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1. **STAFF CONTACT DETAILS**
   Lecturer: Ben Greiner
   Email: bgreiner AT unsw.edu.au
   Office: Quad 3123
   Office Hours: by appointment by email

2. **COURSE DETAILS**

2.1 **Teaching Times and Locations**
Each student should enrol in the lecture and the tutorial. The combined lecture/tutorial meets on Wednesdays 6pm – 9pm in ASB 232.

2.2 **Units of Credit**
This course carries 6 units of credit.

2.3 **Summary of Course**
This course covers the fundamentals of Game Theory and its applications. Game Theory is a revolutionary way of analysing strategic interactive situations. It is basic to the understanding of market competition among large firms, the designing of incentive contracts, bidding at auctions, bargaining, and other similar problems central to economics and business. This course covers simultaneous and sequential games and their solution concepts, games of imperfect information, repeated games, and a selection of applications and case studies.

2.4 **Course Aims and Relationship to Other Courses**
The course aims to train students’ strategic thinking and to provide them with basic tools and concepts to analyze strategic situations and behaviour. ECON 5111 is one of the core courses in the Business Strategy specialisation offered in the M Com (coursework) program. It may also be chosen as an elective in several other specialisations.

2.5 **Student Learning Outcomes**
By the end of this course, you should be able to:
1. demonstrate a basic understanding of game theoretical tools and solution concepts,
2. analyse strategic situations and the incentives of players therein, and to derive predictions about behaviour,
3. evaluate and analyse data of actual decisions made in strategic situations, and derive conclusions,
4. present and select findings from that strategic analysis and evaluation of actual decisions.

<table>
<thead>
<tr>
<th>Course Learning Outcomes</th>
<th>ASB Graduate Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,3</td>
<td>1. Critical thinking and problem solving</td>
</tr>
<tr>
<td>4</td>
<td>2. Communication</td>
</tr>
<tr>
<td>4</td>
<td>3. Teamwork and leadership</td>
</tr>
<tr>
<td>2,3</td>
<td>4. Social, ethical and global perspectives</td>
</tr>
<tr>
<td>1</td>
<td>5. In-depth engagement with relevant disciplinary knowledge</td>
</tr>
<tr>
<td>1-4</td>
<td>6. Professional skills</td>
</tr>
</tbody>
</table>
3. **LEARNING AND TEACHING ACTIVITIES**

**3.1 Approach to Learning and Teaching in the Course**
The teaching philosophy of this course is based on the “Guidelines on Learning that Inform Teaching at UNSW” (http://www.guidelinesonlearning.unsw.edu.au). Specifically, the lectures, tutorials and assessment have been designed to actively engage students, and to create a climate of inquiry, dialogue, and creativity among students and between students and teacher. The lecturer aims to provide meaningful and timely feedback to students to improve learning outcome.

**3.2 Learning Activities and Teaching Strategies**
Through making decisions in classroom experiments, at the end of each meeting, you will experience many different strategic situations first hand. This trains your empathy, strategic thinking, and social interaction skills.

After the lecture, descriptions of the situations (experimental instructions), anonymised data sets containing the decisions of experiment participants, and a number of questions on each experiment will be posted online. The questions guide you in the analysis of the situations and data. Analysing the situations and your own decisions with formal and informal tools lets you practise logical thinking, sharpens your economic intuition, and improves your knowledge about social and economic behaviour of real people. Analysis can be done individually or in groups of up to 3 people.

At the beginning of each class, a number of students will be (more or less randomly) selected to present their analysis. Presentations are individual (and individually marked), each student is expected to be able to present on each question. Presenting your results in class improves your structuring and communication skills.

Presentations are followed by (moderated) group discussions involving all students in class. You will learn from each other and train your argumentation and discussion skills.

Necessary game theoretical background will be provided to you in lecture form. Lecture slides will be posted online after class. Understanding the theory will give you more insight into strategic behaviour, and improve your analytical skills.

**4. ASSESSMENT**

**4.1 Formal Requirements**
In order to pass this course, you must achieve a composite mark of at least 50.

**4.2 Assessment Details**

<table>
<thead>
<tr>
<th>Assessment Task</th>
<th>Weighting</th>
<th>Learning Outcomes assessed</th>
<th>ASB Graduate Attributes assessed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Oral presentations and participation in group discussions</td>
<td>50%</td>
<td>1, 2, 3, 4</td>
<td>1, 2, 3, 4, 5</td>
</tr>
<tr>
<td>2. Final exam</td>
<td>50%</td>
<td>1, 2, 3</td>
<td>1, 4, 5</td>
</tr>
</tbody>
</table>

[ECON 5111 – Economics of Strategy] 2
Oral presentations and participation in group discussions
At the beginning of each class, several students will be asked to analyze the strategic situations they experienced at the end of the last class, and to discuss the actual behaviour of students based on collected decision data. This is followed by a group discussion. Marking is done continuously based on content and style of presentation and discussion.

Final exam
The final exam will be held in the University examination period. It will cover the entire course. Students should note that, given changes in content and method of the course, past exam papers for this subject may be misleading. In the exam students will be provided with a description of a strategic situation, and a summary of decision data collected in an experiment on this situation. Students will be asked to summarise the essential strategic properties of the situation, to describe the individual incentives of players, to make predictions about behaviour based on justified assumptions, to compare those predictions with the decision data and to discuss potential discrepancies. Marking will be based on proficiency in applying game-theoretic tools, as well as logic and justification of arguments.

5. ACADEMIC HONESTY AND PLAGIARISM
The University regards plagiarism as a form of academic misconduct, and has very strict rules regarding plagiarism. For UNSW policies, penalties, and information to help you avoid plagiarism see: http://www.lc.unsw.edu.au/plagiarism/index.html as well as the guidelines in the online ELISE tutorial for all new UNSW students: http://info.library.unsw.edu.au/skills/tutorials/InfoSkills/index.htm.

6. COURSE RESOURCES
Resources available to students consist of:
- Classroom experiment instructions – will be provided in each class
- Collected decision data – will be provided online after experiments
- Lecture slides – will be provided online after class

Additional literature and suggested reading:
7. COURSE EVALUATION AND DEVELOPMENT
Your suggestions, comments and observations with respect to content of the course, delivery of content, and assessment tasks are welcome, as they help to improve the course in the future. Feel free to communicate your views directly to the lecturer. We will seek your feedback also through UNSW's Course and Teaching Evaluation and Improvement (CATEI) Process.

8. STUDENT RESPONSIBILITIES AND CONDUCT
Students are expected to be familiar with and adhere to university policies in relation to class attendance and general conduct and behaviour, including maintaining a safe, respectful environment; and to understand their obligations in relation to workload, assessment and keeping informed.


8.1 Workload
We expect that you will spend at least ten hours per week studying this course. This time should be made up of reading, and preparing and attending classes. Preparation of classes includes analysis of strategic situations and decision data. This can be done individually or in groups of up to 3 students. However, presentation in class is marked individually, and each student is expected to be able to present on each question.

In the period where you prepare for the examination the workload may be greater.

Over-commitment has been a cause of failure for many students. You should take the required workload into account when planning how to balance study with employment and other activities.

8.2 Attendance
Your regular and punctual attendance at lecture and tutorial is expected in this course. Specifically, presentation and participation in class is marked. University regulations indicate that if students attend less than eighty per cent of scheduled classes they may be refused final assessment.

8.3 Special Consideration and Supplementary Examinations
You must submit all assignments and attend all examinations scheduled for your course. You should seek assistance early if you suffer illness or misadventure which affects your course progress. For advice on UNSW policies and procedures for granting special consideration and supplementary exams, see: ‘UNSW Policy and Process for Special Consideration’: https://my.unsw.edu.au/student/atoz/SpecialConsideration.html

8.4 General Conduct and Behaviour
You are expected to conduct yourself with consideration and respect for the needs of your fellow students and teaching staff. Conduct which unduly disrupts or interferes with a class, such as ringing or talking on mobile phones, is not acceptable and students may be asked to leave the class. More information on student conduct is available at: www.my.unsw.edu.au
8.5 Occupational Health and Safety
UNSW Policy requires each person to work safely and responsibly, in order to avoid personal injury and to protect the safety of others. For more information, see https://my.unsw.edu.au/student/atoz/OccupationalHealth.html.

8.6 Keeping Informed
You should take note of all announcements made in lectures or on the course web site. From time to time, the University will send important announcements to your university e-mail address without providing you with a paper copy. You will be deemed to have received this information. It is also your responsibility to keep the University informed of all changes to your contact details.

9. ADDITIONAL STUDENT RESOURCES AND SUPPORT
The University and the ASB provide a wide range of support services for students, including:
- ASB Education Development Unit (EDU) www.business.unsw.edu.au/edu
- UNSW Learning Centre www.le.unsw.edu.au
- Library training and search support services: http://info.library.unsw.edu.au
- UNSW IT Service Desk: www.its.unsw.edu.au/support/support_home.html
- UNSW Counselling Service http://www.counselling.unsw.edu.au
- Student Equity & Disabilities Unit http://www.studentequity.unsw.edu.au

10. COURSE SCHEDULE
Week 1 (11/3) Introduction: procedures, outlook, basic concepts of game theory
Week 2 (18/3) Markets I: competition
Week 3 (25/3) Markets II: monopoly, oligopoly, timing, and commitment
Week 4 (1/4) Bargaining: giving, ultimatums and negotiations
Week 5 (8/4) Cooperation: dilemmas, common pools and public goods
Week 6 (15/4) Break: no lecture
Week 7 (22/4) Reputation I: competition
Week 8 (29/4) Reputation II: cooperation
Week 9 (6/5) Auctions: price rules, value structure, units
Week 10 (13/5) Information I: coordination, signalling, and cheap talk
Week 11 (20/5) Information II: herding and bubbles
Week 12 (27/5) Voting: participation and agenda setting
Week 13 (3/6) Recap