

Part IIA Paper Outlines

Part IIA Paper 1 Microeconomics

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Paper Content

This course builds on the material taught in Paper 1 of Part I. The first lecture course aims to provide a rigorous foundation of the following core concepts of intermediate level microeconomic theory: social choice and welfare, game theory, applications of game theory and information economics. Upon completion of the course students will have been exposed to all important concepts currently considered to form the main body of microeconomic theory.

Objectives

This course provides the basis for the material taught in both the more applied and the theoretical papers in Part IIB. At the end of the course students should have:

- critical perspective on the assumptions underlying microeconomic models;
- a thorough understanding of, and the ability to model formally, core microeconomic concepts such as efficiency, strategic interaction and asymmetric information;
- the ability to apply these concepts and models to a diverse range of market and economic settings.

Lecture Courses

Game Theory, Welfare, & Applications (Dr M Elliott, 20 hours, weeks 1-8, Michaelmas Term)

Economics of Uncertainty and Information (Dr E Gallo, 20 hours, weeks 1-8, Lent Term)

A selective reading list

There are many good textbooks, including

Hal Varian, *Intermediate Microeconomics: A Modern Approach*, 8th ed., Norton, 2010 [17A64G].

Martin Osborne, *An Introduction to Game Theory*, OUP, 2004 [17F238].

Avinash Dixit and Susan Skeath, *Games of Strategy*, 2nd ed., Norton, 2004 [70F166B].

Avinash Dixit and Barry Nalebuff, *Thinking Strategically: The Competitive Edge in Business, Politics, and Everyday Life*, Norton, 1991.

Individual lecturers will distribute specific reading lists in lectures.

Supervisions

Supervisions are arranged by Directors of Studies

Examination

The examination paper has 2 Sections and students are required to answer 4 questions, with at least 1 question from each Section. As the content of the course has recently changed and the order in which material is taught has been adjusted, there are relevant past examination papers from both Parts IA and IIA. For the first lecture course Part I, Paper 1 (excluding the last year) is most relevant. Last year's paper for Part IIA, Paper 1 is the most relevant for the second lecture course. These are available from the Faculty website.