



Game Theory and Behavior

**Jeffrey Carpenter
and Andrea Robbett**

Unique among game theory textbooks, this comprehensive introduction emphasizes experiential learning and provides students with the theoretical tools to analyze situations through the logic of game theory as well as the intuition and behavioral insights to apply these tools to real world situations.

"A rare and important gem: a comprehensive game theory book that expertly centers experimental results and 'evidence-based adaptations,' showing how data have extended standard theory to create something new and better. It richly deserves consideration as *the* modern text."

—**Colin F. Camerer, Caltech**

"In *Game Theory and Behavior*, two veteran experimental economists introduce how the theory of rational behavior compares to observations of actual behavior in an exciting and accessible introduction to game theory and experiments."

—**Alvin E. Roth, Stanford University; recipient of the 2012 Nobel Memorial Prize in Economics**

"Lucid, comprehensive, and remarkably accessible, this book uniquely combines formal mathematical models and related experimental evidence. It provides clear insights not only on how individuals should, theoretically, behave in strategic interactions, but also on how they actually behave."

—**Leeat Yariv, Princeton University**

"This excellent undergraduate textbook presents game theoretic concepts in an intuitive, yet precise, way. It goes beyond previous textbooks by showing how the interaction between theory and experimental evidence advances our knowledge about actual human behavior and motivation."

—**Ernst Fehr, University of Zurich**

Designed for interactive, engaged learning.

Classroom games illustrate concepts. Each chapter begins with a motivating example that can be run as an experiment and ends with a discussion of the behavior in the example. Instructor resources include demos and a solutions manual.

Includes behavioral economics topics.

Covers psychological game theory, evolutionary game theory, quantal response equilibrium, and level-k reasoning.

Shows how experimental results have confirmed or updated economic theory.

Students not only learn about incentives, how to represent situations as games, and what agents "should" do in these situations, but are presented with evidence that either confirms the theoretical assumptions or suggests a way in which the theory might be updated.

Comprehensively introduces game theory.

Parts I–IV cover the fundamental "nuts and bolts" of any introductory game theory course, including the theory of games, simple games with simultaneous decision making by players, sequential move games, and incomplete information in simultaneous and sequential move games. Parts V–VII apply the tools developed in previous sections to bargaining, cooperative game theory, market design, social dilemmas, and social choice and voting, while part VIII offers a more in-depth discussion of behavioral game theory models.

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