

ECON 4433: Experimental Economics
Spring 2007

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Office Hours: 2:00-3:30 T&R and by appointment. (I am around most of the time and am happy to talk with you if I'm available when you drop by my office.)

ECON 4433 is a research oriented course designed to introduce students to the field of experimental economics. The course covers methodological issues with designing and conducting experiments and interpreting the results and it provides a broad overview of the findings in some of the research areas that have been studied using experimental techniques. This is a very interactive class that will cover a wide variety of topics. Students are expected to read assigned material prior to the class in which the material is to be discussed. Students are also expected to actively participate in class experiments and discussions.

Textbook: Required - None

Optional - "Experimental Economics" by Davis and Holt

Optional - "Experimental Methods, A Primer for Economists" by Friedman and Sunder

Grades: Your grade in this class will be based on the following components:

Midterm Exam (20%)

Final Exam (30%) - The final exam is at 3:00 p.m. on Saturday, May 5th

Research Project (40%)

Other (10%)

The exams will consist of essay questions and short problems. Students should bring a test booklet to each exam.

The research project is designed to allow for a more in depth exploration in an area that is of particular interest to you. Students are expected to develop a research question and design an original experiment to answer that question. There are competitive funds available for interested students to pursue their research. Research project grades are determined by

- 1) Referee Reports – a short summary and critique of a related paper
- 2) Presentation – a 15 minute presentation to the class + 5 minutes for questions
- 3) Final Paper – due by 5/3

The "Other" component is at the discretion of the instructor and is based upon participation in class experiments, observation of an actual research experiment, contribution to class discussion, and feedback to classmates.

Class Schedule:

Week	Tuesday	Thursday
1	<u>Public Goods</u>	Isaac & Walker (1988) Andreoni (1995)
2	Croson & Shang (2006), Chen et al (2006)	Smith (1989, 1994)
3	<u>Double Auction</u>	Smith (1962)
4	Van Boening and Wilcox (1996)	<u>Financial Markets</u>
5	King et al. (1993), Sunder (1995)	<u>Posted Offer Markets</u>
6	Cason & Williams (1990), Davis et al. (1991)	<u>Electronic Markets</u>
7	Deck & Wilson (2005)	<u>Ultimatum Games*</u>
8	Hoffman et al. (1994), Xiao & Houser (2006)	<u>Reciprocity</u>
9	Berg, et al. (1995), Eckel and Wilson (2005)	Cox & Deck (2005, 2006) *
10	☺☺☺☺☺ Spring Break	☺☺☺☺☺
11	Exam 1	<u>Arbitration*</u>
12	Deck, et al. (2006a,b)	<u>Information Markets</u> +
13	Brown (2007)	Student Presentations
14	Student Presentations	Feedback
15	<u>Auctions</u>	Cox, et al. (1982)
16	Wertenbroch & Skiera (2002), McCabe et al (1992)	Summary

The schedule is tentative and subject to change. *Italics* indicates an in class experiment. If the day is underlined then the class will meet in the Walton Research Lab (room 436 WCOB). In each experiment you can earn class dollars with which you can bid on your presentation time slot. + indicates when presentation slots will be sold. Readings are listed on the day on which the material will be discussed and hence the material should be read prior to class. A * indicates classes in which a referee report is due.

Other:

Students taking this course for graduate credit will be expected to develop a more complete research paper that includes running a pilot session.

No consideration will be given to disputed exams without a written description of the specific appeal. You may not use any electronic devices during exams except approved calculators.

Students with disabilities who wish to request special accommodations are encouraged to contact me as soon as possible.

The inclement weather policy for this class follows the Fayetteville Public School system. If Fayetteville Schools are closed due to weather at the start of class, then we will not meet.

I plan to post information relevant to this class on my website:

comp.uark.edu/~cdeck/econ433.htm

No guarantee is made that this site will contain updated information. It is the student's responsibility to keep up with the class schedule, current assignments and announcements as they are made in class. Grades will be posted online through Blackboard.