

## IMPRS Uncertainty Summer School

July 30 - August 24, 2007



2007 marked the beginning of the first *International Max Planck Research School on Adapting Behavior in a Fundamentally Uncertain World* at the Max Planck Institute of Economics in Jena. The PhD program, also known as “Uncertainty School” spans three disciplines – law, economics and psychology. Its aim is to combine the research approaches of the three disciplines in order to allow for a more adequate explanation of human decision-making behavior under uncertainty. The school offers particularly talented students from all over the world the possibility to work towards their Ph.D. degree in a structured program providing excellent research conditions and supervision.



The IMPRS Uncertainty is hosted by six partnering institutions:

- MPI of Economics, Jena
- MPI for Human Development, Berlin
- MPI for Research on Collective Goods, Bonn
- Friedrich Schiller University Jena - School of Economics and Business Administration and Friedrich Schiller University Jena - Department of Social Psychology
- Indiana University, Bloomington - Program in Cognitive Science and Workshop in Political Science and Policy Analysis
- Hebrew University, Jerusalem - Center for the Study of Rationality

The *Max Planck Institute for Human Development, Berlin* was founded in 1963, and is a multidisciplinary research institute dedicated to the study of human development and education, and their evolutionary, social, historical, and institutional contexts.



The *Max Planck Institute for Research on Collective Goods, Bonn*, was founded in 1997. Its mission is to study the law, economics, and politics of collective goods, defined to encompass all those goods whose provision and enjoyment are treated as community concerns.

The *Department of Social Psychology of the Friedrich Schiller University Jena* endeavors to understand and explain the development and change of the thoughts, emotions and behavior of individuals under the actual, imagined or assumed influence of others. The IMPRS program is integrated in the IGC. The Jena Graduate School Human Behavior in Social and Economic Change is a recently established university institution located at the Friedrich Schiller University Jena, Germany.



The *School of Economics and Business Administration of the Friedrich Schiller University Jena* values a wide, scientific-based, and practical education, which is also applicable in the business world. The Jena Graduate School *The Economics of Innovative Change* coordinates its summer school parallel to the IMPRS Uncertainty summer school. The program is funded by the German Science Foundation (DFG) and offers the opportunity to achieve a doctoral degree (PhD) in economics for outstanding candidates.

The *Program in Cognitive Science of Indiana University* brings together faculty from many departments to study cognition and information. The program is highly integrated and encourages interdisciplinary cooperation between all the participating disciplines.



The *Workshop in Political Theory and Policy Analysis* at Indiana University combines teaching, research, and related activities where faculty, visiting scholars, and students participate in productive scholarship related to institutional analysis and design. Today, the Workshop is home to an extensive interdisciplinary research agenda and affiliated faculty.



The *Center for the Study of Rationality at the Hebrew University, Jerusalem* was founded in 1991 and since then, its members apply game-theoretic tools to examine the processes by which individuals seek the path of maximum benefit respond to real-world situations, where individuals with different goals interact.

After the successful launch of the *IMPRS Uncertainty* in July 2007, i.e. the arrival of the PhD students selected by the IMPRS faculty members, the first major event of the program took place in July/ August 2007. Together with the partnering institutions, the *Strategic Interaction Group* organized the *1<sup>st</sup> IMPRS Uncertainty Summer School*. The event was held from July 30 to August 24, 2007 at the Max Planck Institute of Economics. During the first two weeks the Uncertainty summer school ran simultaneously and in cooperation with the DFG Graduate School *Economics of Innovative Change* of the University of Jena. The curriculum comprised 12 courses, such that three courses per week took place, which were given by members of the partnering institutions. The courses were complemented by guest lectures held by invited speakers. Furthermore, students had the opportunity to work on interdisciplinary research projects in small interdisciplinary teams under the supervision of researchers of the MPI Jena. Each group conducted an experiment and presented once per week the status quo of their projects. In addition, during the first two weeks, joint seminars on various related topics were held by guest speakers of the DFG Graduate School. Courses took place at the MPI seminar rooms as well as at the university. The overall aim of the Summer School was to stimulate the scientific discourse on decision making under uncertainty between economists, psychologists and legal scholars.



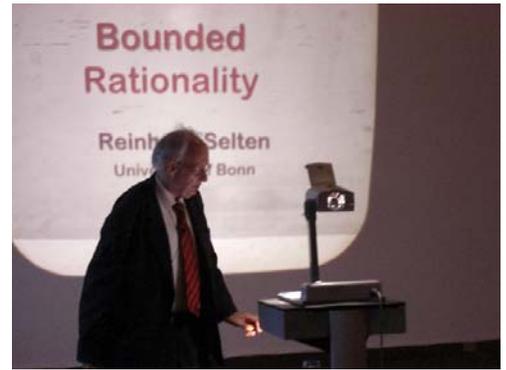
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The first week started with courses in *Legal Decision Making* (Stefan Bechthold & Melanie Bitter, MPI Bonn), *Cognitive Psychology* (Kai Sassenberg & Melanie Steffens, Jena University) and *Experimental Methods* (Oliver Kirchkamp, Jena University). Furthermore, joint seminars were held by Luigi Mittone, University of Trento on *Tax Evasion*, Paolo Saviotti, Grenoble on *Applied Economics Laboratory: Efficiency and Diversity as Two Fundamental Forces in Economic Development* and Pablo Branas Garza, University of Granada on *Expected Altruism*.



During week two participants profited from courses in *Social Psychology* (Thomas Kessler & Amélie Mummendey, Jena University), *Theory of Institutions* (Christoph Engel & Andreas Nicklisch, MPI Bonn) as well as *Game Theory* (Werner Güth & Topi Miettinen, MPI Jena). Speakers of the joint seminars were Gerd Gigerenzer, MPI Berlin: *Fast and Frugal Heuristics* and Gerry Silverberg, United Nations University Maastricht: *Using Complexity Theory*

*to Understand the Innovation Process: From Stylized Facts to Stylized Models.* The second week was highlighted by a keynote lecture on August 11 by the Nobel Prize laureate Prof. Reinhard Selten at the historic Dornburg Castle. Introductory talks were given by Prof. Uwe Cantner as well as Prof. Werner Güth. This event marked the end of the DFG's Summer School.



Week three comprised courses in *Reasoning in Uncertain Environments* (Judith Avrahami & Yaakov Kareev, Hebrew University Jerusalem), *Search Strategies in Space and Time* (Peter M. Todd, Indiana University Bloomington) and *Statistics for Graduate Students* (Oliver Kirchkamp, Jena University). A guest lecture on the topic “A Within-Subjects Analysis of Other-Regarding Preferences” was delivered by Hans Normann (Royal Holloway, University of London). Moreover,

throughout the third week, students were given the opportunity to conduct experiments related to the topic of their group projects in the experimental labor of the MPI of Economics.

The last week offered courses on *Heuristic Decision Making* (Shabnam Mousavi & Lael Schooler, MPI Berlin), *Innovation and Industrial Dynamics* (Uwe Cantner, Jena University) and *Mathematic Methods with MAPLE* (René Levinsky, MPI Jena). These marked the end of a successful and inspiring 4-weeks program.



Guest lectures were given by Wieland Müller, University of Tilburg: *Alais for All: Revisiting the Paradox* and Andreas Ortmann, Charles University Prague: *The Empirical Foundations of Behavioral Economics and Behavioral Finance.*



Throughout the whole four weeks, the program of the summer school gave participants the chance to take part in various “non-academic” events. Students thus had the opportunity to get to know each other, engage in scientific and non-scientific conversations and relax from the tight schedule. These leisure activities included a guided tour around Jena, trips to Weimar and Erfurt, a visit at the fellow Max Planck Institute for Evolutionary Anthropology in Leipzig as well as various sports events, such as a hiking tour around Jena’s Kernberge, a rafting tour on the River Saale and a sports tournament that offered the possibility to engage in football or volleyball matches. The trips to Weimar and Erfurt were complemented by guided tours and dinners in selected restaurants. During the scarce breaks there was the possibility to do research or course work in the library or in the MPI garden, which offered shadowy places to escape the heat of the summer.



The 1<sup>st</sup> IMPRS Uncertainty summer school was completed by a small Graduation Ceremony in the garden of the institute. With the last day being warm and sunny, we had the opportunity to celebrate the successful ending of the summer school outside, where all participants received their certificates. The main organizers were also thanked for all their efforts and for making the first summer school held at the MPI of Economics Jena a success. Overall, the 1<sup>st</sup> IMPRS *Uncertainty Summer School* created a stimulating work and research environment and gave students and lecturers the opportunity to discuss topics of interest in a pleasant environment. The next summer school will take place from July 28 – August 22, 2008 at the Max Planck Institute of Economics in Jena.

