

ECON 11800 94 – (Micro-) Economics with an experimental perspective

Summer Session

Course Instructor

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Office hours: By appointment.

Schedule: Weekly schedule will be provided in advance on Fridays.

Location: Saieh Hall for Economics (SHFE) 203

Teaching Assistants: Brendan Kehoe (bkehoe@chicagobooth.edu) and Beatrice Maule (bmaule@uchicago.edu)

Course Description: Microeconomics is the study of how agents make optimal choices when facing constraints. The course will start by developing the “Economic Approach” as the basic tool for analysis in economics.

We will also introduce the students a simple causal model within which we can describe the work of economists as striving to make causal statements regarding the economic question being analyzed. In this context, experiments can be interpreted as a tool that allows economists to make causal statements as an alternative to analyzing naturally occurring data. We will also distinguish laboratory experiments from field experiments focusing on the comparative advantages of each.

We will then cover a few common topics in microeconomics where we will provide the student with an understanding of economics –both how to use it in your everyday life and how economists make use of the main principles to test theory, speak to policymakers, and find facts. In this context, we will use laboratory experiments with the dual goal of aiding the understanding of the economic concepts and of assessing the external validity of some of the economic theories.

Structure of classes: first students participate in laboratory experiments. Then, they learn the underlying economic principles and the economic questions that the experiments were designed to address. These are followed by a presentation and discussion of the results. To strengthen the concepts learned, students engage in solving specific economic problems both individually and in a group.

From a pedagogical perspective, the hands-on environment of the laboratory experiments provides a unique opportunity for active learning of economic principles that, otherwise, would be learned from a textbook. This interactive component makes this course stand out. Furthermore, students learn to discuss and learn from peers, and teach them what they have learned in class presentations, skills that are critical for college.

Prerequisites: The course does not require any previous knowledge in economics as most high schools do not offer a course in economics but it is designed for rising high school juniors and seniors. Some of the experiments will be computer based, so the

student must have his/her own laptop. All assignments will be submitted to Gradescope via Canvas!

Textbook and Readings: There will be assigned chapters and other readings for each class. Being prepared for class by doing the assigned readings will not only make the classes and experiments more productive but also lead to good scholarship.

Acemoglu, D., Laibson, D., and List, J. Microeconomics, 3rd Ed., Pearson Publishing. ISBN-13: 978-0137390625. Past editions are fine too. **MyEconLab is NOT required.** You are asked to read the assigned chapters and come prepared for the class lecture each week. **Older editions of the textbook are also fine!**

Gneezy, U., and List, J. *The why axis: hidden motives and the undiscovered economics of everyday life*, Public Affairs. ISBN: 978-1-61039-311-9.

And other materials posted on the course website.

Experiments: Although your earnings in the experiments will not be paid in cash, to incentivize maximum effort, the 2 students with the highest experimental dollars will be publicly recognized during the last class as “The Best Experimentalist in Summer 2025.”

Group project: we will provide comprehensive description in week 2. The goal is to encourage you to learn how to work in groups and to experience presentation in front of an audience.

Group problem sets: we will have two group problem sets. Problem sets will be posted on Friday and due the next Wednesday. The answers will be submitted via Gradescope on Canvas.

Quizzes: there will be two individual quizzes. These quizzes will be closed book, timed, in class.

Grading: Class participation (10%), two quizzes (50%), two group problem sets (20%), and group project (20%).

Tentative Schedule:

You have been already provided a tentative schedule for week 1. We will provide the tentative schedule for the following week by EOD of Friday. **NB: laptops will NOT be allowed during the lectures, unless you MUST take notes using the laptop.**

Week One

We start the course with a sequence of lectures introducing the principles and practice of economics, economic methods and questions and optimization. Also, the lectures will introduce the students to field experiments as a complementary tool to laboratory experiments. Throughout the week, students will participate in a series of exchange/market experiments, each with a corresponding lecture describing the relevant economic principle.

Week Two

On Tuesday, we will have the first Quiz. Throughout the second week, students will participate in a series of group decision game experiments, and if time allows, strategic game experiments, each with a corresponding lecture describing the relevant economic principle.

Week Three

On Tuesday, we will have the second Quiz. Throughout the last week, students will finish the series of experiments in strategic games. On Friday, groups will make their project presentations.

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