

University of Delhi
B.A. (Hons) Economics

It is clarified that for the paper Topics in Microeconomics 1 (Course 22), the following chapters and pages from the prescribed textbook Martin J. Osborne. *An Introduction to Game Theory*. Oxford University Press, New Delhi (2004) constitute the syllabus.

Chapter 1-6, pages 1-203;

Chapter 7 section 7, pages 231-236.

University of Delhi
B.A. (Hons) Economics

Course 22: Topics in Microeconomics-I

Game theory is an integral part of modern economic analysis. Topics in Microeconomics 1 introduces the students to elementary game theory under complete information. This course introduces the basic concepts of game theory in a way that allows students to use them in solving simple problems. The course will deal with the solutions concepts for normal form and extensive form games along with variety of economic applications.

Course Outline

1. Normal form games.

The normal form; dominant and dominated strategies; dominance solvability; mixed strategies; Nash equilibrium; symmetric single population games; applications.

2. Extensive form games with perfect information.

The game tree; strategies; subgame perfection; backward induction in finite games; commitment; bargaining; other applications.

Reading:

1. Martin J. Osborne. *An Introduction to Game Theory*. Oxford University Press, New Delhi (2004).