COURSE DETAIL

BEHAVIORAL ECONOMICS

Country
United Kingdom - England

Host Institution
University of Cambridge, Pembroke College

Program(s)
Summer in Cambridge

UCEAP Course Level
Upper Division

UCEAP Subject Area(s)
Economics

UCEAP Course Number
113

UCEAP Course Suffix
S

UCEAP Official Title
BEHAVIORAL ECONOMICS

UCEAP Transcript Title
BEHAVIORAL ECON

UCEAP Quarter Units
5.00

UCEAP Semester Units

3.30

Course Description

Over the last half-century, economists have developed sophisticated mathematical models and other analytics to measure and predict economic phenomenon. In recent times, the credibility of these traditional economic tools has become increasingly questioned due to recent global financial turmoil. With many countries still digging out from underneath this economic rubble, alternative methods for understanding the economy have been given further consideration in an effort to rebuild a more robust economy. A revolutionary time in economic theory and practice is occurring. Alternative methods to traditional economics have laid the foundation for radical reconfigurations of economic methods. Unorthodox approaches are now being employed to better understand the mechanics in a post-crash economy, particularly in seeking to grasp the complexities and nuances surrounding financial decision-making. What is Behavioral Economics? Generally, behavioral economists are interested in the same questions as traditional economists, but they have different assumptions when it comes to finding the answers. Simply put, behavioral economists accept human economic decision-making to be not as meticulous, calculating or orderly as traditional economics would propose. Human choices are not made in a vacuum but in more a chaotic environment and made in an untidy fashion, affected by a myriad of external influences. Multiple rationalities can influence behavior, and choice surroundings, cultural, psychological, or social sensitivities can distort or constrain decisions. These and other subtle and not-so-subtle factors contribute to unique individual purchasing and investment choices that lead, eventually, to observable macro financial market phenomenon. The course aids students in examining applied mathematic, numerical models and theorems to re-examine and critique their current explanatory powers in financial markets. It also bolsters students' understanding of traditional economics and mathematics in terms of investigating its rise, established grip, bounds, credibility, and explanatory influence. However, the vast majority of the course aids students in understanding how other disciplines can be applied to economics – such as the cognitive sciences.

Language(s) of Instruction

English

Host Institution Course Number

Host Institution Course Title
BEHAVIORAL ECONOMICS

Host Institution Course Details

Host Institution Campus
PKP Cambridge

Host Institution Faculty

Host Institution Degree

Host Institution Department
Economics, Business and Management

Course Last Reviewed

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