



Industrial Organisation Course Descriptor

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|-------------------------|--|-----------------|----------------------|
| Course Title | Industrial Organisation | Faculty | Economics |
| Course Code | NCHEC665 | Course Leader | Dr Mike Peacey |
| Credit Points | 10 | Teaching Period | Michaelmas or Hilary |
| FHEQ Level | Level 6 | Date Approved | June 2020 |
| Compulsory/ Optional | Optional | | |
| Pre-requisites | Microeconomics I and Microeconomics II | | |
| Co-requisites | None | | |

COURSE SUMMARY

Industrial Organisation builds on consumer and producer theory (Microeconomics I) using game theory (Microeconomics II) to consider the structure of firms and markets. This field adds real world complications to the perfectly competitive model and focuses on the strategic interactions of oligopolistic markets.

COURSE AIMS

- Learn how to apply game theoretic models to analyse firm behaviour in strategic environments.
- Recognise the limits of basic models and frameworks when analysing the nuances of reality.
- Understand how theoretical and empirical work complement each other.

LEARNING OUTCOMES

On successful completion of the course, students will be able to:

KNOWLEDGE AND UNDERSTANDING

- K1c Inform themselves, using classes and academic literature as a guide, of the key debates in each topic area covered
- K2c Evaluate how these relate to their prior studies in economics, and be able to form educated opinions on the debates

SUBJECT SPECIFIC SKILLS

- S1c Be able to comment meaningfully on how (and how not) theoretical models and empirical research supplement each other
- S2c Apply analytical models to predict and evaluate various behaviours seen in the real world

TRANSFERABLE AND PROFESSIONAL SKILLS

- T1c Apply their knowledge to real economic problems, displaying both sophistication in their use of economic argument as well as knowledge of the limitations of economic research
- T2c Consult quantitative academic literature in the field and draw conclusions on the importance of assumptions made in models

TEACHING AND LEARNING

Students will have the opportunity to engage with:

- 1 x virtual learning environment (VLE)
- 12 x large-group hours
- 4 x seminar hours
- 0.75 x tutorial hours (individual or group tutorial)
- Weekly office hours

Students are required to attend and participate in all timetabled sessions for this course and, with the ongoing support available, to manage their directed learning and independent study.

Total study hours for this course are: 100.

EMPLOYABILITY SKILLS

- The course will develop the students' communication skills by training students in concise writing.
- The course will develop the students' presentation skills by requiring students to create a deliver a presentation.
- The course will develop the students' strategic thinking and ability to think in terms of models, by the content covered.
- The course uses empirical papers in the field and accustoms students to drawing conclusions about the reliability and validity of published scientific findings.

ASSESSMENT

FORMATIVE

Students will be formatively assessed during the course by means of set assignments. These do not count towards the end of year results, but will provide students with developmental

feedback, for example students may be expected to bring a written summary of a paper to the seminar.

SUMMATIVE

Assessment will be in two forms:

| AE: | Assessment Activity | Weighting (%) | Online submission | Duration | Length |
|-----|---------------------|---------------|-------------------|------------|-------------|
| 1 | Presentation | 50 | No | 30 minutes | N/A |
| 2 | Written Assignment | 50 | No | N/A | 1,000 words |

The presentation and written assignment will assess different topics on the course. Both will be assessed in accordance with the assessment aims set out in the Programme Specification.

FEEDBACK

Students will receive formal feedback in a variety of ways: written (including via email correspondence); oral (within one-to-one tutorials or on an *ad hoc* basis) and indirectly through discussion during seminars. Students will also attend the formal meeting, Collections, at the end of Michaelmas and Hilary in which they will receive constructive and developmental feedback on their term's performance.

Feedback is provided on written assignments (including essays, briefings and reports) and through generic internal examiners' reports, both of which are posted on the College's VLE.

INDICATIVE READING

Note: Comprehensive and current reading lists for courses are produced annually in the Course Syllabus or other documentation provided to students; the indicative reading list provided below is used as part of the approval/modification process only.

BOOKS

Church, Jeffrey R., and Roger Ware. *Industrial organization: a strategic approach*. Boston: Irwin McGraw Hill, 2000.

Tirole, Jean. *The theory of industrial organization*. MIT press, 1988.

Sutton, John. *Sunk costs and market structure: Price competition, advertising, and the evolution of concentration*. MIT press, 1991.

JOURNALS

Gabszewicz, J. Jaskold, and J-F. Thisse. "Price competition, quality and income disparities." *Journal of Economic Theory* 20.3 (1979): 340-359.

Green, Edward J., and Robert H. Porter. "Noncooperative collusion under imperfect price information." *Econometrica: Journal of the Econometric Society* (1984): 87-100.

Porter, Robert H. "A study of cartel stability: the Joint Executive Committee, 1880-1886." *The Bell Journal of Economics* (1983): 301-314.

Schmalensee, Richard. "Entry deterrence in the ready-to-eat breakfast cereal industry." *The Bell Journal of Economics* (1978): 305-327.

INDICATIVE TOPICS

Students will study the following topics:

- Non-price competition
- Dynamic price competition
- Market structure

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|--|---------------|----------------|--|---|---------------------------|
| Approved by: Academic Board | | | | | |
| Version number | Date approved | Date published | Owner | Location | Proposed next review date |
| 2.0 | June 2021 | June 2021 | Marianna Koli | 1 Academic Handbook > Course Descriptors 2 VLE | April 2025 |
| 1.2 | January 2021 | January 2021 | Marianna Koli | Academic Handbook/Programme specifications and Handbooks/ Undergraduate Programme Specifications/ Economics BSc (Hons) Programme Specifications/Economics Course Descriptors | April 2025 |
| 1.1 | August 2020 | August 2020 | Marianna Koli | Academic Handbook > Course Descriptors VLE | April 2025 |
| 1.0 | June 2020 | June 2020 | Marianna Koli | Academic Handbook > Course Descriptors VLE | April 2025 |
| Modifications (As per AQF4) | | | | | |
| Version number | Date approved | Date published | Modification (including category number) | | |
| 2.0 | June 2021 | June 2021 | Category 2: Change to 'Teaching and Learning Strategy' | | |
| 1.1 | August 2020 | August 2020 | Category 1: Administrative error – AE1 and AE2 swapped so that the 'Presentation' is assessed before the 'Written Assignment'. | | |
| 1.2 | December 2021 | January 2021 | Category 1: Administrative error - remove 'revision sessions' as there is no examination in this course. | | |