ECON884
Applied Game Theory
Session 2, 2012

Unit Outline

Department of Economics
1 Introduction

This class considers a number of applications of game theory to problems in economics. We will be using the text book by H. Scott Bierman and Luis Florentin Fernandez, [BF98], Game theory with economic applications. The first 12 or 13 chapters will be covered possibly with the exception of chapter 7. Many of the papers mentioned in at the end of the chapters will also be covered, particularly from the earlier chapters.

2 Assesment

- Three homework assignments each worth 5%.
- Early semester online quiz in week 5 worth 5%.
- Mid-semester in class test during the eighth week of class worth 20%.
- A group project including a presentation and a paper worth 20%.
- A final exam worth 40%.

2.1 Early Semester Quiz

The early semester quiz will consist of about 50 multiple choice questions taken from the chapters on game theory from intermediate economics text books such as Perloffs. The relevant chapters will be made available through e-Reserves at the library.
2.2 Homework Assignments

There will be a pdf of the quiz available by week 5. Also available in week 5 will be an electronic version of the quiz. There will be four attempts possible with only the highest score counting.

2.2 Homework Assignments

The assignments will consist mainly of questions taken from the textbook and the readings given in class and at the end of the chapters in the text.

2.3 Mid-Semester Test

Mid-semester in class test will include material from the first 7 weeks of lectures and the early semester quiz.

2.4 Group Project

The group project will consist of a 20 minute presentation and a paper. The paper should contain 1000–2000 words for each member of the group with a minimum of 1500 words for a group consisting of one person. Ideal group size would be three or four.

The topic chosen can be from any area of applied game theory. The project should include the following.

- Brief literature review.
- Advantages of using game theory.
- A mention of other techniques besides game theory.
- At least one detailed example of the use of game theory.

The topic chosen should be discussed with the lecturer by the end of week 10 and should not be the same as any other group.

2.5 Final Exam

The final exam will be a three hour written exam held during the session 2 examination period. Material from the entire semester will be included.

References