



Sungkyunkwan University (SKKU) International Summer Semester (ISS) 2019

# Behavioural Economics and Economics of Altruism

Prof. Surajeet Chakravarty, University of Exeter, UK.

## SHORT COURSE DESCRIPTION

---

The aim of this course is to enable you to examine economic theory from a behavioural perspective, and highlight instances where standard economics predicts actual choices correctly and instances where it does not. You will be introduced to recent behavioural theories that have emerged to explain the empirical observations, and will discuss the implications for economics, business and politics. While focusing on the main developments in behavioural economics, the course will also provide explanations for why individuals contribute towards the well being of others and the society.

## READING MATERIALS

---

All material, including lecture notes and journal papers will be provided online and will be available on SKKU website.

## COURSE REQUIREMENTS AND GRADING

---

The course will require students to attend and participate 20%, make a presentation in class 40% and provide a written report on a topic given 40%. Note **SKKU regulations require students to attend at least 80% of all classes.**

## COURSE SCHEDULE

---

### – WEEK I –

Thursday (27 June) – Rational Choice Fundamentals

Friday (28 June)– Expected Utility theory

### – WEEK II –

Monday (1 July)– Violations of Expected Utility

Tuesday (2 July) – Risk and Uncertainty

Wednesday (3 July) –Time preferences

Thursday (4 July) – Prospect theory

### – WEEK III –

Monday (8 July) – Mental Accounting

Tuesday (9 July) – Loss Aversion

Wednesday (10 July) – Heuristics in decision-making

Thursday (11 July) – Games, Zero Sum Games and Coordination

**– WEEK IV–**

Monday (15 July) – Other regarding preferences, Inequality Aversion.

Tuesday (16 July) – Reciprocity and fairness

Wednesday (17 July)- Lying, guilt and guilt aversion

Thursday (18 July)- Groups and social identity

Friday (19 July)- Coursework presentation and feedback.