San José State University  
Economics Department

**Econ 121 Industrial Organization Fall 2020**

**Course and Contact Information**

Instructor: Dr. Paul Lombardi  
Office Location: DMH 138  
Telephone: (408) 924-5404  
Email: paul.lombardi@sjsu.edu  
Office Hours: Fridays 2:00-3:00pm through Zoom and by appointment  
Class Days/Time: Not Set/Asynchronous Lectures  
Classroom: N/A (Online)  
Prerequisites: Econ 1B

**Class Resources**

Course materials such as syllabus, handouts, notes, assignment instructions, etc. can be found on Canvas Learning Management System course login website at http://sjsu.instructure.com.

**Course Description**

Microeconomic theory applied to pricing of products by seller having different market structures such as competition, imperfect competition, monopoly, public utility regulation or government pricing.

**Course Learning Outcomes (CLO)**

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

1. Differentiate between market structures  
2. Identify examples of strategic behaviors by firms  
3. Evaluate government regulations of markets

**Required Texts/Readings (Recommended but not required)**

**Textbook (Optional)**

Other Readings
I will assign supplementary readings through the course’s Canvas website.

Course Requirements and Assignments
SJSU classes are designed such that in order to be successful, it is expected that students will spend a minimum of forty-five hours for each unit of credit (normally three hours per unit per week), including preparing for class, participating in course activities, completing assignments, and so on. More details about student workload can be found in University Policy S12-3 at http://www.sjsu.edu/senate/docs/S12-3.pdf.

- There are three components to your grade: three exams (30%), quizzes/discussion boards (50%), and a project (20%).
- The exams will be a mix of short answer and multiple-choice questions. The exams will be online and open book open note. The exam will occur in weeks five, ten, and sixteen (i.e., finals week). The exact timing of the exam during the assigned week will be up to the student. The exams will focus on the material covered since the previous exam (i.e., not cumulative) and are worth 10% each.
- Besides exam weeks, each week will have two to three activities for students. Activities include quizzes, discussion boards, and game simulations.
- Students will make a five-minute Zoom presentation or write a short paper (i.e., about two pages). The projects will discuss the student’s choice of the course material. The final project will be due at the end of week 14—11/29/20. However, intermediate steps leading up to the final project will be due during the two weeks leading up to week 14.

Grading Information
Corresponding letter grades will be assigned as follows:

- 97-100% A+
- 93-96% A
- 90-92% A-
- 87-89% B+
- 83-86% B
- 80-82% B-
- 77-79% C+
- 73-76% C
- 70-72% C-
- 67-69% D+
- 63-66% D
- 60-62% D-
- 59-0% F

Assignments submitted one week late will have a grade deduction of 30 percent. No credit is provided for any later submissions.

University Policies
Per University Policy S16-9, university-wide policy information relevant to all courses, such as academic integrity, accommodations, etc. will be available on Office of Graduate and Undergraduate Programs’ Syllabus Information web page at http://www.sjsu.edu/gup/syllabusinfo/

Dropping and Adding
Students are responsible for understanding the policies and procedures about add/drop, grade forgiveness, etc. Refer to the current semester’s Catalog Policies section at http://info.sjsu.edu/static/catalog/policies.html. Add/drop deadlines can be found on the current academic calendar web page at http://www.sjsu.edu/provost/Academic_Calendars/. The Late Drop Policy is available at http://www.sjsu.edu/aars/policies/latedrops/policy/. Students should be aware of the current deadlines and penalties for dropping classes. Information about the latest changes and news is available at the Advising Hub at http://www.sjsu.edu/advising/.
Consent for Recording of Class and Public Sharing of Instructor Material
University Policy S12-7, http://www.sjsu.edu/senate/docs/S12-7.pdf, requires students to obtain instructor’s permission to record the course. “Common courtesy and professional behavior dictate that you notify someone when you are recording him/her. You must obtain the instructor’s permission to make audio or video recordings in this class. Such permission allows the recordings to be used for your private, study purposes only. The recordings are the intellectual property of the instructor; you have not been given any rights to reproduce or distribute the material.” “Course material developed by the instructor is the intellectual property of the instructor and cannot be shared publicly without his/her approval. You may not publicly share or upload instructor generated material for this course such as exam questions, lecture notes, or homework solutions without instructor consent.”

Academic Integrity
Your commitment as a student to learning is evidenced by your enrollment at San Jose State University. The University’s Academic Integrity policy, located at http://www.sjsu.edu/senate/S07-2.htm, requires you to be honest in all your academic course work. Faculty members are required to report all infractions to the office of Student Conduct and Ethical Development. The Student Conduct and Ethical Development website is available at http://www.sa.sjsu.edu/judicial_affairs/index.html. Instances of academic dishonesty will not be tolerated. Cheating on exams or plagiarism (presenting the work of another as your own, or the use of another person’s ideas without giving proper credit) will result in a failing grade and sanctions by the University. For this class, all assignments are to be completed by the individual student unless otherwise specified. If you would like to include your assignment or any material you have submitted, or plan to submit for another class, please note that SJSU’s Academic Policy S07-2 requires approval of instructors.

Campus Policy in Compliance with the American Disabilities Act
If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. Presidential Directive 97-03 at http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf requires that students with disabilities requesting accommodations must register with the Accessible Education Center (AEC) at http://www.sjsu.edu/aec to establish a record of their disability

Industrial Organization, Econ 121, Fall 2020 Course Schedule

The following schedule is subject to change. If changes are needed, I will make announcements in class and through Canvas.

Course Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>Due Date</th>
<th>Material</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>8/30/20</td>
<td>The Costs of Production</td>
</tr>
<tr>
<td>2</td>
<td>9/6/20</td>
<td>Consumers, Producers, and Efficiency of Markets</td>
</tr>
<tr>
<td>3</td>
<td>9/13/20</td>
<td>Firms in Competitive Markets</td>
</tr>
<tr>
<td>4</td>
<td>9/20/20</td>
<td>Monopoly</td>
</tr>
<tr>
<td>5</td>
<td>9/27/20</td>
<td>Exam 1</td>
</tr>
<tr>
<td>6</td>
<td>10/4/20</td>
<td>Game Theory: Normal Form Games</td>
</tr>
<tr>
<td>Week</td>
<td>Due Date</td>
<td>Material</td>
</tr>
<tr>
<td>------</td>
<td>----------</td>
<td>----------------------------------------------</td>
</tr>
<tr>
<td>7</td>
<td>10/11/20</td>
<td>Game Theory: Extensive Form Games</td>
</tr>
<tr>
<td>8</td>
<td>10/18/20</td>
<td>Oligopolies: Cournot and Stackelberg Models</td>
</tr>
<tr>
<td>9</td>
<td>10/25/20</td>
<td>Oligopolies: Bertrand Model</td>
</tr>
<tr>
<td>10</td>
<td>11/1/20</td>
<td>Exam 2</td>
</tr>
<tr>
<td>11</td>
<td>11/8/20</td>
<td>Advertising</td>
</tr>
<tr>
<td>12</td>
<td>11/15/20</td>
<td>Price Discrimination</td>
</tr>
<tr>
<td>13</td>
<td>11/22/20</td>
<td>Research and Development</td>
</tr>
<tr>
<td>14</td>
<td>11/29/20</td>
<td>Mergers and Other Forms of Integration</td>
</tr>
<tr>
<td>15</td>
<td>12/6/20</td>
<td>Student Material</td>
</tr>
<tr>
<td>16</td>
<td>12/13/20</td>
<td>Exam 3</td>
</tr>
</tbody>
</table>

**Subject Schedule**

*We will spend a week or two on each of the following topics. Some subjects may be skipped depending on time constraints. Changes will be announced in class and through Canvas.*

- Micro Foundations: Cost and Production Functions
- Perfectly Competitive Markets
- Monopolies
- Game Theory Primer
- Oligopoly markets:
  - Bertrand
  - Cournot
  - Stackelberg
- Advertising
- Price Discrimination
- Research and Development (Innovation)
- Mergers: Vertical