Course Title
Industrial Organization

Professor
Anna CRETI

Contact Information
Email: anna.creti@dauphine.fr

Language
English

Overview
Industrial organization is the study of industry and firm behavior. Using the basic tools of microeconomic theory and game theory, this course will focus on the analysis of imperfectly competitive markets (monopoly and oligopoly). We shall first explore the relationships among firms in an industry by examining the nature of strategic interaction among them. We shall then analyze the strategies and methods that the firms use to preserve their monopolistic positions (deterring entry into an industry or driving rivals out of an industry), and examine the outcomes they produce. The last part of the course will deal with dynamic aspects of competition that represent critical issues in high technology and information technology industries: innovation and persistence of market dominance, network externalities and strategies in standardization.

During the lectures the students will discuss some examples/mini case studies, to learn how economic concepts have been used in real world business and legal settings.

Prerequisites
Microeconomics

Course Objectives
Students will be guided to understand both the theoretical and the empirical aspects of modern Industrial Organization. Their active participation through the mini-case studies discussion will help achieving these objectives.
Learning Outcomes
Basic methods of quantitative Industrial organization and game theory
Description of a market
Strategic interaction of market players
Basic notions of dynamic competition
Discussion of case studies

Mode of Assessment
Oral presentation (50%) + written exam (50%)

Course Schedule

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Perfect Competition, Welfare</td>
</tr>
<tr>
<td>2</td>
<td>Technologies and Costs</td>
</tr>
<tr>
<td>3</td>
<td>Monopoly</td>
</tr>
<tr>
<td>4</td>
<td>Regulated Monopolies</td>
</tr>
<tr>
<td>5</td>
<td>Oligopoly: Cournot Competition</td>
</tr>
<tr>
<td>6</td>
<td>Oligopoly: Bertrand Competition</td>
</tr>
<tr>
<td>7</td>
<td>Practice Session: Case Studies</td>
</tr>
<tr>
<td>8</td>
<td>Collusion</td>
</tr>
<tr>
<td>9</td>
<td>Research and Development</td>
</tr>
<tr>
<td>10</td>
<td>Advertising</td>
</tr>
<tr>
<td>11</td>
<td>Practice Session: Case Studies</td>
</tr>
<tr>
<td>12</td>
<td>Exam</td>
</tr>
</tbody>
</table>

Bibliography
MyCourse
This course is on MyCourse: Yes

Grading
The numerical grade distribution will dictate the final grade.
Class participation: Active class participation – this is what makes classes lively and instructive. Come on time and prepared. Class participation is based on quality of comments, not quantity.
Exam policy: In the exam, students will not be allowed to bring any document (except if allowed by the lecturer). Unexcused absences from exams or failure to submit cases will result in zero grades in the calculation of numerical averages. Exams are collected at the end of examination periods.

Academic integrity
Be aware of the rules in Université Paris Dauphine about plagiarism and cheating during exams. All work turned in for this course must be your own work, or that of your own group. Working as part of a group implies that you are an active participant and fully contributed to the output produced by that group.