Economics 818

Information and Industrial Organization: Syllabus and Reading List

Course Objectives: This course will provide you with useful tools for understanding current research and performing your own research in Industrial Organization theory, with an emphasis on models with asymmetric information. The course will also expose you to current "frontier" work and "classic" articles on a wide range of topics.

Course Requirements: Students will be required to present one of the papers to the class and to write a short (5 page) referee's report on a (different) relevant paper. The presentation and referee's report each will make up 50 % of the final grade.

Papers preceded by an asterisk, *, are required and will probably be covered in class. Other papers are for your information. Although there is no text, per se, a good background source for industrial organization is


I. Preliminaries


II. Subjectivity, Correlation, and Common Knowledge


III. "Walrasian" Rational Expectations Models


IV. Rational Expectations with Explicit Price Formation (including Auction Markets)


V. Herding and Information Cascades


**VI. Signalling Models**


**VII. Search Models**


Carlton, D.W., “Market behavior with demand uncertainty and price inflexibility,” *American

**VIII. Contract Theory and Mechanism Design**


**IX. Bargaining and the Coase Conjecture**


Chatterjee, K. and W. Samuelson, “Bargaining Under Incomplete Information,” *Operations...*
X. Entry and Exit


XI. Vertical Restraints


XII. Miscellaneous Topics


This publication/material is available in alternative formats upon request. Please contact John-David Slaughter (410-F Arps Hall, 292-6702) for further information. Students with disabilities are responsible for making their needs known to the instructor and seeking assistance in a timely manner.