

**Department of Liberal Education**  
**Era University, Lucknow**  
**Course Outline**  
**Effective From: 2023-24**

<b>Name of the Program</b>		<b>B.A. / B.Sc. (LIBERAL EDUCATION)</b>		<b>Year/ Semester:</b>		<b>3<sup>rd</sup>/ 6<sup>th</sup></b>	
<b>Course Name</b>	<b>Behavioral Economics</b>	<b>Course Code:</b>	<b>ECO306</b>	<b>Type:</b>	<b>Theory</b>		
<b>Credits</b>	<b>04</b>			<b>Total Sessions Hours:</b>	<b>60 Hours</b>		
<b>Evaluation Spread</b>	<b>Internal Continuous Assessment:</b>	<b>50 Marks</b>		<b>End Term Exam:</b>	<b>50 Marks</b>		
<b>Type of Course</b>	<input type="radio"/> Compulsory	<input checked="" type="radio"/> Core	<input type="radio"/> Creative	<input type="radio"/> Life Skill			
<b>Course Objectives</b>	1. The objective of the paper is to explain the role of psychology in the economic decision-making process. 2. To view the world of finance with a behavioral lens.						
<b>Course Outcomes(CO): <i>After the successful course completion, learners will develop the following attributes:</i></b>							
<b>Course Outcome (CO)</b>	<b>Attributes</b>						
<b>CO1</b>	Explain behavioral concepts in individual decision-making						
<b>CO2</b>	Apply behavioral concepts to financial situations						
<b>CO3</b>	Understanding the approaches to decision-making under risk.						
<b>CO4</b>	Critically evaluate how losses can drive our choices more than gains						
<b>Pedagogy</b>	Interactive, discussion-bases, student-centered, presentation.						
<b>Internal Evaluation Mode</b>	Mid-term Examination: 20 Marks Activity: 10 Marks Class test: 05 Marks Online Test/Objective Test: 05 Marks Assignments/Presentation: 05 Marks Attendance: 05 Marks						
<b>Session Details</b>	<b>Topic</b>					<b>Hours</b>	<b>Mapped CO</b>
<b>Unit 1</b>	<b>Introduction</b> Introduction to Behavioral Economics Origins of Behavioral Economics Neo-classical economic framework- rationality, Optimization Role of Intuition, Emotions, Beliefs in decision making Bounded Rationality Judgment under Risk & Uncertainty					15	CO1
<b>Unit 2</b>	<b>Behavioral Game Theory:</b> Definition, Types, Assumptions , limitations, Application & examples					15	CO2
<b>Unit 3</b>	<b>Risk</b> Types of Risk Decision Making Under Risk and Uncertainty: Prospect Theory					15	CO3

	Risk preference theory Certainty Effect Risk versus Uncertainty Application of Risk		
Unit 4	<b>Social and Cognitive Influences on Decision-Making &amp; Reference-Dependent Preferences</b> Social Norms and Conformity in economic behavior framing effects and their impact on decision making. Time inconsistency and present bias behavioral approaches. Endowment Effect, Status quo Bias, Loss Aversion	15	CO4

### CO-PO and PSO Mapping

CO	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PSO1	PSO2	PSO3	PSO4	PSO5	PSO6
CO1	1					1			2	2	1			
CO2	1						3		1		1		1	
CO3	1					3			1	1				
CO4						3	2			1				

*Strong contribution-3, Average contribution-2, Low contribution-1,*

### Suggested Readings:

<b>Text- Books</b>	<p>1. Osborne, M. (2004). An Introduction to Game Theory, Oxford University Press.</p> <p>2. Introduction to Behavioral Economics and Its Applications- Peter Diamond and Hannu Vartiainen (ed.), Princeton University Press, 2012</p>
<b>Reference Books</b>	<p>1. The foundations of behavioral economics –Sanjit Dhami, Oxford, 2020</p> <p>2. Applied Behavioral Economics Research and Trends, RodicaIanole, IGI Global, 2016</p> <p>3. World Development Report 2015: Mind, Society, and Behavior</p> <p>4. Handbook of Behavioral Economics-Foundations and Applications - BD Bernheim, SDellaVigna, D Laibson(ed), North Holland ,2019</p>
<b>Para Text</b>	<p><b>Unit 1:</b> <a href="https://positivepsychology.com/intuition/">https://positivepsychology.com/intuition/</a></p> <p>Unit 2 <a href="https://www.structural-learning.com/post/barriers-to-learning-a-teachers-guide">https://www.structural-learning.com/post/barriers-to-learning-a-teachers-guide</a></p> <p>Unit 3 <a href="https://www.youtube.com/watch?v=BylZG7wzyDc">https://www.youtube.com/watch?v=BylZG7wzyDc</a></p> <p>Unit 4 <a href="https://study.com/learn/lesson/endowment-effect-overview-examples.html">https://study.com/learn/lesson/endowment-effect-overview-examples.html</a></p>


### Recapitulation & Examination Pattern

#### Internal Continuous Assessment:

Component	Marks	Pattern
Mid Semester	20	<b>Section A:</b> Contains 10 MCQs/Fill in the blanks/One Word Answer/ True-False type of questions. Each question carries 0.5 mark. <b>Section B:</b> Contains 07 descriptive questions out of which 05 questions are to be attempted. Each question carries 03 marks.
Activity	10	Will be decided by subject teacher
Class Test	05	Contains 05 descriptive questions. Each question carries 01 mark.
Online Test/ Objective Test	05	Contains 10 multiple choice questions. Each question carries 0.5 mark.

<b>Assignment/ Presentation</b>	05	Assignment to be made on topics and instruction given by subject teacher
<b>Attendance</b>	05	As per policy
<b>Total Marks</b>	<b>50</b>	

**Course created by:** Dr. Samreen Naqvi

**Signature:** 

**Approved by:**

**Signature:**