

ECON 5180-001
Industrial Organization and Public Policy
Spring 2017

Instructor: Dr. Ellen Sewell
Office: 244C Friday
Office Hours: M,W 1:30-2:00; T 1:00-4:00
or by appointment
Phone: 687-7611

Email: esewell@uncc.edu . Please include "student question" as the subject to ensure a prompt reply. Students are responsible for monitoring their official university email for correspondence related to the course.

Course Description: An examination of monopolistic competition, oligopoly, and monopoly and questions of public policy in dealing with problems created by industrial concentration.

Prerequisite: ECON 3122, Intermediate Microeconomics (no exceptions).

Book: *Industrial Organization: Theory and Practice* (fourth edition) by Waldman and Jensen.

Course Objectives: The objective of this course is to examine the relationships among industrial structure, strategic behavior of firms and performance of various industries. Policy issues concerning firm behavior and industrial performance will also be discussed.

Papers: Two short papers of approximately 4-5 text pages in length (typed, double spaced with standard margins and font size) will be required. The papers must include a complete bibliography. Papers must be submitted in hard copy and in duplicate. The first paper will analyze the structure of an industry. The second paper will discuss a specific aspect of firm conduct or a specific regulatory issue. Each paper will be assigned to a classmate who will provide a 1-2 page critique (typed in proper format). Late papers will not be accepted.

Additional Readings: Additional Readings will be distributed to graduate students. A 1-2 page synopsis of one reading from each set will be required.

Grades: Three tests will be equally weighted to determine 50% of the course grade. The format will include both multiple choice questions and longer essay/problem questions. Each paper will determine 15% of the grade and each critique will determine 5%. The paper synopses from the additional readings will determine 10%. An optional cumulative final exam can be used to replace half of the test component. Any student who does not submit acceptable papers or critiques will receive a failing grade for the course.

Final Exam: Monday, May 8, 11:00-1:30

TENTATIVE SCHEDULE

January 9	Introduction to Industrial Organization	Chapter 1
January 11-18	The Firm and Its Costs	Chapter 2
January 16	Dr. Martin Luther King Jr. Day-no classes	
January 23-25	Competition and Monopoly	Chapter 3
January 30	Monopolistic Competition	Pages 430-437
February 1-6	Market Structure	Chapter 4
February 8	TEST ONE	
February 13	Review of Test	
February 15-20	Monopoly Practices	Chapter 5
February 20	First Paper is Due	
February 22-27	Empirical Industrial Organization	Chapter 6
March 1	First critique is due	
March 1-13	Game Theory: A Framework for Understanding Oligopolistic Behavior	Chapter 7
March 6-10	Spring Break (no class)	
March 15	The Development of Oligopoly Theory	Chapter 8 + handouts
March 20	Collusion: The Great Prisoner's Dilemma	Chapter 9
March 22	Cartels in Action	Chapter 10
March 27	Entry and Pricing to Deter Entry	Chapter 11
March 29	TEST TWO	
April 3	Review of Test Two	
April 5-10	Entry and Non-pricing Strategies to Deter Entry	Chapter 12
April 12	Product Differentiation and Advertising	Chapter 13
April 17-19	Price Discrimination	Chapter 16

April 19	Second Paper is Due
April 24	TEST THREE
April 26	Review of Test Three
May 1	Review
May 1	Second Critique is Due

Students have the responsibility to know and observe the *UNC Charlotte Code of Academic Integrity*. This *Code* forbids cheating, fabrication or falsification of information, multiple submission of academic work, plagiarism, abuse of academic materials, and complicity in academic dishonesty. Any special requirements or permissions regarding academic integrity in this course will be stated by the instructor and binding on the students. Academic evaluations in this course include a judgment that the student's work is free from academic dishonesty of any type; and grades in this course therefore should be and will be adversely affected by academic dishonesty. Students who violate the *Code* can be expelled from UNC Charlotte. The normal penalty for a first offense is zero credit on the work involving dishonesty and further substantial reduction of the course grade. In almost all cases, the course grade is reduced to F. Copies of the *Code* can be obtained from the Dean of Students Office. Standards of academic integrity will be enforced in this course. Students are expected to report cases of academic dishonesty to the course instructor.

The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.