Session 2 Learning and Teaching Update

The decision has been made to conduct study online for the remainder of Session 2 for all units WITHOUT mandatory on-campus learning activities. Exams for Session 2 will also be online where possible to do so.

This is due to the extension of the lockdown orders and to provide certainty around arrangements for the remainder of Session 2. We hope to return to campus beyond Session 2 as soon as it is safe and appropriate to do so.

Some classes/teaching activities cannot be moved online and must be taught on campus. You should already know if you are in one of these classes/teaching activities and your unit convenor will provide you with more information via iLearn. If you want to confirm, see the list of units with mandatory on-campus classes/teaching activities.

Visit the MQ COVID-19 information page for more detail.
General Information

Unit convenor and teaching staff
Unit Convenor
Jordi McKenzie
jordi.mckenzie@mq.edu.au
Contact via Email
4ER Room 408
By appointment (Zoom or campus)

Credit points
10

Prerequisites
20cp at 2000 level including ECON203 or ECON2003

Corequisites

Co-badged status

Unit description
This unit applies the tools of microeconomic theory to the study of firm behaviour in imperfectly competitive markets. The unit begins with a review of neoclassical theory of the firm. This is followed by a review of monopoly behaviour, with extension to models of horizontal and vertical product differentiation. Oligopoly models (including Cournot, Stackelberg and Bertrand) are reviewed and developed beyond those learned in foundation units. Models of anti-competitive behaviour are then introduced as they relate to predatory behaviour and collusion. Finally, non-price models of competition related to advertising, R&D, and patent races are examined. Beyond the theoretical topics studied in the unit, students will have the opportunity to apply their knowledge to a current industry study of the Australian Competition and Consumer Commission.

Important Academic Dates
Information about important academic dates including deadlines for withdrawing from units are available at https://students.mq.edu.au/important-dates

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

ULO1: Effectively communicate theories and knowledge of industrial organisation in technical and non-technical language.
ULO2: Analyse the relevance of industrial organisation to economic life.

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

General Assessment Information

Class Test

Students who do not sit the class test will be awarded a mark of zero, except for cases in which an application for 'Special Consideration' has been made and approved. If an application for Special Consideration is approved, Policy allows for the provision of one supplementary assessment task. The format, time and date of this task will be determined by the Unit Convenor. Students should note that applications for 'Special Consideration' are reviewed by a School committee and suspected non-genuine cases will not be granted.

Research Assignment

No extensions will be granted. There will be a deduction of 10% of the total available marks for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission incurs a 20% penalty). Late submissions will be accepted up to 96 hours after the due date and time. This penalty does not apply for cases in which an application for Special Consideration is made and approved. When an application for special consideration has been approved, Policy allows for an extension of the submission deadline. Students should note that applications for 'Special Consideration' are reviewed by a School committee and suspected non-genuine cases will not be granted.

Final Exam

If an application for Special Consideration is approved, Policy allows for the provision of one supplementary assessment task. The format, time and date of this task will be determined by the Unit Convenor. Students should note that applications for 'Special Consideration' are reviewed by a School committee and suspected non-genuine cases will not be granted.

Assessment Tasks

<table>
<thead>
<tr>
<th>Name</th>
<th>Weighting</th>
<th>Hurdle</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class test online</td>
<td>20%</td>
<td>No</td>
<td>Week 7</td>
</tr>
<tr>
<td>Research assignment</td>
<td>20%</td>
<td>No</td>
<td>Week 12</td>
</tr>
<tr>
<td>Final examination online</td>
<td>60%</td>
<td>No</td>
<td>Exam period</td>
</tr>
</tbody>
</table>

Class test online

Assessment Type: Quiz/Test
Indicative Time on Task: 10 hours
Due: Week 7
The 60 minute open book test will include 20 multiple choice questions, covering material from weeks 1-6 (inclusive)

On successful completion you will be able to:
- Effectively communicate theories and knowledge of industrial organisation in technical and non-technical language.
- Analyse the relevance of industrial organisation to economic life.

Research assignment
Assessment Type 1: Report
Indicative Time on Task 2: 20 hours
Due: Week 12
Weighting: 20%

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 to economic life.
- Evaluate real-world applications of economic theory relevant to efficiency and equity considerations.

Final examination online
Assessment Type 1: Examination
Indicative Time on Task 2: 35 hours
Due: Exam period
Weighting: 60%

A two hour open book 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 in technical and non-technical language.

Evaluate real-world applications of economic theory relevant to efficiency and equity considerations.

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 Learning Skills Unit 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

Weekly recorded online lectures and workshops

This unit will be primarily taught using online ECHO recordings. Each week there will be a main lecture recording (approx. 1.5 hours), as well as accompanying short video recordings (approx. 0.5 hours). Reference ‘tags’ to the short videos are included in the pdf lecture notes. There will also be a weekly workshop related to each topic with an accompanying video recording (approx. 0.5 hours). It is strongly recommended that students watch all of these recordings.

Live online revision lectures

There will be two live online revision lectures (approx. 2 hours) held in weeks 6 and week 13. These are intended to provide a revision opportunity for the Class Test and Final Exam, respectively. The revision lectures will be an interactive experience, including live quizzes and discussion of example questions relevant to the respective topics covered.

Prescribed textbook


The printed textbook and E-Text can be purchased from Wiley: https://www.wiley.com/en-au/Industrial%20Organization%3A%20Contemporary%20Theory%20and%20Empirical%20Applications%2C%205th%20Edition-p-9781118555085. The printed textbook can also be purchased via various online retailers (Zookal, Booktopia, Amazon etc.) You must have access to this resource prior to the start of the semester (and in my experience students without access to this content are far less likely to pass).

Other textbooks which may also be useful include:

- Church, J. and R. Ware, 2000, Industrial Organization: A strategic approach, McGraw-
Hill, Boston (This text is available online free of charge at: http://homepages.ucalgary.ca/~jrchurch/page4/page4.html).


For a more advanced treatment of the material covered in this course you may want to consider the following textbooks:


Unit Schedule

<table>
<thead>
<tr>
<th>Topic</th>
<th>Textbook chapters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction to IO; Microeconomics review</td>
<td>1, 2</td>
</tr>
<tr>
<td>Market structure and power; Technology and cost</td>
<td>3, 4</td>
</tr>
<tr>
<td>Price discrimination</td>
<td>5, 6</td>
</tr>
<tr>
<td>Product variety and quality</td>
<td>7</td>
</tr>
<tr>
<td>Bundling and tie-in sales</td>
<td>8</td>
</tr>
<tr>
<td>Cournot competition; Price competition</td>
<td>9, 10</td>
</tr>
<tr>
<td>Price competition (cont.); Dynamic games</td>
<td>10, 11</td>
</tr>
<tr>
<td>Entry deterrence and predation; Predatory conduct</td>
<td>12, 13</td>
</tr>
<tr>
<td>Price fixing, repeated games and antitrust</td>
<td>14</td>
</tr>
<tr>
<td>Advertising, market power and information; Research and development</td>
<td>19, 20</td>
</tr>
<tr>
<td>Research and development (cont.); Patents and patent policy</td>
<td>20, 21</td>
</tr>
</tbody>
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Policies and Procedures

Macquarie University policies and procedures are accessible from Policy Central (https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central). Students should be aware of the following policies in particular with regard to Learning and Teaching:

• Academic Appeals Policy
• Academic Integrity Policy
Students seeking more policy resources can visit the Student Policy Gateway (https://students.mq.edu.au/support/study/student-policy-gateway). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

If you would like to see all the policies relevant to Learning and Teaching visit Policy Central (http://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central).

**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

**Student Support**

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

**Learning Skills**

Learning Skills (mq.edu.au/learningskills) provides academic writing resources and study strategies to help you improve your marks and take control of your study.

- Getting help with your assignment
- Workshops
- StudyWise
- 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 Enquiry Service
For all student enquiries, visit Student Connect at ask.mq.edu.au
If you are a Global MBA student contact globalmba.support@mq.edu.au

Equity Support
Students with a disability are encouraged to contact the Disability Service who can provide appropriate help with any issues that arise during their studies.

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.