UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

SYLLABUS DEL CORSO

Industrial Organization

2627-2-F7704M025

Learning objectives

This course addresses the most important topics in the field of Industrial Organization, and it provides a balanced mix of theoretical and applied lectures.

The course is aimed to provide students with rigorous analytical tools to analyze the behaviour of price-maker firms, in the context of both monopoly and oligopoly.

Knowledge and Understanding
Students will acquire an in-depth understanding of theoretical and empirical models of industrial organization. By the end of the course, they will know: Classical and modern theories of the firm, oligopoly, and monopoly power; Advanced game-theoretic frameworks used to analyze strategic interactions; Key concepts regarding market structure, conduct, and performance.

Applying Knowledge and Understanding
Students will learn to apply economic theory to real-world business and regulatory problems. They will be able to: Formulate and solve formal economic models regarding pricing strategies, product differentiation, and entry deterrence; Utilize quantitative and empirical methods to evaluate market concentration and assess potential anti-competitive practices.

Making Judgements
Students will develop the analytical skills to critically evaluate economic events and public policies.They will be able to: Assess the welfare effects of corporate strategies, mergers, and acquisitions; Analyze complex antitrust cases and determine the efficacy of governmental regulation.

Communication Skills
Students will effectively articulate complex economic concepts to both specialized and non-specialized audiences. They will demonstrate the ability to: Draft rigorous economic and policy reports; Present analytical findings, research papers, and case study evaluations clearly in collaborative environments.

Learning Skills
Students will develop a robust, independent methodology for continuous academic and professional growth. They will be able to: Independently read, interpret, and review advanced academic literature and working papers in Applied Microeconomics; Adapt their analytical tools to understand new evolving market dynamics (e.g., digital markets).

Contents

The course introduces students to the main theoretical models of monopoly and oligopoly.

Detailed program

The course is structured in two parts:

MONOPOLY

Price determination

Price discrimination

Vertical control

OLIGOPOLY

Bertrand model

Horizontal product differentiation

Capacity constraints

Repeated interaction

Asimmetry among firms

Entry and long-run equilibria

Entry and short-run equilibria

Prerequisites

This course requires preliminary notions in Microeconomics and Mathematics.

Teaching methods

This course is based on frontal lectures. Out of 42 hours, 12 will be taught online and 30 in presence.

Assessment methods

This course ends with a written exam, based on exercises and open questions on the programme covered in class. The exam is intended to assess problem solving capacities and competencies in the field of Industrial Organization. A mid-term exam is available.

Textbooks and Reading Materials

Essential readings:

Motta M. (2004), “Competition Policy: Theory and Practice”, Cambridge University Press

Tirole J. (1988), “The Theory of Industrial Organization”, MIT Press

Additional readings are suggested in class.

Semester

Second semester.

Teaching language

English.

Sustainable Development Goals

INDUSTRY, INNOVATION AND INFRASTRUCTURE