Industrial Organization

- **Course meetings.** Mondays 9:00pm to 11:30pm, Room KMC 7–191 (Stern). First meeting: September 14. Last meeting: November 30 (12 meetings).

- **Course description and learning goals.** This is a course in the Graduate Industrial Organization (IO) sequence. It covers the core of IO theory as well as some topics. Although references will be made to empirical work, the course does not focus on empirical techniques in IO. I have designed the course to be a complement to the other IO-related courses being taught this year (this Fall by Boyan Jovanovic and in the Spring by Petra Moser).

- **Course outline.** The topics developed in the course include: Introduction and overview; Price discrimination; Static and dynamic oligopoly competition (tacit collusion and cartels); Strategic behavior, entry and exit: entry deterrence, predatory pricing, mergers; Corporate reputation; Estimating and modeling product differentiation; Consumer behavior: search costs, switching costs, and behavioral models; Networks and two-sided markets; Innovation and learning by doing.


- **Course requirements.**

  1. Participation: in some cases I will ask you to read a paper before the class when it will be presented and discussed.

  2. Referee report: An important aspect of doing research (and for that matter of a successful academic career) is the ability to evaluate work — most important your own, but also others’. I will ask you to write a report on one of the papers presented either at the IO day held at NYU on September 18, 2015; or on one of the papers presented at the IO seminar; or on another paper that you previously agree with me.

  3. Research Proposal: Soon you will be starting dissertation research; now is the right time to start mulling over ideas. To encourage you to do this I will require a research proposal of around five pages. Use this to look for topics that excite you for your dissertation.
Course outline. The following is an estimate of what topics I will cover. Depending on how fast (or how slowly) I go through these topics, I may change the precise schedule.

1. September 14
   Basic oligopoly theory

2. September 21
   Product differentiation

3. September 28
   Collusion

4. October 5
   Asymmetric information

5. October 12
   Consumer search

6. October 19
   Reputation and trust

7. October 26
   Market structure

8. November 2
   Market foreclosure

9. November 9
   Computational dynamics

10. November 16
    Learning-by-doing

11. November 23
    Network effects and two-sided markets

12. November 30
    Competition and innovation