

Course Syllabus

Course Information

ECON 7303 001
Microeconomics III
Fall 2016, MW 11:30-12:45
Room: CB3 1.308

Professor Contact Information

Prof. Kevin Siqueira
Office: GR 2.537
Phone: 972-883-6480
Email: siqueira@utdallas.edu
Hours: TTH 1-2

Course Pre-requisites, Co-requisites, and/or Other Restrictions

Graduate Standing

Course Description

This course covers elements of game theory with the emphasis of applying its various analytical tools and solution concepts to a variety of situations, including the theory of contracts. In general we will cover the following topics:

Strategic Games
Mixed Strategy Equilibrium
Extensive Games with Perfect Information
Bayesian Games
Extensive Games with Imperfect Information
Repeated Games
Theory of Contracts
Auction Theory

Student Learning Objectives/Outcomes

The course is designed to give students a relatively sophisticated and broad knowledge of game theory and microeconomic theory related topics in addition to helping further develop their analytical and modeling skills.

Required Textbooks and Materials

Mas-Colell, Andreu, Whinston, Michael D., and Green, Jerry R., *Microeconomic Theory*, Oxford University Press, 1995.

Aliprantis, Charalambis D., and Chakrabarti, Subir K., *Games and Decision Making*, 2nd ed., Oxford University Press, 2011.

Salanie, Bernard, *The Economics of Contracts: A Primer*, 2nd ed., MIT Press, 2008.

Suggested Course Materials

Gibbons, Robert, *Game Theory for Applied Economists*, Princeton University Press, 1991.

Fudenberg, Drew, and Tirole, Jean, *Game Theory*, MIT Press, 1991.

Osborne, Martin J., *An Introduction to Game Theory*, Oxford University Press, 2004.

Osborne, Martin J., and Rubinstein, Ariel, *A Course in Game Theory*, MIT Press, 1994.

Assignments & Academic Calendar (Outline of the Course)

The assigned readings in the course will mainly be from the required textbooks. The readings from Osborne are given for those who desire additional background and/or review material.

I. Introduction

Readings:

Chapter 1 in Osborne.

II. Strategic Games: Theory

Readings:

Chapter 2 (Sections 2.0-2.3, 2.6) in Aliprantis and Chakrabarti.

Chapters 7-8 (Sections 7.A, 7.B, 7.D and 8.A-8.D) in Mas-Colell et al.

Chapter 2 in Osborne.

III. Strategic Games: Applications

Readings:

Chapter 2 (Section 2.8) in Aliprantis and Chakrabarti.

Chapter 3 in Osborne.

IV. Mixed Strategy Equilibrium

Readings:

Chapter 2 (Sections 2.4-2.6) in Aliprantis and Chakrabarti.

Chapters 7-8 (Sections 7.E and 8.D) in Mas-Colell et al.

Chapter 4 in Osborne.

V. Extensive Games with Perfect Information: Theory

Readings:

Chapters 3-4 (Sections 3.0-3.2, 4.0-4.2) in Aliprantis and Chakrabarti.

Chapters 7 & 9 (Sections 7.C and 9.A- 9.B) in Mas-Colell et al.

Chapter 5 in Osborne.

VI. Extensive Games with Perfect Information: Applications and Extensions

Readings:

Chapter 4 (Section 4.3) in Aliprantis and Chakrabarti.

Chapters 6 and 7 in Osborne.

VII. Bayesian Games

Readings:

Chapter 2 (Section 2.7) in Aliprantis and Chakrabarti.
Chapter 8 (Sections 8.E and 8.F) in Mas-Colell et al.
Chapter 9 in Osborne.

VII. Extensive Games with Imperfect Information

Readings:

Chapters 3-4, 8 (Sections 3.3 and 4.4, 8.0-8.8) in Aliprantis and Chakrabarti.
Chapters 9 & 13 (Sections 9.C-9.D and 13.C) in Mas-Colell et al.
Chapter 4 in Salanie.
Chapter 10 in Osborne.

IX. Repeated Games

Readings:

Chapter 7 in Aliprantis and Chakrabarti.
Chapters 14 and 15 in Osborne.

X. Contract Theory

Readings:

Chapters 13 and 14 in Mas-Colell et al.
Chapters 2 and 5 in Salanie.

XI. Auction Theory

Readings:

Chapter 5 in Aliprantis and Chakrabarti.

Grading Policy

Grades will be based on a 15 page (minimum) research paper, problem sets that will be assigned and randomly graded, and a final. Their respective weighting is 65 and 15 and 20 percent.

Course & Instructor Policies

Any assignment not turned in or not handed in on the day they are due, unless excused, receive a grade of zero. To be excused the student must supply the appropriate documentation and give advance notification. By advanced notification, the professor must be notified at least a full day or more prior to the assigned due date.

Although this should cover more than the majority of cases, if such notification is not feasible, it is still incumbent on the student to give as much advanced notice as possible and failing that, for an assignment to still be excused, the student must also address (in the terms of hard evidence) the failure to give advanced notification when supplying official documentation to the professor with regard to the missed assignment or absence.

An assignment will only be excused for medical and immediate family emergencies (severe personal illness or injury, death of a parent, etc). If excused, the assigned work will either be accepted as is or there will be an appropriate adjustment in the weighting of the student's assignments.

The research paper is due in class on the Wednesday, Nov 16 before the Fall Break and Thanksgiving Holiday, and the Final Exam will be given during Finals Week (at the assigned

time for this class during 12/9-12/15).

The same policies for assignments and papers extend to Final Exam as well: an unexcused absence for the Final results in a grade of zero while the same rules apply to an excused absence.

Students are expected to attend class and be respectful to their fellow students. This means no talking in class and no entering or leaving the room while class is in session, keeping classroom disruptions at a minimum.

Field Trip Policies Off-campus Instruction and Course Activities

Not Applicable (Sorry).

Student Conduct & Discipline

The University of Texas System and The University of Texas at Dallas have rules and regulations for the orderly and efficient conduct of their business. It is the responsibility of each student and each student organization to be knowledgeable about the rules and regulations which govern student conduct and activities. General information on student conduct and discipline is contained in the UTD publication, *A to Z Guide*, which is provided to all registered students each academic year.

The University of Texas at Dallas administers student discipline within the procedures of recognized and established due process. Procedures are defined and described in the *Rules and Regulations, Board of Regents, The University of Texas System, Part I, Chapter VI, Section 3*, and in Title V, Rules on Student Services and Activities of the university's *Handbook of Operating Procedures*. Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations (SU 1.602, 972/883-6391).

A student at the university neither loses the rights nor escapes the responsibilities of citizenship. He or she is expected to obey federal, state, and local laws as well as the Regents' Rules, university regulations, and administrative rules. Students are subject to discipline for violating the standards of conduct whether such conduct takes place on or off campus, or whether civil or criminal penalties are also imposed for such conduct.

Academic Integrity

The faculty expects from its students a high level of responsibility and academic honesty. Because the value of an academic degree depends upon the absolute integrity of the work done by the student for that degree, it is imperative that a student demonstrate a high standard of individual honor in his or her scholastic work.

Scholastic dishonesty includes, but is not limited to, statements, acts or omissions related to applications for enrollment or the award of a degree, and/or the submission as one's own work or material that is not one's own. As a general rule, scholastic dishonesty involves one of the following acts: cheating, plagiarism, collusion and/or falsifying academic records. Students suspected of academic dishonesty are subject to disciplinary proceedings.

Plagiarism, especially from the web, from portions of papers for other classes, and from any other source is unacceptable and will be dealt with under the university's policy on plagiarism (see general catalog for details). This course will use the resources of turnitin.com, which searches the web for possible plagiarism and is over 90% effective.

Email Use

The University of Texas at Dallas recognizes the value and efficiency of communication between faculty/staff and students through electronic mail. At the same time, email raises some issues concerning security and the identity of each individual in an email exchange. The university encourages all official student email correspondence be sent only to a student's U.T. Dallas email address and that faculty and staff consider email from students official only if it originates from a UTD student account. This allows the university to maintain a high degree of confidence in the identity of all individual corresponding and the security of the transmitted information. UTD furnishes each student with a free email account that is to be used in all communication with university personnel. The Department of Information Resources at U.T. Dallas provides a method for students to have their U.T. Dallas mail forwarded to other accounts.

Withdrawal from Class

The administration of this institution has set deadlines for withdrawal of any college-level courses. These dates and times are published in that semester's course catalog. Administration procedures must be followed. It is the student's responsibility to handle withdrawal requirements from any class. In other words, I cannot drop or withdraw any student. You must do the proper paperwork to ensure that you will not receive a final grade of "F" in a course if you choose not to attend the class once you are enrolled.

Student Grievance Procedures

Procedures for student grievances are found in Title V, Rules on Student Services and Activities, of the university's *Handbook of Operating Procedures*.

In attempting to resolve any student grievance regarding grades, evaluations, or other fulfillments of academic responsibility, it is the obligation of the student first to make a serious effort to resolve the matter with the instructor, supervisor, administrator, or committee with whom the grievance originates (hereafter called "the respondent"). Individual faculty members retain primary responsibility for assigning grades and evaluations. If the matter cannot be resolved at that level, the grievance must be submitted in writing to the respondent with a copy of the respondent's School Dean. If the matter is not resolved by the written response provided by the respondent, the student may submit a written appeal to the School Dean. If the grievance is not resolved by the School Dean's decision, the student may make a written appeal to the Dean of Graduate or Undergraduate Education, and the dean will appoint and convene an Academic Appeals Panel. The decision of the Academic Appeals Panel is final. The results of the academic appeals process will be distributed to all involved parties.

Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations.

Incomplete Grade Policy

As per university policy, incomplete grades will be granted only for work unavoidably missed at the semester's end and only if 70% of the course work has been completed. An incomplete grade must be resolved within eight (8) weeks from the first day of the subsequent long semester. If the required work to complete the course and to remove the incomplete grade is not submitted by the specified deadline, the incomplete grade is changed automatically to a grade of F.

Disability Services

The goal of Disability Services is to provide students with disabilities educational opportunities equal to those of their non-disabled peers. Disability Services is located in room 1.610 in the Student Union. Office hours are Monday and Thursday, 8:30 a.m. to 6:30 p.m.; Tuesday and Wednesday, 8:30 a.m. to 7:30 p.m.; and Friday, 8:30 a.m. to 5:30 p.m.

The contact information for the Office of Disability Services is:

The University of Texas at Dallas, SU 22

PO Box 830688
Richardson, Texas 75083-0688
(972) 883-2098 (voice or TTY)

Essentially, the law requires that colleges and universities make those reasonable adjustments necessary to eliminate discrimination on the basis of disability. For example, it may be necessary to remove classroom prohibitions against tape recorders or animals (in the case of dog guides) for students who are blind. Occasionally an assignment requirement may be substituted (for example, a research paper versus an oral presentation for a student who is hearing impaired). Classes enrolled students with mobility impairments may have to be rescheduled in accessible facilities. The college or university may need to provide special services such as registration, note-taking, or mobility assistance.

It is the student's responsibility to notify his or her professors of the need for such an accommodation. Disability Services provides students with letters to present to faculty members to verify that the student has a disability and needs accommodations. Individuals requiring special accommodation should contact the professor after class or during office hours.

Religious Holy Days

The University of Texas at Dallas will excuse a student from class or other required activities for the travel to and observance of a religious holy day for a religion whose places of worship are exempt from property tax under Section 11.20, Tax Code, Texas Code Annotated.

The student is encouraged to notify the instructor or activity sponsor as soon as possible regarding the absence, preferably in advance of the assignment. The student, so excused, will be allowed to take the exam or complete the assignment within a reasonable time after the absence: a period equal to the length of the absence, up to a maximum of one week. A student who notifies the instructor and completes any missed exam or assignment may not be penalized for the absence. A student who fails to complete the exam or assignment within the prescribed period may receive a failing grade for that exam or assignment.

If a student or an instructor disagrees about the nature of the absence [i.e., for the purpose of observing a religious holy day] or if there is similar disagreement about whether the student has been given a reasonable time to complete any missed assignments or examinations, either the student or the instructor may request a ruling from the chief executive officer of the institution, or his or her designee. The chief executive officer or designee must take into account the legislative intent of TEC 51.911(b), and the student and instructor will abide by the decision of the chief executive officer or designee.

These descriptions and timelines are subject to change at the discretion of the Professor.