



## **PROGRAM**

**Name: EA019 –INDUSTRIAL ECONOMY**

**Nature:** Elective **CH:** 60 Hours **Credits:** 4

**Syllabus:** Markets in imperfect competition. Emergence of Industrial of Industrial Organization. Traditional ECD model. Structural analysis of markets. Concentration indices and turnover dynamics. Structural barriers to entry. New Empirical Industrial Organization Static and dynamic models. Competition Defense Policy. Economic regulation, CADE and Regulatory Agencies. Relevant Market. Anti-competitive conduct. Filters for detecting economic evidence of cartels.

## **PROGRAM CONTENT**

### **1. Review: Markets in Imperfect Competition**

- 1.1 Monopoly and Monopsony,
- 1.2 Monopolistic Competition, Oligopoly and Oligopolistic Coordination..

### **2. Origin of Industrial Organization Theory and Structural Analysis of Markets**

- 2.1 The Structure-Conduct-Performance model and the Chicago School
- 2.1 Industrial concentration: concentration indices
- 2.2 Analysis of positioning dynamics (Turnover)
- 2.3 Database and Applications
- 2.4 Structural barriers to entry models

### **3. New Empirical Industrial Organization Theory**

- 3.1 Static model: reduced and structural form
- 3.2 The structural model of Bresnahan (1982) and Lau (1982)
- 3.3 Dynamic approach
- 3.4. The dynamic model of Steen and Salvanes (1999)
- 3.5. Empirical applications of the New Industrial Economics.

### **4. Competition Defense Policy**

- 4.1 Competition Defense Policy in Brazil
- 4.2 Economic Regulation, the Role of CADE and Regulatory Agencies
- 4.3 Delimitation of the Relevant Market
- 4.4 Hypothetical Monopolist Test
- 4.5 Applications of Time Series Techniques in Relevant Market Delimitation
- 4.6 Vertical and Horizontal Anticompetitive Conduct
- 4.7 Economic filters for detecting economic evidence of cartels

## EVALUATION ACTIVITIES

One test (30 points) and one Final Paper (70 points).

## BIBLIOGRAPHY

ABRANTES-METZ, Rosa M. et al. A variance screen for collusion. **International Journal of Industrial Organization**, [S. l.], v. 24, n. 3, p. 467-486, 2006.

BOLOTOVA, Y.; CONNOR, J.M.; MILLER, D.J. (2008) The impact of collusion on price behavior: empirical results from two recent cases. *International Journal of Industrial Organization*, 26, ed. 6, p. 1290 -1307.

BRESNAHAN, T.F.. The Oligopoly Solution Concept is Identified. **Economics Letters**. n. 10, p. 87-92, 1982.

BRESNAHAN, T.F.. Empirical Studies of Industries with Market Power . In: **Handbook of Industrial Organization**, V. 2, Chapter 17, 1989.

CARLTON, D. W; PERLOFF, J. M. **Modern Industrial Organization** . 4th ed. Upper Saddle River: Pearson, 2005. 822p.

CHURCH, J. & WARE, R. **Industrial Organization: A Strategic Approach**. San Francisco: McGraw-Hill, 2000. 926p.

CUIABANO, S. M.; LEANDRO, T., OLIVEIRA, G.A.S.; BOGOSSIAN, P.. Filtros econômicos para detecção de cartéis: a contribuição da literatura econômica na identificação de comportamentos colusivos. **RDC**, Vol. 2, nº 2. Novembro 2014.

CUIABANO, S. M.; MORAIS, J. C. N..PINHA, L.C..**Aplicações de Técnicas de Séries Temporais na Delimitação de Mercado Relevante: A experiência do CADE**. RDC, Vol. 5, nº 1. Maio 2017.

FERNANDES, R. A. S.; JESUS JUNIOR, L. B. . Índícios econômicos de cartel na revenda de GLP: o caso da operação ?Laissez-Faire?.. **REVISTA DE DEFESA DA CONCORRÊNCIA - RDC**, v. 11, p. 25-46, 2023.

HARRINGTON, J.E. Detecting cartels. In: **Handbook in Antitrust Economics**, Cambridge: MIT Press, forthcoming, 2005.

KUPFER, D. &HASENCLEVER, L. (organizadores). **Economia Industrial – Fundamentos Teóricos e Práticas no Brasil**. São Paulo: Editora Campos, 2002. 640p.

LAU, L.J.. On Identifying the Degree of Competitiveness from Industry Price and Output Data. **Economics Letters**. n. 10, v.1, p. 93-99, 1982.

MARTIN, S. **Industrial Economics** – Economics Analysis and Public Policy . 2. ed. New Jersey: Prentice Hall, 1993. 638 p.

SCHERER, F. M.; ROSS, D. **Industrial market structure and economic performance**. 3. ed. Boston: Houghton Mifflin Company, 1990, 713 p

STEEN, F., SALVANES, K.G. Testing for market power using a dynamic oligopoly model. **International Journal of Industrial Organization**. v.17, n. 1, p. 147–177, 1999.

VARIAN, R. **Microeconomia: Princípios básicos - Uma abordagem moderna**. Rio de Janeiro: Campus, 2006. 807p.





