

**University of Guelph
College of Management and Economics
Department of Economics & Finance**

Course Outline

Econ*3530 (01, 02) Industrial Organization

Fall 2013

Instructor: Henry Thille
Office: MacKinnon 702
Office Hours: MW 11:00-12:00

Description: This course will introduce students to the field of industrial organization, which is concerned with the performance of markets and the interaction between firms. We will explore theories of the behaviour of firms with market power and explore the implications of this behaviour for competition policy in Canada.

Prerequisites: ECON*2310 and ECON*2770 (or MATH*1210)

Textbook: Church, Jeffrey and Roger Ware. *Industrial Organization: A Strategic Approach*. McGraw-Hill. 2000.

This book is out of print, although used copies may be available. An electronic version is available at the following link:

http://works.bepress.com/jeffrey_church/23/

Assessment: Two quizzes (Oct. 4 and Oct. 28) will make up 40% of the final grade and the final exam will make up the remaining 60% of the final grade.

Topics and Reading: The following is a list of topics to be covered. Details regarding the reading required will be posted on Courselink. Readings will be assigned from the textbook and from some on-line resources.

- Market power and welfare
- Canadian Competition Policy
- Monopoly
 - Market power and dominant firms
 - Price discrimination
 - Market power and product quality
- Oligopoly
 - Classic models of oligopoly
 - Product differentiation
 - Measuring market power
- Entry Deterrence
- Vertical Integration/Restraints
- Antitrust
 - The theory of the market
 - Predatory pricing
 - Horizontal mergers

It is your responsibility as a student to be aware of and to abide by the University's policies regarding academic misconduct, e-mail communication, maintaining copies of out-of class assignments, what to do when you cannot meet a course requirement and the drop date for this semester. To better understand these policies, visit:

<http://www.uoguelph.ca/economics/node/1115>

You will be asked to complete an evaluation for this course sometime during the last two weeks of classes. The Department of Economics policy regarding the conduct and use of these evaluations can be found at:

<http://www.uoguelph.ca/economics/academics/courses/course-evaluation>

Department of Economics and Finance learning objectives:

Skills:

- Written communication.
- Numerical problem solving.
- Analytical problem solving.
- Problem solving in a real world context.

Knowledge:

- Microeconomic modeling
- Understanding specific markets.
- Economic policy and regulation.