



## **Course Outline**

### **EE481 Industrial Economics**

**Semester 2/2023 (January 8 - May 4, 2024)**

**Lecture Time:** Wednesday, 13.00-16.00 hours

**Lecture Venue:** Room 202

**Teaching Materials Platform:** Google Classroom (Class code: **wegaoa5**)

**Instructor:**

**Name:** Asst. Prof. Dr. Wanwiphang Manachotphong

**Office Hours:** By appointment

**Email:** wanwiphang@econ.tu.ac.th

**Number of Credit:** 3 Credits (3-0-6)

**Prerequisite:** EE311

**Course Description:**

This course studies behaviors of firms under imperfectly competitive markets. It covers the structure–conduct–performance (SCP) paradigm, which examines the relationship among market structure, firms’ conducts and their performance. It also covers firms’ decisions on operation, resource allocation, as well as firm’s strategic actions. Price theory and game theory will be used to analyze issues such as pricing, research and development, advertising, and firms’ decision under imperfect information

**Main Text:** Carlton, D.W. and J.M. Perloff, *Modern Industrial Organization*, 4<sup>th</sup> 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*, 3<sup>rd</sup> 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, In-class Exercises	10%	
Presentations	15%	
Midterm Exam	35%	<b>(Wednesday, October 4, 2023; 12.00-14.00 hrs.)</b>
Final Exam	40%	<b>(Tuesday, December 19, 2023; 09.00-12.00 hrs.)</b>

**\*Late homework count as 50% of your actual marks.**

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

## Tentative Class Schedule:

### 1. Introduction and Theory

Overview	<b>CP 1</b> or CW 1
The Firm and Cost / Theory of the Firm	<b>CP 2</b> or CW 3

### 2. Dominant Firm

Dominant Firm	<b>CP 4</b>
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*\*You should have learned about monopoly already from EE311.*

### 3. Game Theory

Static Games	<b>R 1, 2, 3</b>
Dynamic Games	<b>R 4, 5, 6</b>

### 4. Oligopoly

Cartel	<b>CP 5</b>
Cournot model	<b>CP 6</b> or CW 8.2
Bertrand model	<b>CP 6</b> or CW 8.3
Multi-period Models of Oligopoly	<b>CP 6</b> or CW 10
Industry Structure and Performance	<b>CP 8</b>

### 5. Business Practices Strategies and Conduct

Price Discrimination	<b>CP 9, CP 10</b>
Strategic Behavior	<b>CP 11</b>
Vertical Integration and Vertical Restrictions	<b>CP 12</b>

### 6. Government Policies

Antitrust	<b>CP 19</b> or CW 19
Regulation	<b>CP 20</b> or CW 24

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

Production Differentiation	<b>CP 7</b> or CW 11
Advertising	<b>CP 14</b> or CW 17
Information	<b>CP 13</b>
R&D and Patent	<b>CP 16</b> or CW 18

## Expected Learning Outcomes

### 1. Morality and Ethics **EE481**

Applicability	Expected Learning Outcomes	Evaluation Method
●	1. Students demonstrate integrity.	Homeworks, In-class activities, Exams
○	2. Students prioritize social and public benefits over personal ones.	In-class activities, Group work, Presentation
●	3. Students are punctual and comply with the code of conduct of the institution and society at large.	In-class activities
○	4. Students are responsible and accountable to society, the nation, and the subject of economics.	In-class activities
○	5. Students realize the cultural and environmental value of a sustainable society.	In-class activities, Group work, Presentation

### 2. Knowledge

Applicability	Expected Learning Outcomes	Evaluation Method
●	1. Students know and understand modern economics principles and theories, and are up to date with new developments.	Homeworks, In-class activities, Exams
●	2. Students know and understand Thai and global economic structure and the importance of major international economic events.	Homeworks, In-class activities, Exams
○	3. Students know and understand the instruments of economic analysis.	Homeworks, In-class activities, Exams
●	4. Students know and understand applied fields in economics, including monetary, public, international, business, natural resource, and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.	Homeworks, In-class activities, Exams
○	5. Students are informed about related fields including sociology, business administration, education, law policy, and science.	Homeworks, In-class activities, Exams

### 3. Intellectual Development

Applicability	Expected Learning Outcomes	Evaluation Method
●	1. Students have developed individual critical thinking.	Homeworks, In-class activities, Exams, Presentations
●	2. Students are sufficiently trained in research skills.	In-class activities, Presentations
●	3. Students demonstrate an ability to analyze and synthesize data, as well as	Homeworks, In-class activities, Exams, Presentations

	appropriately integrate economics concepts to understand the causes of current economic problems in Thailand. Based on analysis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.	
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#### 4. Interpersonal Skills and Responsibilities

Applicability	Expected Learning Outcomes	Evaluation Method
●	1. Students are responsible for assigned tasks and work in groups effectively.	In-class activities, Group presentations
●	2. Students have problem-solving skills.	Homeworks, In-class activities, Exams, Presentations
○	3. Students show leadership skills and team spirit.	In-class activities, Group presentations
●	4. Students are always improving themselves.	Homeworks, In-class activities, Exams, Presentations
○	5. Students have good interpersonal skills, adapt, and work under different conditions.	In-class activities, Exams, Group presentations

#### 5. Quantitative Analysis, communication, and information technology

Applicability	Expected Learning Outcomes	Evaluation Method
○	1. Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.	Homeworks, In-class activities, Presentations
○	2. Students communicate effectively and select appropriate presentation methods.	Homeworks, In-class activities, Presentations
○	3. Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.	Homeworks, In-class activities, Presentations

Remark: ● Primary expected outcome ○ Secondary expected