Experimental Economics, Markets and Negotiation

Understanding the behavioral aspects of negotiations

PROGRAMME	SEMESTER	CREDITS	CONTACT HOURS
Master 1	Semester 2	3 ECTS	15h Lectures

Course Description

This course presents the main experimental and theoretical literature of negotiation and auctions, and allows the student to simulate them in classroom experiments.

This course is shared with Master 1 Eachat

Learning Outcomes

- Understand and solve negotiation situations using economic analysis.
- Simulate simple strategic interaction situations of negotiation and auctions.
- Identify the main factors that may have an impact in negotiations and auctions, including psychological factors such as patience, risk aversion, and emotions.
- Analyze the behavioral biases that may plague negotiation and auction behavior.

Indicative Content

1. **Fundamentals**: Definition of a negotiation.
2. **Axiomatic Theory**: Axiomatic (cooperative) theory of negotiation.
3. **Strategic Theory**: Strategic (non-cooperative) theory of negotiation.
4. **Cognitive Biases**: The impact of cognitive biases in negotiation.
5. **Auctions**: Behavior in simple auction designs.

Teaching & Learning Approach

This course is structured around standard lectures, along with direct applications from classroom experiments.

Assessment

Continuous Assessment + Written Exam