

BSc Seminar
Behavioral Economics in Action
Steffen Altmann
Winter 2025/26

Content

Why do people volunteer and donate to charitable causes? Why do we often eat unhealthy food, exercise too little, and struggle with completing important tasks in a timely manner? Why do most people think that they are better-than-average drivers, entrepreneurs, lovers, ... ? From the perspective of conventional economic theory, these questions are difficult to explain. Behavioral Economics is an attempt to shed light on these and other puzzling phenomena. By enriching the traditional economic model with a psychologically more accurate foundation of human behavior, Behavioral Economics aims at improving the predictive power of economic models and the resulting policy recommendations.

In this seminar, we will discuss the psychological foundations of human behavior and their economic implications. Students will present the empirical regularities that have inspired the development of Behavioral Economics and discuss applications where insights from Behavioral Economics have contributed to a better understanding of individual behavior and market outcomes.

Course Topics and Preliminary Reading List

A detailed reading list will be provided in the beginning of the course. The following overview article provides a valuable introduction to the course topics:

- Thaler, Richard H. "Behavioral Economics: Past, present, and future." *American Economic Review* 106.7 (2016): 1577-1600. <https://pubs.aeaweb.org/doi/pdf/10.1257/aer.106.7.1577>

Prerequisites

The seminar does not require specific previous knowledge of behavioral economics. Students should have a sound knowledge of microeconomic theory and econometrics (basic courses taught at the B.Sc. level). It is also recommended to familiarize yourself with the content of the key qualification "Wissenschaftliches Arbeiten" in advance.

Course Procedures and Timeline

- **Block 1: Introduction.** The course will be introduced by 1-2 lectures in the first three weeks of the semester. In the lectures, we will discuss possible topics for the seminar papers and provide an overview of the required theoretical and empirical methods.
- **Block 2: Writing Period.** Students work independently on their seminar paper (max. 15 pages), individual appointments for consultation. Tentative deadline for submission of the seminar paper: December 22, 2025.

- **Block 3: Seminar Presentations.** There will be a workshop (block seminar) where students present their seminar papers. Each student will also act as a discussant for one of the other workshop presentations. Attendance of the full workshop is mandatory. The planned date for the workshop is in the first half of January (to be confirmed).

Seminar Paper

The seminar paper can take various forms. One possibility is to thoroughly analyze and discuss influential research articles on the selected topic. A second possibility is that students perform their own empirical investigation, based on the data underlying the selected article or based on additional data that students assemble themselves. Third, students can propose a design for an experiment or other empirical investigation to address a new research question on their topic of interest.

Topics Assignment

Seminar topics will be assigned in the first weeks of the semester. Please check the course descriptions for further information on possible seminar topics.