

Abstract

In this paper we focus on how human experimental subjects in one-person decision problems and two-person games go about learning. It is a paper on procedural rationality. We present evidence that laboratory subjects are somewhat purposeful in their learning, employing simple heuristic learning procedures which change as the environment they are placed in changes. We concentrate on what these heuristics are and how successful they are in guiding our subjects to the full information optimum or equilibrium. As such, our results represent a step on the road toward developing a class of learning models based on observed human behavior. Finally, our results have direct bearing on the methodology of experimental economics.