

THE UNIVERSITY OF WISCONSIN-PARKSIDE
Department of Economics

Economics 260/360

Industrial Organization

Fall 2008

Instructor: **Stefan Ruediger**

Course time: Monday and Wednesday 2:00pm-3:15pm Molinaro 215

Office: Molinaro 274 **Office hours:** Tuesday and Thursday 12:30pm-1:30pm or by appointment

Office phone: (262) 595-2268, email: ruediger@uwp.edu

Final Exam: 2:00pm-4:00pm Wednesday, Dec 17, 2008

Course Requirements:

The required text book is “**Modern Industrial Organization**” by **Dennis W. Carlton and Jeffrey M. Perloff, 4th edition**. It is available at the UWP-bookstore. A tentative reading schedule is on the next page. The material builds upon itself, so keeping up to date with the readings and lectures is very important. Typically, lectures will extend the results from the previous class. If there are concepts that you find confusing, please ask for help as soon as you can! You will need to have access to the Internet for course work, since I will post important information, homework assignments and material for review online using D2L. If you do not know how to use D2L please let me know as early as possible.

Grading: 260

Homework assignments	25%
Midterm-Exam	35%
Final Exam (cumulative)	40%

Grading: 360

Homework assignments	15%
Paper	20%
Midterm-Exam	30%
Final Exam (cumulative)	35%

No make ups will be permitted, except under extraordinary circumstances **and** with **prior** permission. If you will be absent the day of an exam, then please contact me *beforehand* to determine if special alternative arrangements can be made. If you miss an exam for medical reasons and present sufficient and verifiable documentation, then an alternative grading policy will be designed. If you miss an exam for *any* other reason, then a grade of zero will be given for that exam or quiz.

Goals of the Course:

1. To understand how market structure affect prices and profits
2. To analyze and evaluate models of competitive, oligopolistic, and monopoly markets.
3. To understand how economic welfare is related to market structures
4. To analyze motives for and effects of advertising
5. To evaluate government policies

Guidelines for Paper: (360 only)

A portion of your grade will be determined by a paper you write. While you will ultimately choose your own topic, you are strongly advised to consult with me before you decide in order to ensure that your topic has an appropriate scope. A typical paper will be about 10-15 pages long (double spaced), but yours should be both as concise as possible and as long as necessary. That is, there is no prescribed maximum or minimum length apart from what is dictated by the breadth and complexity of the topic. For some excellent examples of such papers, look at virtually anything published in the *Journal of Economic Perspectives* or any of the articles in the *Handbooks in Economics* series.

- Deadlines:**
1. Tentative decision about topic: Sept 17th
 2. Preliminary bibliography (at least 10 possible sources): Sept 24th
 3. Preliminary outline: Nov 19th
 4. Draft of Introduction: Nov 26th
 5. Completed paper: Dec 17th

Course outline

Week of	Chapter(s)	Topics
Sept 3rd		Introduction
Sept 8th	1	Overview
Sept 10th	2	The Firm and Costs
Sept 15th	2	The Firm and Costs
Sept 17th	3	Competition
Sept 22nd	3	Competition
Sept 24th	4	Monopolies, Monopsonies, and Dominant Firms
Sept 29th	5	Cartels
Oct 1st	5	Cartels
Oct 6th	6	Oligopoly
Oct 8th	7	Product Differentiation and Monopolistic Competition
Oct 13th	8	Industry Structure and Performance
Oct 15th	8	Industry Structure and Performance
Oct 20th	Review	
Oct 22nd	Exam	
Oct 27th	9	Price Discrimination
Oct 29th	9	Price Discrimination
Nov 3rd	10	Advanced Topics in Pricing
Nov 5th	11	Strategic Behavior
Nov 10th	11	Strategic Behavior
Nov 12th	12	Vertical Integration and Vertical Restriction
Nov 17 th	12	Vertical Integration and Vertical Restriction
Nov 19th	13	Information
Nov 24th	14	Advertising and Disclosure
Nov 26 th	18	International Trade
Dec 1st	19	Antitrust Laws and Policy
Dec 3rd	19	Antitrust Laws and Policy
Dec 8th	20	Regulation and Deregulation
Dec 10th	20	Regulation and Deregulation
Dec 15th	Review	
Dec 17th	Final EXAM	