

**City University of Hong Kong**

**Information on a Course**  
offered by the Department of Economics and Finance  
with effect from Summer Term in 2010/2011

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**Part I**

**Course Title:** Experimental Economics

**Course Code:** EF5403

**Course Duration:** 1 semester (39 hours)

**Credit Units:** 3

**Level:** P5

**Medium of Instruction:** English

**Prerequisites:** EF5471 Advanced Microeconomics (for taught postgraduate students)  
EF8070 Advanced Microeconomics (for research degree students)

**Precursors:** Some knowledge of game theory and statistics

**Equivalent Courses:** Nil

**Exclusive Courses:** Nil

## Part II

### Course Aims

This course has two complementary purposes. One, we survey recent developments in the field of experimental economics, laboratory and field. Two, we work to develop a set of critical professional skills, including evaluation of others' research, presentation, conception and development of new research ideas.

### Course Intended Learning Outcomes (CILOs)

*Upon successful completion of this course, students should be able to:*

No.	CILOs	Weighting (if applicable)
1.	Demonstrate the understanding of the literature	40%
2.	Demonstrate the ability to evaluate others' work	10%
3.	Develop new research ideas and identify specific research questions	50%
4.	Design an experiment to tackle the research questions proposed	
5.	Develop presentation and writing skills	

### Teaching and Learning Activities (TLAs)

*(Indicative of likely activities and tasks designed to facilitate students' achievement of the CILOs. Final details will be provided to students in their first week of attendance in this course)*

CILO No.	TLAs	Hours/week (if applicable)
CILO 1	Lectures, in-class experiments	
CILO 2	Reading assignment, student presentation	
CILO 3-5	Research	

### Assessment Tasks/Activities

*(Indicative of likely activities and tasks designed to assess how well the students achieve the CILOs. Final details will be provided to students in their first week of attendance in this course)*

CILO No.	Type of Assessment Tasks/Activities	Weighting (if applicable)	Remarks
CILO 1	Exam (one 3-hr examination)	30 %	
CILO 1	Participation in the experiments	10%	
CILO 2	15- minute presentation	10 %	
CILO 3-5	Term paper	30%	
CILO 5	30-minute presentation	20%	

### Grading of Student Achievement:

Refer to Grading of Courses in the Academic Regulations for Taught Postgraduate Degrees.

Letter Grade	Grade Points	Grade Definitions	Remarks
A+	4.3	Excellent	Strong evidence of firm grasp of the subject knowledge and achieving the stated CILOs
A	4.0		
A-	3.7		
B+	3.3	Good	Sufficient evidence of achieving the stated CILOs
B	3.0		
B-	2.7		
C+	2.3	Adequate	Some evidence of achieving the stated CILOs
C	2.0		
C-	1.7		
D	1.0	Marginal	Marginal familiarity with the subject knowledge
F	0.0	Failure	Little evidence of familiarity with the subject knowledge

## **Part III**

### **Keyword Syllabus**

Ultimatum bargaining; Trust games; Public goods games; Behavioral labor economics; Double auctions; Asset market experiments.

### **Recommended Reading**

#### **Text(s)**

Camerer, C. (2003), *Behavioral Game Theory: Experiments on Strategic Interaction*, Princeton University Press.

Davis, D. D., and C. A. Holt (1993), *Experimental Economics*, Princeton University Press.

Friedman, D., and S. Sunder (1994), *Experimental Methods: A Primer for Economists*, Cambridge University Press.

Holt, Charles (2006), *Markets, Games, and Strategic Behavior*, Addison Wesley.

Kagel, J. H., and A. H. Roth (1995), *The Handbook of Experimental Economics*, Princeton University Press.

### **Online Resources**