**WORKPLAN 2024-25**

**Name of the Teacher:** Prof. Indu Choudhary

**Course:** B.A. (H) Economics

**Semester:** III

**Paper:** Intermediate Microeconomics I: Behavioural Foundations of Market Interactions (DSC- Discipline Specific Core Course 7)

**UPC:** 2272102301

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Credits | Lecture per week | Tutorial per week | Eligibility | Pre-requisite |
| 4 | 3 | 1 | Class 12 with Mathematics | Nil |

**Learning Objectives**

• The course is designed to formally analyze the behaviour of individual agents like consumers and producers under certain conditions.  
• Mathematical tools are used to facilitate understanding of the basic concepts.  
• This course looks at the behaviour of the consumer and the choices of a competitive firm.

**Learning Outcomes**

• Students will learn the basic elements of consumption and production theories using various technical frameworks.  
• This course provides them the behavioural foundations of market supply and demand.

**Syllabus**

***UNIT I: Consumer Behaviour (20 hours)* Sep. & Oct.**

Preference and utility, Budget and choice, Income and substitution effect, Demand derivation, Labour supply, One-person welfare

Varian - Ch 2 to Ch 6 and Ch8, Ch 9

***UNIT II: Decision-making under uncertainty (10 hours)* Oct. & Nov.**

Expected utility, Risk aversion, Insurance, Risk spreading

Varian - Ch 12

***UNIT III: Producer behaviour and markets (15 hours)* Nov & Dec.**

Technology, Profit maximization, Cost minimization, Supply, Short and long run Serrano and Feldman - Ch 8 to Ch 10

**Readings**

* ●  Varian, Hal (2010): Intermediate Microeconomics: A Modern Approach, 8th edition, Affiliated East West Press (India).
* ●  Serrano, Roberto and Feldman, Alan (2012), A short course in intermediate Microeconomics with Calculus, Cambridge University Press
* ●  Workouts in Intermediate Microeconomics - A Modern Approach, 8th edition, WW Norton & Co.

**Other Recommended Readings**

* ●  Espinola-Arredondo, Ana and Munoz-Garcia, Felix (2020), Intermediate Microeconomic Theory, MIT Press
* ●  Osborne, M J and Rubinstein, A (2020), Models in Microeconomic Theory, Open Book Publishers
* ●  Munoz-Garaia, Felix (2017) Practice Exercises for Advanced Microeconomic Theory, MIT Press.
* ●  Dunaway, Eric; Strandholm, John C., Espinola-Arredondo, Ana and Munoz-Garcia, Felix (2020) Practice Exercises for Intermediate Microeconomic Theory, MIT press

**Examination Scheme**

Final Assessment : Suggested weightage for each unit in the final examination Unit I – 50%  
Unit II – 20%  
Unit III – 30%

page3image52557008

This division is flexible and plus/minus 5 percentage points of the marks and can be done in each unit.

It is also suggested that the question paper may have three sections (one for each Unit) with internal choice between questions in each section.

Internal Assessment : As per University of Delhi guidelines.