

ECON 893: Readings in Rational Learning and Contract Theory

Instructor: Professor P.J. Healy

Student: Michael Sinkey

Credits/Meeting Time/Location 15 credit hours, Arps 003, Mondays 2:30-3:30.

Objectives:

- This course is a reading group in which the student will present one paper from the reading list per week to the instructor for discussion. The papers to be covered span the following topics: rational learning in games and experimental applications, contract theory, and other topics to be named later. The student will turn in a twenty-page research proposal at the end of the term.
- The student will also work toward completing the third-year paper requirement, which is due August 29.

1 Rational Learning

Week 1

[4] Kalai/Lehrer, *Econometrica*.

Week 2

Dekel/Fudenberg/Levine, *Games*. [2]

Week 3

D/F/L.

Week 4

No Meeting.

Week 5

Examples from D/F/L.

2 Second Half

Weeks 6-10

Weeks 6, 8, and 9:

[3] Fudenberg/Levine, *Econometrica*.

Week 10:

[5] Nachbar, *Econometrica*. Also, read Anthonisen [1] and present it after the term at instructor's discretion.

3 Paper Requirements

- The student will finish the third-year paper by August 29. Additionally, the student will turn in a twenty-page research proposal and summary of readings by the end of August.

References

- [1] Niels Anthonisen. On Learning to Cooperate. *Journal of Economic Theory*, 107:253–287, 2007.
- [2] Eddie Dekel, Drew Fudenberg, and David Levine. Learning to Play Bayesian Games. *Games and Economic Behavior*, 46:2:282–303, 2004.
- [3] Drew Fudenberg and David Levine. Self Confirming Equilibrium. *Econometrica*, 61:3:523–545, 1993.
- [4] Ehud Kalai and Ehud Lehrer. Rational Learning Leads to Nash Equilibrium. *Econometrica*, 61:5:1019–1045, 1993.
- [5] John Nachbar. Prediction, Optimization, and Learning in Repeated Games. *Econometrica*, 65-2:275–309, 1997.