

Avinash Dixit on 'Game Theory' (August 1, 2006)

Avinash Dixit, the John J. Sherrerd University Professor of Economics at Princeton University, gave a lecture on 'Game Theory' at IDF. He explained that Game Theory is the science of strategy. It attempts to determine mathematically and logically the actions that players should take to secure the best outcomes for themselves in a wide array of games. He gave the example of 'Prisoners' dilemma', which is the best-known game of strategy in social science. It helps one understand what governs the balance between cooperation and competition in business, in politics, and in social settings. He made the group play several games and then explained how the game theory came into action while playing these games. He explained 'Nash Equilibrium' by highlighting a particular scene from '*A Beautiful Mind*'. He used several illustrations from some of the famous Hollywood movies and TV shows to explain the concept of mixed strategies, asymmetric information and brinkmanship