

Tárgytematika / Course Description

Price and Market Theory

NGM_AK108_1

Tárgyfelelős neve /
Teacher's name: dr. Kovács Norbert

Félév / Semester: 2017/18/1

Beszámolási forma /
Assesment: Vizsga

Tárgy heti óraszám /
Teaching hours(week): 4/0/0

Tárgy féléves óraszám /
Teaching hours(sem.): 0/0/0

OKTATÁS CÉLJA / AIM OF THE COURSE

Az ár - és piacelmélet a modern közgazdaságtan egyik, talán legdinamikusabban fejlődő területe. A tárgy célja azon analitikus gondolkodásmód és elemzési eszköztár alapjainak lerakása, mely a valóságos üzleti élet jelenségeit kívánja kezelni, összekötő kapcsolatot képezve az elméleti mikroökonómia és az üzleti tudományok között.

TANTÁRGY TARTALMA / DESCRIPTION

| Week | Topic |
|------|---|
| 1 | Introduction and Theoretical Background I. – Aim and methodology of Price Theory. Competition Policy: History, Objectives, and the Law; |
| 2 | Introduction and Theoretical Background II.– Pure market structures: monopoly, monopsony, perfect competition, perfect duopoly, measuring market structure and market power, concentration and profitability |
| 3 | Non-perfect Models: <ul style="list-style-type: none"> - cost functions of multiproduct companies, - dominant firm-competitive fringe model; - introduction to price discrimination; |
| 4. | Price Discrimination and Monopoly: <ul style="list-style-type: none"> - linear pricing: third degree price discrimination or group pricing; - non-linear pricing: first and second degree price discrimination - social welfare and price discrimination |

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| 5. | Commodity Bundling and Tie-in Sales - Stiegler model - Adams and Yellen model |
| 6. | Product Variety and Quality Under Monopoly - a spatial approach to horizontal product differentiation |
| 7. | Bertrand in a Spatial Setting Stackelberg in a Spatial Setting – sequential price competition |
| 8. | Anticompetitive Strategies I. – Capacity expansion as a credible entry-detering commitment /Dixit-model/ |
| 9. | Anticompetitive Strategies II. –Predation and imperfect information /Bolton-Scharfstein modell, Milgrom-Roberts modell/ |
| 10. | Anticompetitive Strategies III. – Predation and long-term exclusive contracts /Aghion-Bolton, Rasmussen-Rasmayer-Wiley/ |
| 11. | Price fixing and repeated games: - finitely repeated games - infinitely or indefinitely repeated games |
| 12 | Advertising and Competition I. – The monopoly firm’s profit-maximizing level of advertising |
| 13 | Advertising and Competition II. – Advertising and information in product–differentiated markets |
| 14 | Advertising and Competition III. – Advertising, brand name, competition |

SZÁMONKÉRÉSI ÉS ÉRTÉKELÉSI RENDSZERE / ASSESSMENT'S METHOD

Szóbeli vizsga.

KÖTELEZŐ IRODALOM / OBLIGATORY MATERIAL

Bibliography:

Lynne Pepall – Daniel J. Richards – George Norman [2008]: Industrial Organization. Contemporary Theory and Empirical Applications, Blackwell Publishing, 4th Edition

Drew Fudenberg – Jean Tirole [1991]: Game Theory, The MIT Press, Cambridge

Giorgio Monti [2007]: EC Competition Law, Cambridge University Press, Cambridge

Hal R. Varian [1997]: How to Build an Economic Model in Your Spare Time, UC Berkeley

Jan Boone [2004]: A New Way to Measure Competition, Tilburg University, ENCORE

Jean Tirole [1988]: The Theory of Industrial Organization, The MIT Press, Cambridge

Luis C. Corchón [2001]: Theories of Imperfectly Competitive Markets, Springer, New York

Marcel Canoy - Machiel van Dijk - Jan Lemmen - Ruud de Mooij - Jürgen Weigand [2001]: Competition and Stability in Banking CPB Document, No 015 CPB Netherlands Bureau for Economic Policy Analysis

Massimo Motta [2004]: Competition Policy – Theory and practice, Cambridge University Press, Cambridge

Michael H. Best [2007]: The New Competition – Institutions of Industrial Restructuring Polity Press, Cambridge

Michael S. Gal [2003]: Competition Policy for Small Market Economies, Harvard University Press, Cambridge

Paolo Coccorese [2002]: Competition among dominant firms in concentrated markets: evidence from the Italian banking industry; Paper for the 6th *Annual EUNIP Conference* December 5-7, 2002, Abo Akademi University, Abo (Turku), Finland

Tõnu Puu – Irina Sushko [2002]: Oligopoly Dynamics – Models and Tools, Springer, Berlin