

## **BUSI300003**

### **Industrial Organization and Public Policy**

**Program : Global Summer Program**

**Term : Summer 2024**

**Duration : June 4, 2024 - August 2, 2024**

**Contact Hours : 54**

**Fudan Credits : 3**

#### **Course Description:**

This course provides an introduction to Industrial organization (IO), covering topics in consumers' demand, optimal pricing, firm competition, and policy intervention.

For example, how does Microsoft's acquisition of Blizzard affect consumers? What is the optimal pricing for smartphone apps? How does the personalized recommendation change consumers' demand on Amazon?

This course studies all these questions and provides solutions using game theory, market analysis, and case studies.

#### **Course Goals:**

The goal of this course is to enable students to apply IO models to study real-world problems.

We will learn: (i.) the fundamentals of game theory through numerous examples; (ii.) the application of game theory models in various IO topics: pricing and firm competition, product differentiation, merger analysis (antitrust), platform and entry analysis. (iii.) market analysis and case studies for different industries/marketplaces (oil, smartphone, music streaming, social media apps, food delivery platforms, ride-sharing platforms, and EV industry).

#### **Prerequisites:**

This course is designed for students interested in industrial organization and public policy. There will be some mathematical computations using high-school algebra. You are suggested to take microeconomics before this course.

#### **Textbooks:**

- Industrial Organization: Markets and Strategies by Paul Belleflamme and Martin Peitz
- The Art of Strategy: A Game Theorist's Guide to Success in Business and Life by Dixit and Nalebuff



### Schedule:

Lecture	Date	Time	Topic
1	June 4, 2024	<b>Online Sessions</b> Lecture 1 - 8: 13:30-17:00 BJT (UTC+8)	Game Theory Basic Concepts
2	June 6, 2024		Firms, consumers, and the market
3	June 18, 2024		Monopoly
4	June 20, 2024		Pricing strategies
5	July 2, 2024		Imperfect competition
6	July 4, 2024		Product differentiation
7	July 16, 2024		Horizontal merger
8	July 18, 2024		Entry and deterrence
9	July 29-August 2, 2024	<b>Offline Sessions</b> Lecture 9 - 12: TBD	Cartels and tacit collusion
10			Vertically related markets
11			Platform and network effects
12			Thesis

### Assessment:

Assessment Task	Weighting
1. Attendance and Participation	10%
2. Four Problem Sets	40%
3. Thesis	50%

### Grading Scale:

Grades	A	A-	B+	B	B-	C+	C	C-	D	F
100	90-100	85-89	82-84	78-81	75-77	71-74	66-70	62-65	60-61	<60

The instructor will use the grading system as applied by Fudan University.

### Credit Point Value:

Component	Contact Hours	Fudan Credits
Academic Lectures	44	3
Thesis/Exam	4	
Field Trip	3	
Seminar	3	
Total	54	

At Fudan University, the duration of one contact hour is 45 minutes, and 18 contact hours are equivalent to 1 credit.

**Note: The document is subject to change at the discretion of School of Management, Fudan University.**