INTRODUCTION TO
EXPERIMENTAL ECONOMICS

Lecturer

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Learning outcomes

This course is for researchers on the doctoral or post-doctoral levels who are beginners in economic laboratory experiments. It will enable you to

• decide whether a laboratory experiment is appropriate to address some research question;
• find research questions in your area of interest that a laboratory experiment can address;
• develop an experimental design to address such a research question.

In addition, the course will offer you hands-on training on how to bring experiments to the laboratory. It will cover common practical issues, such as which software to use, how to recruit participants, or how to conduct an experiment.

The course will be most beneficial for you if you plan to run your own experiment soon. If you consider using experimenTUM, TUM’s laboratory for experimental research in economics, you are strongly encouraged to take it.

Contents

The first key element of this course is experimental design. The ultimatum game serves as an example of a design that can be and has been used to address multiple research questions. In addition, we will work with other selected standard designs intensively.

The second key element is to understand when a laboratory experiment is an appropriate method to address a research question or to find research questions in your area of interest that laboratory experiments can address. We will thus consider recent research. You can strongly influence the contents of the course by suggesting a research question or idea (see below).

The third key element is to understand how to conduct a laboratory experiment. Along with questions about software, recruitment of participants, or funding, a visit to the laboratory gives you a specific idea of the procedures.

Along with these key contents, we will be touching on various other issues, including criticism of the experimental method, and what can be done about potential weaknesses.

Teaching and learning methods

This course is interactive and applied, focusing on the method more than field-related results. We will be learning by doing rather than read or discuss research papers. Your full and active participation is crucial for you to take as much as possible home from this course.

The course combines lectures with assignments. The lectures are supposed to give you an overview of interesting designs and topics, while the assignments offer hands-on training. Questions and discussion in class are strongly encouraged and expected.
The first assignment allows you to explore, present, and discuss a standard design on the model of our discussion of the ultimatum game. You will be provided with software to run a simple version of your experiment for demonstration in class.

The second assignment consists in developing your own experimental design. To benefit most from the exercise, you may consider a research question that you are pondering on. Depending on the number of participants, the assignments will be solved individually or in teams.

If you have your own research question or idea in mind and want to work on it in the assignment, please include a brief proposal in your application. I will try to turn your idea into an assignment.

Schedule

The course will extend over three days. The tentative schedule, subject to modification as we go, is as follows.

First day:
- Visit to experimenTUM (interactive);
- The ultimatum game (lecture & discussion);
- Common design choices (lecture & discussion).

Second day:
- Standard designs (first assignment, interactive);
- Topics in experimental research (lecture & discussion);
- Designing your own experiment (second assignment, interactive).

Third day:
- Designing your own experiment (second assignment, interactive).
- Benefits and pitfalls of lab experiments (lecture & discussion);
- Discussion of participants’ projects (t.b.a. individually).

The course will typically at 9 a.m. in the morning and end no later than 5 p.m. in the afternoon. The afternoon of the second day is reserved for working on the second assignment. I will be around the whole afternoon to assist you, commuting between the teams.

We may finish earlier on the third day to provide for time for individual discussions of your projects. If you are interested, you just let me know during the course.

Application

Write to Andreas Ostermaier no later than noon of July 31, 2020 to apply (ostermaier@sam.sdu.dk).

Please state your primary research area and method. Mention also what motivates you to sign up for this course and whether you are planning to run an experiment.

If you have a research question or idea for an experiment that you would like to see as an assignment, remember to include a very brief proposal in your application. If you have any introductory readings, feel free to suggest these, too.

Please make sure you can attend the full course. From a pedagogical angle and out of fairness toward the other participants, it is not acceptable to miss major parts of the course for any reason, including the supervision of student exams.

Technicalities

The seminar is scheduled to be held on August 3–5, 2020 in room 0505.03.539 (https://portal.mvtum.de/displayRoomMap?3539@0505).