

**University of Jordan  
Jordan University Business School (JUBS)**

**Course Syllabus**

|  |  |  |        |                        |                        |
|--|--|--|--------|------------------------|------------------------|
| <b>1. <u>Department Name:</u></b>  | <b>Business Economics</b>              |  |        |                        |                        |
| <b>2. <u>Program Name:</u></b>   | Bachelor                               |  |        |                        |                        |
| <b>3. <u>Program Code</u></b>  |  |  |        |                        |                        |
| <b>4. <u>Course Code and Title:</u></b>  | <b>Industrial Economics - 1607225</b>  |  |        |                        |                        |
| <b>5. <u>Course credits:</u></b>   | 3                                      |  |        |                        |                        |
| <b>6. <u>Pre-requisites:</u></b>   | Principles of Microeconomics - 1607110 |  |        |                        |                        |
| <b>7. <u>Course Instructor/ Coordinator Name and Email</u></b>   | Nahil Ismail Saqfahait                 |  |        |                        |                        |
|  | nahil.saqfahait@ju.edu.jo              |  |        |                        |                        |
| <b>8. <u>Course web-page:</u></b>  |  |  |        |                        |                        |
| <b>9. <u>Academic year:</u></b>  | 2016 / 2017                            |  |        |                        |                        |
| <b>10. <u>Semester:</u></b>  | First                                  |  | Second | 1 <sup>st</sup> Summer | 2 <sup>nd</sup> Summer |
| <b>11. <u>Textbook(s)</u> (Make sure you have one textbook – resource materials online)</b>  |  |  |        |                        |                        |
| <p><i>Berkeley Electronic Press: Jeffrey R. Church and Roger Ware's <a href="#"><u>Industrial Organization: A Strategic Approach</u></a></i></p>   |  |  |        |                        |                        |
| <b>12. <u>References:</u> (Make sure that the references are available in the Library and online)</b>  |  |  |        |                        |                        |
| <ul style="list-style-type: none"> <li>• <i>Industrial Organization: Contemporary Theory and Empirical Applications, 4th edition, Lynne Pepall, Dan Richards, and George Norman, Blackwell Publishing, 2008.</i></li> <li>• <i>Modern Industrial Organization, 4th Edition, Dennis Carlton and Jeffrey Perloff, Adison-Wesley, 2004.</i></li> <li>• <i>Hanley, N., H. Folmer (1998) Game Theory and the Environment. Edward Elgar Publishing.</i></li> <li>• <i>Dutta, P. and R.K. Sundaram (1993) "The Tragedy of the Commons?" Economic Theory, 3, pp. 413-426.</i></li> </ul>   |  |  |        |                        |                        |
| <b>13. <u>Other resources used</u> (e.g. periodicals, software, eLearning, site visits, etc.):</b>   |  |  |        |                        |                        |
| <p style="text-align: center;"><i>Nick Hanley, Jason Shogren, and Ben White, Introduction to Environmental Economics</i></p>   |  |  |        |                        |                        |
| <b>14. <u>Course description</u> (from the catalog)</b>  |  |  |        |                        |                        |
| <p><i>Industrial organization is essentially a branch of applied microeconomics which seeks to understand the causes and effects of various market structures on pricing and product choices. The course focuses on the theory of the firm and the industry in imperfectly competitive markets with an emphasis upon oligopoly theory, but it also addresses empirical applications of the theory. The course explains how firms compete with each other; it models firms' strategies on imperfect markets and derives the impact of firms' behavior on welfare and market structures. Additionally, the effect of industrial revolution on climate change will be examined.</i></p> |  |  |        |                        |                        |

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*We will analyze market structure, firm conduct, and economic performance of industries. Of special interest is firms' strategic behavior in price and non-price competition. The types of behavior, or conduct, include oligopoly pricing and production, strategic entry deterrence, location strategies, product differentiation, advertising, vertical and horizontal integration, and research and development. The effects of firms' conduct upon economic welfare and feedback effects upon market structure are examined. Of special interest, the dangers of an unregulated extractive monopoly on environment will be investigated. Moreover, we will analyze the acquisition and use of market power by firms, antitrust law or/and the role of government competition policy. We will also look at how institutions and industry can shape improvements in environmental quality and support efficient allocations of resources.*

**15. Course Intended Learning Outcomes:** (All CILOs must start with an action verb, please use ANNEX I for getting a better understanding of the Action Verbs and Blooms Taxonomy. The mapping of the CILOs with relevance to the PILOs of the program.)

| CILOs<br>(Preferred not to exceed 12 CILOs)  | Mapping to PILOs |   |   |   |   |   |   |   |   |   |   |
|--|------------------|---|---|---|---|---|---|---|---|---|---|
|  | a                | b | c | d | e | f | g | h | i | J | k |
| 1. Understand the definition, measurement and analysis of various key elements of industrial organization. |                  |   |   |   |   |   |   |   |   |   |   |
| 2. Understand why markets are organized as they are and behave in the way they do.                         |                  |   |   |   |   |   |   |   |   |   |   |
| 3. Understand Models of competitive, oligopolistic, and monopoly markets.                                  |                  |   |   |   |   |   |   |   |   |   |   |
| 4. Understand the basic dimensions of industries structure, conduct, and performance.                      |                  |   |   |   |   |   |   |   |   |   |   |
| 5. Understand Industrial environmental economics issues.   |                  |   |   |   |   |   |   |   |   |   |   |
| 6. Analyze and evaluate models of competitive, oligopolistic, and  |                  |   |   |   |   |   |   |   |   |   |   |

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| <i>monopoly markets.</i>  |  |  |  |  |  |  |  |  |  |  |  |
| <b>7. Analyze and evaluate how firms' structure and conduct affect economic welfare and how these results feedback to effect structure and conduct.</b> |  |  |  |  |  |  |  |  |  |  |  |
| <b>8. Explain the various types of industry structures, conduct, and performance; business strategies; and policy alternatives.</b>                     |  |  |  |  |  |  |  |  |  |  |  |
| <b>9. Discuss theoretical and empirical issues relating to the interactions among firms in a market economy.</b>  |  |  |  |  |  |  |  |  |  |  |  |
| <b>10. Evaluate antitrust policies and other government regulations of industry.</b>  |  |  |  |  |  |  |  |  |  |  |  |
| <b>11. Analyze environmental issues through a deeper understanding of firms' economic behavior and incentives.</b>                                      |  |  |  |  |  |  |  |  |  |  |  |

| <b>16. <u>Course evaluation:</u> (Formative and summative assessment methods are expected)</b> |  |               |               |                |
|--|--|---------------|---------------|----------------|
| <b>Assessment Type</b>   | <i>Details/ Explanation of Assessment in relation to CILOs</i> | <i>Number</i> | <i>Weight</i> | <i>Date(s)</i> |
| <b>Quizzes</b>   |  |               | 15 %          |                |
| <b>Midterms</b>  |  |               | 30 %          |                |
| <b>Assignments</b>   |  |               |               |                |
| <b>Projects/Case Studies</b>   |  |               | 5 %           |                |
| <b>Final</b>   |  |               | 50%           |                |
| <b>Total</b>   |  |               | 100%          |                |

**17. Description of Topics Covered (The description should be from the textbook used)**

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| <b>Topic Title<br/>(e.g. chapter title)</b>              | <b>Description</b>  |
|--|---|
| <b><i>Introduction</i></b>                               | <ul style="list-style-type: none"> <li>- The Field of Industrial Organization</li> <li>- Market Structure and Welfare Measures</li> <li>- Theory of the Firm</li> <li>- Industrial Revolution and Climate Change</li> </ul>   |
| <b><i>Market Structure and Welfare Measures</i></b>      | <ul style="list-style-type: none"> <li>• Perfect Competition and Its Efficiency</li> <li>• Monopoly Pricing and Its Inefficiency</li> <li>• Monopolistic Competition and Product Differentiation</li> <li>• Oligopoly Markets</li> <li>• Industrial Concentration</li> </ul>  |
| <b><i>Theory of the Firm</i></b>                         | <ul style="list-style-type: none"> <li>• Nature of the Firm</li> <li>• Review of Cost Functions</li> <li>• Economies of Scale</li> <li>• Economies of Scope</li> <li>• Seller Concentration</li> <li>• Monopoly Pricing and Its inefficiency</li> <li>• The dangers of an unregulated extractive monopoly on environment</li> </ul> |
| <b><i>Monopoly and Market Power</i></b>                  | <ul style="list-style-type: none"> <li>• Determinants of Market Power</li> <li>• Sources of Market</li> <li>• Pricing Strategies</li> <li>• Oil Monopoly and the Climate</li> </ul>   |
| <b><i>Models of Oligopoly</i></b>                        | <ul style="list-style-type: none"> <li>- Introduction to Game Theory</li> <li>- Cournot Oligopoly</li> <li>- Bertrand Duopoly</li> <li>- Stackelberg (sequential) Oligopoly</li> <li>- Collusive Behavior</li> <li>- Game Theory and the Environment</li> </ul>   |
| <b><i>Business Practices: Strategies and Conduct</i></b> | <ul style="list-style-type: none"> <li>• Strategic and Tactical Choices</li> <li>• Entry Deterrence</li> <li>• Non-Price Discrimination</li> <li>• Horizontal Mergers</li> <li>• Integration and Vertical Restraints</li> <li>• Industrial proliferation and environmental preservation</li> </ul>                                  |
| <b><i>The Role of Government and regulations</i></b>     | <ul style="list-style-type: none"> <li>• Antitrust and the Role of Government</li> <li>• The impacts of environmental regulations on industrial activity</li> <li>• pollution control policies</li> </ul>   |

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| <b>18. Course Weekly Breakdown:</b> |             |  |              |                        |                   |
|-------------------------------------|-------------|--|--------------|------------------------|-------------------|
| <b>Week</b>                         | <b>Date</b> | <b>Topics covered</b>                      | <b>CILOs</b> | <b>Teaching Method</b> | <b>Assessment</b> |
| <b>1</b>                            |             | Introduction                               |              |                        | TBA               |
| <b>2</b>                            |             | Introduction                               |              |                        | TBA               |
| <b>3</b>                            |             | Market Structure and Welfare Measures      |              |                        | TBA               |
| <b>4</b>                            |             | Market Structure and Welfare Measures      |              |                        | TBA               |
| <b>5</b>                            |             | Theory of the Firm                         |              |                        | TBA               |
| <b>6</b>                            |             | Theory of the Firm                         |              |                        | TBA               |
| <b>7</b>                            |             | Monopoly and Market Power                  |              |                        | TBA               |
| <b>8</b>                            |             | Models of Oligopoly                        |              |                        | TBA               |
| <b>9</b>                            |             | Models of Oligopoly                        |              |                        | TBA               |
| <b>10</b>                           |             | Models of Oligopoly                        |              |                        | TBA               |
| <b>11</b>                           |             | Business Practices: Strategies and Conduct |              |                        | TBA               |
| <b>12</b>                           |             | The Role of Government and Regulations     |              |                        | TBA               |
| <b>13</b>                           |             | Presentations                              |              |                        | TBA               |
| <b>14</b>                           |             | Presentations                              |              |                        | TBA               |

| <b>19. Others:</b>   |  |
|--|--|
|  | <b>Description</b>   |
| <b>Attendance policies:</b>                                    | Students are not allowed to miss more than 15% of the classes during the semester. Failing to meet this requirement will be dealt with according to the university disciplinary rules. |
| <b>Absences from exams and handing in assignments on time:</b> | Follow university Policies   |

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| <b>Health and safety procedures:</b>                               | Follow university Policies  |
| <b>Honesty policy regarding cheating, plagiarism, misbehavior:</b> | <p>University Policies regarding class attendance, course pre-requisites, and academic honesty, grading, incompletes, and final exams will be observed as stated in the University of Jordan. You are responsible for all material discussed in class and assigned in the textbook. Missing class is strongly discouraged. Your professor is far less sympathetic to those who miss class regularly. If you miss class, you are responsible to get the notes from a classmate.</p> <p>Any type of academic misconduct will result in (F). By Enrolling in this course, you agree with the University of Jordan Policy on Academic Misconduct.</p> |

|  |                               |                    |
|--|-------------------------------|--------------------|
| <b>Course Coordinator:</b>   | Type the Name                 | Add your Signature |
| <b>Head of Department:</b>   | Type the Name                 | Add your Signature |
| <b>Head of curriculum committee/ School Level:</b>                     | Type the Name                 | Add your Signature |
| <b>Dean:</b>   | Type the Name                 | Add your Signature |
| <b>Approved by the Program Coordinator/ Head of the Department on:</b> | Type the date: DAY/MONTH/YEAR |                    |

|  |
|--|
| <b>Copy to:</b>  |
| <input type="checkbox"/> <b>Head of Department</b>                                   |
| <input type="checkbox"/> <b>Assistant dean for Development and Quality Assurance</b> |
| <input type="checkbox"/> <b>Course Portfolio</b>                                     |