

In this thesis we review literature about the coordination problem under an uncertainty. We set up a continuum player model of collective action, in which part of the population must coordinate on an action in order to achieve a mutual benefit. The complete information version of the model features multiple equilibria. We study the role of various sources of uncertainty in the model and compare them. We also examine the role of private and public information.

We discuss particularly the global game, the coordination game of incomplete information in which agents received different but correlated signals about the state. We demonstrate that in the global game an unique equilibrium can be found by iterated elimination of dominated strategies. We compare the global game to related models and examine the consequences of relaxing the assumptions of global game.

In addition we show some practical implication of the model for revolutions and currency crises.