### **COMSCI/ECON 206**

## **Computational Microeconomics**



## Autumn 2025

**Dates**: August 18, 2025, – October 10, 2025 **Meeting time**: MoWe 2:45 PM - 5:15 PM

Location: IB 2025

**Course format**: Seminar (+ Field Trip)

## **COMSCI/ECON 206** — Final Research Proposal

Play to innovate: An Interdisciplinary Approach from Game Theory to Mechanism Design

Due: Sunday Oct. 15, 11:00 P.M. (BJT) • Weight: 20%

# Objectives — COMSCI/ECON 206 Final Research

## Proposal

The Final Research Proposal synthesizes the learning journey of *Computational Microeconomics*. Building on **Problem Set 1 (game theory foundations)** and **Problem Set 2 (mechanism design applications)**, it asks students to frame an original question connecting economics and computation. Proposals should formalize strategic environments, implement computational tools (Python, NashPy, oTree), and compare theoretical predictions with human or AI-agent behavior. Ideas may grow from **classroom simulations, coding labs, or peer discussions**, where strategic interaction and bounded rationality were explored. The **field trip to innovation hubs** further inspires projects addressing auctions, voting, blockchain, or sustainability challenges. The final output includes a reproducible GitHub repository, a written proposal, and a symposium presentation, demonstrating mastery of theory, coding, and critical evaluation while cultivating DKU's principles of communication, collaboration, global perspective, purposeful engagement, and wise leadership

## Title Page

Your report must begin with a professionally formatted title page that includes the following five elements:

#### 1. Title and Author

- o Provide a clear and concise project title.
- List the full name(s) of the author(s).

## 2. Contribution to Sustainable Development Goals (SDGs)

- o Include a statement specifying which of the **United Nations' SDGs** your research contributes to.
- Briefly explain how your project aligns with these goals (e.g., promoting quality education, reducing inequalities, fostering sustainable cities, advancing responsible innovation).

## 3. Acknowledgments

- Express gratitude to the professor and classmates for their constructive feedback and guidance throughout the semester.
- o Acknowledge additional sources of support, including AIGC tools, open-source communities, or collaborators as appropriate.

#### 4. Disclaimer

o Insert the following statement verbatim:

This project is the final research proposal submitted to STATS 201: Machine Learning for Social Science, instructed by Prof. Luyao Zhang at Duke Kunshan University in Autumn 2025.

#### 5. Statement of Intellectual and Professional Growth

- Provide a short reflective paragraph on how the project contributed to your intellectual development (research design, technical mastery, interdisciplinary thinking) and professional growth (collaboration, ethical reflection, communication).
- Highlight specific ways the project enhanced your skills in applying machine learning to social science.

## Body — COMSCI/ECON 206 Final Research Proposal

## Part 1. Strategic Game Foundations (from PS1)

• **Objective**: Formalize a strategic game, identify equilibrium concepts (Nash, SPNE, Bayes–Nash, etc.), and evaluate efficiency and fairness.

#### • Methods:

- Use NashPy/QuantEcon for equilibrium computation.
- o Deploy Game Theory Explorer (GTE) for extensive-form analysis.
- o Conduct oTree sessions with classmates and compare to LLM play.
- **Output**: Theoretical solutions, computational results, and comparative analysis of equilibrium predictions vs. human/AI outcomes.

## Part 2. Mechanism Design & Auctions (from PS2)

- **Objective**: Extend game-theoretic foundations into **mechanism design** by analyzing the **winner's curse** and testing human vs. AI strategies.
- Methods:
  - o Select an auction format (first-price, common-value, etc.).
  - o Design treatments and controls to test bounded rationality.
  - Run simulations with LLMs and compare to theoretical predictions and behavioral evidence.
- Output: Revised and extended analysis from PS1, auction experiments, and mechanism design insights.

## Part 3. Voting & Institutions (from week 6 reflection)

- **Objective**: Connect theory to practice by designing a **simplified voting issue** inspired by real-world cases or field trip observations (e.g., UN climate action, blockchain governance).
- Methods:
  - Apply Nobel insights: Arrow's impossibility, Buchanan on institutions, Hurwicz– Maskin–Myerson on mechanism design, Shapley–Roth on matching, and Acemoglu–Johnson–Robinson on legitimacy.
  - o Propose an **innovative or hybrid voting rule**, integrating computation (e.g., blockchain consensus, reinforcement learning, algorithmic matching).
  - o Test designs through classroom simulations, coding, or prototype implementation.
- **Output**: Forward-looking mechanism design proposal, bridging classroom theory, Nobel frameworks, and experiential learning.

# Part III – Supplementary Materials, GitHub Repository Submission

## 1. Supplementary Materials in the Report

- **GitHub Link**: Include the repository URL in the *Supplementary Materials* section of your PDF report.
- **Poster**: Submit your project poster in both the report appendix and the repository. This will also be used for the Final Symposium.
- Demo Video (optional but encouraged): Embed the video in your repository README.

## 2. GitHub Repository Requirements

Your repository is as important as the written report. It demonstrates reproducibility, transparency, and professional practice, consistent with **FAIR & CARE data governance principles** for replicability.

## Repository Structure

```
<Project-Name>:<An Interdisciplinary Study>/
                     # Theoretical analysis (game theory, welfare, fairness)
 computational_scientist/ # Python scripts, Jupyter notebooks, solver outputs
 behavioral_scientist/ # oTree apps, human experiment results, LLM transcripts
- mechanism_design/
                         # Auction/voting design
- visualizations/
                    # Figures, payoff matrices, equilibrium diagrams, voting charts
- docs/
                  # Project documentation
   - Report.pdf
                     # Final report
                     # Symposium poster
   Poster.pdf
  - FieldTripReflection.md# Reflection linking field experience to methodology & impacts
 README.md
                        # Root README with project overview
```

### Root README.md Must Include:

- 1. **Project Title and Abstract** Clear and concise summary of your research.
- 2. **Authors and Roles** Each contributor's role (Economist, Computational Scientist, Behavioral Scientist, Mechanism Designer).
- 3. Disclaimer –

This repository supports the final research proposal submitted to COMSCI/ECON 206: Computational Microeconomics, instructed by Prof. Luyao Zhang at Duke Kunshan University in Autumn 2025.

- 4. **Acknowledgments** Professors, classmates, LLMs, and open-source communities (NashPy, QuantEcon, GTE, oTree, etc.).
- 5. **Statement of Growth** Reflection on intellectual and professional development across PS1, PS2, classroom collaborative learning experiences and the field trip towards the final proposal.
- 6. **Table of Contents** With clickable links to folders and files.
- 7. **Navigation Instructions** Guide for reviewers to locate:
  - o Code for equilibria computation, mechanism design, and simulations.
  - Visualizations and outputs.
  - o Documentation (final report, poster, field trip reflection).
- 8. **Embedded Media** Poster and demo video (via Markdown embedding or links).