

BEHAVIORAL ECONOMICS

MINOR

Studying behavioral economics is a critical component of analyzing human behavior and developing a holistic understanding of business and society. Offered through the Daniels School of Business, the Behavioral Economics Minor equips students with the tools to analyze human behavior by combining insights from economics and psychology.

The Behavioral Economics Minor allows students to gain a deeper understanding of:

- people's motivations and biases in decision-making
- individual decision-making under risk and uncertainty
- decisions in strategic settings (e.g., negotiations)
- consumer behavior

Armed with these insights, students will be better positioned to influence and improve the predictability of consumer and social behavior.

This minor is attractive to business majors, especially those studying consumer and investor behavior, marketing or public policy, who want to understand how people make decisions in real-world situations. The minor also benefits students majoring in psychology, political science or other social sciences who want to deepen their understanding of human decision-making and its implications for society.

The minor draws on the strengths of the Economics Department in the fields of experimental and behavioral economics and the resources associated with the Vernon Smith Experimental Laboratory and the Center for Behavioral Economics, Experiments and Policy. The curriculum emphasizes the tools necessary to excel as consultants, researchers and public servants.



The Behavioral Economics Minor at Purdue University requires that students take ECON 251; ECON 471; either ECON 301 or ECON 340; and either ECON 372 or ECON 451 (or both). The minor is not available for Economics majors (BS or BA) or Quantitative Business Economics majors.

REQUIRED COURSES (9 CREDITS)

ECON 25100: Microeconomics

Provides an overview of the choices individuals make and the incentives that influence those choices, with an emphasis on factors that determine market prices and resource allocation. The role of public policy in influencing incentives and efficiency is also addressed.

Typically offered Fall, Spring, and Summer. Credits: 3.00

ECON 30100: Managerial Economics

This course provides a practical and business-focused approach to microeconomic theory. Topics covered include consumer behavior and demand, decision under uncertainty, production and cost, factor demand, market structure, pricing strategies, and strategic behavior. An emphasis is placed on the tools used to analyze decisions made by managers at firms.

Typically offered Fall, Spring, and Summer. Credits: 3.00

or

ECON 34000: Intermediate Microeconomic Theory

This course teaches students the techniques needed to model and analyze the behavior of individual economic agents. It introduces a variety of techniques that allow students to solve business problems and make informed personal economic decisions. The course covers topics including consumer behavior and demand, decisions under uncertainty, production and cost, factor demand, market structure, pricing strategies, and strategic behavior.

Credits: 3.00

ECON 47100: Behavioral Economics

This course focuses on behavioral biases, both at an individual level, such as decision-making under risk and uncertainty, and at a multi-agent level, such as decision-making in markets and auctions. The course examines how economic theories apply to social interactions, including bargaining and trust, and addresses complex issues like public goods provision. Students study a range of topics, from auctions to social dilemmas to biases related to risk and uncertainty. Additionally, the course provides insights into how individuals bargain, establish trust, and exhibit social preferences. This course has a strong emphasis on interactive classroom exercises to give students a more intuitive understanding of human behavior in economic environments.

Typically offered Fall, Spring, and Summer. Credits: 3.00

ELECTIVE COURSES (6 CREDITS)

ECON 37200: Experimental Economics

This course will explore how experiments are used in economics to test economic theory, understand behavior, and evaluate new policies. Focusing on recent research, students read research papers on a variety of policy topics including labor market discrimination, payday lending, organ transplantation, media censorship, and voting. Applying the concepts from class, students will identify their own original research questions and design new experiments.

Prerequisites: ECON 26000 or STAT 35000/51100 or MGMT 305 (or equivalent e.g., PSY 201).

Typically offered Fall. Credits: 3.00

ECON 45100: Game Theory

This course will introduce upper-level undergraduates to game theory, which is now a vital methodology in many disciplines, including economics, political science, biology, computer science, and engineering. In this course, students learn how economic, political, and social interactions are represented as games, in which strategies and resulting outcomes can be analyzed. The analysis of these interactions is then used to demonstrate how one can make optimal decisions under strategic uncertainty. This course uses Calculus.

Prerequisites: ECON 34000/51100 or MA 16200/16600

Typically offered Fall, Spring, and Summer. Credits: 3.00

at least one of

One 300-level or higher ECON course not listed above