

## **Selected Topics in Economics**

Economics 282

Section: D200

Term: 2009 Spring

Instructor: V. Golovetsky

Discussion Topics: This course is an introduction to Game Theory. Our intention is to learn how to formalize strategic interactions we encounter every day and get familiar with numerous applications of those formal models.

Today, Game Theory is considered an essential tool for an economist. It teaches us the importance of rules, and the need to account for numerous non-obvious consequences of our actions, especially in developing of social policies.

We will leave the seriously formal treatment of the theory to later courses. In this class, I will introduce a series of most widely used models, ideas, and terminology from the field. Examples include Prisoners' Dilemma, Matching Pennies, Coordination Game, Entry Prevention Game, Battle of Sexes, Mutually Assured Destruction, etc. After each game introduced, we'll spend equal or more time considering various applications of that simple game.

Grading: Tutorial participation: 10%

Homework assignments: 20%

Midterm Examination: 30%

Final Examination: 40%

Required Texts: There is no required text for this course. I will refer you to read various papers (chapters from a book, newspaper, magazine, etc) or watch a movie (TV show) from time to time. I will also ask the SFU library to place some introductory texts (see below)

Recommended Texts: Avinash K Dixit, Barry J Nalebuff, *Thinking Strategically: the Competitive Edge in Business, Politics, and Everyday Life*, W.W.Norton, 1993

Avinash K Dixit, Susan Skeath, *Games of Strategy*, 2nd ed., W.W.Norton, 2004

Roy Gardner, *Games for Business and Economics*, 2nd ed., Wiley, 2003

Robert Gibbons, *Game Theory for Applied Economists*, Princeton University Press, 1992

Materials/Supplies:

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Prerequisite/Corequisite: ECON 103 and ECON 105.

Notes: **\*\*NO TUTORIALS DURING THE FIRST WEEK OF CLASSES\*\***

Students requiring accommodations as a result of a disability must contact the Centre for Students with Disabilities 778-782-3112 or csdo@sfu.ca.

All students are expected to read and understand SFU's policies with regard to academic dishonesty (T 10.02 and T 10.03). These policies are available at the following web addresses:

<http://www.sfu.ca/policies/teaching/t10-02.htm> and

<http://www.sfu.ca/policies/teaching/t10-03.htm>

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