

Welcome to ECON 480!

ECON 480: Industrial Competition and Monopoly

Lecture 1 – Administration

- Instructor: Ziyi Qiu, Email: ziyiqiu@illinois.edu, Office: 30
- Class website: see compass2g
- TA/Grader: Zening Li, zli54@Illinois.edu
- Textbook recommended: Carlton, D. and J. Perloff, Modern Industrial Organization 4th Edition.
- Textbook recommended: Jeffery Church and Roger Ware, Industrial Organization: A Strategic Approach.
- Pre-requisite: Econ 302 - Inter Microeconomic Theory

Lecture 1 – Administration

- Homework 15%
- Midterms 45%
- Final 40%

Lecture 1 - Administration

Homework due at the beginning of class

- Homework 1 due Feb 7th
- Homework 2 due March 12th
- Homework 3 due April 16th

Lecture 1 – Administration

Midterms

Midterm 1: Feb 12th

Midterm 2: March 14th

Midterm 3: April 18th

Lecture 1 – Administration

Final Exam

The date for final exam is to be scheduled.

Lecture 1 – Motivation

This course is about firms' **competition behavior**.

Competition Oligopoly Monopoly

We shall focus on firms' different competition behavior under different market structure.

Firms' Competition Behavior

- Overview of Industrial Organization and Firm's Competition Behavior

Topic 1 Competition

- Perfect Competition

Topic 2 Monopoly

- Monopoly
- Dominant Firm with a Competitive Fringe
- Monopolistic Competition
- Non-linear Pricing and Price Discrimination (optional)

Firms' Competition Behavior

Topic 3 Oligopoly and Noncooperative Competition – Classical Models

- Cournot Competition
- Bertrand Competition
- Stackelberg Competition

Topic 4 Oligopoly and Cooperative Competition

- Cartels

Topic 5 Oligopoly and Noncooperative Competition – Game Theories

- Simultaneous Games (optional)
- Dynamic Games (optional)

Preview of Next Class and Reading List

Before next Monday, read the following articles

- 1 Carlton and Perloff Chapter 3
- 2 Carlton and Perloff Chapter 4

Preview of Next Time => Firms Competition Behavior

Competition => Next Class

Monopoly

- Monopoly
- Monopoly with a competitive fringe
- Monopolistic competition

Oligopoly

- Noncooperative Competition
 Cournot; Bertrand; Stackelberg, Game Theories
- Cooperative Competition
 Cartels