



Course and Examination Fact Sheet: Spring Semester 2023

8,280: Beyond Homo Oeconomicus: Decision Making and Wellbeing in Economics

ECTS credits: 4

Overview examination/s

(binding regulations see below)

Central - Written examination (50%, 90 mins.)

Examination time: inter-term break

Decentral - Group examination paper with presentation (all given the same grades) (50%)

Examination time: term time

Attached courses

Timetable -- Language -- Lecturer

[8,280,1.00 Beyond Homo Oeconomicus: Decision Making and Wellbeing in Economics](#) -- Englisch -- [Kolmar Martin](#)

Course information

Course prerequisites

none

Learning objectives

1. Develop an understanding and ability to critically reflect basic findings from contemporary psychology and neuroscience regarding perception, decision making, and well being.
2. Develop an ability to understand the relationship between models of human wellbeing and decision making and conceptions of society and the economy.
3. Critically reflect the economic mainstream and develop alternatives.
4. Development of presentation and debating skills.
5. Development of skills to effectively organize group work.
6. Development of ability for critical and independent thinking.

Course content

The purpose of this course is to better understand how humans make decisions. Decision theory is at the heart of modern economics, political science, and business administration, and it is therefore of uttermost importance to understand how human beings make decisions and how these decisions are related to their wellbeing.

Traditionally, Economics has a very pragmatic approach to explaining individual decisions: the homo-oeconomicus model of preference maximization and instrumental rationality. We will therefore discuss the model in the first part of the course and relate it to "Behavioral Economics," a subfield of economics that challenges some of the assumptions of the homo-oeconomicus model. We will briefly take a history-of-science perspective to better understand how economics evolved and how the mainstream view relates to the social sciences and epistemic and ontological positions on scientific research.

In the main part of the course we take a different perspective. From an evolutionary perspective, decisions are an organisms' way to guarantee its survival and procreation, and the basic challenge is to adapt into an environment in a functional way. Humans have different adaption mechanisms, and it the purpose of this part of the course to understand their functioning the implications of this complex mechanism for decision-making and subjective wellbeing. In order to do so we discuss material from evolutionary biology, affective and cognitive neuroscience, affective psychology, narrative psychology, and artificial



intelligence.

In the third part of the course we try to reconcile the picture that we have developed in the second part with standard economics and behavioral economics views on decisions.

Having identified the similarities and differences between the two different views we discuss implications for promoting wellbeing, the view on the state and economic policy.

Overview

I. Homo Oeconomicus

- I.1. Anybody home? Revealed preferences and mindless economics
- I.2. Rational-choice theories of decision-making
- I.3. Behavioral Economics
- I.4. From the bird's-eye view: Skinner's doves, subjectivism, and positivism in the social sciences of the 20. century

II. Humans as multi-layered adaption mechanisms

- II.1. Ultimate and proximate causes and the homunculus fallacy
- II.2. Genetic and epigenetic adaption
- II.3. Affective calibration
- II.4. Consciousness, learning, and the narrative self
- II.5. The predictive-brain hypothesis

III. Towards a unified theory of decision making and wellbeing?

IV. Implications for economics

- IV.1. Some remarks on normative criteria
- IV.2. Mismatch Theories of environment and adaption
- IV.3. Hooked? Persuasive technologies
- IV.4. Machiavelli versus Aristotle: competing visions of the good state

Course structure and indications of the learning and teaching design

The course will take place on a weekly basis. During the first half of the semester we will discuss key concepts and theories, whereas the second half of the semester is devoted to the discussion of more specific topics in the form of term papers and presentations. The idea is to have a relatively open format that allows for open discussions and creativity.

Course literature

The mandatory reading list will be available on Canvas by January 15, 2023.

Additional course information

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Examination information

Examination sub part/s

1. Examination sub part (1/2)

Examination time and form

Central - Written examination (50%, 90 mins.)

Examination time: inter-term break



Remark

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Examination-aid rule

Open Book

Students are free to choose aids, apart from the following restrictions:

- pocket calculator models which are not part of the Texas Instruments TI-30 series, as well as any programmable electronic devices that are capable of communication such as electronic dictionaries, notebooks, tablets, smartphones, headsets, additional screens, etc. are not admissible;
- there is an option for faculty members to explicitly define exceptions under supplementary aids.

Procuring any aids, as well as ensuring their working order, is the exclusive responsibility of students.

Supplementary aids

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Nature of examination

analog

Examination languages

Question language: English

Answer language: English

2. Examination sub part (2/2)

Examination time and form

Decentral - Group examination paper with presentation (all given the same grades) (50%)

Examination time: term time

Remark

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Examination-aid rule

Free aids provision

Basically, students are free to choose aids. Any restrictions are defined by the faculty members in charge of the examination under supplementary aids.

Supplementary aids

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Nature of examination

analog

Examination languages

Question language: English

Answer language: English

Examination content

The final grade depends on the written exam (50%), the term paper and the oral presentation (50%). The topic of the term paper and the presentation can be negotiated individually, and I will provide a list of potential topics plus the basic literature.

The written exam covers the following material:

I. Homo Oeconomicus

I.1. Anybody home? Revealed preferences and mindless economics



- I.2. Rational-choice theories of decision-making
- I.3. Behavioral Economics
- I.4. From the bird's-eye view: Skinner's doves, subjectivism, and positivism in the social sciences of the 20. century
- II. Humans as multi-layered adaption mechanisms
 - II.1. Ultimate and proximate causes and the homunculus fallacy
 - II.2. Genetic and epigenetic adaption
 - II.3. Affective calibration
 - II.4. Consciousness, learning, and the narrative self
 - II.5. The predictive-brain hypothesis
- III. Towards a unified theory of decision making and wellbeing?
- IV. Implications for economics
 - IV.1. Some remarks on normative criteria
 - IV.2. Mismatch Theories of environment and adaption
 - IV.3. Hooked? Persuasive technologies
 - IV.4. Machiavelli versus Aristotle: competing visions of the good state

Examination relevant literature

The mandatory reading list will be available on the Studynet by January 15, 2023.

Please note

Please note that only this fact sheet and the examination schedule published at the time of bidding are binding and takes precedence over other information, such as information on StudyNet (Canvas), on lecturers' websites and information in lectures etc.

Any references and links to third-party content within the fact sheet are only of a supplementary, informative nature and lie outside the area of responsibility of the University of St.Gallen.

Documents and materials are only relevant for central examinations if they are available by the end of the lecture period (CW21) at the latest. In the case of centrally organised mid-term examinations, the documents and materials up to CW 12 are relevant for testing.

Binding nature of the fact sheets:

- Course information as well as examination date (organised centrally/decentrally) and form of examination: from bidding start in CW 04 (Thursday, 26 January 2023);
- Examination information (regulations on aids, examination contents, examination literature) for decentralised examinations: in CW 12 (Monday, 20 March 2023);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised mid-term examinations: in CW 12 (Monday, 20 March 2023);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised examinations: two weeks before the end of the de-registration period in CW 15 (Monday, 10 April 2023).