

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI
COURSE PLAN June - November 2024

Department : Economics
Name/s of the Faculty : Dr.Rebecca Devaprasad
Course Title : Behavioural Economics
Course Code : 23EC/MC/BE34
Shift : I

COURSE OUTCOMES (COs)

COs	Description	CL
CO1	To understand the limitations of the economic approach to modelling behaviour	K1
CO2	To reflect empirically established behaviour of economic subjects against the backdrop of mainstream economic theoretical approaches	K2
CO3	Apply existing behavioural models to better understand economic phenomena.	K3
CO4	Examine the contribution of behavioural economics for a better appreciation of consumer behaviour, individual decision making under uncertainty and inter temporal choices.	K4
CO5	Ability to evaluate the effectiveness of behavioural interventions in addressing economic issues and improving decision making	K5

Week	Unit No.	Content	Cognitive Level	Teaching Hours	COs	Teaching Learning Methodology	Assessment Methods
Jun 19 – 26, 2024 (Day Order 1 - 6)	1	Unit 1 Introduction 1.1 Neoclassical Concept and Criteria for Economic Rationality 1.2 Causes of irrationality	K1-K4	5	1 - 5	a. Lecture b. Discussion of the book- Emotional Brain: The Mysterious Underpinnings of Emotional Life by Joseph LeDoux	CA Test Quiz
Jun 27 – July 4, 2024 (Day Order 1 - 6)	1	1.3 Bounded Rationality – Herbert Simon 1.4 Broadening Rationality – Happiness is a three-act tragedy, Endowment Effect,	K1-K5	5	1 - 5	a. Lecture b. Discuss policy implications based on a CVM community survey for environmental protection.	CA Test Quiz
July 5 – 12, 2024 (Day Order 1 - 6)	1	1.4 Framing Effect & Decoy Effect – Types of Utility 1.5 History and Evolution of Behavioural Economics	K1-K3	5	1 - 5	a. Lecture b. Case study- Subscription to The Economists by Dan Ariely. c. Discussion- Thaler’s illustration and market implication of Transaction Utility. d. Game – Thinking fast & slow.	CA Test Quiz
July 15 – 23, 2024 (Day Order 1 - 6)	2	Unit 2 Heuristics & Biases 2.1 Advantages and Disadvantages of Heuristics 2.2 The Availability heuristic	K1-K4	5	1 - 5	a. Lecture b. Discussion of book- Rules of thumb by Tom Parker & Gut feeling by Gerd Gigerenzer	CA Test Quiz Minor Research

July 24 – 31, 2024 (Day Order 1 - 6)	2	2.3 The Anchoring heuristic 2.4 The Representative heuristic	K1-K5	5	1 - 5	a. Lecture b. Case Studies & games taken from the book Nudge	CA Test Quiz Minor Research
Aug 1 – 5, 2024 (Day Order 1 - 3)	2	2.5 Self Evaluation Biases and Projection Bias	K1-K4	3	1 - 5	a. Lecture b. Class Experiment	CA Test Quiz Minor Research
Aug 6 – 10, 2024	C.A. Test - I						
Aug 12 – 14, 2024 (Day Order 4-6)	3	Unit 3 Animal Spirits and its impact on Economic Decisions 3.1 Confidence – its feedback mechanism that amplifies disturbances	K1-K2	2	1 - 5	a. Lecture	CA Test Minor Project
Aug 16 – 23, 2024 (Day Order 1-6)	3	Unit 3 Animal Spirits and its impact on Economic Decisions 3.1 Confidence – its feedback mechanism that amplifies disturbances 3.2 Fairness – Its influence in setting wages and prices	K1-K4	5	1 - 5	a. Lecture b. Pair & share - Confidence and the transmission of government spending shocks by Rüdiger Bachmann, Eric R. Sims	CA Test Minor Project
Aug 27 – Sep 3, 2024 (Day Order 1-6)	3	3.3 Corruption and Antisocial behaviour	K1-K6	5	1-5	a. Lecture b. Case study & Group Discussion	CA Test Minor Project
Sep 4 – 11, 2024 (Day Order 1-6)	3&4	3.4 Money Illusion – Improper interpretation of inflation and deflation Unit 4	K1-K5	5	1-5	a. Lecture b. Game based on St Petersburg paradox to show failure of theory of	CA Test

		Prospect Theory and Mental Accounting 4.1 Conventional approaches to modifying Expected Utility theory 4.2 Prospect theory and Shape of the utility function				expected value	
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Sep 12 - 20, 2024 (Day Order 1-6)	4	4.3 Decision weighting 4.4 Nature and components of mental accounting	K1-K5	5	1-5	a. Lecture b. Discussion	CA Test
Sep 23 - 26, 2024 (Day Order 1-4)	4	4.5 Framing and Editing, Budgeting and Fungibility	K1-K3	3	1-5	a. Lecture b. Discussion	CA Test
Sep 27 – Oct 3, 2024	C.A. Test - II						
Oct 4 – 5, 2024 (Day 5 & 6)	5	Unit 5 Intertemporal Choice Models and Nudge 5.1 Features and anomaly of the Discounted Utility Model	K1-K4	2	1-5	a. Lecture b. Discussion	Quiz
Oct 7 - 15, 2024 (Day Order 1 to 6)	5	5.2 Time Inconsistent Preferences and Limited Self-Control 5.3 Exponential Discounting Versus Hyperbolic discounting & the Beta Delta model.	K1-K2	5	1-5	a. Lecture b. Discussion	Quiz
Oct 16 - 22, 2024 (Day Order 1 to 6)	5	5.3 Exponential Discounting Versus Hyperbolic discounting & the Beta Delta model. 5.4 Behavioural Economics and Libertarian Paternalism	K1- K5	5	1-5	a. Lecture b. Group Discussion relating current policy with policy suggestions based on the book Nudge	Quiz
Oct 23 - 24, 2024 (Day Order 1 to 2)	REVISION						

