

Applied Behavioural Economics

Professor Michèle Belot

Half Credit course, Academic year 2018-19

4th teaching block

Description

Behavioural economics and field experiments are now playing a key role in empirical work in economics. The aim of this course is to discuss a number of recent papers evaluating policy interventions using insights from behavioural economics and using field experiments. The goal is to learn how and whether behavioural economics should be used in policy, and learn the basics of how to set up a field experiment to evaluate a policy intervention. We will cover the following domains of application: Health, Labour, Savings, Charitable giving and Education.

Syllabus

Savings

Richard H. Thaler and Shlomo Benartzi, Save More Tomorrow™: Using Behavioral Economics to Increase Employee Saving, *Journal of Political Economy* 2004 112:S1, S164-S187.

Labour

Belot, M., Kircher, P. and P. Muller, Providing Advice to Job Seekers at Low Cost: An Experimental Study on On-Line Advice, CEPR Discussion Paper No. DP10967

Steffen Altmann, Armin Falk, Simon Jäger, Florian Zimmermann, Learning about job search: A field experiment with job seekers in Germany, *Journal of Public Economics*, Volume 164, 2018, Pages 33-49

Education

Roland G. Fryer J, Levitt SD, List JA. [Parental Incentives and Early Childhood Achievement: A Field Experiment in Chicago Heights](#). Working Paper.

Education

Roland G. Fryer J, Levitt SD, List JA., Parental Incentives and Early Childhood Achievement: A Field Experiment in Chicago Heights. Working Paper.

Health

Giné X, Karlan D, Zinman J. Put your money where your butt is: a commitment contract for smoking cessation. *Am Econ J Appl Econ*. 2010:213–235. <http://dx.doi.org/10.1257/app.2.4.213>.

Loewenstein G, Asch DA, Friedman JY, Melichar LA, Volpp KG. Can behavioural economics make us healthier? *BMJ*. 2012;344 <http://dx.doi.org/10.1136/bmj.e3482>. [PubMed]

Matjasko JL, Cawley JH, Baker-Goering MM, Yokum DV. Applying Behavioral Economics to Public Health Policy: Illustrative Examples and Promising Directions. *American journal of preventive medicine*. 2016;50(5 Suppl 1):S13-S19. doi:10.1016/j.amepre.2016.02.007.

Charitable giving

James Andreoni, Justin M. Rao, and Hannah Trachtman, Avoiding the Ask: A Field Experiment on Altruism, Empathy, and Charitable Giving, *Journal of Political Economy* 2017 125:3, 625-653

Evaluation

The evaluation of this course will be based on an experiment that students will design to test and evaluate a policy intervention inspired by insights from behavioural economics (in the domains covered in the course). I expect a 10-page essay presenting the intervention, the rationale for it (the theory on which it is based), the experimental design and the empirical strategy that will be used to evaluate it. The essay should include a one page pitch to non-specialists (potential policy makers one wants to convince to collaborate to run an experiment).