

**ECON 4697-001 INDUSTRIAL ORGANIZATION & REGULATION**

### Class requirements

The class meets Monday, Wednesday and Friday from 10 to 10.50am. Although there is no grade for attendance, attendance and class participation will be duly noted. To receive a passing grade, you are required to attend a minimum of 80 percent of the lectures. A sign-in sheet will be circulated during each class, and it is your responsibility to make sure that you have signed in by the end of class.

Please be aware that the critical thinking required for successful completion of this course may not come naturally for many students. Class exposure to model building, applied problems and solutions is the best way to become proficient in the application of microeconomic theory and the way economists think and solve problems.

Feel free to form study groups to review and discuss lecture/reading material, homework assignments etc., but you must submit individual work for grading (note: if you work with a study group or individual class mates on assignments, please list the names of these persons on the front page of your submitted assignment).

Students should:

- (a) attend three 50 minute classes per week;
- (b) review and augment notes after lectures;
- (c) complete (a minimum of 4 out of 5) homework assignments;
- (d) complete two mid-term examinations; and
- (e) complete one final examination

Students are expected to be punctual, polite and prepared to engage in discussion with the instructor and class mates. See <http://colorado.edu/policies/classbehavior.html> for University of Colorado polices on student classroom and course-related behavior

### Grading

There will be five homework assignments (with the lowest score dropped from the overall grade), two mid-term examinations and one final examination. The weightings for these assessments are:

Homework assignments	(4 × 7.5 %)	30 %
Mid-term exam	(2 × 20 %)	40 %
Final exam	(1 × 30 %)	30 %

Homework questions will consist of short-answer and problem solving questions that require students to use diagrammatic, mathematical and written skills to prove their answers (i.e., please provide an appropriate method and/or logical steps to prove your answer). The presentation of your homework solutions will count in your assignment grade. Please take the time to clearly and neatly write out mathematical and graphical answers. Basic requirements for presentation include: name on first page; staple pages; place page numbers on each page; clearly title and label any graphs, tables, etc.; and ensure mathematical notation is clearly legible and readable. Obviously, a word document helps to ensure neat presentation, but it is not necessary.

The mid-term and final examinations will consist of short-answer and problem solving questions similar to homework questions and class applications.

There will be no make-up homework assignments or mid-term examination unless there is a proven emergency or other unusual circumstances that have been discussed with the instructor prior to submission/completion dates. If you are aware of any problems that may hinder your performance in the class please discuss with the instructor sooner than later. Any student that misses the mid-term examinations due to proven emergency or other circumstances may have their final exam weighted up with instructor approval.

The final examination is scheduled for Saturday, May 3, 4.30-7pm. See [http://registrar.colorado.edu/calendar/exam\\_sched\\_spring08.html](http://registrar.colorado.edu/calendar/exam_sched_spring08.html).

#### Important dates for assessment

Sep 12	Homework 1
Sep 29	Mid-term examination I
Oct 3	Homework 2
Oct 24	Homework 3
Nov 3	Mid-term examination II
Nov 14	Homework 4
Dec 5	Homework 5
Dec 15	Final examination

#### **Campus policies**

Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing



**Table 1. Proposed course outline**

Week	Date	Topic
1.	Aug 25 Aug 27, 29	<b>Part I. Review</b> - Introduction - What is Industrial Organization (IO)?
2.	Sep 3 Sep 5	- Principles of Microeconomics - The firm
3.	Sep 8, 10, 12	- Game theory
4.	Sep 15, 17 Sep 19	<b>Part II. Monopoly</b> - Monopoly pricing - Regulation
5.	Sep 22, 24 Sep 26	- Regulation - Product positioning
6.	Sep 29 Oct 1, 3	- - Product positioning
7.	Oct 6, 8, 10	- Price discrimination, non-linear pricing
8.	Oct 13, 15, 17	- Versioning, tie-in sales
9.	Oct 20, 22, 24	<b>Part III. Oligopoly</b> - Price Competition
10.	Oct 27, 29, 31	- Quantity competition
11.	Nov 3 Nov 5, 7	-