VWL Seminar (Proseminar): Topics in Behavioral Development Economics

Seminar details

Friedrich-Alexander University Erlangen-Nuremberg Kochstraße 4, 91054 Erlangen Room: 05901.01.055 (01.055) *Time slots:* Monday, April 14, 2025, 12pm - 4pm (Input session 1) Tuesday, April 15, 2025, 9am - 4pm (Input session 2) Wednesday, April 16, 2025, 9am - 4pm (Input session 3) Thursday, April 17, 2025, 8am - 12pm (Input session 4) Thursday, April 24, 2025, 8am - 6pm (Student presentations) Thursday, July 17, 2025, 11:59pm (Submission of seminar papers)

Instructor

Henrike Sternberg, MSc henrike.sternberg@fau.de Office hours by appointment

Purpose and Learning Outcomes

Insights from Behavioral Economics have shown us that, in the real world, people systematically and significantly deviate from the standard economic model and its assumptions. For example, people are not purely self-interested, but they care about (in-)equality, even if it is not beneficial to them. Moreover, humans are not 'perfect' decision-makers: For instance, we perceive the loss of a certain amount of money more severely than we value the gain of that same amount. While such behavioral distortions are universal features of human behavior, they may have different implications when combined with different institutional and social environments. Behavioral Development Economics investigates the ways in which behavioral biases interact with features of developing societies. As part of the course, we will cover a variety of topics including non-standard social, time and risk preferences, social norms and mental models, and the psychology of poverty. Upon completion of this course, students will be able to understand and critically reflect on empirical research in the field of Behavioral Development Economics as well as identify their own original research questions in this area.

Procedures

The seminar consists of in-person input sessions by the lecturer, oral presentations by students (in teams or individual, depending on the number of students), and the written seminar paper (in German or English). Active participation during the input sessions and student presentations is required by all participants. Students will give their presentations and write their seminar paper on one of the topics covered in the seminar input sessions, using insights from one specific published research article as a starting point. In the oral presentations, students will present and discuss this assigned research article. The input sessions will be held from April 14 to April 17, 2025, student presentations will be held on April 24, 2025, and the seminar paper is due on July 17, 2025 (see above). The input sessions and student presentations will take place at the Erlangen campus (Kochstraße 4, 91054 Erlangen) in room 01.055.

Enrollment into the seminar is possible on StudOn between March 10 and March 28, 2025. The seminar slides and other materials will be made available via StudOn. The list of topics and research articles will be uploaded by March 20, 2025. After receiving a confirmation of your enrollment after the enrollment period, please send your preferences for three preferred research articles from the list to <u>henrike.sternberg@fau.de</u> by April 4, 2025. Once students have been assigned their research article, they are officially enrolled to participate in the seminar.

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List of research articles for student presentations (ordered by topic)

Enrollment into the seminar is possible on StudOn between March 10 and March 28, 2025. Please send your preferences for <u>three preferred research articles</u> from the following list to <u>henrike.sternberg@fau.de</u> at the latest by April 4, 2025. Once students have been assigned their research article, they are officially enrolled to participate in the seminar.

Non-standard preferences and beliefs

- 1. Ashraf, N., Karlan, D., & Yin, W. (2006). Tying Odysseus to the Mast: Evidence from a Commitment Savings Product in the Philippines. The Quarterly Journal of Economics, 121(2), 635-672.
- 2. Thornton, R. L. (2008). The Demand for, and Impact of, Learning HIV Status. American Economic Review, 98(5), 1829-1863.
- Fryer Jr, R. G., Levitt, S. D., List, J., & Sadoff, S. (2022). Enhancing the Efficacy of Teacher Incentives through Framing: A Field Experiment. American Economic Journal: Economic Policy, 14(4), 269-299.
- 4. Nunn, Nathan, Wantchekon, Leonard (2011). The Slave Trade and the Origins of Mistrust in Africa. The American Economic Review 101 (7), 3221–3252.

Social norms and mental models

- Bursztyn, L., González, A. L., & Yanagizawa-Drott, D. (2020). Misperceived Social Norms: Women Working Outside the Home in Saudi Arabia. American Economic Review, 110(10), 2997-3029
- 6. Ashraf, N., Field, E., & Lee, J. (2014). Household Bargaining and Excess Fertility: An Experimental Study in Zambia. American Economic Review, 104(7), 2210-2237.
- 7. Conlon, J. J., Mani, M., Rao, G., Ridley, M. W., & Schilbach, F. (2021). Learning in the Household (No. w28844). National Bureau of Economic Research.

Psychology of poverty

- Bessone, P., Rao, G., Schilbach, F., Schofield, H., & Toma, M. (2021). The Economic Consequences of Increasing Sleep Among the Urban Poor. The Quarterly Journal of Economics, 136(3), 1887-1941.
- 9. Dean, J. T. (2024). Noise, Cognitive Function, and Worker Productivity. American Economic Journal: Applied Economics, 16(4), 322-360.