



Microeconomic Theory II  
ECON 6211

MW 2:30-3:45  
MCHU 106  
Spring 2023

### **INSTRUCTOR INFORMATION**

Professor Mike Shor  
*E-mail:* [mike.shor@uconn.edu](mailto:mike.shor@uconn.edu)  
*Office:* Oak 321  
*WebEx:* <https://uconn-cmr.webex.com/meet/mike>  
*Course:* <https://mikeshor.com/courses/microII/>

### **COURSE DESCRIPTION**

This course continues the microeconomics PhD sequence, focusing on non-cooperative game theory and the economics of information. Topics include the analysis of simultaneous and sequential games, adverse selection, and moral hazard, with applications to industrial organization, political science, and other topics.

### **REQUIREMENTS**

- This course will be graded on the basis of a midterm and a final exam, accounting for 40% and 60% of the grade. Additionally, problem sets will be distributed, but not collected.

### **TEXT**

The text for this course is Andreu Mas-Colell, Michael D. Whinston, Jerry R. Green, *Microeconomic Theory* (1995), though I will not be following this text exactly. This text is often lacking in intuition and examples. Therefore, students may also wish to acquire the more readable *Game Theory for Applied Economists* by Robert Gibbons. For the first half of the class, *Game Theory* by Drew Fudenberg and Jean Tirole lies between Gibbons and Mas-Colell.

## **Tentative Course Outline**

(with relevant chapters from Mas-Colell, Whinston, and Green)

### **PART I: Game Theory**

Week 1: Introduction to Game Theory

#### **Simultaneous Games (Chapter 8)**

Week 2: Rationality & common knowledge, dominance

Week 3: Nash equilibrium

Week 4: Mixed strategies, refinements of Nash equilibrium

#### **Sequential Games (Chapters 7, 9, 9 Appendix A, 12 Appendix A)**

Week 5: Extensive form, subgame-perfect Nash equilibrium

Week 6: Repeated games

#### **Applications (Chapter 12)**

Week 7: Oligopoly models

### **PART II: Information**

#### **Adverse Selection & Screening (Chapter 13)**

Week 8: Perfect Bayes-Nash equilibrium

Week 9: Cheap Talk

Week 10: Signaling & refinements

Week 11: Spence's signaling model

#### **Moral Hazard & Principal-Agent (Chapter 14)**

Week 12: Introduction to moral hazard

Week 13: Principal Agent model

#### **Other Potential Topics (time allowing)**

Externalities and public goods (Chapter 11)

Mechanism design (Chapter 23)

