

ECO380: Markets, Competition, and Strategy
Department of Economics
University of Toronto

Summer 2014

Instructor

Zhe Yuan

Email: z.yuan@mail.utoronto.ca

Office Hours: Tuesday 2-3:00pm (No office hours for the first week, appointment by Email.)

Location: GE72

Email policy

I will respond to email within 24 hours on a weekday, 48 hours on a weekend, according to these policies:

- a) I only respond to emails posing questions that can be answered in 1-3 sentences. For detailed questions, please come to my office hours.
- b) I do not respond to emails that request information that can be found on the website or the syllabus.
- c) For the results of the graded materials, please come to my office hours.

Website

Blackboard. Announcements will be posted on blackboard and communicated to you via email, so please make sure that you have a valid utoronto.ca e-mail address.

Prerequisites

Prerequisites: ECO200Y1/ECO204Y1/ECO206Y1; ECO220Y1/ECO227Y1/
(STA220H1,STA255H1)/ (STA257H1, STA261H1)

Note: Students are responsible for ensuring they meet the prerequisites for this course. The instructor cannot waive prerequisites.

Objectives

This course in applied microeconomics is concerned with the functioning of markets and the strategic behavior of firms. The focus is on strategic relationships between organizations, including competitive and cooperative relationships among firms.

Schedule

Lectures will be held in MP137 on Tuesdays and Thursdays from 11AM to 2PM. Usually there will be a 2 hour lecture from 11am-1pm. Sometimes I will make use of 1-2pm for tutorials.

(Tentatively) Term Test One will be held on Tuesday, Jun. 3rd from 11:00AM to 1:00PM, in MP137 (regular classroom).

Final Exam: During the exam period, to be announced.

Grading

Midterm will cover lecture 1-6 and worth 30%. Final exam will be cumulative and counts for 60%. Another 10% of the score equal to the highest of the midterm and final.

If you miss a test due to sickness, you must notify me (via email or in person) within one week of the missed test and arrange to provide me with a doctor's note. If you satisfy these criteria, I will prepare a make-up midterm exam. The weight of the missed test will **not** be shifted to the final exam. There will be no makeup test for the makeup test.

Grade appeals must be submitted within two weeks of the date the work is returned. The specific reason for the appeal must be in writing. The test in question will be reviewed in its entirety and the final grade may go up or down.

Acceptable Medical Notes

The only acceptable medical note is a fully completed University of Toronto Medical Certificate. It must be original and completed by a qualified medical doctor (not an acupuncturist, chiropractor, or other health care professional). The doctor's OHIP registration number must be provided on the note.

Text

[PRN, required] Pepall, L., Richards, D. J., & Norman, G. (2008). *Industrial organization: Contemporary theory and practice*.

Although the lectures will generally follow PRN, they will depart frequently. The most priority should be on lecture notes and then the text.

Accessibility Needs

The University of Toronto is committed to accessibility. If you require accommodations for a disability, or have any accessibility concerns about the course, the classroom or course materials, please contact Accessibility Services as soon as possible: disability.services@utoronto.ca or <http://studentlife.utoronto.ca/accessibility>.

Academic (and non-academic) Misconduct

Students should note that I do not tolerate any form of academic misconduct. Any student caught engaging in such activities will be subject to academic discipline ranging from a mark of zero to dismissal from the university as outlined in the academic handbook. Any student abetting or otherwise assisting in such misconduct will also be subject to academic penalties.

Topics

NO. of Week	Date	Content	Textbook
Week 1	May. 13	Introduction	
Week 2	May. 15	Monopoly and Perfect Competition	PRN Ch. 2
Week 3	May. 20	Game Theory and Strategy	PRN Ch. 9
Week 4	May. 22	Cournot Competition	PRN Ch. 9
Week 5	May. 27	Bertrand Competition	PRN Ch. 10
Week 6	May. 29	Differentiated Products	PRN Ch. 7
Week 7	Jun. 3	Midterm Exam	
Week 8	Jun. 5	Stackelberg Competition	PRN Ch. 11
Week 9	Jun. 10	Collusion and Repeated Games	PRN Ch. 14 and 15
Week 10	Jun. 12	Pricing	PRN Ch. 5, 6 and 8
Week 11	Jun. 17	Entry, Exit and Predation	PRN Ch. 12 and 13
Week 12	Jun. 19	Merger	PRN Ch. 16 and 17
	TBA	Final Exam	