Boston College
Department of Economics

EC 3310: Behavioral Economics
Fall 2016

SYLLABUS

Instructor: Elif Sisli-Ciamarra
E-mail: elif.sisliciamarra@bc.edu
Class Hours: T-TH 12:00 – 13:15
Office Hours: T-TH 11:00 – 12:00 and by appointment
Office: Maloney, 386A

COURSE DESCRIPTION
This course covers the fundamental concepts in behavioral economics. We will incorporate heuristics, context effects, reference dependence, mental accounting, choice with risk, choice with uncertainty, regret, cognitive biases, and social interactions to economic decision making. We will then investigate how behavioral economics can help explain individual decision making and also shape economic policy. Applications will include saving for future, tax evasion, housing market, female labor market, financial investments, equity premium puzzle, buying insurance, and environmental economics.

TEXTS
Required Books:

As appropriate, additional readings will be posted on course site Canvas. Please check the website frequently.

Recommended books from the popular press, for your leisure:

8 August 2016. Please follow Canvas for Updates to the Schedule during the semester.
**CLASS SESSIONS**
Copies of the basic slides used in the class sessions will be distributed at the beginning of the discussion of each topic. I strongly suggest that you read the assigned readings before the class meetings. In the class discussions, I will usually cover the concepts and issues that are most challenging, reinforcing and extending what is in the required reading. I suggest that after the class sessions you review the assigned readings once again to solidify your understanding.

**ONLINE COURSE MATERIALS**
This course will rely heavily on the Canvas platform – the web site will include downloadable files with the class handouts, required readings, suggested supplementary readings, copies of problem sets and suggested answers (when available). **It is your responsibility to check this site and your e-mail regularly for the course announcements.**

**OFFICE HOURS AND COMMUNICATION**
I will usually be available for quick questions in the classroom during the several minutes after the class sessions. My office hours are on Tuesdays and Thursdays, between 11 AM and 12 PM. I strongly prefer that you come to my office hours, but if you cannot make it, I will arrange an alternative time to meet. I usually respond quickly to e-mail messages, so this is an excellent way to contact me if you need to set an appointment. Also, please check your e-mails frequently for course announcements.

**USE OF LAPTOP COMPUTERS AND CELL PHONES IN CLASS**
All cell phones must be turned off during lectures. Laptops and tablets may be used but only to take notes, I will not tolerate other uses since it significantly diminishes the quality of in-class learning. Laptop computers, tablets and cell phones are not allowed during exams.

**END-OF CLASS SESSION MEMOS**
As part of your class participation, you will be asked to complete a memo at the end of every class. The purpose of the memo is to establish a direct line of communication from you to me so that I can assess your grasp of the main topics of the day, identify unclear points, and address other concerns. I want students to feel that they can be open and honest in these memos, so your grade is not affected by what you communicate to me on these memos. If you are not present, there will be no memo from you, and an absence will be recorded.

After each class I will return to my office to digest your memos. I will then discuss the major questions that were raised during the following class session. In this manner you can get replies to your questions and learn from all the questions your classmates have raised as well.

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COURSE REQUIREMENTS AND EVALUATION
Your grade will be based on weekly assignments, the midterm, and the final exam.

Weekly Assignments (40%)
We will have 8 assignments. I will distribute the assignments after our Thursday class sessions and you will have one week to hand in the completed assignments. The purpose of these assignments is to help you get ready for the midterm and final exams. Working on them will give you a chance to review the most recent material and you will be able to check whether or not you are comfortable with it. I will count the six assignments with the highest grades towards your final grade. There will be no late submissions of the missed assignments.

Midterm Exam (30%)
The midterm examination will be held on 10/20, Thursday. The midterm will be directly related to the topics we have discussed in class and weekly assignments. I will distribute a detailed study guide before the exam. You are permitted to bring one sheet of paper (8½ by 11 inches) with notes on one side to refer to during the midterm exam. There will be no rescheduling of the missed midterms unless you present a doctor’s note.

Final Exam (30%)
The final examination will be held on 12/19. The final exam will be directly related to the topics we have discussed in class, weekly assignments and the midterm exam. I will distribute a detailed study guide before the final exam. You are permitted to bring one sheet of paper (8½ by 11 inches) with notes on both sides to refer to during the exam. Otherwise, the final exam is closed-book.

On the structure of the midterm and final exams, 80% of the questions will be pulled out directly from the previous examples from class, lecture presentations, assignments, problem sets, or suggested exercises. The other 20% will be used to see if you can apply the course concepts to related but new problems.

COURSE POLICIES

Attendance
Attendance is required. Records of attendance will be kept for each class. Please notify me in advance when you are unable to make it to class.

Assignments and Exams
NO LATE SUBMISSIONS ARE ACCEPTED. THERE WILL BE NO MAKE-UP EXAMS. There will be absolutely no opportunity to assign the weight of a missed assignment or exam to another assignment or exam. If you get sick on the day of the exam, I need to see the doctor’s report to verify your condition. In that case, I will work out an alternative arrangement with you.

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Academic Integrity
You are expected to be familiar with and to follow the University’s policies on academic integrity. Your exams and assignments must be solely your own work. The use of someone else’s material without permission and without recognition is cheating. This applies to textbooks, solution manuals, study guides, a friend’s assignment, past assignments, internet resources or any other material irrespective of the source. Any infraction of Boston College’s Academic Integrity Policy will result in an automatic F for the course and the offense will be reported to the Dean’s office and then reviewed by the College of Arts and Sciences Academic Integrity Committee. There will be no exceptions. I urge you to review university policy and procedures, available in the Boston College Catalog or online under at [http://www.bc.edu/integrity](http://www.bc.edu/integrity)

Disability Services
If you are a student with a documented disability on record at Boston College and wish to have a reasonable accommodation made for you in this class, please see me immediately. Students requiring assistance are advised to get in touch with the Office of the Dean of Students. Please make sure to hand me your letter from the ODSD if you are entitled for additional time or other accommodation. [http://www.bc.edu/offices/dos/subsidiary_offices/disabilityservices.html](http://www.bc.edu/offices/dos/subsidiary_offices/disabilityservices.html)
### Course Schedule

**Preliminary, subject to change.**

**Very Important: Please follow Canvas for updates, especially for assigned readings!**

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Readings</th>
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<tbody>
<tr>
<td>8/30-9/13</td>
<td>Simple heuristics for complex choices: Theory</td>
<td>Ch. 2, Pages 33-68</td>
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<tr>
<td>9/29-10/11</td>
<td>Choice with risk: Theory</td>
<td>Ch. 3, Pages 100-137</td>
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<tr>
<td>10/13-10/18</td>
<td>Choice with risk: Applications</td>
<td>Ch. 3, Pages 138-162</td>
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<td>10/20</td>
<td>MIDTERM EXAM</td>
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<td>10/25-10/27</td>
<td>Choosing when to act: Theory</td>
<td>Ch. 4, Pages 164-187</td>
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<tr>
<td>11/1-11/3</td>
<td>Choosing when to act: Applications</td>
<td>Ch. 4, Pages 187-201</td>
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<td>11/8-11/10</td>
<td>Interacting with others: Theory</td>
<td>Ch. 5, Pages 203-230</td>
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<tr>
<td>11/15-11/17</td>
<td>Interacting with others: Applications</td>
<td>Ch. 5, Pages 230-246</td>
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<td>11/22-11/29</td>
<td>Social Preferences: Theory</td>
<td>Ch. 7, Pages 320-354</td>
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<tr>
<td>12/1-12/6</td>
<td>Social Preferences: Applications</td>
<td>Ch. 3, Pages 355-366</td>
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<td>12/8</td>
<td>Review</td>
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<tr>
<td>12/19</td>
<td>FINAL EXAM</td>
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