

ECO 6409: Game Theory Applied to Business Decisions

Course Objective: The course studies game theory applied to business decisions using a relatively non-technical approach. Students will develop some facility at framing business problems as would a game theorist.

Course Description: The course will approach game theory from a non-technical perspective; basic mathematics will be employed to develop the methodology. Most of this requires no more than understanding of very basic algebra and geometry. In a few applications, (differential) calculus will be used to solve optimization problems.

Prerequisites: MBA students only

Textbooks: Dixit, A.K. & B.J. Nalebuff, *Thinking Strategically*, Norton, 1991. Harvard Cases (available at Target Copy).

Grading: Course is based on two team-completed homeworks (weighted 25% each) and a final examination (weighted 50%). Class preparedness and participation will be noted and will influence borderline grading decisions.