



Economic Analysis B | ECU33012

Year	Junior Sophister
ECTS Credits	5
Contact Hours	22 hours of lectures and 4 hours of tutorials
Pre-Requisite	ECU22011 & ECU22012 Intermediate Economics
Semester	2
Module Leader and Lecturer	Professor Martina Zanella
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Module Outline:

This module builds on the foundations of ECU22011 & ECU22012 Intermediate Economics, developing some of the topics from that module, and introducing some new ones.

The purpose of the course is to provide students with an overview of research in Behavioural and Experimental Economics. This is a field of economics that draws on psychological insights to capture aspects of human behavior, decision-making, and social interactions that standard economic models cannot explain.

During the course, we question the assumptions that standard economic models make about how agents make decisions to assess when the traditional economic model works or when it fails in predicting observed individual choices, and whether this matters in economic contexts. We also explore the relevance of these departures from standard economic assumptions for policymaking.

Throughout this course, we will link theory to practice by combining a mix of (i) evidence from experiments in psychology and economics to outline where observed decisions partake from standard economic predictions and assumptions; (ii) theoretical



explanations of how standard economic models have been “tweaked” to align with the observed patterns of choices (e.g. prospect theory and hyperbolic discounting); (iii) evidence from economic papers of the real-world applications of these concepts to demonstrate how these insights can be used in real-life situations to design policies (nudges) that help people align their choices with their intentions and/or improve societal outcomes.

Module Learning Outcomes:

Having successfully completed this module, the student will be able to:

- Be actively conversant with the terminology of behavioural and experimental economics;
- Synthesize a broad range of topics in modern behavioural economics, and apply the main concepts from this field to a variety of contexts;
- Learn how to test (behavioral) economic theory using field experiments and non-experimental data,
- Design an economics experiment and analyse the resulting data.

Assessment:

There will be three continuous assessment assignments contributing to the overall grade. The first will be a peer-assessed essay (35%), the second will be a group work project (35%) and the third an online test (30%). Late submissions that have not been agreed in writing beforehand will be penalised 10% per day.

Recommended Reading List:

Behavioural Economics: Cartwright, Edward (2014), Behavioural Economics, Routledge (2nd Edn although first edition is fine).

Readings and cases will be also provided by the lecturer throughout the module.