



ECO 316 Industrial Organization

Summer 2024

Course Credits: 4

Contact Hours: 56 hours

Instructor: TBA

Email:TBA

COURSE OBJECTIVES

This course provides an introduction to industrial organization theory, which focuses on the behavior of firms in markets and the implications of this behavior for market outcomes. The course will cover a range of topics including market power, price discrimination, vertical integration, and antitrust policy.

Upon Completion of this Course, students will be able to:

1. Develop an understanding of the fundamental concepts and theories of industrial organization
2. Apply industrial organization theory to analyze market outcomes and firm behavior
3. Evaluate the welfare implications of market structure and conduct
4. Critically assess the role of antitrust policy in promoting competition and consumer welfare
5. Identify and describe the major theories and concepts of industrial organization, including market power, pricing strategies, vertical relations, barriers to entry, and antitrust policy
6. Develop problem-solving and analytical skills through case studies, empirical research, and group projects

PREREQUISITES

N/A

GRADING



Grades will be determined by accumulating points, with 100 points being the maximum, as follows:

| ITEM | POINTS |
|------------|------------|
| Quizzes | 20 Points |
| Midterm 1 | 20 Points |
| Midterm 2 | 20 Points |
| Final Exam | 40 Points |
| Total | 100 Points |

Late submissions will be graded at the end of the course. Grades will be assigned according to the following rule:

$A \geq 90 > B \geq 80 > C \geq 70 > D \geq 60 > F$.

We reserve the right to make adjustments to the overall grading policy.

COURSE MATERIALS

Required Texts:

Industrial Organization: Contemporary Theory and Empirical Applications, Wiley, 5th Edition by Lynne Pepall, Dan Richards, and George Norman.

Recommended (Optional) Texts or Other Materials:

None

COURSE TOPICS

| MODULE | TASKS |
|----------|--|
| Module 1 | Topics: Topic 1: Theory of the Firm: Cost and Ownership Topic 2: Market Power and Market Structure Topic 3: Competition Topic 4: Monopoly Power in Theory and Practice Assessments: Quiz#1 |



| | |
|----------|--|
| Module 2 | Topics: Topic 5: Price Discrimination and Monopoly: Linear Pricing Topic 6: Product Variety and Quality under Monopoly Topic 7: Spatial Model of Hotelling Topic 8: Commodity Bundling and Tie-In Sales Assessments: Quiz#2 |
| Module 3 | Topics: Topic 9: Static Models of Imperfect Competition: Oligopoly Topic 10: Single-Period Games Topic 11: Multi-Period Games Topic 12: Three Strategic Interaction and Basic Monopoly Models Assessments: Midterm#1 |
| Module 4 | Topics: Topic 13: Static Games and Cournot Competition Topic 14: Oligopolistic Price Competition Topic 15: Dynamic Games and First and Second Movers Topic 16: New Empirical Industrial Organization Approach Assessments: Midterm#2 |
| Module 5 | Topics: Topic 17: Empirical Industrial Organization Topic 18: Stata Tutorial Topic 19: Anticompetitive Behavior and Antitrust Policy Topic 20: Anticompetitive Behavior and Antitrust Policy (cont.) Assessments: Final Exam |

ATTENDANCE

1) Class attendance is required. Missing classes without permission will lead to decrease in overall grade.

Missing less than two classes: no penalty.

Missing more than two classes: 7% will be taken off from the overall grade.

If the instructor reports a student's frequent missing of class to the Soochow University Academic Administration Office, the student might get a written warning and might be prohibited from attending final exam.

2) Participants in this course are expected to arrive in class promptly and adequately



prepared. The primary objective of this course is to critically engage with the readings and the subject matter. Therefore, course participants are expected to have completed the reading prior to class and prepare thoughtful reflections/commentaries to share with fellow colleagues.

LEARNING REQUIREMENTS

- 1) Late assignments are not acceptable and are subjected to grade deductions.
- 2) Assignments submitted in the wrong format will be counted as not submitted.
- 3) Failure to submit or fulfill any required course component results in failure of the class.
- 4) Make-up for midterm and final exams only with valid excuses, as defined by the University.
- 5) In order to earn a Certificate of Completion, participants must thoughtfully complete all assignments by stated deadlines and earn an average quiz score of 50% or greater.

TECHNOLOGY POLICY

The use of electronic devices in class is distracting, both for the user and for the rest of the class. Only non-programmable calculators can be used in the tests and exam. Any attempts to use cell phones and other electronic communication devices will be seemed as cheating. Laptops are discouraged, unless you use them for activities DIRECTLY related to the course (eg., note taking, reading course documents).

ACADEMIC INTEGRITY POLICY

Soochow University highly values the academic integrity and aims to promote the academic fairness, honesty and responsibility. Any academic dishonesty behaviors and any attempts to cheats and plagiarism will be reported to the university administration office. A written warning and the relevant penalties will be imposed. The record might be shown on the official university transcript.

DISABILITY ACCOMMODATION

Soochow University is committed to maintaining a barrier-free environment so that



蘇州大學
Soochow University

students with disabilities can fully access programs, courses, services, and activities at Soochow University. Students with disabilities who require accommodations for access to and/or participation in this course are welcome.

Note:

Please contact the University Administrative Office immediately if you have a learning disability, a medical issue, or any other type of problem that prevents professors from seeing you have learned the course material.