Course Descriptions None 2014-2015

Course Title	Behavioural Economics
Course Code	EBC2094
ECTS Credits	6,5
Assessment	None

Period

Period	Start	End	Mon	Tue	Wed	Thu	Fri
2	27-10-2014	19-12-2014	X			X	

Level	Intermediate
Coordinator	Matt Embrey For more information:m.embrey@maastrichtuniversity.nl
Language of instruction	English
Goals	The goal of the course is to provide the students with the necessary sensitivity when applying theoretical models. After the course students should be able to identify the most important reasons why humans deviate from behaviour predicted by the commonly used model of the homo oeconomicus. Moreover they should be able to understand formal modeling of deviant behaviour.
Description	The traditional model of the homo economicus is ubiquitous in microeconomic theory. Economic agents are assumed to be rational utility maximisers with self-regarding preferences and unlimited processing capacities. Common sense and the results of economic experiments show that this is not always the case. Often people behave differently than predicted by theory. In this course, we will deal with the following problem statements: 1) When does microeconomic theory apply and when does it lose its predictive power? 2) If it does not apply, what concepts and models can be use to either extend or to substitute the current theory in order to describe human behavior? Specifically, we will discuss the following issues: · Non-expected utility theory · Intertemporal choice · Social preferences · Reciprocity · Levels of analytical reasoning · The role of mistakes In addition, we will touch on the following topics: · Mental accounting · Heuristics · Neuroeconomic
Literature	There is no one textbook that will cover the course. References and papers will be made available to the students at the beginning of the course.
Prerequisites	Microeconomics · Ability to think analytically · Basic game theory is not necessary but helpful: simple equilibrium concepts such as (pure and mixed strategy) Nash equilibrium and subgame perfect Nash equilibrium. · Exchange students need to major in Economics an advanced level of English
Teaching methods	PBL
Assessment methods	Final Paper / Participation / Written Exam
Evaluation in previous academic year	For the complete evaluation of this course please click http://iwio-sbe.maastrichtuniversity.nl/rapporten.asp?referrer=codeUM

This course belongs to the following programme / specialisation

Bachelor Economics and Business Economics Specialisation Economics	Economics Electives
Bachelor Econometrics and Operations Research	Business & Economics Electives
SBE Exchange Bachelor	Bachelor Exchange Courses
SBE Exchange Master	Bachelor Exchange Courses
SBE Non Degree Courses	Bachelor Courses