



Kuwait University
College of Business Administration
Economics Department



Course Syllabus
ECON 515 Industrial Economics and Organization

Lecture Time and Location

Wed, 5:00 PM – 7:50 PM, 00, CG 1004

Contact Information

Instructor: Prof. Dr. Talat S. Genc

Location: Economics Department - Third Floor - Office No:S-03

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Office: 1068

Office Hours: Sun, Tue, 11:00 PM – 12:00 PM or by email appointment

Course Description

Industrial Organization is concerned with examining firm conduct and assessing market performance in the case of imperfect competition. The main purpose of this course is to understand and implement basic economic issues of firms, industries, and markets. These issues may include oligopoly theory, equilibrium analysis, strategic bidding and antitrust cases.

Review of the theory of the firm. Competition and efficiency. Measurement of market concentration. Oligopoly theory. Modern oligopoly models. Collusion and cartels practices. Monopolizing practices and barriers to entry. Vertical integration. Market structure and innovation.

Course Learning Objectives (CLOs)

Upon successful completion of the course, students will be able to:

1. Identify and apply the main principles of effective firm decision making process.
2. Explain the output and pricing decisions of firms under different competition frameworks.
3. Identify product differentiation conditions
4. Explain price discrimination methods and their implications
5. Identify the oligopolistic market that best describes the behavior of an oligopolistic industry.
6. Understand vertical relations and restraints in markets and supply chains.

CLO Mapping to CBA Skill Based Competency Goals

	Analytical	Communication	Information Technology	Business Ethics
1	R	A		
2	R			
3	R			
4	R			
5	R			
6	R			

Type of Emphases:

- **(I)ntroduce:** Students will be introduced to the skill and their grasp of it assessed in the course.
- **(A)pply:** The course will not cover the skill. Students should have a high-level grasp of the skill and are required to apply it in the course.
- **(R)einforce:** Students should have an introductory-level grasp of the skill and the course will improve their mastery to a higher level.

Course Material

Textbooks (Optional):

1. The Theory of Industrial Organization by J. Tirole, MIT press.
2. Modern Industrial Organization by Dennis W. Carlton and Jeffrey M. Perloff. Pearson Addison Wesley press.

Additional Material: Other material is available on Moodle

E-Learning System: Moodle and MS Teams

Course Website: <http://moodle.ku.edu.kw>

Course Requirements and Policies

- **In-Class Tests:** If the university allows on-campus examinations, you will come to campus to write it. Otherwise, it will be an online real-time exam.
- **Term paper:** You will be assigned a firm for which you will examine production and pricing for a specific product and analyze structure, conduct, and performance of the industry that the firm operates.
- **Late submission:** Late submissions of exams or assignments are not accepted. You are expected to be present for each examination. *There will be no make-up examinations.* In case of an unavoidable emergency, please contact the instructor (contact person can be you or someone delegated by you) immediately; otherwise expect a grade of zero.
- **Participation:** The quality of our classroom discussions in large part depends on you and your preparation for class. Participation should include, among other things, (1) presenting case facts, (2) defining the problem, (3) exploring different alternatives, (4) persuasive, thoughtful, integrated analysis supported by the data given in the case.
- **Class Preparation** It is very important that students are prepared for each class period. Students are expected to read the assigned materials before class.

- **Attendance and Participation:** Every student in this course must abide by the Kuwait University Policy on Attendance (published in the Student Guide, Chapter 3, Section 13). A copy of the student guide can be accessed online on:

http://www.ku.edu.kw/cs/groups/ku/documents/ku_content/kuw055940.pdf

- **Cheating and Plagiarism:** Every student in this course must abide by the Kuwait University Policy on Cheating and Plagiarism (published in the Student Guide, Chapter 3, Section 2). A copy of the student guide can be accessed online on:

http://www.ku.edu.kw/cs/groups/ku/documents/ku_content/kuw055940.pdf

Please carefully note all sources and assistance when you turn in your work. Under no circumstances should you take credit for work that is not yours. You should neither receive nor give any unauthorized assistance on any deliverable. If you have any questions about what constitutes “unauthorized assistance” please email me before the deliverable is submitted.

- **Writing Style:** Students must refer to APA writing style for their assignments and report writing. Refer to the English Language Center for help.

Grading

The scores in this course will be the weighted average of the following items:

Weight	Description
10%	Participation
20%	Assignments
30%	Midterm exam
30%	Term paper
10%	Presentation
100%	TOTAL

Grade Distribution

Grade	Range
A	≥ 95
A-	≥ 90 and < 95
B+	≥ 87 and < 90
B	≥ 83 and < 87
B-	≥ 80 and < 83
C+	≥ 77 and < 80
C	≥ 73 and < 77
C-	≥ 70 and < 73
D+	≥ 65 and < 70
D	≥ 60 and < 65
F	< 60

Tentative Course Outline

Chapter	Topics
Chapters 1-2.	Overview. The firm and costs.
Chapters 3-8.	Competition. Monopolies, monopsonies, and dominant firms. Cartels: Oligopoly joint decision making. Oligopoly. Product differentiation and monopolistic competition. Industry structure and performance.
Chapters 9-12.	Price discrimination. Advanced topics in pricing. Strategic behavior. Vertical integration and vertical restrictions.

Important Dates

Date	Event
TBD	Submit Assignment 1
TBD	Midterm Exam
TBD	Submit Assignment 2
TBD	Submit Term paper
TBD	Presentation

CBA Competency Goals

1. **Analytical Competency:** A CBA graduate will be able to use analytical skills to solve business problems and make a well-supported business decision.

Student Learning Objectives:

- 1.1. Use appropriate analytical techniques to solve a given business problem.
- 1.2. Critically evaluate multiple solutions to a business problem.
- 1.3. Make well-supported business decisions.

2. **Communication Competency:** A CBA graduate will be able to communicate effectively in a wide variety of business settings.

Student Learning Objectives:

- 2.1. Deliver clear, concise, and audience-centered presentations.
- 2.2. Write clear, concise, and audience-centered business documents.

3. **Information Technology Competency:** A CBA graduate will be able to utilize Information Technology for the completion of business tasks.

Student Learning Objectives:

- 3.1. Use data-processing tools to analyze or solve business problems.

4. **Ethical Competency:** A CBA graduate will be able to recognize ethical issues present in business environment, analyze the tradeoffs between different ethical perspectives, and make a well-supported ethical decision.

Student Learning Objectives:

- 4.1. Identify the ethical dimensions of a business decision.
- 4.2. Recognize and analyze the tradeoffs created by application of competing ethical perspectives.
- 4.3. Formulate and defend a well-supported recommendation for the resolution of an ethical issue.

5. **General Business Knowledge:** A CBA graduate will be able to demonstrate a basic understanding of the main business disciplines' concepts and theories.

Student Learning Objectives:

- 5.1. Acquire a fundamental understanding of knowledge from the main business disciplines (e.g. finance, accounting, marketing, and management information systems, among others).