

Economics 481(L01) (Behavioural Economics)

Instructor:	Gustavo Caballero	Lecture Location:	SA 119
Phone:	+1 (403) 220-2965	Lecture Days/Time:	MW 12:00 - 14:45
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Office:	SS 437		
Office Hours:	M 8:00 – 10:00 or by appointment.	Summer 2015	

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:

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 >

Ariely, D. (2008). *Predictably Irrational: The Hidden Forces That Shape Our Decisions*. New York, NY, USA: Harper Collins. doi:10.5465/AMP.2009.37008011

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.” That is, 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 (July 22 nd)	30%
Final essay (August 12 th)	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.

There will be a Registrar scheduled final examination, held in a classroom, lasting 2 hours.

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

Notes:

- All students must comply with the regulations published in the University Calendar concerning “Intellectual Honesty,” “Examinations,” etc.
- Students seeking reappraisal of a piece of graded term work (term paper, essay, etc.) should discuss their work with the Instructor *within fifteen days* of the work being returned to the class.
- It is the student's responsibility to request academic accommodations. If you are a student with a documented disability who may require academic accommodation and have not registered with the Disability Resource Centre, please contact their office at 403-220-8237. Students who have not registered with the Disability Resource Centre are not eligible for

formal academic accommodation. You are also required to discuss your needs with your instructor no later than fourteen (14) days after the start of this course.

- Students who are unable to write the midterm because of an illness, family emergency or religious observance will have the midterm weight shifted to the final examination. Documentation MUST be provided.

Students' Union Vice-President Academic:

Hana Kadri

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Society of Undergraduates in Economics (S.U.E.):

www.ucalgary.ca/sue

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.

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. 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>

Safewalk/Campus Security: 403 220 5333

Emergency Assembly Point: