

Course Outline

EE481: INDUSTRIAL ECONOMICS

Semester 2/2021 (January 10th – May 7th, 2022)

Number of Credit: 3 Credits

Prerequisite: EE311

Course Description: The class studies behaviors of production unit and relationships among the units under different market structures by analyzing producer behavior, market structure, conduct and performance, the analysis of price theory using game theory as an analysis tool.

Course Objectives: The course introduces behaviors of firms in imperfectly competitive markets. First, it will cover the standard methodology required for the analysis of firm behaviors, namely the Structure-Conduct-Performance (SCP) theory and game theory. Then, it will examine firm strategies in oligopoly markets. In addition, the course will cover some regulatory tools to prevent abuse of dominant position and to promote market efficiency.

Class Time and Logistic

Class day: Wednesday and Friday

Class time: 2:00 PM – 3:30 PM

Teaching Materials Platform: Google Classroom [Class code: plzc2ny]

Alternatively, you can join through the below URL:

<https://classroom.google.com/c/NDUwNjAwODQwNjQx?cjc=plzc2ny>

Meeting Platform: [Zoom – meeting ID: 982 606 9955, passcode: 489481]

Alternatively, you can join through the below URL:

<https://zoom.us/j/9826069955?pwd=Q2lGcHhaVGhrU3BRTWdzQkVrSzNPUT09>

Instructor:

Name: Asst.Prof.Dr. Wanwiphang Manachotphong

Office Hours: By appointment

Email: wanwiphang@econ.tu.ac.th

Main Text: Carlton, D.W. and J.M. Perloff, *Modern Industrial Organization*, 4th ed., Addison-Wesley, 2005. **(CP)**

Recommended Texts & Materials: Church, J. and R. Ware, *Industrial Organization: A Strategic Approach*, McGraw-Hill, 2000. **** Main Textbook for some chapters ****
(CW) (available online)

Suggested Readings:

1. Rasmusen, E., *Games & Information*, 3rd ed., Blackwell, 2001. **(R)**
2. Tirole, J., *Industrial Organization*, The MIT Press, 1989.
3. Harvard Business review (<http://hbr.org>)
4. General Newspaper

Grading Criteria:

Homework and Essays	25%	
Midterm Exam	35%	(Friday March 4, 2022; Noon – 2 PM)
Final Exam	40%	(Wednesday May 18, 2022; 1:30 – 4:30 PM)

***Late homeworks count as 50% of your actual marks.**

*If there is any handout or additional reading, it will be posted on Google Classroom prior to class. Students are responsible to review the topic ahead of the class for more effective learning.

Tentative Class Schedule:

1. Introduction and Theory

Overview

CP 1 or CW 1

The Firm and Cost / Theory of the Firm

CP 2 or CW 3

2. Dominant Firm

Dominant Firm

CP 4

**You should have learned about monopoly already from EE311.*

3. Game Theory

Static Games

R 1, 2, 3

Dynamic Games

R 4, 5, 6

4. Oligopoly

Cartel

CP 5

Cournot model

CP 6 or CW 8.2

Bertrand model

CP 6 or CW 8.3

Multi-period Models of Oligopoly

CP 6 or CW 10

Industry Structure and Performance

CP 8

5. Business Practices Strategies and Conduct

Price Discrimination

CP 9, CP 10

Strategic Behavior

CP 11

Vertical Integration and Vertical Restrictions

CP 12

6. Government Policies

Antitrust

CP 19 or CW 19

Regulation

CP 20 or CW 24

7. Other Issues (if time allows, we will study some of these topics)

Production Differentiation

CP 7 or CW 11

Advertising

CP 14 or CW 17

Information

CP 13

R&D and Patent

CP 16 or CW 18

ACADEMIC CALENDAR & HOLIDAY SEMESTER 2/2021

Semester 2/2021 (January 10 – May 7, 2022)	
Classes Begin	January 10, 2022
Add-drop period	January 17 - 20, 2022 <i>(from 9.00 AM of January 17 to 10.30 PM of January 20)</i>
Tuition Fee Payment Period	7 December, 2021 - January 23, 2022 <i>(9 AM - 10.30 PM)</i>
<i>Makha Bucha Day*</i>	<i>February 16, 2022</i>
Mid-term Examination Period	February 28 - March 5, 2022
Withdrawal period with "W" on record	March 14 - April 25, 2022 <i>(from 9.00 AM of March 14 to 10.30 PM of April 25)</i>
<i>Chakri Memorial Day*</i>	<i>April 6, 2022</i>
<i>Songkran Festival Day*</i>	<i>April 11 - 17, 2022</i>
<i>Coronation Day*</i>	<i>May 4, 2022</i>
Last day of class for Semester 2/2021	May 7, 2022
Final exam period	May 9 - 12, 17 - 25, 2022
<i>Royal Ploughing Ceremony Day*</i>	<i>May 13, 2022</i>
<i>Visakha Bucha Day*</i>	<i>May 15, 2022</i>
<i>Substitution for Visakha Bucha Day*</i>	<i>May 16, 2022</i>

Remark * Holiday, No classes during this period