



School of Economics
Academic Year 2017-18
Term 1

ECON 733 INDUSTRIAL ORGANIZATION II

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COURSE DESCRIPTION

This course introduces the modern theoretical and empirical of industrial organization. We depart from the “competitive market” assumption and study oligopolistic markets in which a small number of firms operate and strategically influence the market outcome. Attention to the regulation of real-world competition distinguishes this course from related courses of Microeconomics and Game Theory.

LEARNING OBJECTIVES

The objective of this course is to expose graduate students to various topics of both theoretical and empirical industrial organization. Students are required to read various research papers and present them in the class. Homework is assigned regularly. There is no exam in this course. Instead, students are required to submit one referee report on a recent research paper.

ASSESSMENT METHODS

Class Participation	: 20%
Homework	: 20%
Presentation	: 30%
Referee Report	: 30%
Total	: 100%

ACADEMIC INTEGRITY

All acts of academic dishonesty (including, but not limited to, plagiarism, cheating, fabrication, facilitation of acts of academic dishonesty by others, unauthorized possession of exam questions, or tampering with the academic work of other students) are serious offences.

All work (whether oral or written) submitted for purposes of assessment must be the student's own work. Penalties for violation of the policy range from zero marks for the component assessment to expulsion, depending on the nature of the offense.

When in doubt, students should consult the instructors of the course. Details on the SMU Code of Academic Integrity may be accessed at <http://www.smuscd.org/resources.html>.

ACCESSIBILITY

SMU strives to make learning experiences accessible for all. If students anticipate or experience physical or academic barriers due to disability, please let the instructor know immediately. Students are also welcome to contact the university's disability services team if they have questions or concerns about academic provisions: included@smu.edu.sg.

CLASS TIMINGS

Class sessions are of 3-hour duration per week. Each session will involve a lecture and a discussion of related topics.

RECOMMENDED TEXT AND READINGS

1. Lecture Note: the lecture note is self-contained and comprehensive.
2. Tirole, Jean, *The Theory of Industrial Organization*, MIT Press, 1988
3. Train, Kenneth E., *Discrete Choice Methods with Simulation*, Cambridge University Press, 2003
4. Church, J. and R. Ware, *Industrial Organization: A Strategic Approach*, International Editions: McGraw-Hill, 2000.

The required textbook is the book by Church and Ware. A soft copy of this book in PDF is available free of charge for your personal and non-commercial use at:

<http://homepages.ucalgary.ca/~jrchurch/page4/page5/page5.html>

If you prefer to use a printed version, you may purchase it at www.amazon.com.

WEEKLY LESSON PLAN

Week	Topic	Readings
1	Dynamic Models	Lecture Note 1
2	Dynamic Models (continued)	Lecture Note 2
3	Presentation	Lecture Note 3
4	Information, adverse selection and moral hazard: Theory and Empirics	Lecture Note 4
5	Vertical Relationship: Theory and Empirics	Lecture Note 5
6	Models with Moment Inequalities Presentation	Lecture Note 6