Georg-August-Universität Göttingen **Module M.WIWI-VWL.0154: Seminar on Social Preferences**	6 C 2 WLH

Learning outcome, core skills:	**Workload:**
The seminar aims to broaden the view on economic theory by examining an important topic in the field of behavioral economics: social preferences. During the seminar, students - get to know different types of social preferences and how they can be modeled theoretically - gain a systematic understanding of the empirically observed deviations from standard economic predictions - will be familiarized with a range of experimental games that allow testing the prevalence of social preferences - learn basic tools to develop an own experimental design that allows testing specific aspects of social preferences. As part of the seminar, students will write a term paper on a specific topic, which they will also present. They will thus - practice their academic writing - improve their presentation skills - learn how to critically assess and discuss the papers of other seminar participants	Attendance time: 28 h Self-study time: 152 h

Course: Seminar on Social Preferences (Seminar)	2 WLH
Contents: A standard assumption in economic theory is that people are exclusively motivated by material self-interest. However, there is substantial evidence that other motives play a role. People donate money to charities, they provide anonymous support in online forums and they are typically more generous towards those that have been nice to them and less supportive of the ones that have been unkind. Some people are even willing to incur considerable costs in order to reduce the payoff of others. Social interactions and individual decision making thus seem to be shaped by a concern for the welfare of others, by fairness notions and reciprocity concerns. How can these findings be reconciled with economic theory? In this seminar, we will review different models of social preferences that depart from the self-interest hypothesis; in particular, models that incorporate positive as well as negative concerns for others – e.g. altruism, reciprocity, trust, spite, envy etc. – and that allow for heterogeneity in preferences. We will review a number of experimental games with the help of which the prevalence of specific social preferences can be tested. We will contrast the empirical evidence that is based on laboratory and field experiments with the theory, discuss the implications and highlight the models' limitations. In the term paper, each student is asked to discuss one specific other-regarding motive, to present the relevant theory, and to critically discuss the theory's potential and its limitations in light of the empirical findings. Furthermore, the student is asked to outline a research design to test empirically one specific aspect of this motive.	

The term paper will be presented in the seminar and be discussed by two other students. The comments during the presentation can then be incorporated in the paper. The final version is due at the end of the semester.

Examination: Term paper (max. 20 pages) with presentation (ca. 30 minutes)
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Examination prerequisites:
Regular attendance, discussion of two other papers (each ca. 10 minutes)

Examination requirements:
The students should show a solid understanding of the theory presented and its limitations. They should be able to reconcile empirical findings with the presented theory and discuss their implications. Furthermore, they are expected to present an idea for a small experiment that would allow testing a specific aspect of the theory presented.

As the term paper is due after the presentation, in the paper the student should have incorporated the comments and critical aspects that were raised during the presentation.

Admission requirements:	**Recommended previous knowledge:**
none	Microeconomics, Econometrics, Interest in behavioral economics
Language:	**Person responsible for module:**
English	Dr. Friederike Lenel
Course frequency:	**Duration:**
irregular	1 semester[s]
Number of repeat examinations permitted:	**Recommended semester:**
twice	2 - 4
Maximum number of students:	
12	