

**UNIVERSITY OF DELHI  
DELHI SCHOOL OF ECONOMICS  
DEPARTMENT OF ECONOMICS**

**Minutes of Meeting**

Subject : B.A. (Hons) Economics – Fourth Semester (2013-14)  
Course : 11 - Intermediate Microeconomics II  
Date of Meeting: Thursday 12<sup>th</sup> December, 2013 at 11.00 A.M.  
Venue : Department of Economics, Delhi School of Economics,  
University of Delhi  
Convenor : Dr. Anirban Kar

Attended by :

1. Ritu Suri – LB College
2. Naveen Thomas – J&M College
3. Shikha Singh – DRC
4. Meenakshi Sharma – SVC
5. Amrat Lal Meena – MLNC
6. Rajiv Jha – SRCC
7. Sanjeev Grewal – St. Stephen's College
8. Gita Golani – SPM
9. Savitri Sidana – ARSD
10. A S Lamba – Deshbandhu
11. Shirin Akhter – ZHDC
12. Sonali Garg – KNC
13. Meeta Kumar- Miranda House

The following decisions were taken:

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*, 8<sup>th</sup> 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.

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.

Varian : Chapter 34, 36 and 37.

### 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.