Please read “Duffy, John and Ochs, Jack, 1999 Emergence of Money as a Medium of Exchange: An Experimental Study, American Economic Review 89, 847-877” and answer the following questions.

1. Concisely describe the goal of this paper and explain why it is important.

2. Precisely state the hypotheses.

3. Concisely describe the experimental design and how it allows inferences with respect to the hypotheses.

4. What are the sources of error in this design? Does this design effectively control these errors? If so, how? If not, why not and can you think of better design to preclude confounds?

5. How do the authors analyze the data? Does the analysis support the hypothesis? If you are not familiar with the statistical tests they used, search and make sure you have a basic idea about under what condition these tests are used before we learn them.

6. Detail the conclusions. Do you think the conclusions are overstated? Or are they reasonable and appropriate given the data as presented in the paper?