

**Course ID and Title: Econ 480 Economics  
of Industrial Organization**

**Units: 4.0**

**Term – Day – Time: Spring 2024 - Tue & Thu -  
9:30-10:50am**

**Location: GFS 118**

**Instructor: Ziyi Qiu**

**Office: KAP 116D**

**Office Hours: Tue & Thu 12:00-1:00pm**

**Contact Info: [ziyiqiu@usc.edu](mailto:ziyiqiu@usc.edu)**

**Teaching Assistant:**

**Office:**

**Office Hours:**

**Contact Info:**

**IT Help:**

**Hours of Service:**

**Contact Info:**

## Course Description

This course discusses topics on firms' different competition behavior in various market structures. The course covers five major sections. In the first section, we study perfect competition with single and multiple types of firms. In the second section, we study monopoly and firms' monopolistic behavior. In the third section, we study noncooperative oligopoly models, including Cournot, Bertrand and Stackelberg competition models. In the fourth section, we study cooperative oligopoly models of cartel and collusion. In the fifth section, we study horizontal and vertical merger and acquisition. The breakdown of each topic is listed below.

### Section 1: Competition and Competitive Behavior

- Perfect Competition with a Single Type of Firms
- Perfect Competition with Multiple Types of Firms

### Section 2: Monopoly and Monopolistic Behavior

- Monopoly
- Dominant Firm with a Competitive Fringe
- Monopolistic Competition

### Section 3: Oligopoly and Noncooperative Competition

- Cournot Competition
- Bertrand Competition
- Stackelberg Competition

### Section 4: Oligopoly and Cooperative Competition

- Complete Cartel and Collusion
- Incomplete Cartel and Collusion

### Section 5: Merger and Acquisition

- Horizontal Merger and Acquisition
- Vertical Merger and Acquisition

**Prerequisite(s):**

**Co-Requisite(s):**

**Concurrent Enrollment:**

**Recommended Preparation:** Intermediate Microeconomic Theory

## Course Notes

The electronic copies of lecture notes, homework and solutions will be posted on the course website.

## Recommended Readings

1. Textbook recommended: Carlton, Dennis and Jeffrey Perloff, *Modern Industrial Organization*.

2. Textbook recommended: Church, Jeffery and Roger Ware, *Industrial Organization: A Strategic Approach*.

Textbooks are recommended but not required for the course. Other academic literature, regulation guidelines and supplemental reading materials will be posted on the course website.

## Description and Assessments

The course evaluation consists of three homework assignments, two midterms and one comprehensive final exam.

**Assignment:** Homework assignments will be posted on the course website. Each assignment counts toward 10 percent of the final grade. Assignments will be due at the beginning of the indicated class time. Tentative due date of each assignment is listed below.

- Homework 1 due on Feb 8
- Homework 2 due on Feb 29
- Homework 3 due on April 4

No late assignment is accepted for grading and missed assignment will be a zero mark. If you have medical reason, you may need to notify me with the doctor notes. Assignment solutions will be provided in class right after submission and posted on the course website.

**Midterm and Final Exams:** There will be two midterms and one comprehensive final exam. Each midterm counts toward 15 percent of the final grade and the final exam counts toward 40 percent of the final grade. The midterm and final exams will be scheduled on the following dates.

- Midterm 1 on March 5
- Midterm 2 on April 9
- Final exam on TBD

**Exam policy:** A missed exam will result in a zero mark. If you are unable to take the exam, you must contact the instructor before the exam. All excuse must be made for a legitimate reason (e.g., illness with a doctor's note). There will be no make-up midterm exams. However, grading weight for a missed midterm exam based on a legitimate reason will be imputed by your final exam score.

## Grading Breakdown

Course final grades will be calculated based on the following criteria.

Assessment	% Of Grade
Homework 1	10%

Homework 2	10%
Homework 3	10%
Midterm 1	15%
Midterm 2	15%
Final Exam	40%
Total	100%

## Statement on Academic Conduct and Support Systems

### Academic Conduct:

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Part B, Section 11, “Behavior Violating University Standards” [policy.usc.edu/scampus-part-b](http://policy.usc.edu/scampus-part-b). Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct>.

### Support Systems:

*Student Counseling Services (SCS) – (213) 740-7711 – 24/7 on call*

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention. [engemannshc.usc.edu/counseling](http://engemannshc.usc.edu/counseling)

*National Suicide Prevention Lifeline – 1 (800) 273-8255*

Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week. [www.suicidepreventionlifeline.org](http://www.suicidepreventionlifeline.org)

*Relationship and Sexual Violence Prevention Services (RSVP) – (213) 740-4900 – 24/7 on call*

Free and confidential therapy services, workshops, and training for situations related to gender-based harm. [engemannshc.usc.edu/rsvp](http://engemannshc.usc.edu/rsvp)

*Sexual Assault Resource Center*

For more information about how to get help or help a survivor, rights, reporting options, and additional resources, visit the website: [sarc.usc.edu](http://sarc.usc.edu)

*Office of Equity and Diversity (OED)/Title IX Compliance – (213) 740-5086*

Works with faculty, staff, visitors, applicants, and students around issues of protected class. [equity.usc.edu](http://equity.usc.edu)

*Bias Assessment Response and Support*

Incidents of bias, hate crimes and microaggressions need to be reported allowing for appropriate investigation and response. [studentaffairs.usc.edu/bias-assessment-response-support](http://studentaffairs.usc.edu/bias-assessment-response-support)

*The Office of Disability Services and Programs*

Provides certification for students with disabilities and helps arrange relevant accommodations. [dsp.usc.edu](http://dsp.usc.edu)

*Student Support and Advocacy – (213) 821-4710*

Assists students and families in resolving complex issues adversely affecting their success as a student EX: personal, financial, and academic. [studentaffairs.usc.edu/ssa](http://studentaffairs.usc.edu/ssa)

*Diversity at USC*

Information on events, programs and training, the Diversity Task Force (including representatives for each school), chronology, participation, and various resources for students. [diversity.usc.edu](http://diversity.usc.edu)

*USC Emergency Information*

Provides safety and other updates, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible. [emergency.usc.edu](http://emergency.usc.edu)

*USC Department of Public Safety – UPC: (213) 740-4321 – HSC: (323) 442-1000 – 24-hour emergency or to report a crime.*

Provides overall safety to USC community. [dps.usc.edu](http://dps.usc.edu)