judgment. *Psychological Review*, pp. 293–315

Charness, G., Karni, E. & Levin, D. (2010). On the conjunction fallacy in probability judgment: New experimental evidence regarding linda. *Games and Economic Behavior*, 68(2), pp. 551–556

Friedman, D. (1998). Monty Hall's Three Doors: Construction and Deconstruction of a Choice Anomaly. *American Economic Review*, 88(4), pp. 933–946