



ECON3009

Firm Behaviour and Strategy

Session 1, In person-scheduled-weekday, North Ryde 2024

Department of Economics

Contents

<u>General Information</u>	2
<u>Learning Outcomes</u>	2
<u>General Assessment Information</u>	3
<u>Assessment Tasks</u>	3
<u>Delivery and Resources</u>	4
<u>Unit Schedule</u>	5
<u>Policies and Procedures</u>	5
<u>Changes since First Published</u>	7

Disclaimer

Macquarie University has taken all reasonable measures to ensure the information in this publication is accurate and up-to-date. However, the information may change or become out-dated as a result of change in University policies, procedures or rules. The University reserves the right to make changes to any information in this publication without notice. Users of this publication are advised to check the website version of this publication [or the relevant faculty or department] before acting on any information in this publication.

General Information

Unit convenor and teaching staff

Unit convenor and lecturer

Rohan Best

rohan.best@mq.edu.au

Credit points

10

Prerequisites

ECON2003 or ECON203

Corequisites

Co-badged status

Unit description

This unit applies the tools of microeconomic theory to the study of firm behaviour in imperfectly competitive markets where strategic interactions affect the industry outcomes. It addresses key questions such as: how firms make important decisions regarding what to produce, how much to produce, and how to price output depending on the level of competition they face; how do they decide optimal levels of advertising or R&D; and how do firms behave in markets where network issues are important? Students learn how to see markets, firms and government as three different institutional structures that serve to accomplish economic objectives. Topics covered may include oligopoly market structures, anti-competitive actions such as predatory behaviour and collusion, and non-price models of competition related to advertising, R&D and network economics.

Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

Learning Outcomes

On successful completion of this unit, you will be able to:

ULO1: Effectively communicate theories and knowledge of industrial organisation and strategic interactions in technical and non-technical language.

ULO2: Analyse the relevance of industrial organisation and business strategies to everyday economic life.

ULO3: Evaluate real-world applications of economic theory relevant to efficiency and

equity considerations, from a broad ethical perspective.

General Assessment Information

Late submissions of assessments

Late Assessment Submission Penalty (written assessments)

Unless a Special Consideration request has been submitted and approved, a 5% penalty (of the total possible mark) will be applied each day a written assessment is not submitted, up until the 7th day (including weekends). After the 7th day, a grade of '0' will be awarded even if the assessment is submitted. Submission time for all written assessments is set at 11.55pm. A 1-hour grace period is provided to students who experience a technical concern. For any late submissions of time-sensitive tasks, such as scheduled tests/exams, performance assessments/presentations, and/or scheduled practical assessments/labs, students need to submit an application for [Special Consideration](#).

Assessment Tasks

Name	Weighting	Hurdle	Due
Class test	25%	No	Week 6 and Week 10
Research assignment	25%	No	Week 9 and Week 13
Final examination	50%	No	University Examination Period

Class test

Assessment Type ¹: Quiz/Test

Indicative Time on Task ²: 10 hours

Due: **Week 6 and Week 10**

Weighting: **25%**

The class test(s) will include multiple choice questions and will be held during lecture time.

On successful completion you will be able to:

- Effectively communicate theories and knowledge of industrial organisation and strategic interactions in technical and non-technical language.
- Analyse the relevance of industrial organisation and business strategies to everyday economic life.

Research assignment

Assessment Type ¹: Report

Indicative Time on Task ²: 20 hours

Due: **Week 9 and Week 13**

Weighting: **25%**

Detailed information about the Research Assignment will be provided on iLearn and during lectures.

On successful completion you will be able to:

- Analyse the relevance of industrial organisation and business strategies to everyday economic life.
- Evaluate real-world applications of economic theory relevant to efficiency and equity considerations, from a broad ethical perspective.

Final examination

Assessment Type ¹: Examination

Indicative Time on Task ²: 35 hours

Due: **University Examination Period**

Weighting: **50%**

A two-hour examination, consisting of multiple choice and short answer questions, will be held during the University Examination Period.

On successful completion you will be able to:

- Effectively communicate theories and knowledge of industrial organisation and strategic interactions in technical and non-technical language.
- Evaluate real-world applications of economic theory relevant to efficiency and equity considerations, from a broad ethical perspective.

¹ If you need help with your assignment, please contact:

- the academic teaching staff in your unit for guidance in understanding or completing this type of assessment
- the [Writing Centre](#) for academic skills support.

² Indicative time-on-task is an estimate of the time required for completion of the assessment task and is subject to individual variation

Delivery and Resources

Refer to iLearn for details of delivery

Unit Schedule

Topic #	Topic(s)	Textbook chapters (Pepall, Richards, Norman - see iLearn)
1	Introduction; Microeconomics review	1,2
2	Market structure and power; Technology and cost	3,4
3	Price discrimination	5,6
4	Auctions: Basic Theory and Applications	23
5	Product variety and quality	7
6	Bundling and tie-in sales	8
7	Cournot competition; Price competition	9,10
8	Price competition (cont.); Dynamic games	10,11
9	Entry deterrence and predation; Predatory conduct	12,13
10	Price fixing, repeated games and antitrust	14
11	Advertising, market power and information; Research and development	19,20
12	Research and development (cont.); Patents and patent policy	20,21
13	Network Issues	22

Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central \(https://policies.s.mq.edu.au\)](https://policies.s.mq.edu.au). Students should be aware of the following policies in particular with regard to Learning and Teaching:

- [Academic Appeals Policy](#)
- [Academic Integrity Policy](#)
- [Academic Progression Policy](#)
- [Assessment Policy](#)
- [Fitness to Practice Procedure](#)
- [Assessment Procedure](#)
- [Complaints Resolution Procedure for Students and Members of the Public](#)
- [Special Consideration Policy](#)

Students seeking more policy resources can visit [Student Policies \(https://students.mq.edu.au/su\)](https://students.mq.edu.au/su)

[pport/study/policies](#)). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

To find other policies relating to Teaching and Learning, visit [Policy Central](#) (<https://policies.mq.edu.au>) and use the [search tool](#).

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: <https://students.mq.edu.au/admin/other-resources/student-conduct>

Results

Results published on platform other than [eStudent](#), (eg. iLearn, Coursera etc.) or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in [eStudent](#). For more information visit ask.mq.edu.au or if you are a Global MBA student contact globalmba.support@mq.edu.au

Academic Integrity

At Macquarie, we believe [academic integrity](#) – honesty, respect, trust, responsibility, fairness and courage – is at the core of learning, teaching and research. We recognise that meeting the expectations required to complete your assessments can be challenging. So, we offer you a range of resources and services to help you reach your potential, including free [online writing and maths support](#), [academic skills development](#) and [wellbeing consultations](#).

Student Support

Macquarie University provides a range of support services for students. For details, visit <http://students.mq.edu.au/support/>

The Writing Centre

[The Writing Centre](#) provides resources to develop your English language proficiency, academic writing, and communication skills.

- [Workshops](#)
- [Chat with a WriteWISE peer writing leader](#)
- [Access StudyWISE](#)
- [Upload an assignment to Studiosity](#)
- [Complete the Academic Integrity Module](#)

The Library provides online and face to face support to help you find and use relevant information resources.

- [Subject and Research Guides](#)
- [Ask a Librarian](#)

Student Services and Support

Macquarie University offers a range of [Student Support Services](#) including:

- [IT Support](#)
- [Accessibility and disability support](#) with study
- Mental health [support](#)
- [Safety support](#) to respond to bullying, harassment, sexual harassment and sexual assault
- [Social support including information about finances, tenancy and legal issues](#)
- [Student Advocacy](#) provides independent advice on MQ policies, procedures, and processes

Student Enquiries

Got a question? Ask us via [AskMQ](#), or contact [Service Connect](#).

IT Help

For help with University computer systems and technology, visit http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/.

When using the University's IT, you must adhere to the [Acceptable Use of IT Resources Policy](#). The policy applies to all who connect to the MQ network including students.

Changes since First Published

Date	Description
06/02/2024	.

Unit information based on version 2024.04 of the [Handbook](#)