



Econ 2040



Intro to Game Theory & Experimental Economics

This course introduces two fundamental aspects of behavioral economics: game theory and experimental economics.

Game Theory:

- Examines how individuals and groups cooperate or compete with one another, shedding light on both harmonious and discordant outcomes in human interactions.
- Analytical and structured approach to understanding participants' strategies, dynamics, and anticipated behaviors in various scenarios.
- Applies to a vast array of human interactions where decisions play a pivotal role, such as chess, poker, soccer penalty kicks, nuclear disarmament, predator-prey behaviors, hostage negotiations, voting coalitions, and auction bidding. Even seemingly unrelated activities like insurance pricing, political collusion, and information sharing are covered.

Experimental Economics:

- We will focus on experiment design and behavior implications from classic experiments such as the Ultimatum Game, Prisoner's Dilemma, Public Goods games, Trust games, Beauty Contest, Winner's Curse, the Dictator game, and others.
- Utilizes controlled experiments to study economic behavior.
- A valuable complement to traditional economic methods, offering empirical evidence that can help refine economic theories and inform real-world policy decisions.



Who can benefit from this course:

- Anyone interested in a better understanding of human behavior and how the world works
- Applies to careers in a variety of fields, including: aviation, business, computer science, economics, environmental management, law, political science, public policy
- **Satisfies Economics major and minor elective requirements**



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