

NORWEGIAN SCHOOL OF ECONOMICS (NHH)

Department of Economics

OFFICE ADDRESS & E-MAIL:

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CITIZENSHIP: Danish

POSITIONS:

2021- Assistant Professor at Norwegian School of Economics (NHH)

EDUCATION:

2016-2021 PhD. in Economics, London School of Economics and Political Science
2016-2018 MRes in Economics, London School of Economics and Political Science
2013-2016 International Master of Science in Quantitative Economics, Aarhus BSS, Aarhus University
2010-2013 BSc in Economics and Management, Aarhus BSS, Aarhus University

RESEARCH:

Primary Fields: Microeconomic Theory, Behavioral Economics
Secondary Fields: Game Theory, Political Economy

WORKING PAPERS:

“Competing Causal Interpretations: A Choice Experiment”, joint with Sandro Ambuehl (2023)

A central factor when choosing an action is its causal effect on the outcome of interest. Yet, causal information is often lacking. People instead observe correlational or historical data, along with causal interpretations and action recommendations provided by experts who frequently disagree with each other. We use a laboratory experiment to study human choice in such settings. Roughly half our subjects attempt to determine the fit of the causal interpretations to past data, as the literature on model persuasion assumes. We outline the limits in their ability to do so. Half the subjects' choices are co-determined by the interpretations' promises of future payouts, as the literature on narrative competition assumes, or by the downside these choices entail if they are mistaken.

“Subjective Causality”, joint with Andrew Ellis (2022)

An agent makes a stochastic choice from a set of lotteries. She infers the outcomes of her options using a subjective causal model represented by a directed acyclic graph, and consequently may misinterpret correlation as causation. Her choices affect her inferences which in turn affect her choices, so the two together must form a personal equilibrium. We show how an analyst can identify the agent's subjective causal model from her random choice rule. In addition, we provide necessary and sufficient conditions that allow an analyst to test whether the agent's behavior is compatible with the model.

“Correlation Neglect as a Commitment Device” (2018)

We study the strategic transmission of information from two informed senders to an uninformed receiver. The senders, whose preferences are perfectly aligned can send correlated, binary, pay-off irrelevant messages. The receiver observes the messages and takes an action that affects the pay-off of all the agents. The receiver understands the informational content of the individual messages, but not their correlation. Compared to the rational benchmark the receiver's inability to infer the correlation between messages expands the range of disagreement for which information transmission can take place. The receiver strictly prefers to suffer from correlation neglect.

RESEARCH IN PROGRESS:

“Fixed or Flexible Election Structure?”

In many western democracies the Prime Minister have the option to call for an early election. We adapt Rogoff (1990)'s model of political budget cycles to allow for early elections and study the consequences in this framework when the PM can call for early elections.

“Policy Delays and Information Generation with Competing Experts”, joint with Clement Minaudier

The ability to uncover evidence over time can influence the duration of policy making. We consider a model where two competing experts can sequentially uncover hard evidence and choose whether to disclose it to a policy maker. We study how their decision to disclose evidence depends on the policy maker's valuation of the status quo and on the time, it takes to uncover evidence. We show in an example that competition can lead an expert to stop generating evidence early.

PUBLICATIONS:

“Equilibrium Contracts and Boundedly Rational Expectations”, joint with Heiner Schumacher (Forthcoming at Theoretical Economics)

We study a principal-agent framework in which the agent forms beliefs based on a misspecified subjective model of the principal's project. She fits this model to the objective probability distribution to predict output under alternative actions. Misspecifications in the subjective model may lead to biased beliefs. However, under mild restrictions, the agent has correct beliefs on the equilibrium path so that the optimal contract is non-exploitative. This allows for a behavioral version of the informativeness principle: The optimal contract conditions on an additional variable only if it is informative about the action according to the agent's subjective model. We further characterize when misspecifications affect the optimal contract. One implication of this characterization is that the scope for belief biases depends on the agent's job, e.g., her position in the hierarchy.

“Strategic Interpretation”, joint with Kfir Eliaz and Ran Spiegler (Journal of Economic Theory, 192, 2021; 105192)

We study strategic communication when the sender's multidimensional messages are given an interpretation by the sender himself or by a proxy. Interpreting messages involves the provision of some data about their statistical state dependence. The receiver can only use this data to decipher messages. In this way, strategic interpretation of messages can influence the receiver's understanding of their equilibrium meaning. We show that in a two-action, two-state setting, the sender can attain his first-best payoff when the prior on one state exceeds a threshold that decays quickly with message dimensionality. We examine the result's robustness to the critique that the receiver may attempt to draw inferences from the selective interpretation itself.

“Persuasion with Endogenous Misspecified Beliefs”, joint with Kfir Eliaz and Ran Spiegler (European Economic Review, 134, 2021; 103712) – a follow-up note to “Strategic Interpretations”.

PRESENTATIONS:

2023: DICE 2022: Bristol University, EEA-ESEM Milan, “Contract and Organisations” at NHH, FAIR midway Conference, “Applied Behavioral Theory Exchange” at DICE, Canadian Economic Theory Conference, “Economic Choices under Partial Representations” Venice, Workshop on Strategic Communication, Bounded Rationality and Complexity at Cergy University, University of Oslo, BBBE workshop, 2021: Not-The-2021-Theory-Market, Norwegian School of Economics, Copenhagen University, Aalto University, Central European University, Norwegian Business School, Ludwig Maximilian University of Munich, “Beliefs, Memory and Narratives” at LMU, 2020: Bern University, 2019: Micro Theory Lunch at Cambridge University, Psychology and Economics of Causal Reasoning at UCL, Bounded Rationality in Choice at Aarhus University, EEA-ESEM Manchester, 2018: ESSET misspecified models in Gerzensee, Microeconomic Workshop at LMU, 18th Annual SAET conference, Workshop in Behavioral Economics, 2017: EEA-ESEM Lisbon

REFEERING SERVICES:

Econometrica, European Economic Review, Theoretical Economics, International Journal of Game Theory, Journal of Mathematical Economics, The BE journal of Economics,

TEACHING EXPERIENCE:

2022-	EC565 PhD Micro 2
2019-2020	Teaching Fellow: EC476, MSc Contracts and Organisations, LSE EC411, MSc Microeconomics, LSE
2018-2020	EC451, Pre-sessional Course for MSc EME (Micro part), LSE
2015	BSc Business Mathematics, Aarhus BSS, Aarhus University
2014	BSc Microeconomics 2, Department of Mathematics, Aarhus University
2012-2013	BSc Micro- and Macroeconomics, Aarhus BSS, Aarhus University

RELEVANT POSITIONS HELD:

2016-2020	Research Assistant for Ran Spiegler, UCL
2017	Research Assistant for Gilat Levy, LSE

LANGUAGES

Basic Spoken German	Fluent Spoken Danish, English
Basic Written German	Fluent Written Danish, English

HONORS, SCHOLARSHIPS AND FELLOWSHIPS:

2016-2021	PhD Studentship, London School of Economics and Political Science
2016	Economics and Management Graduate of the Year, Oecon Foreningen