Game Theory and Rationality (ENM140)

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Web page: http://chalmers.instructure.com/courses/7573/assignments/syllabus

Game theory:

Game theory is the mathematical study of interaction among independent, self-interested agents.

Course structure:

- Lectures and games
- Individual assignments 1 & 2 (First one on Monday 11 November)
- Midterm exam (Monday 25 November)
- Group work (3-4 students per group):
 - * Student-led seminar
 - * Project (40-50%, 80-100h)

Course book:

Leyton-Brown & Shoham, Essentials of Game Theory: A Concise, Multidisciplinary Introduction (2008). (Available as pdf from Chalmers library.)

Number Game

Decide on an <u>integer number between 1 and 100</u> (inclusive). Write it down without showing.

The goal is to get as close as possible to <u>half the average</u> of the numbers in the class!

(Submit your choice at menti.com)

Pirate Game

Pirate game:

A treasure with 10 000 gold coins has been found by a group of N pirates. How to divide the treasure?

- There is a certain senior order $\{1, 2, ..., N\}$, and the first one is captain and proposes how to split.
- All vote on the proposal. If a majority supports (including the captain, who also has a casting vote to break a tie), the coins are distributed as suggested. Game ends.
- If there is not support, captain is thrown overboard, and the next one on the list becomes the captain, who now proposes how to split, and so on...