

David Reiley, "Field Experiments in Economics"

Abstract: Field experiments are growing in importance as a tool for testing economic theory and for accumulating evidence as inputs to new economic theories. Field experiments are a middle ground between laboratory experiments and the "natural experiments" used by other empirical economists. I present my own definition of a field experiment, which differs somewhat from that proposed by Harrison and List (2005) in their recent review article. In my presentation, I compare these three modes of empirical research, making analogies to empirical research in other sciences such as astronomy, physics, geology, and biology. I claim that any valid test of a theory must be done with some type of experiment, but use the term broadly enough to include some types of research usually considered "observational" rather than "experimental." I conclude with some warnings about the respective dangers of both traditional empirical work and traditional laboratory experiments, and emphasize the importance of dialogue between researchers who employ each of these different techniques.