

Econ 711: Microeconomics II
Game Theory and Economics of Information
Spring 2021

Instructor: Peter Norman Gardner 300C, normanp@email.unc.edu

Office hours: By appointment. Email me individually or as a group and I will arrange a zoom meeting as soon as I can.

Logistics: We meet virtually Tuesdays and Thursdays at 9:30-12:15 in Gardner 307. In addition there is a review session every Friday.

Teaching Assistant: Martin Braun, mjbrown@live.unc.edu

Exams and Grades: There will be two midterms, March 9 and April 13 (25% of the grade each) and a final (40% of the grade). Unless COVID 19 magically disappears before the end of the semester the tests will be open book taken at home.

The remaining 10% of the grade is based on the problem sets. You are permitted (encouraged) to cooperate while solving homework problems, but I recommend that every student makes a serious effort to solve every problem alone before asking your peers. The UNC Chapel Hill Honor Code is in effect. You can read about the Honor Code at <https://advising.unc.edu/for-faculty/academic-policies-and-procedures/unc-honor-code/>

Should you need some help in finding classmates to work with, please contact me.

Course materials: I'm not using any textbook in the traditional sense. Some material can be found in Mas-Colell A., M. Whinston and J. Green, *A Course in Microeconomic Theory*, Oxford University Press, New York NY, 1995. A better and more modern source is Mailath G. J. *Modeling Strategic Behavior: A Graduate Introduction to Game Theory And Mechanism Design*, 2019.

Other books you may want to own are

- Jehle, G. A and P/ J. Reny, *Advanced Microeconomic Theory*, Addison-Wesley, 2011.
- Gibbons R, *Game Theory for Applied Economists*, Princeton University Press, Princeton NJ, 1992.
- Kreps, D., *A Course in Microeconomics*, Princeton University Press, Princeton NJ, 1990.
- Myerson R., *Game Theory: Analysis of Conflict*, Harvard University Press, Cambridge MA, 1991

Outline:

1. Normal form games, extensive form games (covered in Econ 710)
2. Mixed strategies, rationalizability.
3. Static games of incomplete information
4. Repeated games.
5. Dynamic games of incomplete information, signalling.
6. Supermodular games.
7. Information economics.

8. Social choice.
9. Mechanism design.
10. Contracting (Fei).