

Suggested readings (* = "must read") for RES Easter School on "Behavioural Economics", 22-25 March 2015, Brasenose College Oxford, Colin Camerer and Vincent Crawford

Overview

*Matthew Rabin, "A Perspective on Psychology and Economics," *European Economic Review* 46 (2002), 657-685; <http://www.sciencedirect.com/science/article/pii/S0014292101002070> or web.cenet.org.cn/upfile/21563.pdf

*Colin Camerer and George Loewenstein, Chapter 1, "Behavioral Economics: Past, Present, Future," in Colin Camerer, George Loewenstein, and Matthew Rabin, editors, *Advances in Behavioral Economics*, Princeton 2003; manuscript at <http://www.hss.caltech.edu/~camerer/ribe239.pdf>

Teck-Hua Ho, Noah Lim, and Colin Camerer, "Modeling the Psychology of Consumer and Firm Behavior with Behavioral Economics," *Journal of Marketing Research* 43 (2006), 307-331; manuscript at <http://www.hss.caltech.edu/~camerer/JMRFinal.pdf>, published version (by subscription only) at <http://dx.doi.org/10.1509/jmkr.43.3.307>

Stefano DellaVigna, "Psychology and Economics: Evidence from the Field," *Journal of Economic Literature* 47 (2009), 315-372; <http://elsa.berkeley.edu/~sdellavi/wp/01-DellaVigna-4721.pdf> or https://www.aeaweb.org/atypon.php?return_to=/doi/pdfplus/10.1257/jel.47.2.315

*Colin Camerer, Chapter 1, "Introduction," in Colin Camerer, *Behavioral Game Theory: Experiments on Strategic Interaction*, Princeton 2003; manuscript at http://econweb.ucsd.edu/~vcrawfor/Camerer_Ch1intro.pdf

Vincent Crawford, Sections 1, 2, 3, and 7 in "Theory and Experiment in the Analysis of Strategic Interaction," Chapter 7 in David Kreps and Ken Wallis, Editors, *Advances in Economics and Econometrics: Theory and Applications, Seventh World Congress*, Vol. I, Cambridge 1997; <http://dss.ucsd.edu/~vcrawfor/CrawfordThExp97.pdf>; also Chapter 12 in *Advances in Behavioral Economics*

Present bias and time-inconsistency

*George Loewenstein and Richard Thaler, "Anomalies: Intertemporal Choice," *Journal of Economic Perspectives* 3 (1989), 181-193; <http://www.jstor.org/stable/1942918>

Frederick, Shane, George Loewenstein, and Ted O'Donoghue, "Time Discounting and Time Preference: A Critical Review," *Journal of Economic Literature* 40 (2002), 351-401; Chapter 6 in *Advances in Behavioral Economics*; www.cmu.edu/dietrich/sds/docs/loewenstein/TimeDiscounting.pdf or https://www.aeaweb.org/atypon.php?return_to=/doi/pdfplus/10.1257/002205102320161311

Paul Heidhues and Botond Koszegi, "Exploiting Naivete about Self-Control in the Credit Market," *American Economic Review* 100 (2010), 2279-2303; http://www.personal.ceu.hu/staff/Botond_Koszegi/credit.pdf

Benartzi, Shlomo and Richard Thaler, "Behavioral Economics and the Retirement Savings Crisis," *Science* 339 (8 March 2013), 1152-1153; <http://www.sciencemag.org/cgi/rapidpdf/339/6124/1152?ijkey=wsmJBYACwOhLU&keytype=ref&siteid=sci>

Reference-dependence and loss aversion

*Kahneman, Daniel, Jack Knetsch, and Richard Thaler, "Anomalies: The Endowment Effect, Loss Aversion, and Status Quo Bias," *Journal of Economic Perspectives* 5 (1991), 193-206; <http://www.jstor.org/stable/1942711>

Colin Camerer, "Three Cheers—Psychological, Theoretical, Empirical—for Loss-Aversion," *Journal of Marketing Research* 42 (2005), 129-133; <http://dx.doi.org/10.1509/jmkr.42.2.129.62286>; manuscript at <http://www.hss.caltech.edu/~camerer/lossaversionJMR2.doc>

*Rabin, Matthew, and Richard Thaler, "Anomalies: Risk Aversion," *Journal of Economic Perspectives* 15 (2001), 219-232; <http://www.jstor.org/stable/2696549>

Camerer, Colin F., Linda Babcock, George Loewenstein, and Richard Thaler, "Labor Supply of New York City Cabdrivers: One Day at a Time," *Quarterly Journal of Economics* 112 (1997), 407-441; Chapter 19 in *Advances in Behavioral Economics*; <http://www.jstor.org/stable/2951241>

Kőszegi, Botond, and Matthew Rabin, "A Model of Reference-Dependent Preferences," *Quarterly Journal of Economics* 121 (2006), 1133-1166; http://www.personal.ceu.hu/staff/Botond_Koszegi/refdep.pdf

Vincent P. Crawford and Juanjuan Meng, "New York City Cabdrivers' Labor Supply Revisited: Reference-Dependent Preferences with Rational-Expectations Targets for Hours and Income," *American Economic Review* 101 (2011), 1912-1932; <http://econweb.ucsd.edu/%7Evcrawfor/CrawfordMengAER11>

Paul Heidhues and Botond Kőszegi, "Competition and Price Variation when Consumers are Loss Averse," *American Economic Review* 98 (2008), 1245-1268; http://www.personal.ceu.hu/staff/Botond_Koszegi/pricing_comp.pdf

Strategic thinking

*Camerer, Colin F., Teck-Hua Ho, and Juin Kuan Chong, "A psychological approach to strategic thinking in games," *Current Opinion in Behavioral Sciences* (forthcoming); <http://faculty.haas.berkeley.edu/hoteck/PAPERS/COBS.pdf>

Colin Camerer, Teck-Hua Ho, and Juin Kuan Chong, "A Cognitive Hierarchy Model of Games," *Quarterly Journal of Economics* 119 (2004), 861-898; <http://www.jstor.org/stable/25098704>

Vincent Crawford, Miguel Costa-Gomes, and Nagore Iriberry, "Structural Models of Nonequilibrium Strategic Thinking: Theory, Evidence, and Applications," *Journal of Economic Literature* 51 (2013), 5-62; at <http://econweb.ucsd.edu/%7Evcrawfor/CCGIJEL13.pdf>

Miguel Costa-Gomes and Vincent Crawford, "Cognition and Behavior in Two-Person Guessing Games: An Experimental Study," *American Economic Review* 96 (2006), 1737-1768; <http://econweb.ucsd.edu/%7Evcrawfor/CGCAER06.pdf>

Measuring cognition in economic decisions: How and why?

Colin Camerer, "Goals, Methods, and Progress in Neuroeconomics," *Annual Review of Economics* 5 (2013), 425-455; <http://www.annualreviews.org/doi/pdf/10.1146/annurev-economics-082012-123040>

Smith, Alec, Terry Lohrenz, Justin King, P. Read Montague, and Colin F. Camerer, "Irrational exuberance and neural crash warning signals during endogenous experimental market bubbles," *Proceeding of the National Academy of Sciences* 111 (22 July 2014), 10503-10508; <http://www.pnas.org/content/111/29/10503.full.pdf+html>

Vincent Crawford, "Look-ups as the Windows of the Strategic Soul: Studying Cognition via Information Search in Game Experiments," Chapter 10 in Andrew Caplin and Andrew Schotter, editors, *Perspectives on the Future of Economics: Positive and Normative Foundations*, Oxford University Press, 2008; <http://econweb.ucsd.edu/%7Evcrawfor/5Oct06NYUCognitionSearchMain.pdf>