Behavioral Decision Making
Elective FPM Course, Term IV, 2011-12

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Credit Hours: 3 (10 3-hr sessions); Pedagogy: Lecture + Seminar

Evaluation

Term paper: 50%
Class discussions: 50%

Course plan

Introduction:

1. A bit of history
2. Boundaries and avenues of BDM research
3. The gambling paradigm

Brief normative background:

1. WARP
2. Expected Utility
3. First order stochastic dominance, certainty equivalence, risk premium
4. Risk preferences: interpersonal and intrapersonal measures
5. Utility measurement

Bounded Rationality & Descriptive Models

Heuristics & biases


Assorted topics in basic research


Affect


Inter-temporal Choice

Applied Research (coverage based on constitution of the class)

Behavioral Strategy


Behavioral Finance


BDM in Marketing


**BDM in Public Policy**


Behavioral Operations


