Econ 711: Microeconomics II
Game Theory and Economics of Information
Spring 2022

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

Logistics: We meet Tuesdays and Thursdays at 12:30-1:45. According to the schedule we are supposed to meet in Gardner 307, *but for at least the first 2 weeks we will be meeting on zoom instead.* There is a review session every Friday 12:30-1:45 which will be held using zoom as long as lectures are held remotely.

Office hours: Initially by appointment. Email me individually or as a group and I will arrange a zoom meeting as soon as I can. When/if classes are held in person I will switch to regularly scheduled office hours held in person.

For shorter questions and clarifications you may simply ask me right after class.

Teaching Assistant: David Kim, dskim10@ad.unc.edu

Exams and Grades: There will be two midterms, March 10 and April 7 (25% of the grade each) and a final (40% of the grade). Whether tests are closed book exams in the classroom or open book exams at home will depend on how the class is taught at that point in the semester.

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. Homework problems should be handed in individually.

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., G*ame Theory: Analysis of Conflict*, Harvard University Press, Cambridge MA, 1991

Outline:

1. Normal form games.

2. Extensive form games.

3. Mixed strategies, rationalizability.

4. Static games of incomplete information

5. Repeated games.

6. Dynamic games of incomplete information, signalling.

7. Information economics.

8. Mechanism design.

9. Contrac theory (Fei).