

Applied Behavioral Economics

Single subject and programme course

7.5 credits

Tillämpad beteendekonomi

730A27

Valid from: 2020 Autumn semester

Determined by
Course and Programme Syllabus Board
at the Faculty of Arts and Sciences

Date determined
2019-12-03

Main field of study

Economics

Course level

Second cycle

Advancement level

A1N

Course offered for

- Business and Economics Programme - International - French
- Business and Economics Programme
- Business and Economics Programme - International - Spanish
- Business and Economics Programme - International - German
- Master programme in Economics

Entry requirements

- Economics, basic courses, 30 ECTS credits, Economics, continuation courses, 30 ECTS credits, and Economics, in-depth courses, 30 ECTS credits, with at least 60 ECTS credits approved
- English corresponding to the level of English in Swedish upper secondary education (Engelska 6)
Exemption from Swedish

Intended learning outcomes

After completing of the course, the students should be able to:

- account for problems associated with standard economic theory
- identify, explain, and analyse how psychological factors influence decision makers
- identify, describe, and use research methods used in behavioural economics
- apply empirical and theoretical studies within behavioural economics to draw conclusions on decisions of various economics agents
- design well-conceived experiments and surveys to answer relevant research questions
- critically evaluate existing policies aimed at improving decisions and suggest constructive ways of helping individuals make better decisions

Course content

This course focuses on the use of laboratory and field experiments as a tool to gain knowledge about the behaviour of economics agents. It surveys research which incorporates psychological evidence into economics. We will analyse how predictions of economic behaviour differ when some simplifying assumptions in classical economic models are replaced with psychologically realistic assumptions based on empirical observations from the lab and from the field. We will pay special attention how these assumptions affect individual decisions, management, and public policy, as well as how behavioural economic research can be applied in various areas of decision making (e.g., finance).

The course will cover four general topics:

1. Tools for behavioural research
2. Preferences and emotions in decision making
3. Applications of behavioural economics
4. Behavioral interventions

Teaching and working methods

The course consists of a combination of lectures, and seminars. Homework and independent study are a necessary complement to the course. There is also one laboratory class during which students analyse experimental data.

All students will be encouraged to participate in an ongoing behavioural experiment at LiU.

Language of instruction: Swedish and/or English.

Examination

The final grade consists of: the presence and active discussion at seminars, term-paper (a research piece) written in pairs, and written peer feedback on others student term-paper project. Detailed information about the examination can be found in the course's study guide.

If the LiU coordinator for students with disabilities has granted a student the right to an adapted examination for a written examination in an examination hall, the student has the right to it. If the coordinator has instead recommended for the student an adapted examination or alternative form of examination, the examiner may grant this if the examiner assesses that it is possible, based on consideration of the course objectives.

Students failing an exam covering either the entire course or part of the course twice are entitled to have a new examiner appointed for the reexamination.

Students who have passed an examination may not retake it in order to improve their grades.

Grades

Three-grade scale, U, G, VG

Other information

Planning and implementation of a course must take its starting point in the wording of the syllabus. The course evaluation included in each course must therefore take up the question how well the course agrees with the syllabus.

The course is carried out in such a way that both men's and women's experience and knowledge is made visible and developed.

Department

Institutionen för ekonomisk och industriell utveckling