

SYLLABUS

Overview

The purpose of this course is to develop your understanding of strategic situations. It will help you recognize strategic opportunities, frame them in a way your business partners can understand, predict how your actions will affect the actions of other parties involved, so that you can exploit such opportunities for your own benefit. This course will provide a basic understanding of strategic situations, the tools of game theory, how to model strategic situations so that you can analyze them, the use of statistical inference, and practice in experimental situations within the classroom, to form good strategies. Roughly speaking, this course treats game theory, empirical analysis and your personal application of strategic behavior in simulations and project presentation, as three equally important components. The experiments utilize [Comlabgames](#), software for designing, running and analyzing experimental games over the Internet.

Grading

- There are five (group) assignments, collectively counting 45 percent, exercises based on the live lectures and the asynchronous material. Each assignment counts 9 points and comprises 3 equally weighted questions. One point per day will be deducted for each day late.
- You should form groups of one, two or three to do the assignments. I will allow assignment groups of one, two to three. (Please do not ask me about groups of 4, which can be split into two groups of 2.) Please submit a pdf or a word document. Use the comlabgames software to display your matrices and game trees.
- A multistage (group) project is worth 40 percent in total. There are three components. The first component (15 percent) is to frame the strategic situation; the second (worth 10 percent) is your group presentation to the class, which you will treat as an experimental laboratory. The third component (15 percent) is a final report that compares your experimental results with the theoretical predictions. It is vital to submit these components on time, because the rest of the class is relying on your effort, not just me.
- Please follow a protocol during our remote meetings of being visible and actively engaged. That includes participating in the online experiments we conduct during class. This component counts 5 percent of your grade. If you persist in leaving your screen off during class, you will be penalized (up to 5 percent). Short interruptions are of course permitted; longer ones (due to travel for example) require my written permission beforehand.
- An additional 5 percent comes from your in-class (individual) performance in the projects of the other groups at our final meeting.
- The remaining 5 percent is allocated to your participation in the experimental sessions that your experimental group conducts for the assignments. Please see Assignment 1 for details about forming your assignment and experimental groups.