BEHAVIORAL ECONOMICS (BECO-3054)

Program – SPRING 2026

Course Information

Course Duration: Spring Semester 2026.
Credit: 4.5
Prerequisites: standard UG Economics / Microeconomics with mathematics.

Instructor Information

Instructor: Dr Sudip Patra
Biography: PhD, University of Glasgow, Scotland, founding member CEASP, JSGP, and, Fellow JII, OPJGU.

Brief Bio

Dr Sudip Patra
Designation: Associate Professor, JSGP, founding member, CEASP, OP Jindal Global University, India. OP JGU, Fellow Jindal India Institute, Fellow LINPR Italy.
Education: PhD, University of Glasgow, Scotland, Associate Fellow HE, UK, M.Sc., Coventry University, UK.
Research Specialization: Quantum-like modelling in decision theory, applications in social sciences, and complexity economics.
Other research interest: Foundations/ Philosophy of Science.
Brief profile
Dr Sudip Patra's research work lies in quantum-like modelling in cognitive science or particularly in decision theory, with applications in economics and other social sciences. Quantum-like modelling is a novel paradigm of interface between mathematical-philosophical foundations of quantum science (particularly information theory) and cognitive science. Quantum-like modelling is a novel framework of non-Boolean decision theory, which describes decision making at large (including AI) under ambiguity or 'radical uncertainty'. Dr Patra has been publishing in different peer reviewed journals, collaborating with pioneering scientists (Profs Partha Ghose, Stuart Kauffman, Menas Kafatos).
Recent Book publications

Ghose, P., & Patra, S. (2023). An Interdisciplinary Approach to Cognitive Modelling: A Framework Based on Philosophy and Modern Science (1st ed.). Routledge.
Co-Edited book: https://link.springer.com/book/9783031388323
Recent Book chapter in: https://dkprintworld.com/product/quantum-and-consciousness-revisited/?utm_source=rss&utm_medium=rss&utm_campaign=quantum-and-consciousness-revisited
Dr Patra has been invited for talks at prestigious institutions, for eg, Chapman University, US, Ohio State Uni, US, IIT Bombay, Aston University, UK, Chengmai University, Vietnam. Visitor at JNU, India,
Forthcoming / Ongoing Book Project: Contemporary Realities and the Quantum World, With Menas C Kafatos, Routledge.

Teaching interests

Dr Patra provides Masters and PhD level courses in complexity economics, and foundational thinking for example 'Unity of Knowledge' which is a co-taught course at PhD level. UG courses include behavioral economics and allied topics.

PhD supervision

Ongoing, as principal or co-supervisor. Areas include: quantum-like modelling in decision theory related to financial systems, complex adaptive systems in health policy making.
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1. Course Description: BA ECONOMICS level JSGP ELECTIVE/ Cross Elective.

Behavioral Economics has emerged as a much-specialized sub branch of Economics in the past few decades. Fame brought by Nobel Prizes since Daniel Kahneman, to Richard Thaler and Robert Shiller, have made behavioral finance a household name, not only in the scholarly circles but also among financial investors. Hence, it becomes crucial for any major economics fraternity to introduce a relevant discourse for advanced UG or PG students. The proposed elective is aimed to fulfil that attempt.

However, we also remind ourselves that behavioral economics is simply not any significant modification of utilitarianism, but also a highly interdisciplinary subject. It assimilates several insights across disciplines, for example insights from Cognitive Science or Cognitive Neuroscience is at the core, since the path breaking works on Prospect theory. So much so, that a newer sub discipline of neuro economics has been adapted in many teaching curricula across universities. Hence, our approach here is rather myriad applications of behavioral sciences in finance. Further, since we are a major public policy research school, our attempt is also to invoke discussions from policy perspectives. We also draw from emerging new paradigmatic thinking,

namely, complex adaptive systems approach and quantum-like decision making approach, to see how such radical thinking might be linked to certain behavioral economics concepts, such as bounded rationality, and decision making under ambiguity or radical uncertainty.
Overall, the course is application based, hence financial market applications and policy implications of behavioral principles is embedded throughout, which would also be a critical element of assignments and evaluation.

2. Course Intended Learning Objectives(Aim)

Course Intended Learning Outcomes	Teaching and Learning Activities	Assessments/ Activities
Students should be able to get familiar with modern approaches in behavioural economics, particularly its practical applications in financial markets and policymaking areas.		
Students should be able to do constructive criticism of standard economic approach, namely, neoclassical approach, for understanding how economic science can be better applied for decision-making.		
Students should be comfortable with at least basic technical approaches, which are adopted, from different natural and social sciences.		Students should be able to produce original works or assignments based on the above objectives.

3. Scheme of Evaluation and Grading

Evaluation breakup

Internal breakup: 50%, with 30% mid term exam and 20% group project.
Components. External breakup: 50%, written exam.
For group assignment students are required to undertake original research based on application of behavioral economics principles/ methods, to real world policy problems, and then present that to class, both write up and presentation would have equal weightage in this component.

4. Academic Integrity

Academic Honesty, Cheating, and Plagiarism.
Participation/Attendance Policy
Use of phone/ texting/ laptop STRICTLY AS PER UNIVERSITY REGULATION.

5. Keyword Syllabus: Behavioral Economics, Bounded rationality, Behavioral policy making, financial markets, Nudge, Behavioral game theory.

6. Course Material

Core text books

Irrationally Rational, V Raghunathan (Penguin, India) https://penguin.co.in/book/irrationally-rational/
Selected sections from Foundations of Behavioral Economic Analysis, Sanjit Dhami, OUP.
https://global.oup.com/ukhe/product/the-foundations-of-behavioral-economic-analysis-9780198715535?cc=jp&lang=en&

Reference text books

Akerlof, George, A. 2002. "Behavioral Macroeconomics and Macroeconomic Behavior" *American Economic Review*, 92 (3): 411-433.
Bounded Rationality: Heuristics, Judgement and Policy, 2022, Sanjit Dhami and Cass. R. Sunstein, MIT press.
Behavioral Finance by William Forbes, John Wiley and Sons, 2009.
Advances in Behavioral Finance, Volume II, edited by Richard Thaler, 2005, Princeton University press.

Several Journal articles, which will be provided as compulsory readings for assignments, before appropriate sessions.

7. Session Plan

Sessions	General Topic	Readings	Approach/ Pedagogy
Lecture 1	Introduction to behavioral economics thoughts	Selected journal articles	
Lecture 2	2.Bounded rationality a. Seminal contributions by Herbert Simon b. Contrasting standard utility optimization and utility satisfying.	Selected journal articles and book chapters	Lecture
Lecture 3	Policy implications of Bounded Rationality	Journal articles	Lecture, also contributing to student

			presentations topics
Lecture 4, 5, 6	1.Efficiency market hypotheses and various critiques of it a. Different forms of EMH b. Stiglitz and Grossman's critique of information efficiency c. Fundamental analysis vs technical analysis of financial investments d. What does evidence from mutual fund industries say about EMH?	Book Chapters and Journal articles	Lecture
Lectures 8,9	Richard Thaler's selected works Robert Shiller's selected works 'Animal Spirits' : Keynes to Akerlof	Selected book chapters and journal articles	-do-
Lectures 10,11,12	Central paradoxes in behavioural finance: Ellsberg paradox since 1960s Failure of sure thing principle Order effects Herd behaviour Noise trading Loss aversion: introduction to Prospect theory System1 system2 thinking and financial decisions	Book chapters and journal papers	Lectures and student presentations
Lectures 13,14, 15	Nudge theory a. Foundational aspects	Selected chapters and journal	

	b. Applications in financial markets c. Applications in public policy	papers	
Lectures 16,17	Introductory behavioral macroeconomics: a brief de tour of seminal work in this area, particularly of George Akerlof.	-do-	
Lectures 18,19	Behavioral CAPM models a.CAMP a brief introduction b.Brief introduction to behavioral CAPM models	-do-	
Lectures 20,21	Past, present and future of behavioural finance: Richard Thaler's pragmatism Basic introduction to behavioural game theory: inequity aversion, and other regarding preferences.		
Lecture 22	A brief intro to quantum-like framework in economics		
Lecture 23	-do-		
Lecture 24-26	Guest lectures, revision, discussions		

Guest lecture sessions will be arranged on complexity economics, or complex adaptive systems view of economy.