

Seminar Behavioural Economics

Nudging: How Small Changes Can Make a Big Difference

Summer Term 2015

Short description:

Nudges are small changes in the environment of a decision maker that induce important changes in behaviour. The seminar draws on knowledge from behavioural economics and psychology and covers questions in the fields of choice architecture and libertarian paternalism. The focus lies on economic experiments aimed at nudging individuals to change behaviour in various fields, such as taxation, financial decisions, development economics, politics, or long-term decisions in general. Participants will learn to critically assess the experimental methodology and to reflect the ethical concerns arising with nudges.

Possible topics for seminar theses:

Nudging and

- taxation,
- financial decisions,
- development economics,
- politics,
- long-term decisions,
- privacy,
- empathy,
- health,
- energy consumption,
- advertisement.

(This list is intended as guide for orientation, additional topics are welcome.)

Grading:

The seminar is open to students at the Bachelor, Master and PhD level. Coursework will include a seminar thesis, a 20, 30 or 45 minutes presentation (depending on Bachelor, Master or PhD) and a 10 minutes discussion of a fellow students' thesis (preferably at a similar level in their academic development) initiating the group discussion in a blocked seminar (likely mid of June). Seminar theses can consist of a literature review or the replication of experimental work.

Literature:

French, J. (2011). Why nudging is not enough. *Journal of Social Marketing*, 1(2), 154-162.

- Guala, F., & Mittone, L. (2013). A Political Justification of Nudging (No. 1307). *Cognitive and Experimental Economics Laboratory*, Department of Economics, University of Trento, Italia.
- Hausman, D. M., & Welch, B. (2010). Debate: To Nudge or Not to Nudge. *Journal of Political Philosophy*, *18*(1), 123-136.
- John, P., Smith, G., & Stoker, G. (2009). Nudge nudge, think think: two strategies for changing civic behaviour. *The Political Quarterly*, *80*(3), 361-370.
- Loewenstein, G., Asch, D. A., Friedman, J. Y., Melichar, L. A., & Volpp, K. G. (2012). Can behavioural economics make us healthier?. *BMJ*, *344*.
- Marteau, T. M., Ogilvie, D., Roland, M., Suhrcke, M., & Kelly, M. P. (2011). Judging nudging: can nudging improve population health?. *BMJ*, *342*.
- Oliver, A. (2013). From nudging to budging: using behavioural economics to inform public sector policy. *Journal of Social Policy*, *42*(4), 685-700.
- Pasche, M. (2014). Soft Paternalism and Nudging-Critique of the Behavioral Foundations.
- Selinger, E., & Whyte, K. (2011). Is there a right way to nudge? The practice and ethics of choice architecture. *Sociology Compass*, *5*(10), 923-935.
- Selinger, E., & Whyte, K. P. (2012). Nudging cannot solve complex policy problems. *European Journal of Risk Regulation*.
- Smith, M. A., & McPherson, M. S. (2009). Nudging for Equality: Values in Libertarian Paternalism. *Administrative Law Review*, 323-342.

Thaler, R. H., & Sunstein, C. R. (2008). Nudge. Yale University Press.