



UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

SYLLABUS DEL CORSO

Economia e Dinamica Industriale

2324-2-F8204B037-F8204B039M

Learning objectives

The module aims at providing theoretical and conceptual tools to the student to understand the complex relationship between firm's behavior and the industrial dynamics. Specifically, during the lectures, the student's attention will focus on the microeconomic analysis of market power and anti-competitive practices, on their strategic and institutional determinants, as well as on their consequences in terms of industrial concentration and social welfare. During the laboratory sessions, the student will contextualize the theoretical topics by analyzing real-world cases and applications to the industrial context at both the national and international level.

Contents

Introduction to industrial organization and industrial dynamics; anti-competitive strategies; contractual relationships among firms; "non price"-based competition.

Detailed program

Topic

Introduction and fundamental concepts:

Introduction to industrial organization;

Competitive equilibrium, monopolistic equilibrium, and social welfare;

Market structure and market power;

Laboratory: Analysis of concentration indices and case study in the beer industry.

The determinants of market power in monopoly:

“Group pricing” discrimination and two-part tariff;
Variety and product quality in monopoly.

Anti-competitive strategies:

Collusion and repeated games;
Collusion: how to identify and contrast collusion;
Laboratory: case study “Tirrenia-Moby lines”;

Contractual relationships among firms:

Mergers and acquisitions;
Vertical restrictions linked to prices;
Laboratory: corporate reorganization operations such as mergers&acquisitions, company splits, transfers and disinvestments of companies, leverage buy-out. Case study “Strafutura srl”.

Non price competition:

Advertisement, market power, and information;
Laboratory: case study “Park Hyatt Maldives”;
Research and developments, patents;
Laboratory: case study “La Murrina”.

Introduction to the teamwork:

Laboratory: introduction to the team-work on “Economics and dynamics of family business companies worldwide”.

Prerequisites

The module does not have any specific prerequisite. It is suggested to attend the module after having completed the course “Microeconomia M” and the (first) module “Advanced Microeconomics” of the course “Modelli Economici M”.

Teaching methods

Class lessons and laboratory activities. During the laboratory activities, concrete cases concerning the theoretical topics analyzed in class will be presented and discussed, also thanks to the participation of testimonials operating in national and international industrial contexts.

Assessment methods

Written exam. The exam includes two parts. The first part contains four statements concerning the (theoretical) topics analyzed during the lectures. For each statement, the student must assess whether it is true or false and discuss her/his answer in detail. The second part is focused on the laboratory sessions and contains three open questions. If (and only if) the student has completed the teamwork and explicitly confirms that he/she desires the teamwork to be used to determine the final grade, then she can take advantage of a reduction of questions in the second part (focusing on the laboratory sessions) of the exam. Indeed, in this case, the student will have to respond to a single question that she/he will choose across the three included in the second part. The final grade is given by the average (with equal weights) of the points obtained in the two parts of the exam. The exam lasts 90 minutes if the student does not take advantage of the teamwork and, therefore, is required to replies to all the three

questions of the second part. Instead, the exam lasts 60 minutes, if the student takes advantage of the teamwork and, therefore, is required to replies to only one question of the second part.

Textbooks and Reading Materials

L. Pepall, D. Richards, G. Norman, G. Calzolari, Organizzazione Industriale, 4/ed, McGraw-Hill, 2023.

Further teaching material, including what used during the laboratory activities, will be made available on the virtual space of the course: <https://elearning.unimib.it/enrol/index.php?id=51206>

Semester

Second period of the first semester.

Teaching language

Italian

Sustainable Development Goals

QUALITY EDUCATION | INDUSTRY, INNOVATION AND INFRASTRUCTURE
