

The Los Angeles Behavioral Economics Laboratory (LABEL) is a research center dedicated to experimental research on economic decision-making and strategic interactions, led by Dr. Isabelle Brocas and Dr. Juan Carrillo. At LABEL, we focus on the collection of "non-choice" data such as reaction times, skin conductance, neural activity, and eye movements to better understand the mechanisms underlying decision-making. We are also particularly interested in the study of age-related changes in decision-making. For more information on LABEL, please visit our website.

When do we develop the ability to make forwardlooking choices in multiperson strategic settings?



As significant heterogeneity in depths of reasoning among individuals has been reported in past

research, can we tease out some of the contributors to this varied evolution in sophistication of reasoning? A study at LABEL attempts to answer these questions by investigating the developmental trajectory of steps of reasoning with a uniquely designed graphical paradigm of a strict dominance solvable game. Three different school-age groups (5-18 years) and a young adult control group participated in the study. We find that a majority of the participants play the equilibrium action either always or only when they have a dominant strategy contradicting the prevalence of intermediate types. Secondly, innate ability has emerged as a contributor, besides age, to equilibrium thinking. Thirdly, the proportion of equilibrium play increases significantly between 3rd and 5th grade and stabilizes afterwards, suggesting that age stops influencing equilibrium play relatively early in life. Finally, other factors like gender, preference for science, school type and tracks within the school have also been found to be associated with differences in reasoning level. Read the paper **here**.



Are there patterns in the lies we tell?

In a simple game played by children and adolescents (5 - 17 yrs old) over two rounds of rolling dice, we observed some interesting tendencies. Every round, each participant rolled two dice and reported the two outcomes, the first

determining a reward for themselves and the second determining a reward for another random, anonymous person of the same age. The participants were frequently lying in a self-serving manner by over-reporting their outcomes. There were small aggregate levels of under-reports for others. Interestingly, we found a strong positive correlation between reports for others across rounds, suggesting the coexistence of lying driven by altruism (over-reports for others) and lying driven by spite (under-reports for others). Lying behavior didn't vary much with age, with the exception of middle school children who not only tended to lie more to benefit themselves but also to harm the other (spite), although this behavior varied with the school and educational track. Read the paper **here**.

New publications

The evolution of choice and learning in the two-person beauty contest game from kindergarten to adulthood,



I.Brocas, J. Carrillo, Games and Economic Behavior, forthcoming (2020). PDF

The development of consistent decision-making across economic domains, I.Brocas, J. Carrillo, D. Combs and N. Kodaverdian, *Games and Economic Behavior*, 116, 217-240 (2019). **PDF**

For more information about our research, please check **here**.

Future events

Spring 2020 LABEL seminar series - This semester, the series will host David Rojo Arjona (Chapman U), Anya Samek (USC), Marta Serra-Garcia (UCSD) and Isabel Treviño (UCSD).

March 9th, 2020 - The IEPR distinguished lecture series will host Matthew Jackson (Stanford University).

For more information about upcoming events, please visit our **website**.

Education at USC

LABEL is dedicated to disseminating knowledge on experimental methods and to explaining why they help understand how we make decisions every day. For that purpose, we have designed **several courses and programs** for college and graduate students at USC.

New! LABEL is sponsoring the Behavioral Economics Track of the Economics MA at the University of Southern California. The program is designed for students who wish to pursue a dissertation in Behavioral Economics or Experimental Economics and for students who wish to explore careers in Behavioral Sciences as consultant or researcher. The track will officially start in the Fall 2020. Students currently enrolled in the standard MA may apply retroactively the credits taken this semester.

Training the next generation of students

We organize events in schools through our **Little Experimentalists Program** to teach students how to think about decisions in simple situations and to provide general information about the development of decision-making to parents and teachers. Also, our **LABEL Training Program** allows students (10th grade and up) to participate in research activities in our group. Our lab is currently accepting **applications** for the internship program for the fall period.

What did our remote interns do last semester?



Arthur Acker (Lycee International de Los Angeles, CA)

Arthur is a High School Junior who decided to work for LABEL after participating in many workshops conducted by Prof. Isabelle Brocas and participating in our experiments.

Through his work with the lab, he has learned to program in R, apply his Python skills and also understand the relevance of statistical concepts to

the study and interpretation of behavior.



Taleen Berberian (Westridge School for Girls, CA)

Taleen is a High School Senior who decided to work for LABEL to understand behavioral economics research from a multi-disciplinary persepective and also, help prepare for college-level research.

Through her work with the lab, she has learned about various methodologies in experimental research and feels prepared to undertake her own projects at University.



Stephanie Cook (Fort Worth Country Day, TX)

Stephanie is a High School Senior who decided to work for LABEL to gain knowledge about behavioral economics and understand research.

Through her work with the lab, she has learned to distil important information in papers, taken up AP statistics due to exposure to statistics in research and continuously discovers the complexity of the human brain and decision-making.



Suhan Kacholia (Chandler High School, AZ)

Suhan is a High School Junior who decided to work for LABEL to gain knowledge about behavioral mechanisms and understand research and analysis.

Through his work with the lab, he has learned the current state of knowledge in the field and continuously realizes that external factors play pervasive and sometimes unexpected roles in decision-making.



Mihir Parekh (Christ University, India)

Mihir is a recent graduate who decided to work for LABEL to gain knowledge about non-choice data and understand behavioral economics studies through experiments and data analysis.

Through his work with the lab, he continuously discovers the intricacies within the human brain and learns about development in children.

Welcome to our new visitor and remote interns



Wen Lu University of Texas, Austin

Wen has been working with LABEL since September 2019 as a remote intern supporting the development of our research ideas.

She will be joining us this Spring in the lab to gain hands-on learning about experiments and behavioral economics.

Joining us this Spring are 4 new remote interns. We are excited to have them on board!

- Jennifer Cresap (Fairmont Preparatory Academy, CA)
- Sukhnid Kaur (St. Xavier's College, India)
- Aaron Ong (University of Washington, WA)
- Anchi Bryant Xia (Lexington High School, MA)

Participate in our studies



If you are a **student or an employee** from the University of Southern California, you can register **here**.

If you are a **parent living in Los Angeles** and would like your child to participate in our studies, you can register **here**.

If you are **living in Los Angeles and are 18 and older** and would like to participate in our studies on decision-making over the life cycle, you can register **here**.

All others, please contact us at label@dornsife.usc.edu







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