

## Faculty of Economics and Political Science

### Industrial Economics

#### Information :

**Course Code :** ECO 409

**Level :** Undergraduate

**Course Hours :** 3.00- Hours

**Department :** Department of Economics

#### Area Of Study :

This course explains different types of markets and their structure (Perfect competition, oligopoly, monopolistic competition and monopoly). It focuses on price discrimination and its levels in linear and non-linear pricing models. Moreover, the course distinguishes between different oligopolistic theories such as the static games and Cournot model, Game theory model, Stackelberg model, limit pricing and entry deterrence, as well as collusions and cartels. It highlights the role of the Egyptian government in regulating the market, in addition to, the role of the Egyptian Competition Authority.

#### Course Goals:

- Analyze for competition purposes and competing perspectives in industrial economic.
- Analysis of various aspects of strategic interaction between firms and the determinants of industrial structure.
- Discuss the role of policy in the context of competition and industrial policies and regulation.

#### Description :

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#### Course outcomes :

##### **a.Knowledge and Understanding: :**

- |     |                                                                                                           |
|-----|-----------------------------------------------------------------------------------------------------------|
| 1 - | Introduce students to industrial organization and its related rules.                                      |
| 2 - | Comprehend the different market structures.                                                               |
| 3 - | Adopts theoretic approach to explaining interdependencies in monopoly and oligopolistic market structures |
| 4 - | Apply microeconomic theories to analyze different industrial markets.                                     |
| 5 - | Understand how theoretical tools are used to analyze real-world issues.                                   |

##### **b.Intellectual Skills: :**

- |     |                                                                                                              |
|-----|--------------------------------------------------------------------------------------------------------------|
| 1 - | Formulate the basic determinants of market structure and the key issues in competition policy and regulation |
| 2 - | Design different strategies of the firms and create recommendation policies.                                 |

##### **c.Professional and Practical Skills: :**

- |     |                                                                                       |
|-----|---------------------------------------------------------------------------------------|
| 1 - | Explain the pricing behavior by firms with market power and its welfare implications. |
|-----|---------------------------------------------------------------------------------------|

2 -	Use analytical skills required for understanding problems in industrial economics, including applications on theoretical frameworks.
3 -	Practice economic models to solve problems relating to industrial economics.
4 -	Examine the effect of investment on the decision of firms to integrate.
5 -	Apply analytical models on firms' behavior and strategic interaction.

**d.General and Transferable Skills: :**

1 -	Experience with conceptual frameworks effective for problem solving and decision making.
2 -	Acquire analytical reasoning skills, numeric and clear effective communication skills.
3 -	Test the ability of students to work under pressure and as part of a team.

**Course Topic And Contents :**

Topic	No. of hours	Lecture	Tutorial / Practical
Introductory Lecture and Course Outline	3	1	
Industrial Organization (Chapter 2)	3	1	
Neoclassical Theory of the Firm (Chapter 3)	6	2	
Other Theories of the Firm (Chapter 4)	6	2	
Market Structure (Chapter 5)	3	1	
Midterm Exam		1	
Location and Industrial Development (Chapter 8)	3	1	
Pricing Behavior of Firms (Chapter 9)	3	1	
Non-price Strategies (Chapter 10)	3	1	
Performance of Firms(Chapter 12)	3	1	
Multinational Enterprises and Globalization (Chapter 14)	3	1	
Aspects of Industrial Policy (Chapter 15)	3	1	
Final Exam		1	

**Teaching And Learning Methodologies :**

Presentation
Group discussion
Research Paper

**Course Assessment :**

Methods of assessment	Relative weight %	Week No	Assess What
Course Work (Attendance, Participation, Assignments, Quizzes, Research Paperó D	30.00		To assess understanding and to assess theoretical background of the intellectual and practical skills.
Final Exam	40.00	15	To assess knowledge and intellectual skills.
Midterm Exam	30.00	8	To assess professional skills.

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**Recommended books :**

Bernadette Andreosso, and David Jacobson, Industrial Economics and Organization: A European Perspective, (2nd Ed.), McGraw-Hill Higher Education, New York, 2005