

## Economics 481(L01) (Behavioural Economics)

Instructor:	Gustavo Caballero	Lecture Location:	SA 147
Phone:	+1 (403) 220-2965	Lecture Days/Time:	TH 14:00 - 15:15
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Office:	SS 434		
Office Hours:	TH 16:00 – 17:00 or by appointment.		Winter 2017

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### Textbook(s):

This course does not follow any particular textbook. The ones indicated below are a reference for further reading if you are interested.

### Book(s) on Reserve:

Just, David R. (2014). *Introduction to Behavioral Economics*. Wiley

### Recommended books:

The World Bank. (2015). *World Development Report 2015: Mind, Society, and Behavior*. Washington, D.C., USA: The World Bank. Available Online at <http://www.worldbank.org/content/dam/Worldbank/Publications/WDR/WDR 2015/WDR-2015-Full-Report.pdf>

Kahneman, D. (2013). *Thinking, Fast and Slow* (Reprint.). Farrar, Straus and Giroux.

Congdon, W. J., Kling, J. R., & Mullainathan, S. (2011). *Policy and Choice Public Finance through the lens of Behavioral Economics*. Washington, D.C., USA: Brookings Institution Press. Available online at [http://www.brookings.edu/~media/press/books/2011/policyandchoice/policyandchoice\\_book.pdf](http://www.brookings.edu/~media/press/books/2011/policyandchoice/policyandchoice_book.pdf)

Thaler, R. & Sunstein, C. (2008). *Nudge: Improving Decisions About Health, Wealth, and Happiness*. New Haven, CT, USA: Yale University Press. An accompanying website is <http://nudges.org/>

Ariely, D. (2008). *Predictably Irrational: The Hidden Forces That Shape Our Decisions*. New York, NY, USA: Harper Collins. An accompanying website is <http://www.predictablyirrational.com/>

Camerer, C. F., Loewenstein, G., & Rabin, M. (Eds.). (2004). *Advances in behavioral economics*. Princeton, NJ, USA: Princeton University Press.

**Prerequisite:** Economics 357 or consent of the Department.

**Desire2Learn:** This course will make use of the Desire2Learn (D2L) platform. Students who are registered in the course can log on at <http://d2l.ucalgary.ca> through their student centre. Please note that D2L features a class e-mail list that may be used to distribute course-related information. The default is your University of Calgary e-mail address.

**Course Outline:**

Human behaviour is plagued with “anomalies,” deviations from what is expected of self-regarding and fully rational individuals who use available information in the best possible way. Behavioural economics draws insights from other academic disciplines, especially from psychology, to explain such anomalies and to further our understanding of human behaviour. By understanding the motives for our “anomalous” behaviour we can (i) avoid the costs associated with sub-optimal decision making (in our lives and the lives of the people that surround us), and (ii) increase our ability to predict human behaviour.

This course introduces students to some of the most influential behavioural models and its implications. After this course, a student should possess a better understanding of: how we decide what to buy when there are so many options, why we buy a membership to the gym and almost never use it, why people simultaneously have a loan and money in their savings account, why most of us consider we are better than the average, why we keep moving our commitments into the future (procrastinate), why we fall so easily to temptation (eating a burger instead of a salad—even if we were expecting to buy a salad), and why there is cooperation in social dilemmas.

A detailed outline will be provided in the first lesson.

**Grade Determination and Final Examination Details:**

Short Assignments (5, the lowest grade is dropped)	20%
Presentation	10%
Midterm (Date February 16th)	30%
Term Paper (At the end of the final session)	40%

Assignments, tests and final exams are marked on a numerical (percentage) basis, then converted to letter grades. The course grade is then calculated using the weights indicated above. As a guide to determining standing, these letter grade equivalences will apply:

A+	95 – 100	B	73 – 76	C-	60 – 62
A	85 – 94	B-	70 – 72	D+	56 – 59
A-	80 – 84	C+	67 – 69	D	50 – 55
B+	77 – 79	C	63 – 66	F	0 – 49

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

Non-programmable calculators **WILL** be allowed during the writing of tests or final examinations.

Tests and exams **WILL NOT** involve multiple choice questions.

## Reappraisal of Grades

For reappraisal of graded term work, see Calendar I.2

<http://www.ucalgary.ca/pubs/calendar/current/i-2.html>

For reappraisal of final grade, see Calendar I.3

<http://www.ucalgary.ca/pubs/calendar/current/i-3.html>

A student who feels that a piece of graded term work (e.g., term paper, essay, test) has been unfairly graded, may have the work re-graded as follows. The student shall discuss the work with the instructor within 15 days of being notified about the mark or of the item's return to the class; no reappraisal of term work is permitted after the 15 days. If not satisfied, the student shall immediately take the matter to the Head of the department offering the course, who will arrange for a reassessment of the work within the next 15 days. The reappraisal of term work may cause the grade to be raised, lowered, or to remain the same. If the student is not satisfied with the decision and wishes to appeal, the student shall address a letter of appeal to the Dean of the faculty offering the course within 15 days of the unfavourable decision. In the letter, the student must clearly and fully state the decision being appealed, the grounds for appeal, and the remedies being sought, along with any special circumstances that warrant an appeal of the reappraisal. The student should include as much written documentation as possible.

## Plagiarism and Other Academic Misconduct

Intellectual honesty is the cornerstone of the development and acquisition of knowledge and requires that the contribution of others be acknowledged. Consequently, plagiarism or cheating on any assignment is regarded as an extremely serious academic offense. Plagiarism involves submitting or presenting work in a course as if it were the student's own work done expressly for that particular course when, in fact, it is not. Students should examine sections of the University Calendar that present a Statement of Intellectual Honesty and definitions and penalties associated with Plagiarism/Cheating/Other Academic Misconduct,

<http://www.ucalgary.ca/pubs/calendar/current/k.html>

## Academic Accommodation

Students seeking an accommodation based on disability or medical concerns should contact Student Accessibility Services; SAS will process the request and issue letters of accommodation to instructors. For additional information on support services and accommodations for students with disabilities Visit [www.ucalgary.ca/access/](http://www.ucalgary.ca/access/).

Students who require an accommodation in relation to their coursework based on a protected ground other than disability should communicate this need in writing to their Instructor. The full policy on Student Accommodations is available at [www.ucalgary.ca/policies/files/policies/student-accommodation-policy\\_0.pdf](http://www.ucalgary.ca/policies/files/policies/student-accommodation-policy_0.pdf)

## Absence from a Quiz/Test/Exam

THERE WILL BE NO MAKEUP OR DEFERRED ASSIGNMENTS/MIDTERM/TERM PAPER under any circumstances, nor may the midterm be written early. Students unable to write the midterm because of documented illness, family emergency, religious observance, or university-sanctioned event will have the weight shifted to the term paper; otherwise a grade of zero will be assigned.

**Important Dates**

Please check: <http://www.ucalgary.ca/pubs/calendar/current/academic-schedule.html>

Faculty of Arts Students' Association (F.A.S.A.):

Economics Department Representative

Office: SS 803, E-mail: [econrep@fasaucalgary.ca](mailto:econrep@fasaucalgary.ca) Web: [www.fasaucalgary.ca](http://www.fasaucalgary.ca)

Society of Undergraduates in Economics

[www.ucalgarysue.com](http://www.ucalgarysue.com)

Society of Undergraduates in Economics is a student run organization whose main purpose is to assist undergraduate economics students succeed both academically and socially at the University of Calgary. Services include access to the exam bank, career partnerships with the Career Centre through hosting industry nights and information sessions, recognizing achievements in teaching, and organizing social events for members. They invite you to join by contacting [sue@ucalgary.ca](mailto:sue@ucalgary.ca).

*Faculty of Arts Program Advising and Student Information Resources*

- Have a question, but not sure where to start? The Arts Students' Centre is your information resource for everything in Arts! Drop in at SS102, call them at 403-220-3580 or email them at [artsads@ucalgary.ca](mailto:artsads@ucalgary.ca). You can also visit the Faculty of Arts website at <http://arts.ucalgary.ca/undergraduate> which has detailed information on common academic concerns, including program planning and advice.
- For registration (add/drop/swap), paying fees and assistance with your Student Centre, contact Enrolment Services at 403-210-ROCK [7625] or visit them in the MacKimmie Library Block.
- Online writing resources are available at <http://www.ucalgary.ca/ssc/resources/writing-support>

**Evacuation Assembly Point**

In case of an emergency evacuation during class, students must gather at the designated assembly point nearest to the classroom. The list of assembly points is found at

[www.ucalgary.ca/emergencyplan/assemblypoints](http://www.ucalgary.ca/emergencyplan/assemblypoints)

Please check this website and note the nearest assembly point for this course

**Safewalk**

The safewalk program provides volunteers to walk students safely to their destination anywhere on campus. This service is free and available 24 hrs/day, 365 days a year.

**Call 403-220-5333**