

Subject card

Subject name and code	Behavioural economics. Psychology of decision making, PG_00093958						
Field of study	Economics, International Economic Relations						
Date of commencement of studies	October 2023		Academic year of realisation of subject		2025/2026		
Education level	Bachelor's studies		Subject group		Obligatory subject group in the field of study Optional subject group		
Mode of study	full-time studies		Mode of delivery		at the university		
Year of study	3		Language of instruction		Polish		
Semester of study	6		ECTS credits		5.0		
Learning profile	academic		Assessment form		credit		
Conducting unit							
Name and surname of lecturer (lecturers)	Subject supervisor		prof. dr hab. Jacek Zaucha				
	Teachers		prof. dr hab. Jacek Zaucha				
Lesson types	Lesson type	Lecture	Tutorial	Laboratory	Project	Seminar	SUM
	Number of study hours	30.0	0.0	0.0	0.0	0.0	30
	E-learning hours included: 0.0						
Learning activity and number of study hours	Learning activity	Participation in didactic classes included in study plan		Participation in consultation hours		Self-study	SUM
	Number of study hours	30		0.0		0.0	30
Subject objectives	The student has become familiar with and is able to practically use theoretical models and research results of behavioral economics for professional purposes.						

Learning outcomes	Course outcome	Subject outcome	Method of verification
	[MSG3_U02] can assess economic and social phenomena occurring in an open economy, interpret necessary statistical data and economic indicators, as well as forecast economic phenomena and processes, using standard methods and tools applied in economic sciences	The student is able to independently analyze economic and social phenomena and processes, has the ability to theoretically assess these phenomena using behavioral economics methods.	[SU1] oral statement/conversation/discussion [SU2] presentation/project/paper/report
	[EKONL3_U08] has the ability to observe, understand and analyse economic and social phenomena and processes using appropriate scientific methods	The student has the ability to observe, understand and analyze economic and social phenomena and processes using behavioral economics methods.	[SU1] oral statement/conversation/discussion [SU2] presentation/project/paper/report
	[EKONL3_K04] is willing to think and act in an entrepreneurial manner; adapts to new situations and conditions, takes on the challenges of creative thinking, is resilient in the face of failure, is able to identify risks and assess the risks of failure	Using knowledge from the field of behavioral economics, the student is ready to think and act in an entrepreneurial way, adapts to new situations and conditions, takes on the challenges of creative thinking	[SK1] oral statement/conversation/discussion [SK2] presentation/project/paper/report
	[EKONL3_W09] has advanced knowledge of the evolution of theories describing economic entities and organisations as well as public institutions, and is familiar with the functional links within them	The student has advanced knowledge of the evolution of theories describing economic entities and organizations as well as public institutions, and knows the functional relationships occurring in them and is able to analyse them using behavioural economics	[SW1] oral statement/conversation/discussion [SW2] presentation/project/paper/report
	[MSG3_K04] is ready to think and act in an entrepreneurial manner; adapts to new situations and conditions, undertakes challenges of creative thinking; is resilient to failures; can identify threats and assess the risk of their occurrence	Using knowledge from the field of behavioral economics, the student is ready to think and act in an entrepreneurial way, adapts to new situations and conditions, takes on the challenges of creative thinking	[SK1] oral statement/conversation/discussion [SK2] presentation/project/paper/report
	[MSG3_W09] has knowledge about a human being as an individual making economic decisions, acting within social structures and organisational units (in particular enterprises) or conducting individual economic activity	The student has advanced knowledge of man Student has an entity creating social structures and the principles of their functioning and of his actions in these structures, knows well the motives for making economic decisions by man using the methods of behavioral economics	[SW1] oral statement/conversation/discussion [SW2] presentation/project/paper/report
	[EKONL3_W05] has advanced knowledge of man as a subject who creates social structures and the principles of their functioning and of his action in these structures, knows well the motives of human economic decision-making	The student has advanced knowledge of man as an entity creating social structures and the principles of their functioning and of his actions in these structures, knows well the motives for making economic decisions by man using the methods of behavioral economics	[SW1] oral statement/conversation/discussion [SW2] presentation/project/paper/report
	[MSG3_U14] can interact and work in a team (including an international one), taking various roles within it	Using the achievements of behavioral economics, the student is ready to actively participate in group projects, taking on various roles	[SU1] oral statement/conversation/discussion [SU2] presentation/project/paper/report
	[MSG3_K03] participates in the preparation of economic and social projects; can reconcile legal, economic, ecological, political and social requirements	The student participates in the preparation of economic and social projects in the field of behavioral economics, is able to reconcile legal, economic, ecological, political and social requirements	[SK1] oral statement/conversation/discussion [SK2] presentation/project/paper/report
	[EKONL3_K03] participates in the preparation of economic and social projects, being able to reconcile legal, economic, ecological, political and social requirements	The student participates in the preparation of economic and social projects, being able to reconcile legal, economic, ecological, political and social requirements.	[SK1] oral statement/conversation/discussion [SK2] presentation/project/paper/report

	Course outcome	Subject outcome	Method of verification
	[MSG3_U15] can appropriately identify priorities, plan and organise tasks related to their implementation, as well as monitor and evaluate progress	The student is able to set priorities appropriately and plan and organize tasks related to their implementation, in the field of behavioral economics, as well as monitor and evaluate progress	[SU2] presentation/project/paper/report
	[EKONL3_U10] has the ability to prepare oral presentations, in Polish and in a foreign language, on economic and social issues, using specialist terminology, theoretical approaches, principles of collecting various sources of data, their description and interpretation, and making inferences from scientific literature, and is able to take an active part in a debate	The student has advanced skills in preparing specialized oral presentations in English on the issues of behavioral economics	[SU1] oral statement/conversation/discussion [SU2] presentation/project/paper/report
	[EKONL3_U03] is able to analyse the causes and course of specific economic and social processes and phenomena, and accurately analyse these phenomena using adequate methods and tools economic and social	The student is able to analyze the causes and course of specific economic and social processes and phenomena and accurately analyze these phenomena using behavioral economics	[SU1] oral statement/conversation/discussion [SU2] presentation/project/paper/report
	[EKONL3_U14] is able to set priorities and plan and organise the tasks involved in their implementation as well as monitor and evaluate progress accordingly	The student is able to set priorities appropriately and plan and organize tasks related to their implementation, in the field of behavioral economics, as well as monitor and evaluate progress	[SU2] presentation/project/paper/report

Subject contents	Course description: Module 1: Rational decision making • Decision making under conditions of risk and uncertainty, • Decision tree • Expected value, • Expected utility, • Petersburg paradox, • Case studies on practical use of the expected value. Module 2: Induction to the behavioural economics • Von Neuman and Morgenstern theory, • Bounded rationality , • Preferences and economic motives of people, • Role of leading motives, • Reduced rationality of human economic choices, • Reduced rationality or different levels of rationality? • Behavioural economics in relation to the main stream economics. Module 3: System 1 and System 2 • How do we take decisions, • Automatic decisions and intuition, • Effort required to take conscious decisions, depletion effect, • Priming effect, • Cognitive ease, • Looking for explanations- coherent stories and norms, • Halo effect, • WYSIATI, • Question substituting Module 4: Heuristics and fallacies • Affect heuristic, • Small numbers fallacy, • Availability heuristic , • Anchoring, • Representativeness heuristic, • Regression fallacy, • Framing, • Overconfidence and loss aversion: - Illusion of validity, - Planning fallacy, - Pervasive optimistic bias, • Sunk costs fallacy. Module 5: Prospect theory • A neutral reference point, - adaptation level , • A principle of diminishing sensitivity in the evaluation of changes of wealth, • Loss aversion versus risk seeking, • Bad versus good choices, • Certainty and possibility effect, • Non-linear weighting of probabilities: for instance Prelec's function, • Endowment effect . Module 6: Altruism • Reciprocal altruism, • Altruism versus cooperation, • Devotion as a part of altruistic behaviours, • Altruism as investment, • Gender and altruistic approach. Module 7: Experiments and praxis • Designing a behavioural experiment, • Discussing and finetuning the experiment concept, • Conducting the experiment, • Presentation of the research outcomes of the students' experiments and discussing them, • Workshop on behavioural public finance - discussion on the outcomes of the students' experiments.
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	The experiments preparation will be discussed with students also during office hours non		
Prerequisites and co-requisites			
Assessment methods and criteria	Subject passing criteria	Passing threshold	Percentage of the final grade
	Takin part in the workshops (level of engagement)	51.0%	80.0%
	Behavioural experiment	51.0%	20.0%
Recommended reading	Basic literature	Basic literature - DAN ARIELY, Predictably Irrational. Harper Collins Publishers 2008 - DANIEL KAHNEMAN, Thinking fast and slow. Macmillan 2001	
	Supplementary literature	Supplementary literature DAN ARIELY, The upside of irrationality, Harper Collins Publishers, 2010	
	eResources addresses		
Example issues/ example questions/ tasks being completed	Come up with a practical example how you will use in day to day economic relations (put your self in the hat of manager of a big supermarket, CEO of a big company or Head of marketing agency or as a prime minister of your government) the knowledge on: Ego-depletion, Priming effect, Cognitive ease Inclination to make coherent stories (a bias to believe) Hallo effect WYSIATI Question substituting If you need to discuss your ideas, I invite you to my office hours		
Work placement	Not applicable		

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