

University of Missouri-Columbia, Department of Economics
Economics 9455: Monopoly and Competition
Room: Tuesday/Thursday, 9:30-10:45am
Locust Street Building E204A

Instructor: Liisa Laine

Email: lainel@missouri.edu

Office: Locust Street Building (615 Locust Street), Office #E223

Office hours: Thursdays 2:15—3:15pm or by appointment (please email me to set the appointment)

Zoom link: TBA (sign into MU account for access). Note that this class meets *in person*. The link is to be used in case we need to switch meeting virtually (in Zoom). Class meets virtually only if notified by the instructor (e.g. due to severe weather or illness).

Objectives: This course will teach you theoretical and empirical applications of topics in industrial organization such as product differentiation, the evaluation of market power and mergers, collusion, and price discrimination. Students will also learn the basics of computational methods and econometric analysis used in industrial organization with a particular focus on static models of empirical industrial organization. The applicability of topics goes beyond the field of Industrial Organization, and includes Health, Labor, and Public economics.

Prerequisite(s): ECONOM 9451 and ECONOM 9452

Course Requirements:

1. Read the assigned chapter/papers before class.
2. Problem Sets (2 of them)
3. Presentation of a published paper of your choice.
4. End of term original research paper and presentation (Due date “Problem set 3”). The paper is to be a first draft of a potentially publishable research paper on the topic of your choosing. The paper should have a literature review, economic theory, and methods section. The data analysis section can be excluded but some initial estimates can be included if they already exist.

Grading:

Problem sets: 25 % each. (2 problem sets)
Presentation of a published paper: 10 %
Attendance and class participation: 10 %
Research Paper (Idea) & Presentation: 30 %

Reading Material:

The class mainly relies on reading journal articles which will be available through the course Canvas page. Please see Canvas for the list of readings

Optional: Belleflamme P. and Peitz M. 2015. “Industrial Organization: Markets and Strategies.” Cambridge University Press 2nd edition.

This book will be a useful reference throughout the course. The relevant Chapters are noted in each topic.

Tentative Course Schedule:

Week, dates	Topic	Due dates	Reading Material
1 Jan 16 Jan 18	Overview		Book chapter 1–2 & Canvas

2	Jan 23 Jan 25	Static Imperfect Competition: Bertrand and Cournot		Book chapter 3 & Canvas
3	Jan 30 Feb 1	Dynamic aspects of Imperfect Competition		Book chapter 4 & Canvas
4	Feb 6 Feb 8	Product Differentiation	Due date to set up a meeting to discuss a research paper topic.	Book chapter 5 & Canvas
5	Feb 13 Feb 15	Quality and Advertising		Book chapter 6 & Canvas
6	Feb 20 Feb 22	Demand Systems	Problem set 1 (Feb 20)	Canvas
7	Feb 27 Feb 29	Demand Systems		Canvas
8	Mar 5 Mar 7	Demand Systems: Differentiated Products		Canvas
9	Mar 12 Mar 14	Demand Systems: Differentiated Products	Problem set 2 (Mar 12)	Canvas
10	Mar 19 Mar 21	Merger Models and Antitrust	Checking in: research paper draft (set up a meetings prior).	Canvas
	March 23– March 31	<i>Spring break</i>		-
11	Apr 2 Apr 4	Merger Models, Antitrust, and Other Applications	Published research paper presentations (Apr 4)	Book chapter 15 & Canvas
12	Apr 9 Apr 11	Merger Models, Antitrust, and Other Applications		Canvas
13	Apr 16 Apr 18	Student presentations	Problem set 3 (research paper draft Apr 16)	
14	Apr 23 Apr 25	Merger Models, Antitrust, and Other Applications		Canvas
15	Apr 30 May 2	Merger Models, Antitrust, and Other Applications Review		Canvas

ADMINISTRATIVE MATTERS

ACADEMIC INTEGRITY

Academic integrity is fundamental to the activities and principles of a university. All members of the academic community must be confident that each person's work has been responsibly and honorably acquired, developed, and presented. Any effort to gain an advantage not given to all students is dishonest

whether or not the effort is successful. The academic community regards breaches of the academic integrity rules as extremely serious matters.

[Standard of Conduct for Academic Integrity](#)

In addition, students are expected to adhere to this honor pledge on all graded work whether or not they are explicitly asked in advance to do so: “I strive to uphold the University values of respect, responsibility, discovery, and excellence. On my honor, I pledge that I have neither given nor received unauthorized assistance on this work.”

STUDENTS WITH DISABILITIES

If you anticipate barriers related to the format or requirements of this course, if you have emergency medical information to share with me, or if you need to make arrangements in case the building must be evacuated, please let me know as soon as possible.

If disability related accommodations are necessary (for example, a note taker, extended time on exams, captioning), please establish an accommodation plan with the [MU Disability Center](#), S5 Memorial Union, 573- 882-4696, and then notify me of your eligibility for reasonable accommodations. For other MU resources for persons with disabilities, click on "Disability Resources" on the MU homepage.

ACCEPTABLE USE

The University of Missouri's Acceptable Use Policy (AUP) for information technology applies to Mizzou websites. The AUP addresses federal and state laws, university regulations, intellectual-property rights, software-licensing requirements and prohibitions against plagiarism and obscenity. This policy applies to all users including faculty, staff, students, and guest users of University of Missouri computer networks, equipment, or connecting resources.

[UM System Acceptable Use Policy](#)

COPYRIGHT

This section helps you understand copyright in course materials, student work and pages published on Mizzou websites.

[UM System Copyright Information](#)

EXECUTIVE ORDER NO. 38

When you record something that happens in a course (a lecture, class discussions, meetings, etc.) it has an impact on the rights of the people captured in that recording. For example, your instructor and the University may have rights to the intellectual property contained in that recording. At the same time, another student who may have been recorded has the right to privacy. In order to protect these rights, MU employs a policy (called “Executive Order No. 38”) to govern both situations you may encounter while taking a course--when your instructor allows recordings and when he or she does not allow them.

[Executive Order No. 38](#)

FERPA

The University of Missouri maintains educational records of students in accordance with the Family Educational Rights and Privacy Act of 1974 (FERPA). Related topics include privacy policies at MU, display of student directory information, and details about how MU manages FERPA-protected information.

[Family Educational Rights and Privacy Act \(FERPA\)](#)

INTELLECTUAL PLURALISM

The University community welcomes intellectual diversity and respects student rights. Students who have questions or concerns regarding the atmosphere in this class (including respect for diverse opinions) may contact the departmental chair or divisional director, the director of the Office of Students Rights and Responsibilities, or the MU Equity Office.

[Statement on Intellectual Pluralism](#)

STATEMENT OF NONDISCRIMINATION

The University of Missouri does not discriminate on the basis of race, color, religion, national origin, sex, sexual orientation, gender identity, age, genetics information, disability, or status as a protected veteran.

[MU Statement of Nondiscrimination](#)

If you experience discrimination or sexual violence, you are encouraged (but not required) to report the incident to the Office of Institutional Equity. Learn more about your rights and options at the [Office of Institutional Equity](#) or by calling 573-882-3880. You also may make an anonymous report online.

If you are a survivor, or someone concerned about a survivor, and need immediate information on what to do, see [RSVP resources page](#). Both the Office of Institutional Equity and the RSVP Center can provide assistance to students who need help with academics, housing, or other issues.

In the event that you choose to write or speak about having experienced any of these forms of prohibited discrimination or harassment, Mizzou policies require that, as your instructor, I share this information with the MU Office of Institutional Equity. They will contact you to offer information about resources, as well as your rights and options as a member of our campus community.

MENTAL HEALTH

The University of Missouri is committed to supporting student well-being through an integrated network of care, with a wide range of services to help students succeed. The MU Counseling Center offers professional mental health care, and can help you find the best approach to treatment based on your needs. Call to make an appointment at 573-882-6601. Any student in crisis may call or go to the MU Counseling Center between 8:00-5:00 M-F. After hours phone support is available at 573-882-6601.

Visit our website at <https://wellbeing.missouri.edu/> to take an online mental health screening, find out about workshops and resources that can help you thrive, or learn how to support a friend. Download

Sanvello, a phone app that teaches skills and strategies to help you maintain good mental health. Log in with your Mizzou e-mail to unlock all the tools available through Sanvello at no additional cost to you.

LAST DATE OF ATTENDANCE AND IMPACT ON FINANCIAL AID

Federal regulations for financial aid require the student financial aid office to document the attendance of students who have received federal financial aid if they do not successfully complete any courses during the term. As a result, the last day of attendance (or activity) for any student receiving an F, U, or FN in this course will be recorded in the grade roster and reported to the financial aid office. **Based on the last day of attendance, students may be required to repay a portion of their financial aid award for the semester.**

A student's last day of attendance (or activity) is the last day on which a student participates in an academically-related activity at the University. These include:

- Attendance in class, lab, or an instructor's office hours
- The completion of an assignment or examination
- An appointment with a professor or e-mail correspondence regarding course material
- (Online courses only) For online courses, the last day a student submits an assignment or exam. Only logging into an online class without participating is *not* acceptable for last day of attendance

Please note that discussing a course withdrawal or notifying the instructor of an absence in class does not constitute participation for financial aid purposes. Moreover, any office hour visits or email correspondence must be related to the course material.

NETIQUETTE

Your instructor and fellow students wish to foster a safe online learning environment. All opinions and experiences, no matter how different or controversial they may be perceived, must be respected in the tolerant spirit of academic discourse. You are encouraged to comment, question, or critique an idea but you are not to attack an individual. Our differences, some of which are outlined in the University's nondiscrimination statement, will add richness to this learning experience. Please consider that sarcasm and humor can be misconstrued in online interactions and generate unintended disruptions. Working as a community of learners, we can build a polite and respectful course ambiance.

RELIGIOUS HOLIDAYS & ACCOMMODATIONS

Many religious faiths are represented in the student body. The University of Missouri does not restrict student free exercise of religion, unless 1) the restriction is in the form of a rule of general applicability, and does not discriminate against religion or among religions; and 2) it can be demonstrated that the application of the restriction is essential to furthering a compelling university interest, and is not unduly restrictive considering the relevant circumstance. The policy of the University attempts to strike a reasonable balance between accommodating the religious practice of students and meeting academic needs and standard.

Consult IDE's [Guide to Religions](#) for the form that can be used to notify an instructor of an absence associated with religious practice. Students are expected to notify their instructor(s) by completing and

submitting this form in a manner that is consistent with the procedure outlined in the university's policy on student religious accommodation. Providing false information regarding sincerely held religious practice is a violation of the university's Standard of Conduct and will not be tolerated.

DECREASING THE RISK OF COVID-19 IN CLASSROOMS AND LABS

If you have tested positive for COVID-19 or have been identified as someone who needs to quarantine, do not attend class in person until the mandated period for isolation or quarantine has passed. Your instructor will work with you on arrangements to access class material while you are in isolation or quarantine. People may choose to mask at any time.

People who have been exposed to someone with COVID-19 should wear a mask. If you have symptoms, you should stay home. If you are at high risk for severe illness, talk to your health care provider about whether you need to wear a mask and take other precautions.

Additionally, if you are experiencing any COVID-related symptoms, or are otherwise feeling unwell, do not attend in-person classes and contact your health care provider and/or student health immediately. Symptoms may appear 2-14 days after exposure to the virus. Anyone can have mild to severe symptoms. Possible symptoms include: Fever or chills, Cough, Shortness of breath or difficulty breathing, Fatigue, Muscle or body aches, Headache, New loss of taste or smell, Sore throat, Congestion or runny nose, Nausea or vomiting, Diarrhea (list does not include all possible symptoms). Symptoms may change with new COVID-19 variants and can vary depending on vaccination status.

Please consult [MU COVID-19 Information](#) for further guidelines.