

# Debt Crises: Game Theory Applications

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This class will start with a quick introduction of Nash equilibrium. After reviewing concepts of payoff dominance, pure and mixed equilibria in strategic games as well as extensive form games, we will turn attention to games that model debt specific issues. In this part of the course we will study credit rationing, debt overhang, asset market bubbles, bank panics and strategic role of government debt.

Class will be conducted **online on Mondays and Tuesdays 18:00-19:30 using ZOOM** meetings interface. You will need to either download free ZOOM application or use an internet browser to participate.

Information about access to Zoom meetings will be delivered in due time.

Please be on time and use your real name when joining the zoom meetings.

<b>Lesson 1:</b> Monday, May 17, 2021 18:00-19:30	<b>Lesson 2:</b> Tuesday, May 18, 2021 18:00-19:30
	<b>Lesson 3:</b> Tuesday, May 25, 2021 18:00-19:30
<b>Lesson 4:</b> Monday, May 31, 2021 18:00-19:30	<b>Lesson 5:</b> Tuesday, June 1, 2021 18:00-19:30
<b>Lesson 6:</b> Monday, June 7, 2021 18:00-19:30	<b>Lesson 7:</b> Tuesday, June 8, 2021 18:00-19:30
<b>Lesson 8:</b> Monday, June 14, 2021 18:00-19:30	<b>Lesson 9:</b> Tuesday, June 15, 2021 18:00-19:30
<b>Lesson 10:</b> Monday, June 21, 2021 18:00-19:30	<b>Q&amp;A, Exam:</b> Tuesday, June 22, 2021 18:00-19:30

In case of any technical difficulties during classes, contact me via email: [vesely@uwm.edu](mailto:vesely@uwm.edu)

Classes will include several small classroom experiments and thus in order to share your decisions you will need an access to microphone and/or camera. Note that while I will be recording my lectures, your own camera or other input will not be recorded (and thus I will occasionally summarize your answers myself anonymously).

You will take a test during our last meeting on Tuesday, June 22 (18:00-19:30). At the end of this test you will need to take pictures of your hand written answers and email them to:

[vesely@uwm.edu](mailto:vesely@uwm.edu). You will get an extra credit for converting your test pictures to a pdf file first.

Any updates and additional class notes are posted at <https://sites.uwm.edu/vesely>