

**Syllabus: Bavarian Graduate Program in Economics  
Behavioral Economics: July 24-28, 2023**

Muriel Niederle  
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**Schedule:**

**Sunday, July 23, 2023**

19:00 Welcome Meeting/Dinner

**Monday, July 24, 2023**

9:00-10:30 First lecture: Competitiveness I

10:30-11:00 Coffee break

11:00-12:30 Second lecture: Competitiveness II

12:30-14:00 Lunch

14:00-15:30 Problem sets:

15:30-16:00 Coffee break

16:00-17:30 Discussion of problem sets and review

19:00 Dinner

**Tuesday, July 25, 2023**

9:00-10:30 Third lecture: Competitiveness III

10:30-11:00 Coffee break

11:00-12:30 Fourth lecture: Affirmative Action

12:30-14:00 Lunch

14:00-15:30 Paper to Criticize:

15:30-16:00 Coffee break

16:00-17:30 Discussion of paper and review

19:00 Dinner

**Wednesday, July 26**

9:00-10:30 Fifth lecture: Self-Promotion, Gender Gap in Altruism I

10:30-11:00 Coffee break

11:00-12:30 Sixth lecture: Bidding in Auctions

12:30-14:00 Lunch

14:00-15:30 Problem set or overflow discussion

15:30-16:00 Coffee break

16:00-17:30 Discussion of problem sets and review

19:00 Dinner

**Thursday, July 27**

9:00-10:30 Seventh lecture: Failure in Contingent Reasoning

10:30-11:00 Coffee break

11:00-12:30 Eighth lecture: Cognitive Reasoning: Sure Thing Principle

12:30-14:00 Lunch

14:00-15:30 Problem set:

15:30-16:00 Coffee break  
16:00-17:30 Discussion of problem sets and review  
19:00 Dinner

### **Friday, July 28, 2023**

9:00-10:30 Ninth lecture: Decomposing the Winner's Curse  
10:30-11:00 Coffee break  
11:00-12:30 Tenth lecture: Base-Rate Neglect and learning  
12:30-14:00 Lunch  
14:00-15:30 Final Discussion, open questions

### **Final Exam:**

There will be an exam of 90 minutes at your local university or place of work on August 11, 2023. Grades are pass/fail.

### **Literature:**

#### Papers for class 1, 2 and 3: Competitiveness

1. Gneezy, Uri, Muriel Niederle, and Aldo Rustichini, "Performance in Competitive Environments: Gender Differences," *Quarterly Journal of Economics*, CXVIII, August 2003, 1049 – 1074.
2. Niederle, Muriel, and Lise Vesterlund, "Do Women Shy Away from Competition? Do Men Compete too Much?," *Quarterly Journal of Economics*, August 2007, Vol. 122, No. 3, 1067-1101.
3. Exley, Christine L., Muriel Niederle and Lise Vesterlund, "Knowing When to Ask: The Cost of Leaning In," *Journal of Political Economy*, Volume 128, Number 3, March 2020, 816–854.
4. Buser, Thomas, Muriel Niederle, and Hessel Oosterbeek, "Gender, Competitiveness, and Career Choices," *Quarterly Journal of Economics*, August 2014, 129 (3): 1409-1447.
5. Buser, Thomas and Huaiping Yuan "Do women give up competing more easily? Evidence from the lab and the Dutch Math Olympiad" *American Economic Journal: Applied Economics* 11(3). (2019). 225-252.
6. Niederle, Muriel and Lise Vesterlund, "Gender and Competition", *Annual Review in Economics*, 2011, 3, 601–30.

#### Papers for Class 4 &5: Affirmative Action and Self-Promotion

7. Mobius, Markus M., Muriel Niederle, Paul Niehaus and Tanya Rosenblat, "Managing Self-Confidence: Theory and Experimental Evidence", *Management Science*, 68(11), 2022, 7793-7817.
8. De Sousa, Jose and Muriel Niederle, "Trickle-Down Effects of Affirmative Action: A Case Study in France," WP.
9. Exley, Christine L. and Judd B. Kessler. "The Gender Gap in Self-Promotion," *Quarterly Journal of Economics*, August 2022, 137(3):1345–1381,
10. Exley, Christine L. and Kirby Nielsen. "The Gender Gap in Confidence: Expected But Not Accounted For." *Revise & Resubmit* (Jan 2023), *American Economic Review*

#### Papers for Class 6: Bidding in Auction

11. Cox, J. C., Roberson, B. & Smith, V. L. (1982), 'Theory and behavior of single object auctions', *Research in experimental economics* 2(1), 1–43.
12. Crawford, V. P. & Iriberri, N. (2007), 'Level-k auctions: Can a nonequilibrium model of strategic thinking explain the winner's curse and overbidding in private-value auctions?', *Econometrica* 75(6), 1721–1770.
13. Eyster, E. & Rabin, M. (2005), 'Cursed equilibrium', *Econometrica* 73(5), 1623–1672
14. Ivanov, A., Levin, D. & Niederle, M. (2010), 'Can relaxation of beliefs rationalize the winners curse? An experimental study', *Econometrica* 78(4), 1435–1452.
15. Kagel, J. H. & Levin, D. (1986), 'The winner's curse and public information in common value auctions', *The American economic review* pp. 894–920.
16. Kagel, J. H. & Levin, D. (2002), 'Common value auctions and the winner's curse'.
17. Kagel, J. & Levin, D. (2016), 'Auctions: A survey of experimental research', in John Kagel and Al Roth (eds.), *The Handbook of Experimental Economics*, Vol 2

### **Class 7&8: Failure in Contingent Reasoning, Sure thing principle**

18. Esponda, I. & Vespa, E. (2014), 'Hypothetical thinking and information extraction in the laboratory', *American Economic Journal: Microeconomics* 6(4), 180–202.13
19. Esponda, I. & Vespa, E. (2021), 'Contingent preferences and the sure-thing principle: Revisiting classic anomalies in the laboratory', Working Paper
20. Martinez-Marquina, Alejandro, Muriel Niederle and Emanuel Vespa, "Failures in Contingent Reasoning: The Role of Uncertainty," *American Economic Review*, vol. 109, no. 10, October 2019, 3437-74.
21. Niederle, Muriel and Emanuel Vespa, "Cognitive Reasoning: Failures of Contingent Thinking," forthcoming, Vol. 15, *Annual Review of Economics*.

### **Papers for Class 9 and 10: Decomposing the WC and Base Rate Neglect.**

22. Handel, B. & Schwartzstein, J. (2018), 'Frictions or mental gaps: what's behind the information we (don't) use and when do we care?', *Journal of Economic Perspectives* 32(1), 155–178
23. Ignacio Esponda, Eanuel Vespa and Sevgi Yuksel Mental Models and Learning: The Case of Base-Rate Neglect, R&R *American Economic Review*.