



浙江大學

ECON523

Principles of Behavioral Economics

ECON523

Principles of Behavioral Economics

Instructor Contact Details

Lecturer-in-charge: Dr. Qingbing Cai

Email: wlwyxy_29@zju.edu.cn

Office location: Huajiachi Campus, Zhejiang University, Hangzhou, China

Consultation Time: Book appointment by sending email to: wlwyxy_29@zju.edu.cn

Teaching Times, Modes and Locations

Course Duration: 28 Jun 2026 to 17 Jul 2026

Modes: Face-to-face

Location: Huajiachi Campus, Zhejiang University via face-to-face

Academic Level

Undergraduate

Credit Points:

The course is worth 6 units of credit point.

Credit Hours

The number of credit hours of this course equals to the credits of a standard semester-long course.

Contact Hours

The course contains a total of 53 contact hours, which consists of orientation, lectures, seminars, quiz, discussion, research, case study, small tests, assignments, on-site field trip(s), in-class and after-class activities, revision, self-study, and final exam. Students will receive an official transcript which is issued by Zhejiang University when completing this course.

Enrolment Requirements

Eligibility requires enrollment in an overseas university as an undergraduate or postgraduate student, proficiency in English, and pre-approval from the student's home institution.

Course Description:

This unit is designed for students interested in the application of economics to critical everyday issues. It provides an understanding of how the economy functions and how individuals, firms, and governments make decisions using economic principles, including the role of public policy and its trade-offs. Students will learn to critically analyze real-world issues from an economist's perspective and effectively communicate their ideas. The course covers the experimental method and its comparison to other empirical methods, exploring the "homo economicus" assumption of rational, selfish decision-making. Topics include individual and collective decision-making, risky choices, cooperation, competition, public goods provision, norm violations, and coordination problems, highlighting both the strengths and behavioral deviations from traditional economic models.

Prerequisite:

Prior knowledge in fundamental finance is required for taking this course.

Learning Resources

- Earl, Peter E. Principles of behavioral economics: Bringing together old, new and evolutionary approaches. Cambridge University Press, 2022.

Learning Objectives

By the end of this course, you should be able to:

- Apply economic concepts to examine real-world problems from both individual and policymaker perspectives, while developing problem-solving skills and critically evaluating the assumptions and limitations of theories and arguments presented in class.
- Describe, analyze, and evaluate the advantages, disadvantages, and appropriateness of the experimental method for certain research questions, including the most important features of experimental design and implementation.
- Develop and demonstrate strong written communication skills, effectively employing technologies to gather, manage, analyze, evaluate, and use information from various sources efficiently.
- Communicate ideas clearly and succinctly, considering ethical issues such as deception in experimental methods, and accounting for cultural and social factors that might affect experimental results in economics research.

Course Delivery:

- Face-to-face Lecture mode includes lectures, seminars, quiz, discussion, research, case study, small tests, assignments, on-site field trip(s), in-class and after-class activities, revision, and final exam.

The following course will be taught in English. There will also be guest speakers and optional field trips available for students who would like to enhance their learning experience. All courses and other sessions will be run during weekdays.

Topics and Course Schedule:

WK	Topic	Activities
1	Orientation	
1	Introduction to Behavioral Economics	Lecture; Tutorial
1	History and purposes of Experimental and Behavioral Economics	Lecture; Tutorial
1	Social interactions, Power & Property	Lecture; Tutorial
1	The firm and its customers	Lecture; Tutorial
1	Testing theories of rationality	Lecture; Tutorial
2	Supply & Demand: price taking & competitive markets	Lecture; Tutorial
2	Seminar	
2	The labor market, Banks, Money & Credit market	Lecture; Tutorial
2	the Duhem - Quine Problem	Lecture; Tutorial
2	Quiz	Closed book
2	Markets, Efficiency & Public policy	Lecture; Tutorial
3	the Heuristics and Biases Controversy	Lecture; Tutorial
3	Unemployment & Fiscal Policy	Lecture; Tutorial

3	Inflation, Unemployment & Monetary policy	Lecture; Tutorial
3	Gender differences and how to study them	Lecture; Tutorial
3	Economic inequality & Social policy	Lecture; Tutorial
3	Revision	Tutorial
3	Final exam	Closed book



Assessments:

Class participation	15%
In-class Test	15%
Assignments	20%
Final exam	50%

Pass Requirement (Double Pass Rule)

To pass this course, students are required to achieve:

- an overall mark of 50% or above, and
- a pass mark (50% or above) in the Final Examination.

Students who achieve an overall mark of 50% or above but do not achieve a pass in the Final Examination will receive a fail grade for the course.

Grade Descriptors:

HD	High Distinction	85-100
D	Distinction	75-84
Cr	Credit	65-74
P	Pass	50-64
F	Fail	0-49

High Distinction 85-100

- Treatment of material evidences an advanced synthesis of ideas Demonstration of initiative, complex understanding, and analysis.
- Work is well-written and stylistically sophisticated, including appropriate referencing, clarity, and some creativity where appropriate.
- All criteria addressed to a high level.

Distinction 75-84

- Treatment of material evidences an advanced understanding of ideas Demonstration of initiative, complex understanding and analysis Work is well-written and stylistically strong.
- All criteria addressed strongly.

Credit 65-74

- Treatment of material displays a good understanding of ideas
- Work is well-written and stylistically sound, with a minimum of syntactical errors.
- All criteria addressed clearly.

Pass 50-64

- Treatment of material indicates a satisfactory understanding of ideas Work is adequately written, with some syntactical errors.
- Most criteria addressed adequately.

Fail 0-49

- Treatment of ideas indicates an inadequate understanding of ideas Written style inappropriate to task, major problems with expression.
- Most criteria not clearly or adequately addressed.

Academic Integrity

Students are expected to uphold the university's academic honesty principles which are an integral part of the university's core values and principles. If a student fails to observe the acceptable standards of academic honesty, they could attract penalties and even disqualification from the course in more serious circumstances. Students are responsible for knowing and observing accepted principles of research, writing and any other task which they are required to complete.

Academic dishonesty or cheating includes acts of plagiarism, misrepresentation, fabrication, failure to reference materials used properly and forgery. These may include, but are not limited to: claiming the work of others as your own, deliberately applying false and inaccurate information, copying the work of others in part or whole, allowing others in the course to copy your work in part or whole, failing to appropriately acknowledge the work of other scholars/authors through acceptable referencing standards, purchasing papers or writing papers for other students and submitting the same paper twice for the same subject.

This Academic Integrity policy applies to all students of the Zhejiang University in all programs of study, including non-graduating students. It is to reinforce the University's commitment to maintain integrity and honesty in all academic activities of the University community.

Policy

The foundation of good academic work is honesty. Maintaining academic integrity upholds the standards of the University. The responsibility for maintaining integrity in all the activities of the academic community lies with the students as well as the faculty and the University. Everyone in this community must work together to ensure that the values of truth, trust and justice are upheld.

Academic dishonesty affects the University's reputation and devalues the degrees offered. The University will impose serious penalties on students who are found to have violated this policy. The following penalties may be imposed:

- ✓ Expulsion
- ✓ Suspension
- ✓ Zero mark /fail grade
- ✓ Marking down
- ✓ Re-doing/re-submitting of assignments or reports, and
- ✓ Verbal or written warning