

JEB147 - BEHAVIORAL ECONOMICS

INFORMATION ABOUT THE FINAL EXAM AND SAMPLE TEST QUESTIONS

1. Final exam

- The total maximum number of points from the final exam is 100.
- The exam needs to be completed in 80 minutes time.
- The final exam will consist of two types of questions:
 - o Multiple-choice questions.
 - o Open-ended questions where you will be asked to write a text answer.
- Only positive points are awarded. No negative points are awarded in case of incorrect answer.
- The exam is closed-book. You cannot use any books, notes, headphones, smartphones, tablets, calculators or any other devices.
- You can use blank papers and pens.
- There will be four dates for the final exam, one in December, two in January and one in February. The maximum number of attempts for the final exam is three.

2. Academic integrity declaration

We regard integrity and honesty as central to the ethos of the Charles University. In the final exam, you are expected to submit only original and solely your own work. You are not allowed to seek or receive any assistance from any other person, neither to use any supporting materials or devices. You will be asked to confirm your agreement with this before you start answering the test. Only if you agree to comply with these rules, your test will be evaluated. If you do not agree, your test will be graded by the grade F.

3. Sample questions

3.1. Multiple choice questions

3.1.1. Consider a participant in an experiment making the following set of choices:

When given a choice between 4 euro for self and 2 for the other vs. 3 for self and 3 for the other person, she chooses 4/2 option.

When given a choice between 3 euro for self and 4 for the other vs. 2 for self and 2 for the other person, she chooses 3/4 option.

What type of person is it? (7 points)

- ☐ Selfish
- ☐ Altruistic
- ☐ Spiteful
- ☐ Reciprocal
- ☐ Inequality averse
- ☐ We can't say

3.1.2. Consider the following game. Two players simultaneously choose between two options: option A and option B. They both know the payoff matrix, and they also know the other player knows the payoff matrix. They cannot observe each other choices. The payoffs have the following form. (7 points)

		Player 2	
		Option A	Option B
Player 1	Option A	(6; 6)	(3; 7)
	Option B	(7; 3)	(4; 4)

What is the name of this task?

- ☐ Prisoner's dilemma game
- ☐ Trust game
- ☐ Ultimatum game

- ☐ Dictator game
- ☐ None of these

3.2. Open-ended questions

3.2.1. Please explain definition of reciprocal preferences (7 points)

3.2.2. Groups of people often make different decisions than individuals. Using economic experiments, how can we study whether groups are more cognitively sophisticated? Describe the main design features of such an experiment and provide a specific example (beauty-contest game, Linda paradox, or a different one you found interesting in the literature). (15 points)

3.2.3. Explain what is meant by the terms taste-based discrimination and statistical discrimination. What are the main differences between these two types of discrimination? (12 points)