# COURSE OUTLINE

## 1. GENERAL

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| **SCHOOL** | ECONOMIC SCIENCES | | |
| **DEPARTMENT** | ECONOMICS | | |
| **LEVEL OF STUDY** | *Undergraduate* | | |
| **COURSE UNIT CODE** | **OE119** | **SEMESTER OF STUDY** | 5 |
| **COURSE TITLE** | INDUSTRIAL ORGANISATION | | |

| **COURSEWORK BREAKDOWN** | **TEACHING WEEKLY HOURS** | **ECTS Credits** |
|---|---|---|
| Lectures | 3 | 7.5 |
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| **COURSE UNIT TYPE** | Scientific area |
| **PREREQUISITES :** | |
| **LANGUAGE OF INSTRUCTION/EXAMS:** | Greek, English |
| **COURSE DELIVERED TO ERASMUS STUDENTS** | YES |
| **MODULE WEB PAGE (URL)** | |

## 2. LEARNING OUTCOMES

**Learning Outcomes**

Scope: The study and understanding of strategic behavior of firms in oligopoly status and monopolistic competition.

Aim: Industrial Orgasniation aims to familiarize the students of the Department of Economics with the strategic behavior of firms in oligopoly status and monopolistic competition and micro-economic policy, the principles of regulatory policy and competition policy.

**General Skills**

- Understanding and deepen the strategic interaction of firms in monopolistic competition regime and oligopoly - game theory and their application to strategic business interaction.

## 3. COURSE CONTENTS

Market forms : oligopoly and monopolistic competition : Strategic behavior . Introduction to game theory - the decision analysis in strategic situations . Decision trees and game trees . Games in strategic and extensive form. Major strategies and the prisoner's dilemma . Nash equilibrium. Mixed strategies. Multiplicity and effectively balances. Credible threats and balances perfect in sub-game . Repeated games . Games with incomplete ( asymmetric ) information. Reputation and strategic behavior . Pricing in oligopoly with homogeneous products - Cournot - Nash and Bertrand – Nash models. Solutions to the Bertrand paradox. The von Stackelberg ( leader - following undertakings ) oligopoly with differentiated products model - Hotelling and Chamberlin type models. Monopolistic Competition . Markets and Pricing inputs : Maximizing

profit and demand inputs. Comparative statics. Marginal productivity analysis and identification of units involved. Monopsony . Monopoly power in the supply rates. Labour. Capital and return on capital . Demand for capital by firms . Optimal allocation of resources over time . Market failures : Basic causes of market failure , monopoly power . Externalities and allocative inefficiency, Solutions to the problem of externalities , public goods - characteristics and resource allocation with public goods , incomplete ( asymmetric ) information - moral hazard and adverse selection , Micro - Economic Policy, regulatory principles and competition policy .

## 4. TEACHING METHODS - ASSESSMENT

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| **MODE OF DELIVERY** | In class contact |
| **USE OF INFORMATION AND COMMUNICATION TECHNOLOGY** | Dynamic powerpoint transparencies<br>e-class support<br>Communication via e-mail and course discussion group |
| **TEACHING METHODS** | ***Method description*** / ***Semester Workload***<br>lectures / 39<br>***Study*** / 148.5<br>***Course total (25 hours of work load per credit)*** / ***187.5*** |
| **ASSESSMENT METHODS** | Optional mid-term evaluation accounting 30% of the total mark<br><br>Final examination:<br>- multiple choice questions |

## 5. RESOURCES

*-- Recommended Book Resources:*
*- Recommended Article/Paper Resources:*

Πολυχρονόπουλος, Γ., Τσούνης, Ν. (2019), *Μικροοικονομική Ανάλυση*, Αθήνα:Εκδόσεις Μπένος

Varian, H., (2011), *Intermediate Micro-Economics*, London:Norton.