

Semester	IV
Paper Number	HECCR4081T
Paper Title	INTERMEDIATE MICROECONOMICS - II
No. of Credits	6
Theory/Composite	Theory
No. of periods assigned	5 Theory + 1 Tutorial
Course description/objective	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.
Syllabus	<p>Module 1 (40 marks)</p> <p>1. General Equilibrium, Efficiency and Welfare Equilibrium and efficiency under pure exchange and production; overall efficiency and welfare economics: fundamental theorems of welfare economics.</p> <p>Number of Classes per week: 2</p> <hr/> <p>Module 2 (40 marks)</p> <p>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.</p> <p>3. Market Failure Externalities; public goods and markets with asymmetric information.</p> <p>Number of Classes per week: 3</p> <hr/> <p>Tutorial Classes per week: 1</p>
Readings	<ol style="list-style-type: none"> 1. Hal R. Varian, <i>Intermediate Microeconomics, a Modern Approach</i>, 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, <i>Fundamentals of Microeconomics</i>, Cengage Learning (India), 2010. 3. Kreps, <i>A Course in Microeconomics</i>. 4. Jean Tirole. <i>Theory of Industrial Organization</i>, MIT Press, 1988. 5. Robert Gibbons. <i>A Primer in Game Theory</i>, Princeton University Press, 1992. 6. Erik Rasmusen. <i>Games and Information: An Introduction to Game Theory</i>, Basil Blackwell, 1999. 7. K. Binmore. <i>Fun and Games: A Text on Game Theory</i>, OUP, 1991. 8. Anindya Sen, <i>Microeconomics: Theory and Applications</i>, OUP, 1999. 9. Pindyck and Rubinfeld, <i>Microeconomics</i>, Prentice Hall
Evaluation	Continuous Internal Assessment: 20 marks End- Semester Theory Examination: 80 marks

Paper Structure for End Sem Theory	Module	No. of Questions to be Answered	No. of Alternatives	Marks
	Module 1	2	3	$5 \times 2 = 10$
		2	3	$15 \times 2 = 30$
	Module 2	2	3	$5 \times 2 = 10$
		2	3	$15 \times 2 = 30$
	Total Marks			80