

ECON 360: Behavioral Economics

Syllabus, Spring 2023

Section:	02
Time:	Monday, Wednesday, Friday: 11 am – 11:50 am
Classroom:	Beatty 216
Textbook:	<u>An Introduction to Behavioral Economics 3e</u> by Nick Wilkinson and Matthias Klaes
Technology:	A robust way to connect to the Internet in class
Prerequisites:	ECON 200, 201; MATH 104 or 250; MATH 105/116 or 120
Instructor:	Calvin Blackwell
Office:	J.C. Long, Room 312
Office Hours:	Monday 1 pm – 3 pm and by appointment
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Behavioral economists study models of human decision making and the interaction among such decision makers in games and markets. As behavioral economists aspire to construct "realistic" models, many of the models are inspired by psychological and experimental studies. These studies typically show that people are nicer and less rational than is assumed in traditional economic analysis.

Course Description

This course surveys research which incorporates psychological, anthropological, sociological, and neurobiological evidence into economics. Topics include: bounded rationality, including prospect theory, heuristics and biases in decision making, probabilistic judgment, self-control and mental accounting; fairness and altruism; market anomalies; neuroeconomics; and the implications of these topics for policy.

Class Objectives

To introduce students to Behavioral Economics. After taking this course, the student should:

- understand the basics of bounded rationality and how it is applied to economic models;
- understand the traditional economic models of decision making, particularly under risk and over time;
- understand how experimental and observational studies have augmented traditional economic models.

Policies

1. **You should come to class.** I lecture on material not covered in the textbook; you are responsible for all the information in both the lectures and the text. This class is

designed to be taken in-person. Reading assignments should be completed before class.

2. **You must behave yourself while in class.** I expect all students to behave appropriately while in the classroom. If you have a question, raise your hand and I will be more than happy to answer your question. I expect you to arrive for class on time and prepared. Classroom disturbance of any kind will not be tolerated – you impose a cost not only on yourself but also upon your classmates when you disrupt my class. Please do not talk to your neighbors while I am lecturing. Please turn off all electronic devices while you are in my class!

3. **You must complete your assignments on time.** No excuses! Problem set deadlines will not be extended for any reason! Most students submit all their assignments on time.

4. **You must take the exams at the scheduled time.** I want you to take the exams at the times they are scheduled. If you have any problems with the timing of tests, please notify me in advance. You must give me your excuse before the test begins. You can send me an email or leave me a message, but you must inform me of your absence before the test. Failure to provide a legitimate excuse prior to the exam will result in a grade of zero. If you have a legitimate excuse you will not take a makeup exam; instead, I will re-weight your final exam to cover the exam missed and the final exam. Example: You miss the midterm exam, which is worth 20% of the course grade. Normally the final exam is worth 30% of the course grade, but for you, it will be worth $(20\% + 30\%) = 50\%$ of the course grade.

5. **Cheating will be dealt with severely.** All students are expected to follow the College Honor Code and Code of Student Conduct (consult your student handbook if you need to review the codes.) Cases of suspected academic dishonesty will be reported directly to the Dean of Students. A student found responsible for academic dishonesty will receive a grade of XXF in the course, indicating failure of the course due to academic dishonesty. The student may also be placed on disciplinary probation, suspended or expelled. Students can find the complete Honor Code and all related processes in the Student Handbook at <http://deanofstudents.cofc.edu/honor-system/studenthandbook/>

6. **All course materials will be available on OAKS.** The website will contain copies of homework and paper assignments, practice questions for exams, and general class announcements.

7. **The College will make reasonable accommodations for persons with documented disabilities.** Students should apply at the Center for Disability Services / SNAP, located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsible for notifying me as soon as possible and for contacting me one week before accommodation is needed.

8. **If you have a problem, you must express it to me in writing.** If you have a “problem,” you must provide the proper paperwork for me to solve it. A “problem” could be anything. Some examples: You have to miss the midterm exam because you are going out of town and you need an excused absence or you believe that I graded an assignment unfairly. In order to address your problem, I need to know the nature of the problem and your proposed solution to this problem. This information must all be in writing, using my “I have a problem...” form. I will need two (2) copies of this form. I will keep one for my records and return one to you with my response. You may only appeal my decision with another problem form. For certain requests, I require supporting documentation, e.g. doctor’s excuse, court summons, etc. I will not consider any problem unless it is presented in this format. If you want to challenge a grade on an assignment, you must explain which problems were graded incorrectly and why you should receive more credit.

9. **Substantial Interruption of Instruction.** If In-person classes are suspended, the instructor will announce a detailed plan for a change in modality to ensure the continuity of learning. All students must have access to a computer equipped with a web camera, microphone and internet access. Resources are available to provide students with these essential tools.

Grading

I base your grade on four criteria:

1. Knowledge of material covered in the textbook and class;
2. Ability to apply knowledge;
3. Ability to relay that knowledge back to me; and
4. Responsibility – assignments turned in on time, exams taken at the appropriate time.

Notice grades are only indirectly based on effort! Instead, your grade is based primarily on your competence with Game Theory.

You will earn a grade of zero if you fail to take an exam (and do not have an appropriate excuse) on time or fail to turn in a problem set or paper on time.

Your class grade depends on the total amount of points you earn. I do not rule out a curve, but I promise that I never curve down, only up. Therefore, the following scale shows sufficient but not necessary conditions for a particular grade:

A	B	C	D	F
100 – 90%	89 – 80%	79 – 70%	69 – 60%	Below 60%

The breakdown for points is as follows:

Assignment	Value	Description
1 Midterm Exam	20%	Covers approximately one half of the course material.
Final Exam	30%	Cumulative final exam. Longer version of midterm.
Homework Problem Sets	30%	Every Friday you will have a short (2-3 problems) homework assignment due. I will count the highest eleven homework scores.
Writing Assignment	20%	A 5 - 10 page paper research proposal. Details will be provided later in the course.

Important Dates

Date	Assignment
March 1	MIDTERM EXAM
26 April	PAPER DUE
28 April	Final Exam, 10:30 am – 12:30 pm

Note: Reading and homework assignments will be posted on OAKS. I expect you to have read the given assignment when you come to class.

Final Note

This is your course. Having never taught this class before, you will find that I am extremely flexible about many aspects of this class. I value your input and will use it to make the class better for you, so if there is anything that you feel will enhance your learning experience, please let me know.

I have a problem...

Name: _____

Date: _____

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Directions: *Fill out this form completely. Remember, you are trying to convince me to do something for you! Don't forget, you must submit 2 copies.*

State the nature of your problem:

State your proposed solution to this problem:

Supporting documentation:

My decision:

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Contract

Name: _____ Student ID#: _____

I have received a syllabus from Professor Blackwell for **ECON 360**. I understand and agree that I will follow all the policies listed in that syllabus, including but not limited to:

- I accept the attendance policy, which requires my presence in class at each meeting time, and for which there are no excused absences except in exceptional circumstances for midterm exams.
- I accept the responsibility to know of assignment deadlines, and not to ask for special treatment or favors.
- I understand that under no circumstances will late assignments be accepted after the posted deadlines.
- I understand that if I wish Professor Blackwell to respond to any of my requests, I must submit 2 copies of an appropriately completed **I have a problem** form.

I understand that in return for accepting these conditions, Professor Blackwell agrees to the following:

- To be prepared for each class with well-organized, meaningful material.
- To return all exams within five class periods after the assignment is submitted.
- To carefully consider all student requests made through the **I have a problem** form.
- To maintain current records so that each student may know at any time his or her grade status.
- To provide details of assignments at least one week before they are due.
- To maintain regular office hours and be available at other times for students as requested.
- To provide a meaningful and productive learning experience for those students willing to do the work.

Signed: _____

Date: _____

How I am in general

Here are a number of characteristics that may or may not apply to you. For example, do you agree that you are someone who *likes to spend time with others*? Please write a number next to each statement to indicate the extent to which **you agree or disagree with that statement.**

1	2	3	4	5
Disagree Strongly	Disagree a little	Neither agree nor disagree	Agree a little	Agree strongly

I am someone who...

- | | |
|--|--|
| <p>1. _____ Is talkative</p> <p>2. _____ Tends to find fault with others</p> <p>3. _____ Does a thorough job</p> <p>4. _____ Is depressed, blue</p> <p>5. _____ Is original, comes up with new ideas</p> <p>6. _____ Is reserved</p> <p>7. _____ Is helpful and unselfish with others</p> <p>8. _____ Can be somewhat careless</p> <p>9. _____ Is relaxed, handles stress well.</p> <p>10. _____ Is curious about many different things</p> <p>11. _____ Is full of energy</p> <p>12. _____ Starts quarrels with others</p> <p>13. _____ Is a reliable worker</p> <p>14. _____ Can be tense</p> <p>15. _____ Is ingenious, a deep thinker</p> <p>16. _____ Generates a lot of enthusiasm</p> <p>17. _____ Has a forgiving nature</p> <p>18. _____ Tends to be disorganized</p> <p>19. _____ Worries a lot</p> <p>20. _____ Has an active imagination</p> <p>21. _____ Tends to be quiet</p> <p>22. _____ Is generally trusting</p> <p>23. _____ Tends to be lazy</p> | <p>24. _____ Is emotionally stable, not easily upset</p> <p>25. _____ Is inventive</p> <p>26. _____ Has an assertive personality</p> <p>27. _____ Can be cold and aloof</p> <p>28. _____ Perseveres until the task is finished</p> <p>29. _____ Can be moody</p> <p>30. _____ Values artistic, aesthetic experiences</p> <p>31. _____ Is sometimes shy, inhibited</p> <p>32. _____ Is considerate and kind to almost everyone</p> <p>33. _____ Does things efficiently</p> <p>34. _____ Remains calm in tense situations</p> <p>35. _____ Prefers work that is routine</p> <p>36. _____ Is outgoing, sociable</p> <p>37. _____ Is sometimes rude to others</p> <p>38. _____ Makes plans and follows through with them</p> <p>39. _____ Gets nervous easily</p> <p>40. _____ Likes to reflect, play with ideas</p> <p>41. _____ Has few artistic interests</p> <p>42. _____ Likes to cooperate with others</p> <p>43. _____ Is easily distracted</p> <p>44. _____ Is sophisticated in art, music, or literature</p> |
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