УНИВЕРСИТЕТ ЗА НАЦИОНАЛНО И СВЕТОВНО СТОПАНСТВО

UNIVERSITY OF NATIONAL AND WORLD ECONOMY

Adopted with Faculty Council decision
of Faculty of *General economics*
Protocol № ….. / ……

Approved by:
Dean of Faculty
Prof. Georgi Petrunov, PhD

SYLLABUS

Course		**BEHAVIOURAL ECONOMICS**	
Course Category		**OPTIONAL**	
Area of Study		**3. SOCIAL SCIENCES, ECONOMICS AND LAW**	
Field of Study		**3.8. ECONOMICS**	
Degree Programme		**ECONOMICS TAUGHT IN ENGLISH**	
Educational and Qualification Degree		**BACHELOR**	
Faculty		**GENERAL ECONOMICS**	
Department		**ECONOMICS**	
Academic Hours/classes		**Full Time**	**60**
		Distance Learning	
Extracurricular activities		**Full Time**	**90**
		Distance Learning	
Credits		**6**	
Lecturer		**PROF. SIMEON JELEV, D.Sc.** **ASSIST. PROF. RUMYANA JELEVA PhD**	

COURSE DESCRIPTION

1. This course offers an introduction to behavioral economics – an interdisciplinary field at the intersection of economics and psychology that explores how people actually make decisions, often deviating from the rational models of traditional economic theory. The main focus of the course is the application of the concept of **"nudging"**.

Students will learn how cognitive biases, limited rationality, and lack of self-control influence individual behavior, and how institutions, policymakers, and system designers can use carefully structured interventions to improve social welfare **without restricting freedom of choice**.

The course will explore practical applications of behavioral economics in areas such as healthcare, personal finance, education, public policy, environmental protection, and consumer behavior. Real-life examples of behavioral interventions will be analyzed, along with their associated ethical and legal dilemmas.

Course Objectives:

- To introduce students to the fundamental principles of behavioral economics
- To develop understanding of the relationship between economic behavior and psychological mechanisms
- To demonstrate how institutions and organizations can design more effective **choice architectures**
- To encourage critical thinking regarding the ethical and moral boundaries of behavioral interventions

Learning Outcomes:

Upon successful completion of the course, students will be able to:

- Identify and analyze common cognitive errors in economic behavior
- Apply the concept of nudging to practical case studies
- Evaluate the effectiveness and ethical implications of various interventions
- Develop original ideas to improve social and individual well-being through behavioral approaches

2. Language of teaching: Bulgarian language

CONTENT

№	TOPIC	Academic Hours			
		Full Time		Distance Learning	
		L	S	L	S
	TOPIC *Basic subtopics*				
1	Topic 1: Foundations of Behavioral Economics 1. Differences between classical and behavioral	6			

	economics 2. Humans vs. Econs 3. Rationality, irrationality, and bounded rationality 4. Behavioral economics as a bridge between economics and psychology				
2	Topic 2: What Is a Nudge? 1. Definition and key principles of nudging 2. Choice architecture 3. Nudging vs. Coercion 4. Everyday examples (organ donation, healthy eating, etc.)	6			
3	Topic 3: Heuristics and Cognitive Biases 1. Anchoring – how initial values influence decisions 2. Availability – ease of recall and risk perception 3. Representativeness – probability and stereotypes 4. Overconfidence and optimistic bias	4			
4	Topic 4: Choice Architects 1. Who are choice architects and why they matter 2. Designing choices: buttons, forms, layout 3. Default options – the power of pre-selection 4. Gentle guidance vs. deception	4			
5	Topic 5: Libertarian Paternalism 1. What does "libertarian paternalism" mean? 2. Balancing freedom and guidance 3. Ethics of behavioral interventions 4. Public responses and criticisms	4			
6	Topic 6: Self-Control and Time Inconsistency 1. The dual-self model: planner vs. doer 2. Hyperbolic discounting 3. Self-imposed rules and commitment devices 4. How nudges help with self-control issues	4			
7	Topic 7: Financial Decision-Making 1. Saving behavior and retirement plans 2. Nudging responsible spending 3. Default investments and automatic contributions 4. Save More Tomorrow™ – long-term savings strategy	4			

8	Topic 8: Health and Medical Decisions 1. Nudges for healthier eating habits 2. Vaccination, organ donation, and medical consent 3. Behavioral tools for medication adherence 4. Choice architecture in hospitals and clinics	4			
9	Topic 9: Education and Parenting Decisions 1. Behavioral approaches to school policies 2. School choice and parental decision-making 3. Enhancing focus and student motivation 4. Interventions through technology and gamification	4			
10	Topic 10: Consumer Behavior 1. How product placement affects consumer choice 2. Transparency, labeling, and nutritional information 3. "Slim by Design": environment-driven choices 4. Behavioral economics in e-commerce	4			
11	Topic 11: Politics, Democracy, and Voting 1. Nudging voter turnout 2. Ballot design and voting behavior **3.** Framing effects on political preferences **4.** Digital campaigns and data-driven manipulation	4			
12	Topic 12: Behavioral Nudges and the Environment 1. Energy choices and green defaults 2. Feedback and peer comparison for saving energy **3.** Behavioral approaches to recycling **4.** Nudging toward sustainable transport	4			
13	Topic 13: Criticism and Limitations of Nudging 1. Manipulation vs. assistance: the moral debate 2. Effectiveness: when nudges fail 3. Boundaries of behavioral interventions **4.** Behavioral economics vs. structural change	4			
14	Topic 14: The Future of Behavioral Economics 1. Behavioral science in the digital age 2. Smart nudges powered by AI 3. Integration with neuroscience and sociology 4. Evolving public policy through behavioral insight	4			
	Total	**60**			

Legend: L – Lectures; S – Seminars

TEACHING AND LEARNING METHODS

A combination of different teaching techniques and methods is applied in instruction such as lectures, seminars, discussions, outsourced training in a business environment or administration, individual assignments, reports, surveys, case studies, among other methods.

The necessary technical resources for the purpose of instruction are: multimedia, software, Information and communications technology (ICT), digitally-aided education and other digital devices.

The preparation of the individual course designed for the students enrolled in distance form of education includes.

EXTRACURRICULAR ACADEMIC HOURS

Components	Number of Hours	
	Full Time	Distance Learning
1. Practical training		
2. Course project		
3. Essay		
4. Case study		
5. Individual assignment/ team activity		
6. Laboratory training		
7. Mid-term exam/ test	**25**	
8. Ongoing assessment	**25**	
9. Exam	**40**	
Total	**90**	

ASSESSMENT

The course assessment consists of several components.

For full time students the final grade is formed as follows:

FG = 0.4 FE + 0.3 MTE + 0.3 OA,

where:

FG = Final Grade;
FE = Final Exam
MTE = Mid-Term Exam;
OA = Ongoing assessment.

Electronic platforms (such as MS Teams; Google Forms; Moodle) and other modern educational technologies are used, both for training and for assessing and controlling its results, including the use of a test center.

The final grade is based on a six-point scale, in which the lowest grade for successful completion of the course is 3. Converted to the ECTS the grading scale the grades are as it follows:

Excellent /6/	Very Good /5/	Good /4/	Average /3/		Poor /2/	
A	**B**	**C**	**D**	**E**	**FX**	**F**
The corresponding number of ECTS credit points is being allocated					No ECTS credit points are being allocated	

QUALIFICATION GOALS

This course is designed in compliance with the requirements of the National Qualification Framework[1] in terms of acquired knowledge, skills and competences for the corresponding EQD and Council Recommendation of Key Competences for Lifelong Learning[2].

The course provides the students with the knowledge of:

The discipline will increase the knowledge of the students in the following main aspects:

- More adaptive and broader application of the traditional economics knowledge in practice;
- Dealing with and analyzing practical and effective alternatives in many spheres of the application of economic theory, including: financial economics and its application; labour economics; organizational behavior; public economics and welfare; etc.;

Preparedness for perceiving the modern economic analyses in new areas and achieving a new type of practical knowledge with respect to entrepreneurship and management of new business.

The course develops the following core skills in students:

1. **Analytical Thinking:**
   The ability to recognize and critically assess behavioral patterns and cognitive biases in economic behavior.
2. **Behavioral Diagnostics:**
   Skills in analyzing and diagnosing irrational behavior in individuals, markets, or public policies using behavioral approaches.
3. **Application of Nudge Strategies:**
   Competence in designing and evaluating behavioral interventions aimed at improving outcomes in areas such as finance, healthcare, education, and public administration.
4. **Ethical Reasoning:**
   Awareness of the ethical aspects of influencing human behavior and the ability to assess the legitimacy of various behavioral tools.
5. **Evidence-Based Decision Making:**
   The ability to interpret experimental and empirical data from behavioral research and apply it in real-world situations.
6. **Interdisciplinary Integration:**
   The ability to combine knowledge from psychology, neuroscience, and sociology with economic thinking and policy design.

[1] The National Qualification Frame of Bulgaria gives the definition of the knowledge, skills and competences which are required as a result of the education process in the corresponding EQD in higher education.

[2] Council Recommendation on Key Competences for Lifelong Learning (OJ 2018/C 189/01)

7. **Communication and Argumentation:**
   Skills in clearly and persuasively presenting behavioral concepts in academic, business, or policy settings.
8. **Innovative Problem Solving:**
   Creativity in using behavioral insights to develop effective solutions to complex social and economic challenges.

DISSEMINATION OF THE COURSE

The course "Behavioral Economics" is taught at many leading universities around the world as part of undergraduate and master's programs in economics, behavioral sciences, public policy, finance, and management. This reflects its importance as a modern and applicable field of economic knowledge, linking theoretical principles with real-world behavioral patterns.

Examples from international academic practice:

1. Erasmus University Rotterdam (Netherlands)

Program: MSc in Behavioural Economics (within Economics and Business)

2. University of Amsterdam – Amsterdam School of Economics (Netherlands)

Program: MSc Economics – Behavioural Economics and Game Theory

3. University College Dublin (Ireland)

Program: MSc in Behavioural Economics

4. University of Nottingham (United Kingdom)

Program: MSc Behavioural Economics

1. University of Pennsylvania (Penn)

Program: *Master of Behavioral and Decision Sciences (MBDS)*

2. Carnegie Mellon University

Programs: *Bachelor of Science in Behavioral Economics*

Examples from Bulgarian academic practice:

- **Sofia University "St. Kliment Ohridski"** – Elements of behavioral economics are included in courses on microeconomics, economic psychology, and public policy.
- **New Bulgarian University (NBU)** – Offers elective courses related to economic behavior and consumer psychology.
- **American University in Bulgaria (AUBG)** – Includes topics from behavioral economics in courses on economics and marketing.

LITERATURE

A. Basic

1. **Atanasov, A.,** Povedencheski ikonomiks, Izdatelski kompleks – UNSS, Sofiya (2013) **Атанасов, А.**, Поведенчески икономикс, Издателски комплекс УНСС, 2013
2. **Kahneman, D.,** Thinking, Izdatelstvo "Iztok-Zapad" (2012) **Канеман, Д.**, Мисленето, Издателство „Изток-Запад", (2012)
3. **Jelev, S.,** Potrebitelsko povedenie, Izdatelski kompleks – UNSS, Sofiya (2013) **Желев, С.**, Потребителско поведение, Издателски комплекс УНСС, 2018
4. **Richard H. Thaler –** *Misbehaving: The Making of Behavioral Economics* (2015)
   Daniel Kahneman – *Thinking, Fast and Slow* (2011)
5. **Cass R. Sunstein –** *Sludge: What Stops Us from Getting Things Done and What to Do about It* (2021)
   Richard H. Thaler & Cass R. Sunstein – *Nudge: Improving Decisions About Health, Wealth, and Happiness* (New & Updated Edition, 2021)
6. **Dan Ariely –** *Predictably Irrational: The Hidden Forces That Shape Our Decisions* (Revised 2019)
7. **Edward Cartwright** – Behavioral Economics (4th Edition) (2024)
8. **Han Bleichrodt** – Behavioural Economics: Advanced Economic Policy and Theory (2025)
9. **Sanjit Dhami** – Principles of Behavioral Economics (2025)
10. **Alain Samson** (Ed.) – The Behavioral Economics Guide (2025)

B. Additional

11. **David Halpern –** *Inside the Nudge Unit: How Small Changes Can Make a Big Difference* (Updated edition 2021)
12. **Lucia A. Reisch & Cass R. Sunstein (eds.) –** *Behavioral Economics for Public Policy* (2021).
13. **Edward Cartwright –** *Behavioral Economics* (3rd edition, 2023)
14. **Erik Angner –** *A Course in Behavioral Economics* (3rd ed., 2020)

Author / Lecturer: _____

(Prof. Simeon Jelev, D.Sc.)

Author / Lecturer: _____

(Assist. prof. Rumyana Jeleva, PhD)

Head of Department: _____

(Assoc. prof. Ivailo Beev, PhD)

Dean of Faculty: _____

(Prof. Georgi Petrunov, PhD)