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**APPLICATION FORM FOR**

**H3 COURSE “GAME THEORY” JANUARY 2021 INTAKE**

**FOR A-LEVELS ECONOMICS**

**Deadline for Application: Friday 23 October 2020**

**Personal Particulars (Please do fill up the form in CAPITAL LETTERS)**

Full Name (as in your NRIC/Passport): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Gender: ❒ Male ❒ Female Date of Birth: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (DD/MM/YY)

Citizenship: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Ethnicity: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ NRIC Type: ❒ Pink ❒ Blue

NRIC No. (for Singapore Citizens & PRs): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Passport No.: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ SPR Expiry Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

FIN No. (for student pass holders) : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ FIN Expiry Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Birth Country: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Religion: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Junior College: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Email Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Mobile Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Home Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Mailing Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Academic Particulars (Please write intelligibly.)**

Are you considering other H3 Courses? Yes ( ) No ( )

If the answer is Yes please do state the course(s): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Are you part of any CCAs, clubs or teams?

Yes ( ), CCAs, clubs or teams: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

No ( )

If the answer is Yes, please state the critical dates you have committed your time to the CCAs, clubs and teams:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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**Please rank the available days for the H3 course; 1 for most preferred, 2 for second preferred, 0 if unavailable on that day.**

Understand that when you accept our offer you are committing to attend the lessons on the day indicated on the offer letter.

The date on the offer letter is set according to demand and supply. Your ranking of the days is used to determine the demand. Supply is inelastic, right?

Thus, it is imperative that you rank the days in a thoughtful and conscious manner. The above questionnaire should have helped you in clearing your mind about your schedule for the weeks during which the H3 course runs. Still, you should also ask your teachers, mentors, seniors about future events (seminars, workshops and what not) you would want to attend.

Rank [ ] Class 1: Fridays 4.30 pm – 7.30 pm

Rank [ ] Class 2: Saturdays 9.00 am – 12 noon

Kindly understand that when you accept our offer you are committing to attend the lessons on the day indicated on the offer letter.

Please note that in accordance with the Additional safe management measures (SMM) for the conduct of H3 AU-Taught programmes in 2021, to reduce inter-mingling, H3 AU-Taught programmes with multiple sessions for each lecture should assign students to fixed groups throughout the entire duration of the programme.

Please submit your completed Application Form together with a **copy of your JC1 Promotional Examination Results Slip and your O-levels Certificate** by the abovementioned deadline\* to your ***H3 teacher-in-charge*** in your junior college, and they will pass your application form to us.

\*It could be a different deadline set by your school, please do check with your H3 Teacher in charge.

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**School of Economics**

**Academic Year 2020-21**

**Term 2**

**ECON106Z: H3 Game Theory**

Instructor Name : Massimiliano Landi

Email : landim@smu.edu.sg

Tel : 6828 0872

Office : 5083

# COURSE DESCRIPTION

This course provides an introduction to *Game Theory*. Game theory deals with decisions of conflict and cooperation between equally intelligent individuals. In such a context each party needs to take into account the decision that the other will take, before choosing the best plan of action.

Models are used to describe the structure of the decision problem and enable the analysis of the possible scenarios. The descriptions are often expressed through graphs and mathematical language, and the scenarios are analysed with rigorous logical thinking.

In this course, particular attention will be given to situations that are essentially economic in nature but there will also be examples where social or political goals and factors are primary.

Reference to real world examples will be made extensively throughout the course. Likely applications are: how to look at the pricing problem in oligopolies; how to distinguish between competition and collusion in markets; where do politicians stand on issues during electoral campaign; how norms of cooperation may emerge in societies.

The syllabus is designed under the assumption that students have a knowledge and understanding of Economics at the H2 level, are willing to being pushed to a higher level of intellectual challenge and are capable of self-directed and independent (but supervised) learning.

# LEARNING OBJECTIVES

By the end of the semester, students will have mastered the foundations of Game Theory and will have learned to apply the game-theoretic framework to analysing market competition and resource allocation problems that are directly related to the H2 Economics syllabus.

Students will also be equipped with a better appreciation of the strategic interactions present in different types of economic activity and social interactions.

Students will also get a glimpse of their future life in university in general, and SMU in particular.

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**ASSESSMENT METHODS**

Class Participation : 5%

Mid-term Test : 25%

Final Examination : 70%

**Total : 100%**

Participation is graded on the basis of different variables that depend on the engagement in: class activities and games; in class discussions. Participation also depends on the individual performance on the homework assignments. More details on how these variables are aggregated will be provided in class.

Midterm exam: the midterm exam lasts for 2.5 hours. It is made of 3 structured problems questions that have subparts. All questions are compulsory. The regularly assigned homework provides an idea of the type of questions asked in the final exam, although students should not expect to be tested on the exact same questions from the homework. The midterm exam is individual, closed book, no calculator.

Final Exam:The final exam lasts for 3 hours. It is made of 4 structured problem questions that have subparts. All questions are compulsory. The regularly assigned homework provides an idea of the type of questions asked in the final exam, although students should not expect to be tested on the exact same questions from the homework. The final exam is individual, closed book, no calculator.

**ACADEMIC INTEGRITY**

All acts of academic dishonesty (including, but not limited to, plagiarism, cheating, fabrication, facilitation of acts of academic dishonesty by others, unauthorized possession of exam questions, or tampering with the academic work of other students) are serious offences.

All work (whether oral or written) submitted for purposes of assessment must be the student’s own work. Penalties for violation of the policy range from zero marks for the component assessment to expulsion, depending on the nature of the offense.

When in doubt, students should consult the instructors of the course. Details on the SMU Code of Academic Integrity may be accessed at <http://www.smuscd.org/resources.html>.

**ACCESSIBILITY**  
  
SMU strives to make learning experiences accessible for all. If students anticipate or experience physical or academic barriers due to disability, please let the instructor know immediately. Students are also welcome to contact the university's disability services team if they have questions or concerns about academic provisions: [included@smu.edu.sg](mailto:included@smu.edu.sg).

Please be aware that the accessible tables in the seminar room should remain available for students who require them.

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**CLASS TIMINGS AND EXPECTATIONS**

The class meets once a week for a three-hour session. Each session consists of a detailed explanation of the models discussed throughout the course and their applications. Time will also be devoted to *play some games* and to go through crucial steps of the homework assignments.

Students are expected to be motivated and focused, capable to work independently but also to contribute to the classroom environment. Students should not expect to be spoon fed.

The emphasis in this course is on the learning process and not on the memorization of few formulas. Therefore, curious and inquisitive minds will find this course intellectually stimulating and rewarding.

# RECOMMENDED TEXT AND READINGS

The course is designed to be self-contained. The lectures follow quite closely the following textbook which is therefore the main references for students.

Dixit, Skeath and Reily; *Games of Strategy,* 4th ed. W. W. Norton, New York, London.

**WEEKLY LESSON PLAN**

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| **Week** | | **Topics** |
| 1 | Week 1 | Strategic Thinking with game theory   * What is a game of strategy? * Rules of the Game * Decisions versus tactics |
| 2 | Week 2 | Game with sequential moves   * Drawing game trees * Backward Induction * Rollback equilibrium |
| 3 | Week 3 | Games with simultaneous moves   * Nash equilibrium * Continuous variables |
| 4 | Week 4 | Games of dynamic competition   * Combining sequential and simultaneous moves * Applications to business and politics |
| 5 | Week 5 | Simultaneous-move games with mixed strategies   * Beliefs and Responses * Games with more than two strategies |
| 6 | Week 6 | The Prisoners’ Dilemma   * Repeated interactions * Applications to Politics, Evolutionary Biology |
| 7 | Week 7 | Revision and Midterm exam (2.5 hours) |
| 8 | Week 8 | Uncertainty and Information   * Strategies to manipulate information * Screening versus signaling |
| 9 | Week 9 | Entry Deterrence under Asymmetric Information   * Separating, Pooling and Semi-separating Equilibrium |
| 10 | Week 10 | Games with strategic moves   * Commitment, threats and promises: * Applications: US-Japan trade relations |
| 11 | Week 11 | Introduction to Auction Theory   * Private-values auction model * Common-values auction model |
| 12 | Week 12 | Revision and Class Exercises |
| 13 | Week 13 | Final Exam: 3 hours |

**CALENDAR OF CLASSES**

Kindly noted that no swopping of classes will be allowed, the student will miss the class if he or she cannot attend in that week. Based on MOE’s policy, they will be considered as absent without valid reasons if they want to attend talks, seminars, challenges, CCA events that conflicts with the H3 class.

Leave of absence will only be granted on the grounds of health and compassionate reasons and if they need to participate in competitions, with valid supporting documents submitted.

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| **Week** | **Groups** | | **Remarks** |
| **G1**  **Friday 4:30 - 7:30 pm** | **G2**  **Saturday 9:00 am - 12:00 pm** |  |
| **Week 1** | Friday, 15 January 2021 | Saturday, 16 January 2021 |  |
| **Week 2** | Friday, 22 January 2021 | Saturday, 23 January 2021 |  |
| **Week 3** | Friday, 29 January 2021 | Saturday, 30 January 2021 |  |
| **Week 4** | Friday, 5 February 2021 | Saturday, 6 February 2021 |  |
| **Week 5** | Friday, 19 February 2021 | Saturday, 20 February 2021 |  |
| **Week 6** | Friday, 26 February 2021 | Saturday, 27 February 2021 |  |
| **Week 7** | Saturday, 6 March 2021 | | Midterm exam |
| **Week 8** | Friday, 12 March 2021 | Saturday, 13 March 2021 |  |
| **Week 9** | Friday, 19 March 2021 | Saturday, 20 March 2021 |  |
| **Week 10** | Friday, 26 March 2021 | Saturday, 27 March 2021 |  |
| **Week 11** | Friday, 9 April 2021 | Saturday, 10 April 2021 |  |
| **Week 12** | Friday, 16 April 2021 | Saturday, 17 April 2021 |  |
| **Week 13** | Friday, 30 April 2021 | | Final exam |