

Universidad Adolfo Ibañez
Business School

Industrial Organization (Fall 2013) Course Outline

Instructor: Diana MacDonald

Textbooks:

- “Industrial Organization: Contemporary Theory and Empirical Applications” by Lynne Pepall, Dan Richards and George Norman
- “The Theory of Industrial Organization” by Jean Tirole

Part I: Monopoly

- Competition vs Monopoly
- Market Structure and Market Power
- Single-Product Monopoly / Multi-Product Monopoly
- Durable Good Monopoly

Part II: Monopoly and Price Strategies

- Perfect Price Discrimination
- Second Degree Price Discrimination
- Third Degree Price Discrimination
- Product Differentiation: Horizontal and Vertical

Part III: Oligopoly and Strategic Interaction

- Concentration and Market Power
- Basic Concepts of Game Theory
- Static Games: Cournot and Bertrand
- Dynamic Games: Stackelberg
- Repeated Games: Collusion

Part IV: Contractual Relations Between Firms

- Horizontal Merges
- Vertical Merges

Part V: Anticompetitive Strategies

- Limit Pricing and Entry Deterrence
- Predatory Conduct
- Collusion