



PRESENTATION

Short description: IMPORTANT: Having passed a course on Microeconomic Theory at an intermediate levels is a pre-requisite to take Industrial Organization. Do not take this course unless you have a strong background in Microeconomic Theory and Mathematics.

This course provides the student with an understanding of the basic building blocks of modern Industrial Organization analysis. Students will learn the basic oligopoly models upon which more elaborate models rely. A number of price- and non-price strategies will be discussed, and the basic principles of Competition Policy will be introduced.

- **Degree:** Economics and Business, Diploma in International Economics and Finance.
- **Module and Area:** 7.2. Elective courses.
- **ECTS:** 3.
- **Year and semester:** 3rd year, 2nd semester.
- **Course type:** Elective.
- **Professor:** Pedro Mendi (pmendi@unav.es)
- **Language:** English.
- **Room and class schedule:** Tuesdays, 17:30-19:00, Room M4.

COMPETENCIES

- SSOP6. Learn the mathematical, statistical language, and IT tools needed to start research in economics.
- SSOP9. Understand the macroeconomic variables that regulate the economy and how they interact with business management.
- SSOP10. Understand the societal role of economics and finance.

PROGRAM

1. Consumers and firms. Perfect competition.
2. Monopoly and price discrimination.
3. Basic oligopoly models.
4. Product differentiation.
5. Introduction to Competition Policy.

EDUCATIONAL ACTIVITIES

This is a 3 ECTS course, which amounts to 75 hours of work. This is the time distribution of work, by educational activity:

- **Lectures.** 26 hours. There will be two 45-minute sessions per week. Attendance is mandatory.
- **Exams.** 4 hours. Students will take a midterm and a final exam, 2 hours each.
- **Problem sets.** 20 hours. Students will work out problem sets, individually or in groups. There will be four problem sets, which will be distributed during the semester.



Universidad de Navarra

- **Personal study.** 25 hours. This includes solving problem sets, reading required materials in advance, and reviewing materials discussed in class.

STUDENT EVALUATION

MAY

- Problem sets: 40%
- Midterm exam (March 5): 30%.
- Final exam (May 13): 30%.

JUNE

- Problem sets: 40%
- Final exam (June, TBA): 60%.

OFFICE HOURS

Pedro Mendi's email address: pmendi@unav.es

Office # 4050, Amigos Building.

Office hours: Mondays and Tuesdays, from 3:15 pm to 4:45 pm.

REFERENCES

The recommended reference is:

- Cabral, L. 2017. Introduction to Industrial Organization. 2nd edition. MIT Press.
[Find it in the Library](#)

Other references:

- Motta, M. 2004. Competition Policy. Theory and Practice.
- Tirole, Jean. 1988. The Theory of Industrial Organization
- Varian, Hal. Intermediate Microeconomics.
- Shy, O. 1995. Industrial Organization: Theory and Applications.
- Church, J. and R. Ware. 2000. Industrial Organization. A Strategic Approach.