

Microeconomics II: Welfare Economics and Market Failure

M2 EA CY/Ph.D. ESSEC

Instructors: Marcus Pivato and Wilfried Sand-Zantman

Part I (Wilfried Sand-Zantman, Weeks 1-4)

- 1) Market and Asymmetric Information
- 2) Agency models with hidden information
- 3) Agency models with hidden action
- 4) Extension and Applications

Part II (Marcus Pivato, Weeks 5-9)

"MWG" refers to sections of the text by Mas-Colell, Whinston and Green.

Week 5: Bilateral externalities and public goods (MWG 11A, 11B, 11C)

Week 6: Multilateral externalities, private information, and second-best solutions (MWG 11D, 11E)

Week 7: Mechanism design (MWG 23A, 23B)

Week 8: Dominant-strategy implementation (MWG 23C)

Week 9: Bayesian implementation and participation constraints (MWG 23D, 23E)