INSTRUCTIONS FOR GROUP ASSIGNMENT

Each group is responsible for choosing his own topic. The topic has to relate to current news (events that did not take place prior to last January). The purpose of the exercise is both to apply the tools learned in class, to complement the final exam as a means of judging your understanding of the concepts, but also to give you a first taste of "research".

I recommend that the report be divided among the parts described below:

1. Describe the event / problem you choose. Do not give excessive details but focus on the elements that you will use to define the game.

2. Present the game used to model the situation you are studying. Take time describing precisely the players, the timing of the game and the payoffs. You will of course be forced to make assumptions. As much as possible, try to justify your assumption using data you found or referring yourself to references.

3. Solve the game you set up previously. You can make additional assumptions in this section to make the game solvable.

4. Discuss the predictions of the theory. Does it fit with the outcome in reality (if outcome already occurred). If not, why so?

The report should contain between **1600 and 2400 words**, with a displayed word count. The body of the report should give a detailed credit to the sources of information used. In addition, at the end of the report you should include an appendix with a reference list of all the sources (bibliographic, electronic, or other) used to prepare the report. *This reference list is beyond the word limit.* Please do not include additional appendices.