

# Ph.D. in ECONOMICS

## APPLICATIONS OF GAME THEORY TO POLITICAL ECONOMICS

### Global Games and applications

Prof. Mario Gilli

#### PURPOSE:

This literature is particularly interesting because of the role of players' private information and the wide range of applications, that range from macroeconomics to microeconomics, from finance to political science, from macro political economy to micro political economy.

#### COURSE DESCRIPTION:

The course consists of two lectures and students' presentations of well established papers. Further information on the web site: <https://elearning.unimib.it/course/view.php?id=46809>

#### DETAILED TIMETABLE OF THE LECTURES

	Topic of the lecture	Day	References
L1	<u>Introduction to Global Games - 1</u>	18/10/2022 U7-2062 U7 second floor demographic seminar room 2.30 – 4.30 p.m.	Lecture notes Mario Gilli
L2	<u>Introduction to Global Games - 2</u>	25/10/2022 U7-2062 U7 second floor demographic seminar room 2.30 – 4.30 p.m.	Lecture notes Davide Bosco

L3	<u>Presentation - 1</u>	15/11/2022 U7-2062 U7 second floor demographic seminar room 2.30 – 4.30 p.m.	Slides Andrea Donati
L4	<u>Presentation - 2</u>	29/11/2022 U7-2062 U7 second floor demographic seminar room 2.30 – 4.30 p.m.	Andrea Sorrentino
L5	<u>Presentation - 3</u>	13/12/2022 U7-2062 U7 second floor demographic seminar room 2.30 – 4.30 p.m.	Lucia Tomasiello
RG1		17/01/2023  2.30 – 4.30 p.m.	
RG2		7/02/2023  2.30 – 4.30 p.m.	
RG3		28/02/2023  2.30 – 4.30 p.m.	
RG4		21/03/2023  2.30 – 4.30 p.m.	
RG5		18/04/2023  2.30 – 4.30 p.m.	
RG6		9/05/2023  2.30 – 4.30 p.m.	
RG7		30/05/2023  2.30 – 4.30 p.m.	

## Papers

1. Allen, F. and S. Morris (2001), "Finance Applications of Game Theory," in *Advances in Business Applications of Game Theory*, (ed. by K. Chatterjee and W. Samuelson), Boston, MA: Kluwer Academic Press.
2. Allen, F., S. Morris, and A. Postlewaite (1993), "Finite Bubbles with Short Sales Constraints and Asymmetric Information," *Journal of Economic Theory*, 61, 209–229.
3. George-Marios Angeletos, Christian Hellwig, and Alessandro Pavan, Signaling in a Global Game: Coordination and Policy Traps in *Journal of Political Economy*, Vol. 114, No. 3 (June 2006), pp. 452-484
4. George-Marios Angeletos, Christian Hellwig, and Alessandro Pavan, Robust Predictions in Global Games with Multiple Equilibria: Defense Policies Against Currency Attacks, mimeo.
5. George-Marios Angeletos, Alessandro Pavan, Socially Optimal Coordination: Characterization and Policy Implications, mimeo.
6. George-Marios Angeletos, Christian Hellwig, and Alessandro Pavan, Dynamic Global Games of Regime Change: Learning, Multiplicity, and Timing of Attacks, mimeo.
7. George-Marios Angeletos and Iván Werning, Crises and Prices: Information Aggregation, Multiplicity, and Volatility, *The American Economic Review*, Vol. 96, No. 5 (Dec., 2006), pp. 1720-1736
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10. Boonprakaikawe, J. and S. Ghosal (2000), "Bank Runs and Noisy Signals," University of Warwick.
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12. Bryant, J. (1983), "A Simple Rational Expectations Keynes Type Model," *Quarterly Journal of Economics*, 98, 525–529.
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15. Carlsson, H. (1989), "Global Games and the Risk Dominance Criterion," University of Lund.
16. Hans Carlsson and Eric van Damme, Global Games and Equilibrium Selection, in *Econometrica*, Vol. 61, No. 5 (Sep., 1993a), pp. 989-1018
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18. Carlsson, H. and M. Ganslandt (1998), "Noisy Equilibrium Selection in Coordination Games," *Economics Letters*, 60, 23–34.
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20. Chan, K. and Y. Chiu (2000), "The Role of (Non)Transparency in a Currency Crisis Model," McMaster University.
21. Chari, V. and P. Kehoe (2000), "Financial Crises as Herd Behavior", Working Paper 600, Federal Reserve Bank of Minneapolis.
22. Sylvain Chassang and Gerard Padró i Miquel, Conflict and Deterrence under Strategic Risk, *The Quarterly Journal of Economics*, November 2010

23. Chui, M., P. Gai, and A. Haldane (2000), "Sovereign Liquidity Crises: Analytics and Implications for Public Policy," International Finance Division, Bank of England.
24. Chwe, M. (1998), "Believe the Hype: Solving Coordination Problems with Television Advertising," available at <http://chwe.net/michael>.
25. Corsetti, G., A. Dasgupta, S. Morris, and H. S. Shin (2000), "Does One Soros Make a Difference? The Role of a Large Trader in Currency Crises," *Review of Economic Studies*.
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