

**BA 4826-INDUSTRIAL ORGANIZATIONS**

**Course Schedule (Tuesday, 10.40-12.15 and Thursday, 10.40-12.15 / G208)**

<b>Instructor:</b>	Dr. Yelda E. Topal
<b>Office:</b>	FEAS Building B, H 103
<b>Phone:</b>	210 20 14
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<b>Office Hours:</b>	By appointment
<b>Course Web Page:</b>	<a href="#">Link to ODTUClass Course Page</a>
<b>Course Description:</b>	
<p>The course analyzes the structure, conduct and performance in (imperfectly) competitive markets. It considers strategic interaction between firms, and provides understanding of competition within and for the market place. Topics include firm theory, imperfect information, oligopoly behavior, innovation and R&amp;D, productivity, regulatory mechanism, price discrimination, coordination, lock-in and network effects. Students will understand market dynamics, evaluate competitive strategies, analyze industry performance, and apply regulatory frameworks to business decisions. Finally, students will elaborate industrial organization examples from different sectors on various topics such as market structures, firm strategy and completion, regulation and policy, and contemporary issues such as health care and energy&amp; environment.</p>	
<b>Course Student Learning Objectives: (CSLOs)</b>	
<p><b><i>Upon successful completion of this course, students should be able to:</i></b></p>	
<p><b><i>Course Specific Skills:</i></b></p> <ol style="list-style-type: none"><li>1. analyze the structure, conduct and performance in (imperfectly) competitive markets</li><li>2. examine strategic interaction between firms</li><li>3. develop understanding of competition within and for the market place</li><li>4. understand market dynamics, evaluate competitive strategies, analyze industry performance</li><li>5. apply regulatory frameworks to business decisions and elaborate industrial organization</li></ol>	
<p><b><i>Discipline Specific Skills:</i></b></p> <ol style="list-style-type: none"><li>6. elaborate, analyze and synthesize the theories and concepts commonly used in implications of organizational theory in industries</li><li>7. demonstrate broad knowledge of literature and concepts on industrial organizations</li><li>8. examine and explain selected industrial organization structures</li></ol>	
<p><b><i>Personal and Key Skills:</i></b></p> <ol style="list-style-type: none"><li>9. develop and improve of analytical and critical thinking in specific topics</li><li>10. derive reflection skills and improve critical writing</li><li>11. manage time and develop responsibility diversion skills</li></ol>	
<b>Learning and Teaching Methods:</b>	
<p>This course is going to make use of formal lectures, in-class discussions, reading assignments, weekly reflection papers and a final paper.</p>	
<b>Required Reading:</b>	
<p>Handbook of Industrial Organization 2021 —Volume 5, Issue 1 - Pages 1-742 (2021) and Volume 4, Issue 1 - Pages 1-742 (2021) 2007 —Volume 3 Pages 1557-2440, I-1-I-34 (2007) 1989 - Volume 2 _ Pages 951-1555 (1989) and Volume 1 Pages 3-947I (1989) <a href="https://www.sciencedirect.com/handbook/handbook-of-industrial-organization/volumes">https://www.sciencedirect.com/handbook/handbook-of-industrial-organization/volumes</a></p>	

<b>Assessment and Grading:</b>				
<b>Form of Assessment</b>	<b>% Contribution</b>	<b>Size of the assessment</b>	<b>CSLOs covered by the assessment</b>	<b>Feedback Method</b>
Midterm Exam	30	120-minute essay-type and multiple Choice Questions examinations	1-11	Written and oral (in class)
Final Paper	30	Self-study hours (9+ hours) and Written Text (<6000 Words)	1-11	Written
Written Assignments (5 Reflection Papers)	20	Self-study hours (3+ hours) and Written Text (<1500 Words)	1-11	Written
In-class Discussion	10	Discussion participation during regular lectures	1-11	Oral
Attendance	10	Class participation during regular lectures	1-11	-
Bonus	10	Extra bonus questions in the exam	1-11	Written

No "extra" work above the aforementioned will be accepted or credited.

**Makeup Examinations:** There will be no make-ups for assignments and other assessments than midterm and final exams. No make-up exams will be given except in cases of documented illnesses or emergencies (For any emergencies, you must contact me before the exam, inform about the situation and have the consent for make-up via email). If you have a time exam conflict, please contact me ahead of time.

**Course Web Page:** Note that all information regarding the course will be placed on this course web page. The announcements will be delivered to your student e-mail addresses. It is your responsibility to check this web page at regular intervals and be up-to-date with all relevant information.

**Incompletes:** A grade of incomplete will not be granted except for the most extreme circumstances and only after stringent verification and approval by the Department. A grade of incomplete will be granted only as a result of circumstances beyond the student's control. A grade of "I" is not given in lieu of an "FF".

**Grading:** The grade equivalences will be used as follows: AA: 100-89.5; BA: 89.4-84.5; BB:84.4-79.5; CB: 79.4-74.5; CC: 74.4-69.5; DC: 69.4-64.5; DD: 64.4-59.5; FD: 59.4-49.5; FF: 49.4-00; NA: - . If the overall average of the course will be less than 70, the cut-offs will be adapted to the CC interval.

<b>Course Policies:</b>
<p><b>COURSE REQUIREMENTS:</b> Attendance is mandatory in this class.</p> <p><b>READING ASSIGNMENTS:</b> The following pages give the schedule for the reading assignments. The lectures will stress the most important and/or most difficult material.</p> <p><b>REFLECTION PAPERS (HOMEWORK ASSIGNMENTS):</b> You are expected to prepare 5 "Reflection Papers" out of 14 Weeks' Readings and submit via ODTUClass. Reflection Paper (Homework assignments) and due dates are posted in ODTUClass. The topics of Reflection Papers and the guide to prepare this paper are put on ODTUClass. Please remember that it is the student's responsibility to follow the due dates for the assignments.</p>

**PRESENTATION SLIDES:** A copy of the presentation slides is available at the course web page in the following week of the course. These slides can be used as chapter summaries and utilized while taking down notes during class.

**FINAL PAPER:** A final paper (less than 6000 words) is expected in the topics given by the final paper guide.

**PRESENTATION SLIDES:** A copy of the presentation slides is available at the course web page in the following week of the course. These slides can be used as chapter summaries and utilized while taking down notes during class.

**STUDENT DISABILITIES:** Any student, who, because of a disabling condition, may require special arrangements in order to meet course requirements, should contact the instructor as soon as possible. Students should present the appropriate documentation from the university's Disability Support Office (Engelsiz ODTÜ Birimi, Merkez Mühendislik Binası 1. Kat Oda No: 115, Tel: 210.7196; [engelsiz@metu.edu.tr](mailto:engelsiz@metu.edu.tr)) verifying their disability, and outlining the special arrangements required. Please note that no accommodations will be provided to the disabled students prior to the completion of this approved University process.

**ACADEMIC DISHONESTY:** The Department of Business Administration has no tolerance for acts of academic dishonesty. Such acts damage the reputation of METU, the department and the BA/MBA/MS degree and demean the honest efforts of the majority of the students. The minimum penalty for an act of academic dishonesty will be a zero for that assignment or exam. Any form of dishonest behavior for any part of the course, which includes but not limited to; cheating during exams, plagiarizing and inappropriate collaboration in assignments, will ensure a failing grade for the course and will result in further disciplinary action in line with university regulations depending on the severity of the violation.

**CHEATING:** All university, faculty/institute, and department principles on academic honesty will be strictly enforced. The usual consequence for academic dishonesty is failure of the course and referral of the case to the Dean of the Faculty/Institute for additional disciplinary action. Examinations are individual and are to be completed without outside assistance of any sort. Persons observed cheating during examinations will receive a failing grade in the course. Homework assignments are individual, unless otherwise specified by the instructor, and are to be completed without outside assistance of any sort, as well. Persons observed cheating in their homework assignments will receive a score of zero for the portion of the semester grade that is allocated to such assignments.

**PLAGIARISM:** The instructor assumes that students will do their own work. By placing their names on assignments (individual or team), students are affirming that the contents are their original work. Any previous work available from files or past students, as well as materials available on the internet may be used only as a suggestive model. Violation of this provision will be considered as unethical behavior, subject to disciplinary action. If you have any doubt about the use of a specific material, see the instructor ahead of time. Any material used from outside sources should be referenced appropriately.

Please read the following documents carefully:

- Academic Rules and Regulations ([in English](#)) ([in Turkish](#))
- Academic Integrity Guide for Students ([in English](#)) and ([in Turkish](#))
- Guide for Rules to Be Followed In an Examination Environment ([in English](#)) and ([in Turkish](#))
- [Academic Calendar](#)

### **METU HONOR CODE**

Every member of METU community adopts the following honor code as one of the core principles of academic life and strives to develop an academic environment where continuous adherence to this code is promoted.

The members of the METU community are reliable, responsible and honorable people who embrace only the success and recognition they deserve, and act with integrity in their use, evaluation and presentation of facts, data and documents."

The instructor assumes that students who attend the next class have understood and accepted to agree with all the requirements and rules of this course.

The following table gives the tentative schedule. The students are required to read the chapters and appendices before they are covered in class.

<b>Tentative Course Schedule</b>				
<b>Month</b>	<b>Day</b>	<b>Topic</b>	<b>Reading/ Assignment</b>	<b>CSLO</b>
September	30	Introduction & Firm and Industry Structure	V1 Chapter 1. Technological determinants of firm and industry structure	1-11
	2	Firm Theory	V1 Chapter 2. The theory of the firm	1-11
October	7	Imperfect information	V1 Chapter 13. Imperfect information in the product market	1-11
	9	Oligopoly Behavior	V1 Chapter 6. Theories of oligopoly behavior	1-11
	14	Research, Development and Diffusion	V1 Chapter 14. The timing of innovation: Research, development, and diffusion	1-11
	16			
	21			
	23	Innovation	V5 Chapter 13. Innovation: market failures and public policies	1-11
	28	Regulatory Mechanism Design	V2 Chapter 24. Design of regulatory mechanisms and institutions	1-11
	30			
November	4	Productivity	V4 Chapter 3. An industrial organization perspective on productivity	1-11
	6			
	11	Price Discrimination	V3 Chapter 34. Price Discrimination and Competition	1-11
	13			
	18	Coordination and Lock-in	V3 Chapter 31. Coordination and Lock-In: Competition with Switching Costs and Network Effects	1-11
	20			
	25	Network Effects	V4 Chapter 7. Two-sided markets, pricing, and network effects	1-11
	27			
December	2	Information Markets	V5 Chapter 8. Information markets and non-markets	1-11
	4			
	9	Financial Markets	V5 Chapter 15. The industrial organization of financial markets	1-11
	11			
	16	Health Care Markets	V5 Chapter 16. The industrial organization of health care markets	1-11
	18			
	23	Energy and Environment	V5 Chapter 17. Energy and environmental markets, industrial organization, and regulation	1-11
	25			
	30	Review		