ECON 339: Behavioral Economics

Fall 2026 Syllabus*

Quick Reference Information

Meeting Times

MW 2:30-3:45PM

My Name & Contact Information

Case Tatro
KJ213
ctatro@hamilton.edu

Office/Student Hours and Zoom Link

In-person Student Hours:
Monday and Wednesday: 4pm-5pm

Zoom Student Hours
Tuesday: 10am-11:30am
Link: https://hamilton.zoom.us/j/4871402708

Exam Dates

(Exam 1 and 2 are In-Class)

- Exam 1: Wednesday, October 14.
- Exam 2: Wednesday, November 18.
- OPTIONAL Cumulative Final: Friday, December 18 at 2pm.

Grading

- Take-Home Quizzes: 10% (Lowest 1 dropped)
- Paper Summaries : 15% (Lowest 2 dropped)
- Participation in In-Class Experiments/Discussions: Up to Additional 5%
- Worst Exam: 25%

*Last Updated: August 5, 2026

- Best Exam: 30%
- Research Proposal: 10%
- Oral Presentation of Research Proposal: 10%

Required Readings

- (**Book**): Nudge by Richard Thaler and Cass Sunstein.
- (**Book**): Thinking, Fast, and Slow by David Kahneman.
- **Journal Articles**: Posted on Blackboard and listed at end of syllabus.

Non-Blackboard Backup of Materials

https://casetatro.github.io/courses/econ339/

Overview of the Course

This course is about Behavioral Economics, which seeks to include findings from psychology and other social sciences to improve the economic models we use to predict and study human behavior. We will begin by reviewing the standard economic model from Econ 100 and 166. Then, we will explore utility functions and indifference curves before beginning our foray into behavioral economics by talking about time preferences and inter-temporal choice.

Basically, my broad goals for this class are that:

1. You should understand key assumptions in standard economic models, and be able to explain the implications of violations of these assumptions.
2. You should be able to explain how behavioral economics tweaks these assumptions and/or explains why people tend to deviate or violate these assumptions.
3. Identify implications of topics/findings in behavioral economics for public policy.
4. Apply your skills from the first three goals to communicate a succinct, well-researched proposed policy solution to a problem of personal interest.

Tentative Course Outline

1. **Introduction / Review of Standard Model**
    - Impact of Computer Usage on Academic Performance (Carter, Greenberg, and Walker, 2017).
    - Laptops are Great... (Dynarski, 2017)
2. **Present Bias, Self-Control, & Procrastination**
    - A Perspective on Psychology and Economics (Rabin, 2002).
3. **Inter-temporal Choice / Utility Maximization**
    - Utility Functions and Indifference Curves.
    - Intertemporal Choice (Chabris, Laibson, and Schuldt, 2008).

- Saving and Future Self (Hershfield et al., 2011).
- Procrastination (Ariely and Wertenbroch, 2002).
- Nudge, Chapter 2.

4. **Social Preferences**
   - Social Preferences (Fehr and Camerer, 2007).
   - Intrinsic Motivation (Kreps, 1997).
5. **Risk Preferences**
   - A Fine is A Price (Gneezy and Rustichini, 2000).
6. **Exam 1**: October 14.
7. **Prospect Theory & Endowment Theory**
   - Chapters 25-26, Thinking, Fast and Slow.
   - Tversky and Kahneman, 1992.
8. **Framing**
   - Framing and Insurance Decisions (Johnson et al., 1993).
9. **Choice Architecture**
   - Defaults and Organ Donation (Johnson and Goldstein, 2003).
   - Defaults for Retirement Savings (Beshears et al., 2009).
   - IRS Field Experiment (Bhargava and Manoli, 2015).
   - Nudge, Chapters 4-5.
10. **Exam 2**: November 18.
11. **Applying Behavioral Economics to Policy**
    - Mexico Privatized Social Security (Duarte and Hastings, 2012).
    - Behavioral Econ and Mortgage Policy (Barr, Mullainathan, and Shafir, 2008).
12. **OPTIONAL TOPICS (Time-dependent)**
    - Incentives
    - Learning from Others
    - Public Goods
    - Policy
    - Auctions
    - Political Economy
    - Charitable Giving
    - Social Networks
    - Gender, Discrimination

Keys to Success and Studying Tips

This course may differ from other courses you have taken before in economics. I care about the degree to which you are able to understand the concepts in the course and apply them to a wide variety of situations. I want to test your ability to think like a behavioral economist using the tools/concepts from the course. My exam questions reflect this approach.

Instead of trying to memorize details from specific papers or book chapters, you should focus on the behavioral economic concepts and how they influence economic models. I will test your ability to apply these concepts to economic situations and compare and contrast implications of behavioral economic models with standard economic models. A good measure of your understanding of any given article or book chapter or concept is if you can teach it to someone else. Therefore I encourage you to work together on quizzes, paper summaries, and practice exams where you practice explaining class concepts to each other and asking/answering questions. If you get stuck, come see me in office/student hours!

Structure of the Course

Paper Summaries and Class Readings (20%, Drop 2)

In order to provide a graded incentive for the pre-class readings, and to help you study for exams, there will be a Paper Summary due at the beginning of each class for which a reading is assigned. This reading will be announced in class, accompanied by an assignment on Blackboard, but **paper summaries are to be submitted as hard-copies and can be typed or hand-written**. (Note: If you need to miss class, you may submit the paper summary via email but the email must be sent prior to the start of class.)

The Paper Summary for a book chapter is simply a 3-4 sentence summary of the main ideas presented in a particular chapter or chapters.

For an academic paper/journal article, the Paper Summary **must** include:

- The research question.
- The data used/summary of the model.
- Any empirical strategy.
- The main conclusion(s).

Each portion should be one-to-two sentences, and you may use sections or bullets to organize your Paper Summary.

I will grade each Paper Summary on the basis of completion as follows:

- 10 points: Attempted all parts.
- 5 points: Attempted at least 2 parts.
- 0 points: Nothing turned in/AI-generated/Attempted only 1 part.

In-Class Discussions (Up to 5 Additional Points on Your Final Grade!)

I will not lecture in class. Instead, we will spend the first few moments discussing the assigned reading in order to ensure we are all on the same page regarding the content from the reading. I will then move on to clarifying any behavioral economic concept from the reading that I think is important.

- For mathematical concepts, we will then complete a series of practice problems in groups where I will walk around and provide direct feedback. These questions may be similar to those I ask on an exam.
- For experiments/non-mathematically concepts, I may run a class experiment that mirrors the setup from a particular reading.
- In any case, your participation grade is a function of (i) your participating in the discussions regarding the reading, (ii) your active engagement within your group regarding questions, and (iii) your participation in class experiments
- I will track participation on a weekly basis. For those who regularly participate, you can earn an additional 5 percentage points on your final grade!

Take-Home Quizzes (10%, Drop 1)

Instead of homeworks, I will occasionally (∼1-2 weeks) post a take-home quiz in which I ask you to synthesize information from one or several readings in order to answer a broader economic question/additional practice problems. You will have 1 week from when the assignment is posted to complete this assignment. All Take-Home Quizzes will be submitted on Blackboard. I will grade assignments on an A/B/C/D/F rubric, where an F will be awarded for ChatGPT/AI-copied work or no assignment submitted, a D for sub-standard work, C for standard, B for good, A for excellent.

Practice Exams & Review Classes

I will post a practice exam approximately a week before an exam. The practice exam will be similar to the exam in terms of content and structure, but the questions will be different. I will provide solutions approximately 3 days before the exam date. During the review class, the lecture right before the exam, I will answer any questions on the practice exam, homeworks, or general concepts.

Exams (50%, Performance Weighted)

My exams all follow the same format. I will ask you 5 true/false questions, 5 multiple choice questions, and approximately 8-10 short answer questions. (I count each part as a question, so if question 1 has parts (a), (b), and (c) I consider that 3 short answer questions). Both exams will be during class, and I will adjust the number of questions to make sure the time we have in class is plenty of time in which you can complete the exam. **Note**: If you correctly explain a correct false answer on the True-False portion of the exam, I will give you a bonus point.

Exam Cheat Sheet

For each exam I require you to bring an 8.5”x11” “cheat sheet” into the exam. You can write on both sides of the paper and use your cheat sheet during each exam. The cheat sheet must be turned in with your exam and is worth up to 5% of the total exam points rounded up. (i.e., if the exam is 50 points the cheat sheet will be worth 2.5 rounded up to 3 points, for an overall total points possible of 53.) If you copy and paste the practice exam or homework/quiz questions you will not receive credit for your cheat sheet. Making a cheat sheet is part of the studying process and so I will give you credit for doing it well! **I highly recommend you use this cheat sheet to organize information from the assigned readings. Short-answer exam questions will almost certainly require you to point to specific papers from class.**

OPTIONAL Cumulative Exam

If you have to miss one of the two exams, or you would like an opportunity to improve your exam grade, I will offer an OPTIONAL CUMULATIVE exam during our assigned final exam period. Please note your performance on this exam WILL replace your lowest exam grade (**even if your optional cumulative exam grade is lower than your lowest exam grade**).

Note: If you would like to take the optional cumulative final, you must do so in an email due no later than 1 week after I return your Exam 2.

Written Research Policy Proposal (10%)

There will be a separate handout regarding the details of the written research proposal. The basic idea is for you to use i) peer-reviewed behavioral economic journal articles and ii) behavioral economic concepts to come up with a solution to a public policy problem that you care about. For example, the solution to young workers who selected the non-optimal default option of setting aside 0 money for retirement was to change the default option to encourage optimal savings for retirement. You (alone or with a group of up to 1 other person) will think about a policy problem and come up with a solution using one or more behavioral economic concepts. In a written paper, you will 1) describe the problem you are seeking to solve, 2) identify the relevant behavioral economic concepts as to why this problem occurs (citing relevant papers from behavioral economics), and 3) come-up with/describe a solution to this problem based on behavioral economics (again citing relevant papers from behavioral economics).

This written research proposal should be between 3-5 pages in length double-spaced, not including references (which can be formatted in any style you wish as long as references are organized). If you attend a writing center appointment before handing in your final draft, I will increase your written research policy proposal grade by 5%. Attach proof of your appointment to your final paper submission.

Oral Presentation of Policy Proposal (10%)

During finals week, you (or you and your group) will sign-up for a 15 minute oral "defense" of your written research proposal. You will not be allowed notes. I will first ask you basic questions asking you to explain the problem and the solution you have come-up with. I will then ask you further questions about potential implications or other possible solutions, and ask you to respond. Your oral presentation will be graded on the basis of your understanding of the material in your research proposal (including behavioral economic concepts, the basics of papers cited, and your solution) and your ability to answer questions clearly. As each written research proposal will differ, so too will the questions I ask during this oral presentation. **Note:** You do not need to memorize a script/description of your project. I am not looking for perfect answers as you do not have notes. Simply your level of understanding of your topic/proposal.

Note: If you attend an Oral Communications Center appointment to prepare for your final project defense, I will add an additional 5% (half a letter grade) to the oral presentation portion of your final project grade. You must bring proof of your appointment to the oral presentation.

Grading

I realize with any course, grades and grading are a source of stress/anxiety. I also realize test-anxiety hinders performance on exams, and that you as students have a lot going on. Here are some ways I attempt to reduce stress in my class:

1. You know what the exam format is from both the syllabus and the practice exams available 1 week before each exam.
2. In-class discussions, practice questions in class, Take-home quizzes, and office hours provide opportunities for feedback before an exam.
3. The weighting of the exams is lower for your worst exam and higher for your best exam.
4. The optional final provides another opportunity to improve your grade in the class.
5. 25% of your grade comes from completing take-home quizzes, paper summaries, and class participation.
6. You can earn up to 5 extra points on your final grade by regularly coming to class and participating.
7. 20% of your grade comes from the Final Research Proposal.

That being said, I will not curve exams during the semester. Instead, I will assess average performance of the class as a whole. The better the average on the two exams, the more likely I think it is that on average the class understands economics, and the higher the average grade in the class. **You should aim for the highest grade on each exam you can, and you should work with others in the class.** Think of it not as competing within your class, but competing as a class to demonstrate to me your collective understanding of economics, and competing against how I think the average student would do on my exams.

My Policies

Device Policy: No Devices Unless Written Exemption

The literature shows that students who write their notes down on paper tend to have better retention than students who type up their notes. Also, laptops can be distracting for both the student using laptops and those around students using laptops. Therefore, I do not allow students to use electronic devices (laptops, tablets, phones, etc) while in class. If you do really want to use a device to take notes (i.e. an iPad), send me an email explaining why you want an exemption and for which device. I will make each decision on a case-by-case basis.

Generative AI: . e.g., Chat GPT

ChatGPT/Gen AI is a tool that can help you improve your understanding of behavioral economics, and help you practice your math by giving you practice problems. It can also help you proofread and edit for grammar and spelling. ChatGPT, however, should not be writing your paper summaries for you, nor should it write your research proposal. Using ChatGPT in this way will not only hurt you on exams, as you may be less prepared for exam questions by not reading and summarizing the readings yourself, but will also earn you a 0 on such assignments. You should think of Gen AI as a helper, like a classmate, who wants to help but may not be correct all of the time. You are ultimately responsible for anything you submit in this class.

Attendance: Strive for Perfect Attendance

I work hard to make sure that class time is worth your time, and that the material in class will be engaging, useful, and helpful. While I do not directly grade attendance, you should strive for perfect attendance! That being said, life happens and sometimes you may have to miss class. I ask that you send me an email to let me know you will miss class, but I do not need any proof about why you are unable to make it to class. Submit any paper summary before the start of class, or use one of your drops, and use the reading and notes from a classmate to see what you can pick up. You can come to office hours to ask any remaining questions you have.

Caveat: Please do not come to class if you are sick. Simply send me an email that you are not able to make it beforehand.

Email & Communication Guidelines

If you need to send me an email, please include "Econ 339' in the subject of the email. Also note that you are welcome to send me an email at anytime, but I only reply between 9am and 5pm during the week for most emails. If I get the same question from multiple people I will post the question & answer on Blackboard rather than answer individual emails. I will answer short questions via email, but if it would take more than 1-2 sentences to answer it will be better for all of us if you come in to ask those questions during office hours.

Student-Help/Office Hours

I offer many office hours/student hours (as listed at the top of the syllabus). However, you are welcome to swing by office anytime during business hours (9am-5pm)! If I am in my office and the door is open, I am happy to answer any questions you may have. My time may be limited, but I can guarentee at least a couple of minutes to get you pointed in the right direction, and may tell you to think more deeply about a problem or concept and come back during my official office hours.

Other Helpful Resources

I encourage you to work with classmates on understanding articles/readings and completing assignments for this class, although everyone should work on all parts of assignments, rather than divvying-up work amongst group members. Everyone should write-up their own paper summaries and other assignments. Besides student hours, the Quantitative and Symbolic Reasoning Center (QSR) is a great resource with drop-in hours or individual tutoring available.

For the final project, both the Writing Center and the Oral Communications Center (OCC) are available to help you refine your writing and oral presentation skills.

Mental Well-Being

Many of us may feel overwhelmed, anxious, or depressed for various reasons. If at any point you feel unable to complete work for this class, please reach out and discuss with me. I also encourage you to make use of the resources available on campus to help and support you, such as Student Support Care Team (315-859-4463; studentsupport@hamilton.edu), the Counseling Center (315-859-4340), or an RA or Area Director in your residence hall. For academic matters, please contact the Associate Dean of Students for Academics, Adam Van Wynsberghe (avanwyns@hamilton.edu).

Resources and Support Available to Students

Students with Disabilities: Hamilton College will make reasonable accommodations for students with properly documented disabilities. If you are eligible to receive an accommodation(s) and would like to make a formal request for this course, please discuss it with me as soon as possible. You will need to pro-vide Allen Harrison, Assistant Dean for Accessibility Resources (aharriso@hamilton.edu) with appropriate documentation of your disability.

Journal Articles

Carter, Susan Payne, Kyle Greenberg, and Michael S Walker (2017). "Should Professors Ban Laptops? How Classroom Computer Use Affects Student Learning." In: *Education next* 17.4.

Dynarski, Susan (2017). "Laptops are Great. But Not During a Lecture or Meeting." In: *New York Times* 23.

Rabin, Matthew (2002). "A Perspective on Psychology and Economics". In: *European economic review* 46.4-5, pp. 657–685.

Chabris, Christopher F, David I Laibson, and Jonathon P Schuldt (2008). "Intertemporal Choice". In: *The new Palgrave dictionary of economics*. Springer, pp. 1–8.

Hershfield, Hal E et al. (2011). "Increasing Saving Behavior Through Age-progressed Renderings of the Future Self". In: *Journal of marketing research* 48.SPL, S23–S37.

Ariely, Dan and Klaus Wertenbroch (2002). "Procrastination, Deadlines, and Performance: Self-control by Precommitment". In: *Psychological science* 13.3, pp. 219–224.

Fehr, Ernst and Colin F Camerer (2007). "Social Neuroeconomics: the Neural Circuitry of Social Preferences". In: *Trends in cognitive sciences* 11.10, pp. 419–427.

Kreps, David M (1997). "Intrinsic Motivation and Extrinsic Incentives". In: *The American economic review* 87.2, pp. 359–364.

Gneezy, Uri and Aldo Rustichini (2000). "A Fine is a Price". In: *The journal of legal studies* 29.1, pp. 1–17.

Tversky, Amos and Daniel Kahneman (1992). "Advances in prospect theory: Cumulative representation of uncertainty". In: *Journal of Risk and uncertainty* 5.4, pp. 297–323.

Johnson, Eric J et al. (1993). "Framing, Probability Distortions, and Insurance Decisions". In: *Journal of risk and uncertainty* 7.1, pp. 35–51.

Johnson, Eric J and Daniel Goldstein (2003). *Do Defaults Save Lives?*

Beshears, John et al. (2009). "The Importance of Default Options for Retirement Saving Outcomes: Evidence from the United States". In: *Social security policy in a changing environment*. University of Chicago Press, pp. 167–195.

Bhargava, Saurabh and Dayanand Manoli (2015). "Psychological Frictions and the Incomplete Take-up of Social Benefits: Evidence from an IRS field experiment". In: *American Economic Review* 105.11, pp. 3489–3529.

Duarte, Fabian and Justine S Hastings (2012). *Fettered Consumers and Sophisticated Firms: Evidence from Mexico's Privatized Social Security Market*. Tech. rep. National Bureau of Economic Research.

Barr, Michael S, Sendhil Mullainathan, and Eldar Shafir (2008). "Behaviorally Informed Home Mortgage Credit Regulation". In: *Borrowing to live: Consumer and mortgage credit revisited*, pp. 170–203.