



APPLIES TO ACADEMIC YEAR 2005/2006

## GRA 1305 Industrial Economics

### Program

Master of Business and Economics Program, Master of Science in Business, Master of Science in Business (Economics), Master of Science in Management, Specialization Course

### Responsible for the course

Espen Moen

### Department

Economics

### Term

According to study plan

### ECTS Credits

6

### Objective

The aim of this course is to provide a comprehensive understanding of the economic principles underlying pricing decisions and competitive strategies in the market place. The main focus is on strategic interaction among firms, which is analyzed with a game theoretic approach. In addition, new results based on economics and psychology are presented. Parts of the teaching are case-based.

### Prerequisites

Economics 1-3 (undergraduate) ore equivalent and Intermediate microeconomics (may be taken in the same term) .

### Compulsory literature

#### Books:

Carton, Dennis W. and Jeffrey M.. 2005. Modern Industrial Organization. 4th ed. Boston, Mass.: Addison Wesley Longman

### Recommended literature

#### Books:

Motta, Massimo.. 2004. Competition Policy: Theory and practice. Cambridge: Cambridge University Press.

Tirole, Jean.. 1988. The theory of industrial organization. Cambridge, Mass.: MIT Press

### Course outline

- Monopoly pricing strategies
- Oligopoly: price competition and product differentiation
- Mergers
- Networks
- Competition policy
- Pricing and competition when customers are not fully rational

### Computer-based tools

Blackboard/homepage

### Course structure

36 hours of lectures and cases

### Evaluation

Three hours written exam

### Evaluation code(s)

GRA13051

**Aids at the examination**

Berck, Peter og Knut Sydsæter. 1993. Economists' Mathematical Manual. 2nd ed. Berlin: Springer Verlag.

A non-programmable calculator is permitted. A bilingual dictionary.

**Makeup exam**

Re-takes are only possible at the next time a course will be held. When course evaluation consists of class participation or process elements, the whole course must be re-evaluated when a student wants to retake an exam. Retake examinations entail an extra examination fee.