

BEHAVIORAL ECONOMICS AND PSYCHOLOGY
PSYC265/PPE313 – FALL 2021

Tuesdays and Thursdays 3:30-5pm in Stiteler B6

Instructor: Professor Sudeep Bhatia (bhatiasu@sas.upenn.edu)

Teaching Assistants:

Ada Aka (adaaka@wharton.upenn.edu)

Feiyi Wang (feiyiw@sas.upenn.edu)

Logan Shalit (lshalit@sas.upenn.edu)

Questions about exam and assignment logistics should be emailed to Ada, questions about class survey logistics should be emailed to Feiyi, and questions about Canvas logistics (e.g. accessing readings or lecture recordings) should be emailed to Logan.

Overview: Our understanding of markets, governments, and societies rests on our understanding of choice behavior, and the psychological forces that govern it. This course will introduce you to the study of choice, and will examine in detail what we know about how people make choices, and how we can influence these choices. It will utilize insights from psychology and economics, and will apply these insights to domains including risky decision making, intertemporal decision making, and social decision making.

Lectures and Readings: Lectures for this class will be presented live on campus, but will also be recorded and posted on Canvas for students that are unable to attend live sessions. Readings will consist of news articles and op-eds. Students are also encouraged to read original academic papers discussed in class. All relevant readings will be posted on Canvas.

Office Hours: Office hours will be held daily over Zoom, and will be led by either Professor Bhatia or one of the teaching assistants. Zoom links for the office hours can be found on Canvas. The office hours schedule is:

Monday 10:30am-11:30am: Logan Shalit

Wednesday 11am-noon: Feiyi Wang

Wednesday 4pm-5pm: Ada Aka

Thursday 2pm-3pm: Sudeep Bhatia

Assignments and Exams: There are three assignments in this course. Assignments should be submitted through Canvas on the day the assignment is due. It is your responsibility to make sure that your assignment has been submitted correctly, and that it is in a file format that easy for the graders to read. Late assignments are penalized 10% of the final grade per day. Solutions to the assignments will be posted on Canvas after all students have submitted their assignments.

There will also be three exams that will take place online. You will have to take the exams during the normally scheduled class time, but you can take them wherever you like. You are

welcome to take the exams in class (on your own laptop) if you like. The three exams are not cumulative. The exams and assignments are weighed equally.

Regrades to the assignments and exams may be requested if you feel that an error was made in your grade. The entire assignment/exam must be subjected to a regrade. If you request a regrade please submit your request through email to Professor Bhatia within one week of receiving your grade.

Surveys: Students will be given four short surveys over the course of the semester. The goal of these surveys is to improve the class based on student experiences and expectations, and to help demonstrate the behavioral findings discussed in the lectures. Some students may earn money or other rewards based on their responses in the surveys.

Research Experience: This course has a research experience component. To fulfill this component, you can participate in experimental sessions adding up to two credits. These experiments are listed on the Psychology Department's Sona Systems website: upenn.sona-systems.com. Alternatively, you can read a published research article and write a 2-page double-spaced paper summarizing and critiquing it. This research article must cite at least one of the readings for this class and have at least 100 citations of its own as indicated by Google Scholar.

You must complete either the experiments or the paper, but not both, as you cannot be credited for both. The experiments and the paper should take roughly the same amount of time (2 hours each). The last day to complete the experiments or submit the research experience paper is December 14th. You can submit the paper on Canvas. You do not need to submit anything if you participate in the experiments.

Grading: Course grades are based on a weighted sum of six examinations and assignments (equally weighted, 95% total), in-class surveys (1% per survey with the lowest graded survey dropped), and the research experience component (2%). Grading is not curved, and numerical grades are mapped onto letter grades based on the following cutoffs:

93%-100%: A	83-87%: B	73-77%: C	63-67%: D
90-93%: A-	80-83%: B-	70-73%: C-	60-63%: D-
87-90%: B+	77-80%: C+	67-70%: D+	0-60%: F

This syllabus may change throughout the semester. Updates will be posted on Canvas.

Lecture	Dates	Topic
1	8/31	Introduction
-	9/2	<i>Class cancelled due to weather</i>
2	9/7	Preference Satisfaction
3	9/9	Context Effects 1
4	9/14	Context Effects 2
5	9/16	Risky Choice
6	9/21	Probability Paradoxes
9/23: Assignment 1 (due at 3:30pm ET)		
7	9/23	Outcome Paradoxes
8	9/28	Prospect Theory 1
9	9/30	Prospect Theory 2
10/5: Exam 1 (on lectures 1-9)		
10	10/7	Intertemporal Choice
11	10/12	Present Bias
12	10/19	Additional Paradoxes
13	10/21	Social Preferences 1
14	10/26	Cooperation Guest Lecture
15	10/28	Social Preferences 2
11/2: Assignment 2 (due at 3:30pm ET)		
16	11/2	Negotiation Guest Lecture
17	11/4	Strategic Reasoning
18	11/9	Fairness in Markets
11/11: Exam 2 (on lectures 10-18)		
19	11/16	Affect
20	11/18	Attention and Memory
21	11/23	Choice Overload
22	11/30	Personality Guest Lecture
23	12/2	Incentives
24	12/7	Policy
12/9: Exam 3 (on lectures 19-24)		
12/16: Research Experience Component (due at 3:30pm ET)		
12/16: Assignment 3 (due at 3:30pm ET)		