



APPLIES TO ACADEMIC YEAR 2013/2014

## **GRA 1305 Industrial Economics**

### **Programme**

Master of Science in Business, Master of Science in Business (Economics), Specialization Course

### **Responsible for the course**

Christian Riis

### **Department**

Department of Economics

### **Term**

According to study plan

### **ECTS Credits**

6

### **Language of instruction**

English

### **Introduction**

The field of Industrial Economics recognizes that most markets are oligopolistic, in which a relatively small number of firms dominate the market. In this course we will be studying strategic interaction among firms in such markets with respect to product development (quality), pricing, R&D and innovation, contracts and localization decisions.

### **Learning outcome**

Successful students will gain a comprehensive understanding of the economic principles underlying competitive strategies in the market place. Students will be well acquainted with modern economic modelling framework for analyzing imperfect competition and competition policy. The course emphasizes on teaching students cutting edge research and public policy developments.

### **Prerequisites**

A bachelor degree qualifying for entry to the MSc Programme, GRA 6031 Microeconomics (may be taken in the same term).

### **Compulsory reading**

#### **Books:**

Pepall, Lynne, Dan Richards and George Norman. 2008. Industrial organization : contemporary theory and empirical application. 4th ed. Blackwell Publ. Utvalgte kapitler

#### **Other:**

During the course there may be hand-outs and other material on additional topics relevant for the course and the examination.

Selected articles

### **Recommended reading**

#### **Course outline**

The course covers topics as:

- Market power and quality and product variety
- Dynamic games of price competition
- Price-fixing and collusion
- Horizontal mergers
- Competition policy and antitrust
- Advertising
- R&D and innovation
- Contract theory

### **Computer-based tools**

It's learning/homepage

### **Learning process and workload**

A course of 6 ECTS credits corresponds to a workload of 160-180 hours. Lectures and cases.

Please note that while attendance is not compulsory in all courses, it is the student's own responsibility to obtain any information provided in class that is not included on the course homepage/It's learning or text book.

**Examination**

Compulsory assignment during the course (pass/fail). Three hours written exam.

All parts of the evaluation need to be passed in order to get a grade in the course.

Specific information regarding student evaluation beyond the information given in the course description will be provided in class. This information may be relevant for requirements for term papers or other hand-ins, and/or where class participation can be one of several elements of the overall evaluation.

**Examination code(s)**

GRA13051 accounts for 100 % of the final grade in the course GRA 1305.

**Examination support materials**

Berck, Peter og Knut Sydsæter. 1993. Economists' Mathematical Manual. 2nd ed. Berlin: Springer Verlag.  
BI approved exam calculator. A bilingual dictionary.

Exam aids at written examinations are explained under exam information in the student portal @bi. Please note use of calculator and dictionary in the section on exam aids

**Re-sit examination**

It is only possible to retake an examination when the course is next taught.

The assessment in some courses is based on more than one exam code.

Where this is the case, you may retake only the assessed components of one of these exam codes.

Where this is not the case, all of the assessed components of the course must be retaken.

All retaken examinations will incur an additional fee.

**Additional information****Honor Code**

Academic honesty and trust are important to all of us as individuals, and represent values that are encouraged and promoted by the honor code system. This is a most significant university tradition. Students are responsible for familiarizing themselves with the ideals of the honor code system, to which the faculty are also deeply committed.

Any violation of the honor code will be dealt with in accordance with BI's procedures for cheating. These issues are a serious matter to everyone associated with the programs at BI and are at the heart of the honor code and academic integrity. If you have any questions about your responsibilities under the honor code, please ask.