



LUDWIG-
MAXIMILIANS-
UNIVERSITÄT
MÜNCHEN

VOLKSWIRTSCHAFTLICHE FAKULTÄT
DEPARTMENT OF ECONOMICS



Behavioral Game Theory
Tilman Fries
LS (Seminar) Seminar für Wirtschaftstheorie
Wintersemester/winter semester 2024/25

Empirical studies show that individual behavior deviates from equilibrium predictions derived under the assumptions of neoclassical theory because of two reasons: Individuals are not always best described as holding self-interested preferences and they make systematic errors in strategic reasoning. This seminar introduces students to behavioral economic theories that extend the domain of preferences beyond material payoffs or that introduce alternative equilibrium concepts to account for reasoning errors. Students will discuss experimental and theoretical papers.

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| Studiengang: <i>Program:</i> | MSc |
| Termin Vorbesprechung (tt.mm.jjjj): <i>Date of preliminary meeting</i> <i>(dd.mm.yyyy):</i> | 16.07.2024 |
| *Bearbeitungszeitraum für die Hausarbeit: <i>*Working period for term paper:</i> | 02.09.2024 -- 30.09.2024 |
| *Seminartermin: <i>*Seminar date:</i> | 28.11.2024 -- 30.11.2024 |
| Veranstaltungsort: <i>Venue:</i> | LMU Munich, Department of Economics |
| falls außerhalb: Kostenschätzung: <i>if out of Munich: estimated costs:</i> | € |
| Sprache: <i>Language:</i> | English |
| Empfohlene Vorkenntnisse: <i>Recommended courses:</i> | Good knowledge of microeconomics and game theory |
| Methodischer Schwerpunkt: <i>Methodological background:</i> | Game theory, experimental economics |
| *Grundlagenliteratur: <i>*Basic references:</i> | <p>We will discuss current and classic papers on behavioral economics and game theory. Below are two review article who approach this literature from two different angles. Students will receive a full literature list in the preliminary meeting.</p> <p>Eyster, E. (2019). Errors in strategic reasoning. In Handbook of Behavioral Economics: Applications and Foundations 1 (Vol. 2, pp. 187–259). Elsevier. https://doi.org/10.1016/bs.hesbe.2018.11.003</p> <p>Battigalli, P., & Dufwenberg, M. (2022). Belief-Dependent Motivations and</p> |

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| | Psychological Game Theory. Journal of Economic Literature, 60(3), 833–882. https://doi.org/10.1257/jel.20201378 |
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* Optional (falls schon bekannt) / optionally (if already known)