

DEPARTMENT OF ECONOMICS
DELHI SCHOOL OF ECONOMICS
UNIVERSITY OF DELHI

Minutes of Meeting

Subject : B.A. (Hons.) Economics, Fifth Semester - Option I & II (2014)
Course : 22 – Topics in Microeconomics - I
Date of Meeting : Thursday, 31st July, 2014
Venue : Department of Economics, Delhi School of Economics,
University of Delhi, Delhi – 110 007
Chair : Dr. U.B. Sinha

Attended by:

1. N Raghunathan, St. Stephens College
2. Rajiv Jha, SRCC College
3. Ravinder Jha, Miranda House College
4. Monami Sinha, Kamla Nehru College

Course Description

Game theory is an integral part of modern economic analysis. Topics in Microeconomics - I 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 solution concepts for normal form and extensive form games along with a 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. Chapter 1-6

For the 100 marks paper, there would be

- 75 marks : University Exam
- 25 marks : Internal Assessment (*5 marks are for attendance and 20 marks for two class tests of 10 marks each*)