

DEPARTMENT OF ECONOMICS
UNIVERSITY OF DELHI

Subject:	DSE-19
Sem.:	VI/VIII
Course	Behavioural Economics
Paper Code	ECON049
Duration (per week)	4 (3 lectures + 1Tutorial)
Date & Time	24/12/2025
Venue:	Delhi School of Economics
Convenor:	Sourav Sarkar

List of Teachers who attended the Meeting

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|-----------------------|------------------------------|
| 1. Kanika Pathania | Sri Venkateswara College |
| 2. Abhishek Khadgawat | Shri Ram College of Commerce |
| 3. Phunchok Dolker | Kalindi College |

Learning Objectives

The Learning Objectives of this course are as follows:

- First it covers the Foundations, introducing students to Standard Decision Making
- Thereafter, it covers what are the possible anomalies in the Benchmark models observed empirically and discusses different extensions of the Benchmark models. Policy Prescriptions are also covered.

Learning Outcomes

The Learning outcomes of this course are as follows:

- This course equips students to contrast the outcomes of standard classical microeconomic theories with real outcomes, to apply the theories that explain anomalies/deviations from rational predicted behaviour.
- The course communicates the basic theories of behavioural economics cogently and critically

Syllabus

Primary Reference whose Chapters are listed is:

Lehr, B. (2022). *Behavioral economics: evidence, theory, and welfare*. Routledge.

Foundations (about 20% weight)

Chapter 2. Standard Decision Making

Chapter 3. Behavioral Welfare Economics: Section 3.4, Section 3.6

Anomalies and Extensions (about 80% weight)

Chapter 16. Belief Anomalies

Chapter 5. Present Bias (excluding Appendix 5A)

Chapter 6. Consumption Dependence: Section 6.1, Section 6.2, Section 6.3

Chapter 8. Reference-Independence Anomalies: Section 8.1, Section 8.2 (including Appendix 8A)

Chapter 9. Reference Dependence: Section 9.1, Section 9.2, Section 9.3 (including Appendix 9A)

Chapter 11. Expected Utility Anomalies

Chapter 12. Non-Expected Utility: Section 12.1, Section 12.2, Section 12.3

Chapter 13. Self-Interested Preference Anomalies

Chapter 14. Social Preferences: Section 14.1, Section 14.2

Chapter 19. Mental Accounting: Section 19.1, Section 19.2

Chapter 20. Inattention: Section 20.1, Section 20.2