# Economic Psychology

## Prof. Edoardo Lozza

[Teaching syllabus borrowed from the Faculty of Banking, finance and insurance sciences, including the course name *Economic and consumer psychology*]

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course aims to introduce students to the applications of psychology in the analysis of economic behaviour (consumption and saving decisions, money management, taxation, investments and financial markets, ...). The course will use *economic psychology* and its declinations as its chosen area of application:

– both at an individual/private level, i.e. analysing the psychology of money and spending, saving and investment decisions;

– and at a collective/public level, exploring the contribution of psychology to taxes and donations, public spending and resource management.

At the end of the course, students will be able to:

– recognise the theoretical categories/approaches of the psychological analysis of economic problems;

– perform a psychological analysis of economic behaviour;

– use the architecture of choices and nudges in psychosocial interventions;

– design research and intervention paths in the field of economic psychology.

***COURSE CONTENT***

Module 1. Psychology applied to economic problems:

– introductory case stories (examples of psychosocial research applied to real economic problems);

– psychological critique of the homo economicus model;

– “*nudges*”, and *behavioural economics*: usage contexts, applications and critical features.

Module 2. Insights on specific issues:

– psychology of money;

– tax psychology;

– psychology of saving (introductory notes);

***READING LIST***

E. Lozza, *Guidelines del Corso* (downloadable from Blackboard).

R.H. Thaler-C.R. Sustein*,* *Nudge. La spinta gentile. La nuova strategia per migliorare le nostre decisioni sul denaro, salute, felicità*. Feltrinelli, 2014.

E. Kirchler-E. Hoelzl, *Economic psychology.*  Cambridge Books, 2017.

Two texts chosen from:

H. Aarts-E. Bijleveld, *The psychological science of money*. Springer, 2014.

D. Ariely-J. Kreisler, D*ollars and Sense: How We Misthink Money and How to Spend Smarter*, Harper Collins, 2018.

M. Bustreo, *La terza faccia della moneta: Le dinamiche che guidano la nostra relazione con il denaro*. FrancoAngeli, 2018.

L. Ferrari, *L’ascesa dell’individualismo economico (2nd edition)*, Vicolo del Pavone, 2016.

L. Ferrari-S. Randisi, *Psicologia fiscale*, Cortina, 2011.

L. Ferrari, D. De Laurentiis, A. Scuteri, *La consulenza finanziaria 3.0. Dinamiche relazionali e tecniche di gestione alla luce della nuova finanza comportamentale.* Vicolo del Pavone , 2019

A. Furnham, *The new psychology of money.*  Routledge*,* 2014.

D. Graeber, *Debito: i primi 5000 anni*, Il Saggiatore, 2012.

M. J. Sandel, *Quello che i soldi non possono comprare: i limiti morali del mercato*. Feltrinelli Editore, 2015

W.F. Van Raaij, *Understanding consumer financial behavior. Money management in an age of financial illiteracy,* Palgrave MacMillan, 2016.

***TEACHING METHOD***

– Lectures.

– Guided practical work (in the classroom and remotely).

– Case stories.

***ASSESSMENT METHOD AND CRITERIA***

An oral exam during which students' knowledge and skills acquired during the course will be assessed. Their knowledge and skills regarding the application potential of a psychological approach to economic problems will be particularly assessed.

The oral exam will focus on three topics selected from those addressed in the course and in the bibliography chosen, and each theme will be rated with a score from 0 (in case of no response) to 10 (in the event of a response demonstrating an excellent ability to apply knowledge and understanding).

***NOTES AND PREREQUISITES***

*Prerequisites*

Students must possess basic knowledge of the main psychological paradigms (general, dynamic, social, ... psychology).

In case the current Covid-19 health emergency does not allow frontal teaching, remote teaching will be carried out following procedures that will be promptly notified to students.

Further information can be found on the lecturer's webpage at http://docenti.unicatt.it/web/searchByName.do?language=ENG or on the Faculty notice board.