



Econ3351G 570
Behavioural Economics
Winter 2026

Instructor: Dr. Jingjing Xu
Email: jxu938@uwo.ca

Course Information

Mode of Instruction: In Person

Calendar Description:

This course will review recent models and findings in the fields of economics and psychology regarding the errors in human judgment and discuss their importance in an economic marketplace.

Pre-requisite(s): Economics 2220A/B, Economics 2222A/B, Economics 2261A/B.

Anti-requisite(s): Economics 3390F/G if taken in Winter 2022. Economics 3391A/B if taken at King's University College in 2022-2023, 2023-2024.

Extra Information: 3 lecture hours

Course Weight: 0.50

Breadth: CATEGORY A

Subject Code: ECONOMIC

Notice: Unless you have either the requisites for this course (fulfilment of pre-requisites, no anti-requisite conflicts), or special permission from your Dean to enrol in it, you may be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites.

**Economics 3351G
Behavioral Economics
Winter 2025-2026**

Instructor: Jingjing Xu

E-mail: jxu938@uwo.ca (Please include “Econ 3351” in the subject line.)

Office Hours: Wednesday 1:30 pm – 2:30 pm (in person) or by appointment

Overview

In general, Economics assumes rational decision-making, meaning that individuals choose the allocation of resources that maximizes their well-being. However, individuals do not always behave rationally. This course provides an introduction to behavioral economics, which combines insights from psychology and economics and provides a lens through which we can better understand anomalies in human economic behaviors.

Course Objectives

- To provide students with an introduction to the principles and methods of behavioral economics.
- To provide an overview of how behavioral principles have been applied to economic problems both in microeconomics and macroeconomics.

Learning Outcomes

The students who successfully complete this course will be able to:

- i Describe behavioral economic analysis and how it differs from standard economic analysis.
- ii Describe and explain the methods used in behavioral economics, including strengths and weaknesses.
- iii Apply the material in the course to better understand human behavior and identify situations in which human behavior may not be fully rational.
- iv Explain the policy implications derived from the analysis and empirical results in behavioral economics.

Class Format

Most classes will be structured in the traditional lecture format. The class time will be divided between lecture / presentation and discussion. Students’ participation and questions are strongly encouraged as this will count towards participation marks. Students are expected to have read the assigned material before class.

Course Materials

- *An Introduction to Behavioral Economics*, N. Wilkinson and M. Klaes, 3rd Ed. Palgrave Macmillan., 2018
- *Nudge: The final Edition*. Thaler, Richard H., and Cass R. Sunstein. Penguin, 2021. (Required Text) \$27.99

Course Outline

The following outline is tentative and subject to change. The instructor reserves the right to make changes as well as drop one or two topics if there is insufficient time

**All the changes in schedule and deadlines will be announced via OWL in advance. Students are responsible for learning about these changes – not knowing about the change does not qualify as an excuse. **

Week	Topic
1	Introduction: What is behavioral economics?
2	Expected Utility Theory and Prospect Theory
3	Prospect Theory Application
4	Mental Accounting
5	Intertemporal Choice
6	Intertemporal Choice Application
7	Spring Reading Week
8	Behavioral Game Theory
9	Social Preferences
10	Social Preferences Application
11	Paternalism
12	Project Presentations
13	Project Presentations
14	Winter term classes end

Evaluation

The final course grade will be calculated as a weighted average of the following components:

Participation & Attendance		15%
Research and Course Reflection Journal	Collection dates to be announced.	30%
Presentations	See below for details	15%
Research Proposal (Presentation and Paper)	Due on April 11, 2026	40%

- **Participation & Attendance:** Your active presence and engagement are key to the success of this course. You are expected to attend all classes, arrive on time, and come prepared to discuss the assigned readings and contribute to class discussions. Attendance will be monitored, and participation will be evaluated based on both the quality and consistency of your contribution. These could include your involvement in discussions, responsiveness to peers' ideas, and demonstrated understanding of the course materials.
- **Research and Course Reflection Journal:** Your journal will serve as an ongoing record of your reflection and intellectual growth throughout the semester. It should include concise synopses and thoughtful reactions to the class discussions and required readings, as well as feedback and reflections on your classmates' presentations. Think of your journal as a running log of your engagement with course materials and evolution of research ideas. I will grade the journal based on:
 - ◇ Clarity and organization of writing
 - ◇ Accuracy and depth of your summaries of readings
 - ◇ Insightfulness and originality of your comments and responses
 - ◇ Development and progression of your research idea(s) over time, especially compared to earlier entries.

The journal will be collected three times throughout the semester. You are free to make as many (or few) entries to the journal as you like; there is no minimum or maximum length requirement for each entry. However, consistent, thoughtful engagement is expected throughout the term.

- **Presentation:** During the last 10–20 minutes of each class, students are expected to present and discuss materials from the assigned readings (which include chapters from Thaler and Sunstein (2021) or previous literature). Required reading will be announced every week in class or posted in OWL Brightspace. The presentations take the form of a mini-seminar, in which the presenter acts as a seminar leader by first giving a short summary of the required reading, and then providing a list of questions/comments to facilitate a discussion about the material. The audience are expected to actively

participate in the discussions by sharing their views on the readings. Each presentation, including the discussion that follows, should be about 5–10 minutes long.

To help you prepare for the presentations, you may want to keep the following questions in mind while reading, although not all of them will apply in each reading: (1) What is (are) the behavioral concept(s) discussed in the required reading? (2) What is the context in which the behavior occurs? (3) What method, e.g. experiment/survey/field data, was used in documenting those behaviors? (4) How do the behaviors relate to the rational benchmark idealized by the homo economicus? (5) What theories are proposed to explain these behaviors? (6) Most importantly, your response(s) after reading—What do you think is lacking in the explanations? Do you have any agreement/disagreement? How does the reading change the way you approach various decision-making problems? In addition to these questions, keeping a journal on the readings (as discussed above) is also a useful way of organizing your thoughts.

- **Research Proposal:** This proposal allows students to apply the behavioral concepts they learned to a societal/managerial setting of interest. You should include a written research proposal (no more than 10 pages, double-spaced paper) describing the research question and motivation, giving a detailed proposal of the behavioral intervention, briefly summarizing relevant literature supporting the intervention, and identifying methods for evaluating the effectiveness of the intervention. Each student should also prepare a 15–20-minute presentation of their project, to be delivered in the last two weeks of classes. Treat this presentation as an opportunity to get feedback on your project before the final submission on **April 11, 2026**.

Re-grading

- The final grades for the course cannot be changed. If the student believes that there exist objective reasons for the change of the final grade, they must provide the instructor with details on an email sent to jxu938@uwo.ca, explaining the reason(s) for requesting a reappraisal of their graded work. In this case the instructor will revise and re-grade student's work. Regrading will apply to the entire assignment/exam, not just the contentious question. As a result, the revised grade maybe higher than, lower than or the same as the original grade. Exams or assignments completed in pencil or erasable ink will not be regraded.
- The instructor reserves the right to reallocate the distribution of marks as special circumstances may demand, in the interest of academic fairness. This redistribution would never negatively affect the grades of any student.

MEM Course Policies

Attendance Policy:

Attendance is required! Missing 25% of scheduled classes is considered to be too frequent. A warning email will be issued at the 20% point and if absences continue the instructor will implement the King's attendance policy below:

King's policy states that *"A student may be debarred from writing the final exam for failure to maintain satisfactory academic standing throughout the year. Any student who, in the opinion of the instructor, is absent too frequently from class or laboratory periods in any course, will be reported to the Dean of the Faculty offering the course, after due warning has been given*. On the recommendation of the department concerned, and with the permission of the Dean of that Faculty, the student will be debarred from taking the regular examination in the course."*

* Implies that faculty must be tracking and have communicated attendance concerns to student

Email and communication Policy:

For verification and security purposes, I will only respond to emails originating from @uwo.ca e-mail accounts, and which are signed with a student's name and student number. Please make sure that you include course and section number in the subject line to help me track your question(s) appropriately.

All course changes and updates will be communicated via the OWL course website, so please check that frequently.

Policy on Generative AI:

Within this course, generative AI tools such as ChatGPT are permitted exclusively for information-gathering and preliminary research purposes. If AI tools are used, students must acknowledge use and state how the tool was used. Unauthorized use of AI will be subject to academic discipline.

Support Services

- Students who are in emotional/mental health distress should refer to Mental Health@Western: <http://www.uwo.ca/uwocom/mentalhealth/> for a complete list of options about how to obtain help.

- University Students Council provides many valuable support services for students (including the health insurance plan) <http://westernusc.ca/services/>.

- Information about Counselling and Student Development, including Services for Students with Disabilities at King's is available at <http://www.kings.uwo.ca/about-kings/who-we-are/administrative-departments/dean-of-students/>

- For emotional/mental health assistance see: <http://www.kings.uwo.ca/current-students/campus-services/student-support-services/personal-counselling/>

- The web site for Academic Services at King's University College is <http://www.kings.uwo.ca/current-students/academic-support/>

KING'S UNIVERSITY COLLEGE

GENERAL COURSE POLICIES

2025-2026

1. Academic Accommodations, Consideration for Absences

Academic Accommodation (Accessibility)

Accessibility Services works to ensure that academic programs are accessible to all students, and supports students who may have a condition related to, but not limited to, vision, hearing, mobility, different ways of learning, mental health, chronic illnesses, chronic pain, autism spectrum disorder, ADD/ADHD, and temporary conditions (beyond short-term academic consideration). Accessibility Services provides recommendations for accommodation based on medical documentation or psychological and cognitive assessment. The accommodation policy can be found here [Academic Accommodation for Students with Disabilities](#). Information on Accessibility Services at King's can be found [here](#).

Academic Consideration for Student Absence

If a student is unable to meet a course requirement due to substantial but temporary extenuating circumstances (medical or compassionate), they should follow the procedures below.

In some cases, where instructors have built flexibility into their assessments, this flexibility will already address consideration needs.

Requests for academic consideration should be directed to the Academic Advising Office of your faculty/college of registration. Requests must be made as soon as possible and no later than 48 hours after the missed assessment.

As a rule, documentation is required for academic consideration. For academic consideration requests on medical grounds, the Student Medical Certificate is available at https://www.kings.uwo.ca/kings/assets/File/currentStudents/courses_enrollment/exams_and_tests/SMC-Feb-2025.pdf.

Students are permitted one academic consideration request without supporting documentation per term per course.

Instructors may designate one assessment per half-course weight as requiring formal supporting documentation. Please refer to the course outline for each course.

For further information, please see:

https://uwo.ca/univsec/pdf/academic_policies/appeals/academic_consideration_Sep24.pdf

Absences from Final Examinations

If you miss the Final Exam, contact the Academic Advising Office of your faculty/college of registration as soon as you are able to do so. They will assess your eligibility to write the Special Examination (the name given by the University to a makeup Final Exam).

You may also be eligible to write the Special Exam if you are in a “Multiple Exam Situation” (e.g., more than 2 exams in 23-hour period, or more than 3 exams in a 47-hour period).

If a student fails to write a scheduled Special Examination, the date of the next Special Examination (if granted) normally will be the scheduled date for the final exam the next time this course is offered. The maximum course load for that term will be reduced by the credit of the course(s) for which the final examination has been deferred. See the Academic Calendar for details (under [Special Examinations](#)).

Religious Accommodation

Students should consult the University's list of recognized religious holidays, and should give notice in writing to the instructor and Academic Advising Office if a course requirement will be affected by a religious holiday/observance. Notice must be given as early as possible, and no later than two weeks prior to an examination, and one week prior to a midterm test date. It is the responsibility of such students to inform themselves concerning the work done in classes from which they are absent and to take appropriate action.

2. Support Services

Accessibility, Counselling and Student Development at King’s University College:

<https://www.kings.uwo.ca/current-students/student-services/>

Students experiencing emotional or mental health distress can access services at King’s University College: <http://www.kings.uwo.ca/current-students/campus-services/student-support-services/personal-counselling/>

Good2talk is a good online and phone 24/7 resource for students and is available in English, Mandarin, and French: <https://good2talk.ca>, 1-866-925-5454

MentalHealth@Western provides a complete list of options about how to obtain help:

https://www.uwo.ca/health/mental_wellbeing/

Academic Support Services at King’s University College:

<https://www.kings.uwo.ca/current-students/academic-resources/>

GBSV Support:

King’s is committed to reducing incidents of gender-based and sexual violence and providing compassionate support to anyone who has gone through these traumatic events. If you have experienced sexual or gender-based violence (either recently or in the past), you will find information about support services for survivors, including emergency contacts at:

<https://www.kings.uwo.ca/about-kings/safe-campus/gender-and-sexual-violence/>

You can reach someone supports at Kings by emailing Care@kings.uwo.ca or calling 519-930-4640 to reach a social worker who can offer help.

You can also reach Western’s Gender-Based Violence & Survivor Support Case Manager by [email](#) or by calling 519-661-3568.

Further supports can be found on this website: <https://www.kings.uwo.ca/about-kings/safe-campus/gender-and-sexual-violence/>

See also https://www.uwo.ca/health/student_support/survivor_support/get-help.html

University Students' Council offers many valuable support services for students, including the health insurance plan: <http://westernusc.ca/services/>

3. Statement on Use of Electronic Devices

Use of Electronic Devices: Unless explicitly stated otherwise, you are not allowed to have a cell phone, or any other electronic device, with you during tests or examinations. Unauthorized possession of such a device during a test or examination constitutes an academic offence.

Use of Laptops, Tablets, and Smartphones in the Classroom: King's University College at Western University acknowledges the integration of new technologies and learning methods into the curriculum. The use of electronic devices such as laptop computers, tablets, or smartphones can contribute to student engagement and effective learning. At the same time, King's recognizes that instructors and students share jointly the responsibility to establish and maintain a respectful classroom environment conducive to learning.

The use of electronic devices by students during lectures, seminars, labs, etc., shall be for matters related to the course at hand only. Students found to be using electronic devices for purposes not directly related to the class may be subject to sanctions under the Student Code of Conduct; see <https://www.kings.uwo.ca/current-students/student-affairs/code-of-student-conduct1/>

Inappropriate use of electronics (e.g., laptops, tablets, smartphones) during lectures, seminars, labs, etc., creates a significant disruption. As a consequence, instructors may choose to limit the use of electronic devices in these settings. In addition, in order to provide a safe classroom environment, students attending in-person class sessions are strongly advised to operate laptops with batteries rather than power cords.

4. Statement on Academic Offences

King's is committed to academic integrity. Scholastic offences are taken seriously and students are directed to read the appropriate policy, specifically, the definition of what constitutes a Scholastic Offence, is posted at

http://www.uwo.ca/univsec/pdf/academic_policies/appeals/scholastic_discipline_undergrad.pdf

It is expected that students will submit work that is truly their own, completed without external assistance (human or artificial) except as explicitly permitted by the course instructor. Check with your instructor on what tools, including generative AI (ChatGPT, translation tools, grammar-checking tools) are permitted in the course. Because a tool is permitted in one course, that does not mean it is permitted in other courses.

All required papers may be subject to submission for textual similarity review to the commercial plagiarism detection software under license to the University for the detection of plagiarism. All papers submitted for such checking will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system; see <https://elearningtoolkit.uwo.ca/tools/Originality Reports - TurnItIn.html>.

Computer-marked multiple-choice tests and/or exams may be subject to submission for similarity review by software that will check for unusual coincidences in answer patterns that may indicate cheating.

5. Copyright of Course Material

Lectures and course materials, including PowerPoint presentations, tests, outlines, and similar materials are protected by copyright. Faculty members are the exclusive owner of copyright in those materials they create. Students may take notes and make copies for their own use. Students may not allow others to reproduce or distribute lecture notes and course materials publicly (whether or not a fee is charged) without the express written consent of a faculty member. Unauthorized sharing of class content is subject to academic discipline.

Similarly, students own copyright in their own original papers and exam essays. If a faculty member wishes to post a student's answers or papers on the course website, they should ask for the student's written permission.

6. Use of Recordings

Participants in this course are not permitted to record the sessions, except where recording is an approved accommodation and/or the participant has the prior written permission of the instructor. Unauthorized recording and/or sharing of class content is subject to academic discipline.

7. Policy on Attendance

Any student who, in the opinion of the instructor, is absent too frequently from class or laboratory periods in any course, will be reported to the Dean of the Faculty offering the course, after due warning has been given. On the recommendation of the department concerned, and with the permission of the Dean of that Faculty, the student will be debarred from taking the regular examination in the course.