Paper 14: INTERMEDIATE MICROECONOMICS - II

Course Description

This course is a sequel to Intermediate Microeconomics I. The emphasis will be on giving conceptual clarity to the student coupled with the use of mathematical tools and reasoning. It covers general equilibrium and welfare, imperfect markets and topics under information economics.

Course Outline

1. General Equilibrium, Efficiency and Welfare
Equilibrium and efficiency under pure exchange and production; overall efficiency and welfare economics.

2. Market Structure and Game Theory
Monopoly; pricing with market power; price discrimination; peak-load pricing; two-part tariff; monopolistic competition and oligopoly; game theory and competitive strategy.

3. Market Failure
Externalities; public goods and markets with asymmetric information.

Readings:

1. Hal R. Varian, *Intermediate Microeconomics: A Modern Approach*, 8th edition, W.W. Norton and Company/Affiliated East-West Press (India), 2010.The workbook by Varian and Bergstrom could be used for problems.
2. C. Snyder and W. Nicholson, *Fundamentals of Microeconomics,* Cengage Learning (India), 2010.

Minutes of Meeting

Subject: B.A. (Hons) Economics
Course :   11 - Intermediate Microeconomics - II
Date of Meeting: 04.01.2013 (Friday), 1.30 P.M.
Venue   :   Department of Economics, Delhi School of Economics, University of
                     Delhi
Convenor   :   Prof. S.C. Panda

Attended by:

1. Swarup Santra, Satyawati College
2. Rajesh Kumar, Satyawati College
3. Amrat Lal Meena, Moti Lal Nehru College
4. Shalini Saksena, DCAC
5. Sanjeev Grewal, St. Stephen's College
6. Meenakshi Sharma, Sri Venkateshwara College
7. Shikha Singh, Daulat Ram College
8. Vaishali Kapoor, Rajdhani College
9. Deepika Goel, PGDAV College
10. Sandhya Varshney, Dyal Singh College
11. Ritu Suri, Lakshmi Bai College
12. Prarthna Agarwal Goel, Kalindi College
13. Savitri Sidana, ARSD College
14. S. Rubina Naqvi, Hindu College
15. Sonia Goel, Ramjas College
16. Shashi Bala Garg, LSR College
17. Neelam Singh, LSR College
18. Megha Pradhan, Jesus & Mary College
19. Sonali Garg, Kamala Nehru College
20. Surajit Deb, RLA (Evening) College
21. Ravinder Jha, Miranda House
22. Sarvesh Bandhu, S.R.C.C.
23. Rajiv Jha, S.R.C.C.

The readings for various topics were decided as follows:

1. General Equilibrium, Efficiency and Welfare
Equilibrium and efficiency under pure exchange and production; overall efficiency and welfare economics..

(i)Varian : Chapters 31 and 33
(ii)Snyder and Nicholson : Chapter 13 (p418-p427-The numerical need not be done)

2. Market Structure and Game Theory
Monopoly; pricing with market power; price discrimination, peak-load pricing, two-part tariff; monopolistic competition and oligopoly; game theory and competitive strategy.

Snyder and Nicholson : Chapter 14 (p464-p485); Chapter 8 (p231-p253);Chapter 15(p492-p507 and p511-p519).

3. Market Failure
Externalities; public goods and markets with asymmetric information.

(i)Snyder and Nicholson : Chapter 19 (p627-p642 and p649-650).
(ii)Varian : Chapter 37.

Readings:

1. Hal R. Varian [2010] : *Intermediate Microeconomics, a Modern Approach*, 9th edition, W.W.Norton and Company/Affiliated East-West Press(India).The workbook by Varian and Bergstrom could be used for problems.
2. C.Snyder and W.Nicholson [2010] : *Fundamentals of Microeconomics,* Cengage Learning (India).

Examination pattern:

It was decided that the topics 1,2,3 will get 30%, 40% and 30% weightage respectively. The question paper will have two sections. Section A will contain 4 questions from topic 1 and 3. Students will be required to answer 3 questions out of 4. Section B will contain 3 questions from topic 2. Students will be required to answer 2 questions out of 3.

Internal Assessment

It was decided to continue with the same criteria for **Internal Assessment** as those followed last year. The total of 25 marks for internal assessment would be assigned as follows. There will be two class tests of 10 marks each and 5 marks would be awarded based on attendance of classes and tutorials.