

Economics 150: Economic Confidence, Social Mood and Decision Making
Tuesday and Thursday 11:00-12:20
Tyler 121

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Course Description: Financial anxiety not only impacts individual preferences, decisions and actions but societal choices as well. This freshman seminar explores the relationship between economic confidence and political, economic, financial, social and cultural decision-making. Using examples from current events, history and academic research, the class will offer a cross-discipline investigation into the role of economic confidence in public and private sector actions. We will study how changes in economic confidence levels impact voting behavior, food decisions, prejudice and social norms, media behavior and music choices, among other topics. The goal is to illustrate not only the impact of changes in economic confidence on economic and financial choices, but to enable class participants to see and appreciate the full mosaic of clear, consistent and coincidental linkages between confidence-driven behavior across all choices.

Students should anticipate ambiguity in assignments and class discussion as the class will challenge many of the conventional causal arguments offered routinely in the media.

No prior coursework in economics is required.

As a COLL 150 class, this course will be writing-intensive. Three papers of 3-5 pages each will be required, with short, follow-up assignments related to each, aimed at improving your writing skills across a variety of audiences. Writing for impact will be emphasized. Papers will be graded anonymously.

Toward the end of the semester a final paper of 10-12 pages of original research will be due which will require you to apply the concepts of the class to a topic of your choice. Each class member will then present his/her paper's findings in an 8-10 minute presentation at the end of the semester.

Course Objectives:

- To obtain a clear understanding of confidence as a cognitive state and the role of economic confidence in decision making.
- To understand how cycles of confidence with their periods of extreme over- and under-confidence trigger consistent, predictable behaviors. Why, as Twain put it, history "rhymes."
- To understand and appreciate the value of cross-discipline social science exploration – seeing the clear and coincidental behavioral linkages across economics, government, history, psychology, sociology, socio-economics and neuroscience.

- To apply the principles from the class to original research in political, economic, financial or cultural decision making.
- To develop your ability to articulate individual opinions and original ideas in impactful oral and written form for specific audiences.
- To develop your scholarly research skills using the full resources of Swem Library.

COLL 150 Requirement

This course is designated as a COLL 150 seminar. The goal of COLL 150 is to initiate students into the culture of critical thinking, persuasive writing, and independent inquiry that is at the core of the undergraduate program. COLL 150 seminars highlight student discussion. Students must receive a C- or better for the course to apply to their degree.

Course Requirements and Assignments:

25% - In-class participation/attendance

15% - Paper 1: 3-5 pages in length each focused on a personal experience with overconfidence – its preconditions and consequences

15% - Paper 2: 3-5 pages on a current event topic and its relationship to the concepts covered in class

15% - Paper 3: 3-5 pages on *Scarcity* and its relationship to the concepts covered in class

25% - Final paper (10-12 pages) – original research on a mutually-agreed upon topic within economics, politics or culture that explores the role of changing economic confidence on the related behavior/subject.

5% - Presentation of the final paper

Papers: The first three papers will be graded anonymously with a particular emphasis on basic construction, strength of argument and the ability to engage and maintain reader interest. The final research paper will be graded on the quality of research, the strength of argument and persuasiveness. MLA should be used for all papers.

The attached schedule shows due dates for papers. Papers are due in hard copy form at the beginning of class. Except in cases of documented emergencies, late assignments will receive reductions in the grade. There will be no opportunity for extra credit or for graded paper revisions.

Final Presentation: Each student will present his/her findings in a 10-12 minute presentation accompanied by no more than 8-10 slides. Presentations will be graded on preparation, the strength of argument, persuasiveness and audience engagement.

Individual Grade Assignment Equivalents:

A+ = 98.33	B+ = 88.33	C+ = 78.33	D+ = 68.33
A = 95	B = 85	C = 75	D = 65
A- = 91.66	B- = 81.66	C- = 71.66	F = 50

Final Grading Scale:

A = 94 - 100 B+ = 87 - 89 C+ = 77 - 79 D+ = 67 - 69
A- = 90 - 93 B = 84 - 86 C = 74 - 76 D = 60 - 66
B- = 80 - 83 C- = 70 - 73 F = Below 60

Note: The instructor reserves the right to modify the course requirements, assignments, grading procedures, and other related policies as circumstances dictate.

Course Readings And Textbooks:

Thinking, Fast and Slow (Paperback – April 2, 2013) by Daniel Kahneman

Scarcity: The New Science of Having Less and How It Defines Our Lives (Paperback – November 4, 2014) by Sendhil Mullainathan and Eldar Shafir

Copies of both required books are on reserve in Swem Library.

Pre- and post-class reading assignments will be posted on Blackboard for this class. You will be expected to read all assigned materials and to come prepared to discuss them in detail.

Current events offer great opportunities to see the role of confidence in real-time. Throughout the semester we will identify and discuss current events and how they tie to topics discussed in class.

Class Participation: Because having a good class discussion requires student participation, your presence in class is essential. You will be graded on the level of your preparation and participation during the course with an emphasis on the quality rather than the quantity of participation. The size of the class is small and so it will not be difficult to track how much each of you adds to the discussion. Around midterm, I will provide you with an intermediate score for class participation. This will give you an idea of where you stand and allow you to make changes if necessary.

Introverts will be encouraged to speak before they think, while extroverts will be encouraged to think before they speak.

Class Etiquette: Please, no electronics.

Attendance: Students are expected to attend all classes and to be on time for all class meetings. However, if you notify me by email, you will be allowed three absences from class without the need for documentation or excuse. This includes personal and medical absences.

In the case of an extended absence (more than three consecutive classes) you will need to provide documentation from the Dean of Students. Otherwise, any unexcused absences beyond three, extended absences not confirmed by the Dean of Students office, and/or repeated late arrival to/early departures from class will affect your final grade.

Academic Honesty: William & Mary has the nation's oldest honor code, dating back to at least 1779. The Honor Code establishes a level playing field where all can be fairly evaluated based on their own ability and preparation. The Code also provides the bond of our word based on our honor.

Unless otherwise stated explicitly by me, all work you submit must be your own, and I expect you to work independently on assignments. On written assignments, you must provide appropriate citation for all thoughts, words, or ideas that are not your own (this includes the ideas of peers). Unless authorized by me, you cannot consult outside resources. The student-led honor system is responsible for resolving any suspected violations of the Honor Code, and I will report all suspected instances of academic dishonesty to the honor system. I also encourage you to contact me with any questions or concerns.

The Student Handbook (www.wm.edu/studenthandbook) includes your responsibilities as a student. Your full participation and observance of the Honor Code is expected. To read the Honor Code, see www.wm.edu/honor.

All assignments are to be completed in adherence with the Honor Code

Instructor Office Hours/Availability: I will be on campus Tuesdays, Wednesdays and Thursdays with office hours on Wednesday from 9-12 and 2-5. I will be happy to meet with you then or before or after class. Just let me know when you would like to meet.

I am also available via email at pwatwater@wm.edu. Emails sent after 9 pm are likely to be answered early the following morning.

Available Resources: The Writing Resources Center, located on the first floor of Swem Library, is a free service provided to W&M students. I strongly encourage all class members to take advantage of this resource. Trained consultants offer individual assistance with writing, presentation, and other communication assignments across disciplines and at any stage, from generating ideas to polishing a final product. To make an appointment, visit the WRC webpage www.wm.edu/wrc.

Useful Dates

January 31 Add/drop period ends (Friday)

March 7-15 Spring Break (Saturday-Sunday)

March 20 Last day to withdraw from a course (Friday)

Special Accommodations:

Accommodation for Students with Disabilities

William & Mary accommodates students with disabilities in accordance with federal laws and university policy. Any student who feels they may need an accommodation based on the impact of a learning, psychiatric, physical, or chronic health diagnosis should contact Student Accessibility Services staff at 757-221-2512 or at sas@wm.edu to determine if accommodations are warranted and to obtain an official letter of accommodation. For more information, please see www.wm.edu/sas

If you believe you need an accommodation for a disability, please let me know as soon as possible. Some aspects of this course may be modified to facilitate your participation and progress. As soon as

you make me aware of your needs, we can work with the Dean of Students Office (221-2510) to help us determine appropriate accommodations. I will treat any information you provide as private and confidential.

Religious Holiday Statement

I will make every reasonable effort to allow members of the College community to observe their religious holidays without academic penalty. However, it is your obligation to provide me with reasonable notice of the dates of religious holidays on which you will be absent; and, as with any absence, you will be responsible for the material covered in class.

Student-Athletes

You must provide me with a letter from your coach indicating that you are in fact a member of the team, and the dates and times you will be out of town.

Tentative Class Schedule

Thursday, January 23

Class 1 Course Introduction – Defining Confidence

Tuesday, January 28

Class 2 Confidence and Music

Thursday, January 30

Class 3 Mood and The Media

Tuesday, February 4

Class 4 How Our Brains Choose

Thursday, February 6

Class 5 How Our Brains Choose

Tuesday, February 11

Class 6 Cognitive Ease

Thursday, February 13

Class 7 Horizon Preference – First Paper Due

Tuesday, February 18

Class 8 WYSIALT/Prejudice

Thursday, February 20

Class 9 Food

Tuesday, February 25

Class 10 Epidemics And The Human Physical Condition

Thursday, February 27

Class 11 Overconfidence and Peaks in Confidence

Tuesday, March 3

Class 12 How We Make Flawed Choices

Thursday, March 5

Class 13 Group Think – Second Paper Due

SPRING BREAK

Tuesday March 17

Class 14 Underconfidence and Extreme Lows in Confidence/Terrorism

Thursday March 19

Class 15 Sports

Tuesday, March 24

Class 16 Art, Architecture, Fashion and Design – Third Paper Due

Thursday March 26
Class 17 Advertising

Tuesday March 31
Class 18 Sexual Norms

Thursday April 2
Class 19 Higher Education

Tuesday April 7
Class 20 Politics

Thursday April 9
Class 21 Business Decision Making

Tuesday April 14
Class 22 Investment Decision Making – Fourth Paper Due

Thursday April 16
Class 23 Class Presentations

Tuesday April 21
Class 24 Class Presentations

Thursday April 23
Class 25 Class Presentations

Tuesday April 28
Class 26 Class Presentations

Thursday April 30
Class 27 Putting the Fully Mosaic Together