UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

SYLLABUS DEL CORSO

Economia Industriale

2627-3-E4101B023

Learning objectives

The course aims to study the main aspects of the structure, organization, and performance of firms and markets. The first part of the course will cover general concepts, as well as widely held companies, state-owned enterprises, listed companies, institutions, and business groups. The second part will focus on the industrial economics of family businesses, which account for more than 5 million of the approximately 6 million firms in Italy. In particular, the programme includes the analysis of a wide range of phenomena, such as price wars, the formation of collusive agreements, product differentiation, advertising investment, entry-deterrence strategies, and a series of extraordinary corporate transactions, including mergers, demergers, contributions, transfers and leases of businesses, M&A transactions (Mergers & Acquisitions), LBOs (Leveraged Buyouts), transformations, and increases and reductions of share capital. The final section of the course will address industrial crises and the related legal, managerial, financial, and strategic tools needed to anticipate them, address them, and manage firms effectively. The course will enable students to understand the characteristics of industrial structure and its effects on sector efficiency and consumer welfare. During the course, students will have the opportunity to explore the theoretical topics discussed in class through the analysis of real cases and applications to national and international industrial contexts.

The course contributes to consolidating knowledge in the field of Industrial Economics, as a branch of Microeconomics, and the ability to apply such knowledge, in line with the Economics learning area of the Bachelor’s degree programme in Scienze Statistiche ed Economiche.

Contents

Introduction to the study of industrial organization and industrial dynamics; anti-competitive strategies; contractual relationships between firms; non-price competition; extraordinary corporate transactions between firms.

Detailed program

- Introduction and fundamental concepts
- Introduction to industrial organization (Chapter 1)
- Competitive equilibrium, monopoly equilibrium, and social welfare (Chapter 2)
- Market structure and market power (Chapter 3)
- Case study 1: analysis of concentration indices and case study (Teaching material provided by the instructor + in-person guest lecture)
- The determinants of market power in monopoly
- Price discrimination, “group pricing”, and two-part tariff (Chapters 5–6)
- Product variety and quality in monopoly (Chapter 7)
- Case study 2: guest lecture (Teaching material provided by the instructor + in-person guest lecture)
- Anti-competitive strategies
- Collusion and repeated games (Chapter 13)
- Collusion: how to identify and counteract it (Chapter 14)
- Workshop: “Tirrenia-Moby Lines” case study (Teaching material provided by the instructor)
- Contractual relationships between firms
- Mergers and extraordinary corporate transactions (Chapter 15)
- Case study 3: guest lecture (Teaching material provided by the instructor + in-person guest lecture)
- Non-price competition
- Advertising, market power, competition, and information (Chapter 17)
- Research and development, patents (Chapter 18)
- Case study 4: guest lecture (Teaching material provided by the instructor + in-person guest lecture)
- Introduction to the group project

Workshop: Introduction to the group project on a quantitative study of “Economics and dynamics of family businesses in the global landscape”
Teaching material provided by the instructor

Prerequisites

It is strongly recommended that students have passed the Microeconomics exam.

Teaching methods

Lectures and workshop activities during which concrete cases related to the theoretical topics discussed in class will be presented and discussed, also through guest lectures by professionals working in industrial sectors of national and international relevance.

Assessment methods

Assessment of learning outcomes includes a compulsory written exam. The exam consists of four open-ended questions: three concerning topics covered in class and one related to one of the guest lectures scheduled during the course.

Attendance at these guest lectures is therefore strongly recommended, also because students will be asked to comment on one of them during the exam.

Students who complete the group project will be required to answer only two of the four open-ended questions in the exam. If the group project is passed but the written exam is not, the grade obtained for the group project will remain valid for all subsequent exam sessions. The group project accounts for 50% of the final grade.

The exam lasts one hour. The exam syllabus for non-attending students is the same as that for attending students.

Textbooks and Reading Materials

L. Pepall, D. Richards, G. Norman, G. Calzolari, *Organizzazione Industriale*, 4th edition, McGraw-Hill, 2023.

Additional teaching material, including material related to case studies and guest lectures, will be made available online on the course e-learning page.

Semester

First semester

Teaching language

Italian

Sustainable Development Goals

QUALITY EDUCATION