

Mini Course on Estimation of Strategic Interactions
Keio University
July 16-17th, 2014

Course Instructor

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Course Outline

This is an introductory course in estimation of static games. The primary objective is to provide a theoretical and practical knowledge required to estimate structural parameters of such models.

Prerequisites

The course is designed for applied-oriented economics graduate students who have working knowledge of graduate-level microeconometrics (e.g., MLE, GMM, multinomial logit) but new to structural estimation. Participants are strongly encouraged to skim the first three chapters of Bajari, Hong and Nekipelov (2013, henceforth BHN) prior to lectures.

Languages

Lectures are offered in English. However, students are welcomed to ask questions either in English or Japanese.

Outline

Lecture 1 (7/16): Estimation of game of complete information

- BHN Sec 1, 2, 8
- Berry (1992)
- Bresnahan and Reiss (1990, 1991)
- Tamer (2003)

Lecture 2 (7/17): Estimation of game of incomplete information

- BHN Sec 1, 2, 3, 4, 5
- Bajari et al. (2005)
- Elickson and Misra (2008)

References

Bajari, Hong, Krainer and Nekipelov. (2010) Estimating Static Models of Strategic Interactions, *Journal of Business and Economic Statistics* 28(4), 469-482.

Bajari, Hong and Nekipelov. Game Theory and Econometrics: A Survey of Some Recent Research (<http://www.econ.umn.edu/~bajari/research/survey.pdf>)

Berry. (1992) Estimation of a Model of Entry in the Airline Industry 60(4).

Bresnahan, T.F. and Reiss, P. (1990). "Entry in Monopoly Markets", *Review of Economic Studies*, 57: 531-553.

Bresnahan, T.F. and Reiss, P. (1991) Entry and Competition in Concentrated Markets, *Journal of Political Economy*, 99(5): 977-1009.

Ellickson and Misra (2008) Supermarket Pricing Strategies, *Marketing Science* 27(5).

Tamer (2003) Incomplete Simultaneous Discrete Response Model with Multiple Equilibria. *Review of Economic Studies* 70: 147-165.