

SYLLABUS BEHAVIORAL ECONOMICS, PHD

The **focus** of the course will be on "**Other-Regarding Preferences in Games**". The following **topics** will be **covered** in some detail:

Altruism, Inequality Aversion, Envy, Spite, Etc.:

DISTRIBUTIONAL PREFERENCES IN GAMES

Kindness, Unkindness and Retaliation:

RECIPROCITY CONCERNS IN GAMES

Generosity, Vulnerability, Efficiency and Response to Them:

TRUST AND TRUSTWORTHINESS IN GAMES

Unfulfilled Payoff Expectations and Aversion against Letting Others Down:

GUILT AND SHAME IN GAMES

Aversion to Lying and Deception

THE EFFECTS OF "CHEAP TALK" IN GAMES

Lecture dates and venues are:

9.5. 11:00-14:30 SR 9

10.5. 11:00-14:30 SR 4

11.5. 11:00-14:30 SR 4

23.5. 12:30-14:30 SR 9

24.5. 11:00-14:30 SR 4

25.5. 11:00-14:30 SR 4

26.5. 11:00-14:30 SR 4

Final: date and venue tba

There is a **webpage on e-campus** containing the relevant **literature**, the **slides** to the lectures and further details. There you also find the **problem sets** to each of the seven units. To give you the opportunity to work jointly on them, I have booked rooms also for the afternoons of the lecture dates. Here are the relevant **dates and venues for joint work on problem sets**.

9.5. 2:30-7:00 pm BR FIWI

10.5. 2:30-7:00 pm SR II Theologie

11.5. 2:30-7:00 pm BR FIWI

23.5. 2:30-7:00 pm SR II Theologie

24.5. 2:30-7:00 pm SR II Theologie

25.5. 2:30-7:00 pm BR FIWI

26.5. 2:30-7:00 pm BR FIWI

You should be able to solve each problem set in two to three hours at the very most. Thus, there should be enough time left between the units to catch up on previous material –or, even better– to take a first look at the concepts to come.

There will be a **homework assignment** for the time between the two lecture blocks. Your task there is to find out what "trust" and "trustworthiness" means. More specifically, the questions I am going to ask is whether there is a role for "trust and trust-responsiveness" beyond that played by "kindness and retaliation", and how we could test (experimentally) for that role (i.e., whether "trust triggers trustworthiness"). PhD Students are expected to write a short note on those questions (between 5 and 10 pages, say) and to prepare a few slides (for a 10 minutes presentation, say). I have uploaded quite some literature on trust and trustworthiness and on similar notions. You might find this literature helpful. There is probably more (and more relevant) literature out there. You are free to use whatever literature you find appropriate. Also, the style of the note (verbal, semi-technical, technical) is completely up to you. If you find convincing answers to the questions in the literature, you can simply provide a summary. Own ideas are appreciated, of course. Work in small teams is welcome.

Your **grade** in the course will be based on

- your performance in solving problem sets (20%);
- your homework on trust and trust-responsiveness plus the presentation of the ideas in the course (30%); and
- your performance in the final (50%).

If you have any further questions, please do not hesitate to contact me.

See you on Monday,

Rudi Kerschbamer