Mission of the Jones College of Business:
The mission of the Jones College of Business is to:

- Foster student success in a large business school with a small school feeling created by caring, professional faculty and staff interacting with students as individuals, in small classes, through proactive student organizations, and in a broad range of other settings, with students’ needs constantly of prime consideration;
- Provide career opportunities to our students by capitalizing on our extensive alumni network—82 percent of Jones College graduates live and work in Middle Tennessee; and
- Cultivate an international perspective among students that enables them to contribute to and succeed in the global marketplace.

We will produce graduates from our bachelor, master, doctoral, and executive and continuing education programs who are prepared for challenges and advancements in their chosen careers.

Hope (Lottery) Scholarship Information:
Do you have a lottery scholarship? To retain Tennessee Education Lottery Scholarship eligibility, you must earn a cumulative TELS GPA of 2.75 after 24 and 48 attempted hours and a cumulative TELS GPA of 3.0 thereafter. You may qualify with a 2.75 cumulative GPA after 72 attempted hours (and subsequent semesters), if you are enrolled full-time and maintain a semester GPA of at least 3.0. A grade of C, D, F, FA, or I in this class may negatively impact TELS eligibility. Dropping or stopping attendance in a class may also impact eligibility; if you withdraw from or stop attending this class and it results in an enrollment status of less than full time, you may lose eligibility for your lottery scholarship. Lottery recipients are eligible to receive the scholarship for a maximum of five years from the date of initial enrollment, or until reaching 120 TELS attempted hours or earning a bachelor degree. For additional Lottery rules, please refer to your Lottery Statement of Understanding form (http://www.mtsu.edu/financial-aid/forms/LOTFOD.pdf) or contact your MT One Stop Enrollment Counselor (http://www.mtsu.edu/one-stop/counselor.php).
Reasonable Accommodations for Students with Disabilities:
Middle Tennessee State University is committed to campus access in accordance with Title II of the Americans with Disabilities Act and Section 504 of the Vocational Rehabilitation Act of 1973. Any student interested in reasonable accommodations can consult the Disability & Access Center (DAC) website www.mtsu.edu/dac and/or contact the DAC for assistance at 615-898-2783 or dacemail@mtsu.edu. ADA accommodation requests (temporary or permanent) are determined only by the DAC. Students are responsible for contacting the DAC to obtain ADA accommodations and for providing the instructor with the Accommodation Letter from the DAC.

Objectives for the course:
The primary goal of the course is to introduce students to basic foundations of behavioral economics and experimental methods. Students will apply this knowledge in an independent research project to demonstrate their understanding.

Activities Required of Students
Students will be required to submit written responses to questions relating to reading assignments, participate in class activities and discussion, complete a research paper and present it to the class. The topic of the paper must be approved in advance by the professor. Readings from the texts and scholarly journal articles will be assigned before each class. Quizzes will typically cover conventions in experimental methodology. The final exam will be comprehensive.

Evaluation Procedures
<table>
<thead>
<tr>
<th>Assignment</th>
<th>Percent of grade</th>
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</thead>
<tbody>
<tr>
<td>Participation and Performance on in-class experiments</td>
<td>10%</td>
</tr>
<tr>
<td>Quiz 1</td>
<td>10%</td>
</tr>
<tr>
<td>Quiz 2</td>
<td>10%</td>
</tr>
<tr>
<td>Final Exam (Monday, May 4, 3:30-5:30)</td>
<td>15%</td>
</tr>
<tr>
<td>Reading assignments</td>
<td>25%</td>
</tr>
<tr>
<td>Research paper and presentation</td>
<td>30%</td>
</tr>
</tbody>
</table>

Note on the research paper: Various benchmarks must be met on the research paper. Turning in a final paper without completing intermediate steps will not result in full credit. Those who choose to work in groups are expected to complete a more thorough project. More details will be made available.

The grading scale is as follows:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Range</th>
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<tbody>
<tr>
<td>A</td>
<td>&gt;89.5</td>
</tr>
<tr>
<td>B-</td>
<td>79.5-83.5</td>
</tr>
<tr>
<td>B</td>
<td>75.5-87.5</td>
</tr>
<tr>
<td>B+</td>
<td>83.5-89.5</td>
</tr>
<tr>
<td>C</td>
<td>69.5-73.5</td>
</tr>
<tr>
<td>C+</td>
<td>73.5-77.5</td>
</tr>
<tr>
<td>D</td>
<td>63.5-67.5</td>
</tr>
<tr>
<td>D+</td>
<td>67.5-69.5</td>
</tr>
<tr>
<td>F</td>
<td>&lt;59.5</td>
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</tbody>
</table>

Attendance:
I assume that by virtue of being enrolled in a college course you are grown adults capable of weighing the costs and benefits of attending class. Quizzes and in-class activities will be frequent enough that failure to attend will affect your grade and I do not feel any additional penalty for attendance is necessary. In all cases, the student has the responsibility to present excuses and make arrangements to make up any work missed. Non-attendance in class does not relieve a student of the responsibility for work covered or assigned in his/her absence.

Academic Conduct:
Middle Tennessee State University takes a strong stance against academic misconduct. Academic misconduct includes, but is not limited to, plagiarism, cheating, and fabrication.

1. Plagiarism. The adoption or reproduction of ideas, words, statements, images, or works of another person as one's own without proper attribution. This includes self-plagiarism, which occurs when an author submits material or research from a previous academic
exercise to satisfy the requirements of another exercise and uses it without proper citation of its reuse.
2. Cheating. Using or attempting to use unauthorized materials, information, or aids in any academic exercise or test/examination.
3. Fabrication. Unauthorized falsification or invention of any information or citation in an academic exercise.

Students guilty of academic misconduct, either directly or indirectly, through participation or assistance, are immediately responsible to the instructor of the class. In these instances, the faculty member has the authority to assign an appropriate grade for the exercise or examination, or to assign an F in the course, as is proportional to the nature and extent of academic misconduct.

Outline of Course Topics (tentative and subject to change)

Introduction to Experimental and Behavioral Economics

1. What is behavioral economics? What is experimental economics?
2. Brief History and current state of the fields
3. What can experiments tell us?
   a. Types of experiment
   b. Comparisons in experiments
4. Basics of experimental design in economics

Necessary Background

1. Game theory basics and review
2. Expected value

Choice under uncertainty

1. Attempts to describe actual behavior
   a. Expected value
   b. Expected utility
   c. Prospect theory
   d. Risk aversion
   e. Loss aversion
   f. Ambiguity aversion
2. Situations for which these explanations fit the data
3. Situations for which these explanations do not fit the data

Bargaining experiments

1. Classics:
   a. Ultimatum game
   b. Dictator game
   c. Other prisoner’s dilemmas
2. Why these results led to the search for more complete models of behavior
3. Experiments with extensions to social preferences
   a. Trust game
   b. Gift exchange
   c. Public goods
Updating information

1. Bayes’ Rule
   a. Mechanics
   b. Why experimenters love Bayes’ Rule
   c. Conditions required for use of Bayes’ Rule
   d. Biases in evaluating probabilities
2. Signaling
3. Asymmetric information
4. Incomplete information
5. Information cascades

Auction experiments

1. Basic auction theory
2. Why experimenters like auctions
3. Bubbles
4. The winner’s curse

Behavioral influences in judgment and decision making

1. Endowment effect
2. Sunk costs
3. Status quo bias
4. Preference reversals

Summary of the state of Experimental Economics

1. What we know
2. What we don’t know

Useful References

Charles A. Holt, Market Games, Strategic Behavior


Camerer, Lowenstein and Rabin, Advances in Behavioral Economics, Princeton University Press


Journal Articles: (more to be announced)


