



FRIEDRICH-ALEXANDER
UNIVERSITÄT
ERLANGEN-NÜRNBERG
SCHOOL OF BUSINESS
AND ECONOMICS

CHAIR OF ECONOMICS AND
ECONOMIC THEORY
Prof. Dr. Veronika Grimm

Seminar on behavioral economics: Behavioral Economics of Education

It goes without saying that education not only plays a critical role for personal development but also contributes to the stability, creativity, and prosperity of nations. However, do the students receive sufficient support from teachers and their parents to fully realize their potential? Has the education system kept up with the times? In the winter term 2022/23 the chair of Economic Theory of Prof. Dr. Grimm offers a behavioral economics seminar focusing on behavioral aspects of the education. Which help students to understand what the current issues are and how to design better incentives/policies to help students to learn better in the classroom.

The seminar is intended for both Bachelor and Master students in economics and is open to students of related fields (e.g., business studies, socioeconomics, ...) and exchange students who possess sufficient knowledge of microeconomics. Topics for the term papers (see list at the end of this document) will be assigned at the organizational meeting on October 20th.

Virtual organizational meeting

Thursday, October 20th at 14:00 pm

Please register for the virtual organizational meeting with an email to

xiaoyu.zhou@fau.de

until October 15th noon

(include your name, student ID and field of study).

Only by registering in advance we can provide you with the necessary information to participate in the organizational meeting. We also advise you to register for this seminar on StudOn to regularly receive important information and updates about the seminar.

Please also send us a list of your (three) preferred topics before the organizational meeting (by October 15th the latest). We will try to match all applicants to the topics according to their preferences as good as possible. Please note that the number of seminar participants is limited. If you have additional questions please also contact Xiaoyu Zhou directly. The seminar will be credited as "Seminar Behavioral Economics" for Masters students, and as "Seminar

Verhaltensökonomische Grundlagen” or “Seminar zur Wirtschaftstheorie” for Bachelor students. Successful participation in the seminar is one way of qualifying for writing a Master thesis at the Chair of Economic Theory.

Rules of the game

Your grade for the seminar will be built from three parts: (1) your paper on the assigned topic, (2) the presentation of your paper at the seminar meeting, and (3) your participation in the general discussions during the meeting.

Students are expected to build on the provided references to conduct independent research of the literature. The term paper should summarize the main findings and contributions of the existing literature and discuss the underlying research question (formulated by the student) using the provided **and additional** literature. The provided references only constitute a guidance for your own research. The paper has to be written in English, with font size 12, 1½ line spacing and appropriate margins. The term paper is limited to 15 pages (+/- 1 page), plus a table of contents, a list of figures, a list of tables, the used references and an appendix. (See also our general guidelines for writing scientific papers "*Guidelines for the preparation of term papers and bachelor/master theses*", which you can find in the subsection "Thesis" on our English homepage.)

With his or her topic each student is assigned a supervisor, who will be the contact person regarding the exact content (and form) of the term paper. A rough outline of the paper should be discussed with the assigned supervisor before the paper is written. All students are required to meet their supervisor at least once **before November 5th**. A failure to meet the supervisor may result in the exclusion of the student from the seminar.

The deadline for paper submission for all participants is: **Monday, January 16th 2023 23:59 pm**. Each student will present his or her term paper in a presentation. The paper presentations and discussions will take place in the week 23 – 27th Jan. The exact dates will be determined later. The number of seminar meetings depends on the number of students that submit a term paper. You must be present at all seminar meetings.

More information regarding the exact dates, times, and place, as well as the exact (time) requirements for the presentations will follow at a later point.

List of Topics

1. How to improve attendance

Dearden, L., Emmerson, C., Frayne, C., & Meghir, C. (2009). Conditional cash transfers and school dropout rates. *Journal of Human Resources*, 44(4), 827-857.

van der Steeg, M., van Elk, R., & Webbink, D. (2015). Does intensive coaching reduce school dropout? Evidence from a randomized experiment. *Economics of Education Review*, 48, 184-197.

2. Pride and Prejudice in the Classroom

Sule Alan, E. Duysak, E. Kubilay and I. Mumcu. Social Exclusion and Ethnic Segregation in Schools: The Role of Teacher's Ethnic Prejudice, *Review of Economics and Statistics*, forthcoming.

3. Non-cognitive skills in the classroom

Bašić, Z., Bindra, P. C., Glätzle-Rützler, D., Romano, A., Sutter, M., Zoller, C. (2021), The roots of cooperation. MPI Discussion Paper 2021/14.

Sule Alan, Teodora Boneva, Seda Ertac (2019), Ever Failed, Try Again, Succeed Better: Results from a Randomized Educational Intervention on Grit, *The Quarterly Journal of Economics*, Volume 134, Issue 3, Pages 1121–1162, <https://doi.org/10.1093/qje/qjz006>

4. Incentivizing Teachers

Duflo, E., Hanna, R., & Ryan, S. P. (2012). Incentives work: Getting teachers to come to school. *American Economic Review*, 102(4), 1241-78.

Duflo, E., Dupas, P., & Kremer, M. (2015). School governance, teacher incentives, and pupil–teacher ratios: Experimental evidence from Kenyan primary schools. *Journal of public Economics*, 123, 92-110.

Muralidharan, K., Das, J., Holla, A., & Mohpal, A. (2017). The fiscal cost of weak governance: Evidence from teacher absence in India. *Journal of public economics*, 145, 116-135.

5. Nudging students

Damgaard, M. T., & Nielsen, H. S. (2018). Nudging in education. *Economics of Education Review*, 64, 313-342.

Marx, B. M., & Turner, L. J. (2019). Student loan nudges: Experimental evidence on borrowing and educational attainment. *American Economic Journal: Economic Policy*, 11(2), 108-41.

6. Time inconsistency: Present bias among students

Golsteyn, B. H., Grönqvist, H., & Lindahl, L. (2014). Adolescent time preferences predict lifetime outcomes. *The Economic Journal*, 124(580), F739-F761.

Sutter, M., Kocher, M. G., Glätzle-Rützler, D., & Trautmann, S. T. (2013). Impatience and uncertainty: Experimental decisions predict adolescents' field behavior. *American Economic Review*, 103(1), 510-31.

Levitt, S. D., List, J. A., Neckermann, S., & Sadoff, S. (2016). The behavioralist goes to school: Leveraging behavioral economics to improve educational performance. *American Economic Journal: Economic Policy*, 8(4), 183-219.

7. Improve parents involvement

Avvisati, F., Gurgand, M., Guyon, N., & Maurin, E. (2014). Getting parents involved: A field experiment in deprived schools. *Review of Economic Studies*, 81(1), 57-83.

Bergman, P. (2021). Parent-child information frictions and human capital investment: Evidence from a field experiment. *Journal of Political Economy*, 129(1), 286-322.

8. Incentivizing better grades

Bettinger, E. P. (2012). Paying to learn: The effect of financial incentives on elementary school test scores. *Review of Economics and Statistics*, 94(3), 686-698.

Fryer Jr, R. G. (2011). Financial incentives and student achievement: Evidence from randomized trials. *The Quarterly Journal of Economics*, 126(4), 1755-1798.

Gneezy, U., & Rustichini, A. (2000). Pay enough or don't pay at all. *The Quarterly Journal of Economics*, 115(3), 791-810.

9. Supporting identity to support education

Walton, G. M., & Cohen, G. L. (2011). A brief social-belonging intervention improves academic and health outcomes of minority students. *Science*, 331(6023), 1447-1451.

Cohen, G. L., Garcia, J., Apfel, N., & Master, A. (2006). Reducing the racial achievement gap: A social-psychological intervention. *science*, 313(5791), 1307-1310.

10. What is the problem? Why don't student fully invest in education

Lavecchia, A. M., Liu, H., & Oreopoulos, P. (2016). Behavioral economics of education: Progress and possibilities. In *Handbook of the Economics of Education* (Vol. 5, pp. 1-74). Elsevier. (sections 2, 3)