UNIVERSITY OF DELHI
DELHI SCHOOL OF ECONOMICS
DEPARTMENT OF ECONOMICS

Minutes of Meeting

Course: Principles of Microeconomics - II
Date of Meeting: Wednesday 13th January 2016, 3:00 pm
Venue: Department of Economics, Delhi School of Economics,
University of Delhi
Convenor: Dr. Parikshit Ghosh

Attended by:

1. S.N. Rao       Maharaja Agrasen College
2. Anjali Agarwal Moti Lal Nehru College (E)
3. Anushruti      Miranda House
4. Jasmin         IP College
5. Kittu Kapoor   Mata Sundri College for women
6. Meenakshi Sinha Swami Mata Sundri College for women
7. C.Saratchand   Satyawati College
8. Nitish         Miranda House
9. S. Rubina Naqvi Hindu College
10. Manjula Singh  St. Stephens’ College
11. Reena Bajaj    Sri Aurobindo College
12. Sakshi Goel    JDMC
13. Parul Gupta    LSR
14. Urvi Kumar     Dyal Singh College
15. Tanjot Singh   Gargi College
16. Amit Kumar     Vivekanand College

Proceedings of the meeting are as follows.

I. It was decided to assign for each topic, relevant chapters from the textbook: Case,

II. Teachers present thought the lack of quality textbooks in Hindi is a serious problem.
    It was decided that the University should be approached to commission a Hindi
    translation of Case and Fair’s book.
III. Concerns were expressed about paper setting. It was felt that questions asked on the final exam should stress conceptual understanding rather than idiosyncratic points listed in quick digest books. The department is requested to call a coordination meeting at the appropriate time where general guidelines about paper setting can be discussed and agreed upon.

IV. It was felt that students in the programme who may be interested in pursuing higher studies (Masters or beyond) should be encouraged and provided with extra readings. However, instead of putting additional material on the syllabus, this task is left to individual teachers and colleges.

V. The Course Outline will be as follows:

1. **Market Structures**
   
a. **Theory of a Monopoly Firm**  
   Concept of imperfect competition; short run and long run price and output decisions of a monopoly firm; concept of a supply curve under monopoly; comparison of perfect competition and monopoly, social cost of monopoly, price discrimination; remedies for monopoly: Antitrust laws, natural monopoly (Chapter 13).

   b. **Imperfect Competition**  
   Monopolistic competition: Assumptions, SR & LR price and output determinations under monopolistic competition, economic efficiency and resource allocation; oligopoly: assumptions, oligopoly models, game theory, contestable markets, role of government (Chapter 14).

2. **Consumer and Producer Theory: Markets and Market Failure**

   Illustrations of Externalities, internalising externalities, public goods; imperfect information: adverse selection, moral hazard, social choice, government inefficiency.

   Theory of marginal cost pricing, market adjustment to changes in demand, efficiency of perfect competition; sources of market failure: imperfect markets, public goods, externalities, imperfect information; evaluating the market mechanism (Chapter 15).

3. **Income Distribution and Factor pricing**

   Input markets: demand for inputs; labour markets, land markets, profit maximisation condition in input markets, input demand curves, distribution of Income (Chapter 10).
4. **International Trade**

Absolute advantage, comparative advantage, terms of trade, sources of comparative advantage, trade barriers, free trade/ protectionism (Chapter 33).

VI. The suggested allocation of lectures across the units will be as follows:

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