

Tu 3:30pm-5:30 p.m
Th 5:30pm-7:30pm
Classroom: S106

Instructor: Ana Espinola, 3D05, ana.f.espinola@uv.es
Office hours: Tuesdays 9:30am-12:30pm, or by appointment.
Class webpage: [Industrial Organization – UV Fall 2026 – Ana Espinola-Arredondo](#)

Content and Purpose:

Industrial organization is the study of industry and firm behavior. Using the basic tools of microeconomic theory and game theory, this course explores the relationships among firms in an industry or across industries by examining the nature of strategic interaction among firms. We will study theoretical models and empirical evidence for a wide variety of market phenomena such as price wars, patent races, price-fixing conspiracies, mergers, and advertising campaigns. We focus attention on the structure and performance of markets that are imperfectly competitive. For this purpose we employ game theoretic models to discuss recent articles covering the following issues: 1) entry deterrence strategies and barriers to entry; 2) price and non-price competition; 3) vertical control; 4) market segmentation and price discrimination; 5) market equilibria with incomplete information.

Texts and Assigned Readings:

- Industrial Organization. Theory and Applications. Oz Shy (1995). The MIT Press.
- Other readings will be assigned in class. They are located (as pdf files) in the ‘Assigned Readings’ section of the class webpage.

Assignments and Evaluation:

One midterm and a final exam will count 30% and 30% respectively in determining the course grade. Both exams will contain a combination of multiple choice and essay type questions. The final will cover the whole course, but material not covered on the midterm will receive a heavier weight. The average of the best four of five quiz scores will count 20%. Four homework assignments will be assigned during the semester. All assignments must be handwritten. Late assignments will be marked down 10% for each week-day late down to 50%; no assignments will be accepted after the last week of classes. Midterm and final makeup’s are possible only if reasons beyond the student's control can be verified. Please note that all items in this syllabus are subject to change at the discretion of the professor.

Assignments	Number	Percentage
Midterm	1	30%
Final	1	30%
Quiz	5	20%
Homework	4	20%
Total		100%

Grading Scale:

Excellent	9 - 10
Outstanding	7 – 8.9
Passed	5 - 6.9
Failed	0 - 4.9

Tentative Class Calendar and Topics:

Date	Topic	Homework Assignment	Quiz
September 15 th	Introduction		
September 17 th	Basic Concepts in Noncooperative Game Theory		
September 22 nd	Technology, Production Cost and Demand	Homework 1 (due 10/01)	
September 24 th	Perfect Competition		
September 29 th	The Monopoly		
October 1 st	Continue		
October 6 th	Market for Homogeneous Products		#1
October 8 th	Continue	Homework 2 (due 10/27)	
October 13 th	Market for Differentiated Products		
October 15 th	Continue		
October 20 th	Review Session		#2
October 27 th	Midterm #1		
October 29 th	Concentration, Mergers, and Entry Barriers		
October 29 th	Continue	Homework 3 (due 11/17)	
November 3 rd	Research and Development		
November 5 th	The Economics of Compatibility and Standards		#3
November 10 th	Advertising		
November 12 th	continue		
November 17 th	Continue		
November 19 th	Quality Durability and Warranties	Homework 4 (due 12/08)	#4
November 24 th	continue		
November 26 th	Continue		
December 1 st	Continue		
December 3 rd	Pricing Tactics		
December 8 th	continue		
December 10 th	Market Tactics		#5
December 15 th	The Role of information		
December 17 th	continue		
Thursday January 28th, 2027 – 8am	Final Exam		