

## Курс по выбору: Отраслевые рынки (на англ. языке) – Industrial Organization

### Course description:

The course introduces the theory of industrial organization (IO) which focuses on the business behavior of firms, its implications for industry structures, and policies of industry regulation. More broadly, we look at imperfect competition and strategic interactions of firms in different sectors and explain differences across industries.

You will become familiar with the most important models of the industrial organization for understanding strategies chosen by firms to acquire and maintain market power. Theory is accompanied with discussion of real-world cases that shows you how to apply microeconomic reasoning and connect IO settings to practice.

Among possible strategies, we will discuss

- Pricing and production strategies;
- R&D: competition in innovations and cooperation;
- Informative and persuasive advertising strategies;
- Various anticompetitive practices: collusion, retail price maintenance, price discrimination, tying, exclusive clauses, predatory behavior and entry deterrence.

You will become familiar with the main (static and dynamic) models of monopoly and oligopoly, horizontal and vertical product differentiation, models of asymmetric information.

Moreover, we will analyze the industry structure and performance. You will study how to measure the market concentration and relate it to the level of competition. Also, we will look at the practical ways of defining markets. Particular emphasis will be given on the determinants and consequences of vertical and horizontal mergers. Throughout the course, we will always discuss possible ways of market regulation and related antitrust policies.

### Expected competences acquired after completion of the course:

You are expected to acquire broad knowledge on the key topics and core models in industrial organization.

Moreover, this course improves your (micro-)economic reasoning and modeling skills, which, in particular, can be useful for writing your term papers and Bachelor theses involving analysis at the firm or industry level.

### Grading and workload:

The final grade will be based on homework assignments (20%), a term project (20%), quizzes (10%) and a final exam (40%). More details about each grade component you can find in [the syllabus](#).

**Prerequisites:** good understanding of Micro I and II.

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