INTRODUCTION

"It is indeed true that "It is not from the benevolence of the butcher, the brewer or the baker, that we expect our dinners, but from their regard to their own interest" (Smith, 1937, vol. I, p. 3). And just as butcher, brewer, and baker generally act with regard to their own interest, so too do their customers. But if, on entering the butcher’s shop as an habitual customer I find him collapsing from a heart attack, and I merely remark 'Ah! Not in the least! I shall sell him my meat for today, I see,' and proceed immediately to his manipulation’s store to complete my purchase, I shall have obviously and grossly damaged my whole relationship to him, including my economic relationship to him, and I shall have done nothing contrary to the norms of the market.”


OBJECTIVES

- Business application of the game theory
- Beyond the simple Prisoners’ Dilemma
- Corporate implications of individual behavior
- Individual gain vs. team gain tradeoff
- Excitement but with interdependence
- Trust and the spirit of collaboration
- Impact on the group, the organization, the community and the society
- Decision-making support tool

INTERDISCIPLINARY THEORETICAL FRAMEWORK

Biology: selfishness vs. altruism (naive Darwinist belief) (Dobson, 2005).
Mathematics: the game theory and the Nash equilibrium;
Philosophy: intercompany collaboration (an Aristotelian assumption about human nature) (Rechts & Miles, 2009), Kant’s conflict between individual and collective rationality, utilitarian philosophy with moral rationalism (White, 2009) (Gibson, 2003)
Socio-Economics: (moral reflection on the dictator’s game as an option for altruism) (Cappelen, Hole, Særnes & Tungodden, 2011)
Sociology: fairness theories (bargaining & negotiating).
Economics: self-interest as a driving force of market participants, cooperative or competitive strategies.
Business: corporate governance, corporate culture and personhood, managerial decision making and strategic choices, the Corporate Code of Conduct (Francisco-Gómez & del Río, 2008).
Education: experiential learning, classroom exercise.

EDUCATIONAL EXPERIMENTS IN THE LITERATURE

Students who took the ethics module (1st) had higher rates of cooperation than students without the ethics module, as it promoted cooperation based on the Prisoner’s Dilemma 2x2 matrix, with two players, played only once with both players having dominant strategy, on 154 participants (77 pairs) in Fall 2000 courses (James & Cohen, 2004).
Examples of the Prisoners’ Dilemma-based classroom experiments for teaching ethical decision making (Gibson, 2001, (Campbell, 2004).