

## Term Information

Effective Term Autumn 2019

## General Information

Course Bulletin Listing/Subject Area Economics  
Fiscal Unit/Academic Org Economics - D0722  
College/Academic Group Arts and Sciences  
Level/Career Graduate  
Course Number/Catalog 8876  
Course Title Industrial Organization IV: Empirical Research Methods  
Transcript Abbreviation IO IV  
Course Description Recently developed techniques for estimating market power and costs with incomplete data, with applications to antitrust economics. The goal is to give you an understanding of state of the art empirical tools, with the purpose of preparing students for research.  
Semester Credit Hours/Units Fixed: 3

## Offering Information

Length Of Course 7 Week  
Flexibly Scheduled Course Never  
Does any section of this course have a distance education component? No  
Grading Basis Letter Grade  
Repeatable No  
Course Components Lecture  
Grade Roster Component Lecture  
Credit Available by Exam No  
Admission Condition Course No  
Off Campus Never  
Campus of Offering Columbus

## Prerequisites and Exclusions

Prerequisites/Corequisites 8714 and permission of instructor  
Exclusions  
Electronically Enforced No

## Cross-Listings

Cross-Listings

## Subject/CIP Code

Subject/CIP Code 45.0601  
Subsidy Level Doctoral Course  
Intended Rank Doctoral

## Requirement/Elective Designation

The course is an elective (for this or other units) or is a service course for other units

## Course Details

### Course goals or learning objectives/outcomes

- Gain understanding of latest empirical tools in the field. Upon successful completion, students will have a working knowledge of the latest techniques for estimating market power and costs.

### Content Topic List

- Demand Estimation, Collusion, Horizontal Merger Analysis, Vertical Relationships, Productivity

### Sought Concurrence

No

## Attachments

- MWeinberg-Econ 8194 Fall 2018.pdf

*(Syllabus. Owner: Tobin,Ricky Mase)*

## Comments

## Workflow Information

Status	User(s)	Date/Time	Step
Submitted	Tobin,Ricky Mase	01/09/2019 10:34 AM	Submitted for Approval
Approved	Peck,James D	01/09/2019 11:01 AM	Unit Approval
Approved	Haddad,Deborah Moore	01/09/2019 11:19 AM	College Approval
Pending Approval	Jenkins,Mary Ellen Bigler Hanlin,Deborah Kay Oldroyd,Shelby Quinn Vankeerbergen,Bernadette Chantal Nolen,Dawn	01/09/2019 11:19 AM	ASCCAO Approval

**Econ 8194**  
**Industrial Organization IV: Empirical Research Methods**  
FALL 2018, SECOND SEVEN WEEKS

**Instructor:** Dr. Matthew Weinberg,

**Time and Location:** TBD

**Contact:** email: TBD

**Office Hours:** TBD

## Overview and Objectives

This is a course on recently developed techniques for estimating market power and costs with incomplete data, with applications to antitrust economics. The goal is to give you an understanding of state of the art empirical tools, with the purpose of preparing students for research.

## Requirements

- Problem Sets. There will be a few problem sets.
- Referee Report. The Final Exam will take the form of a series of referee reports. This will help you develop the ability to evaluate state of the art research.
- Participation and presentations.

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## Course Outline

### Demand Estimation

- Deaton, A. and J. Muellbauer, (1980) “An Almost Ideal Demand System,” (1980) *American Economic Review*, 70: 312-326.
- Chaudhuri, Goldberg, Jia (2008), “Estimating the Effects of Global Patent Protection in Pharmaceuticals: A Case Study of Quinolones in India”, *American Economic Review*.
- Bresnahan, T. (1987), “Competition and Collusion in the American Automobile Industry: The 1985 Price War”, *Journal of Industrial Economics*
- Berry, S. (1994), “Estimating Discrete Choice Models of Product Differentiation”, *Rand Journal of Economics*.
- Goldberg, Pinelopi. (1995), “Product Differentiation and Oligopoly in International Markets: The Case of the U.S. Automobile Industry”, *Econometrica*.
- Nevo, A. (2001), “Measuring Market Power in the Ready-to-Eat Cereal Industry”, *Econometrica*.
- Berry, S. and P. Haile. (2014), “Identification in Differentiated Products Markets Using Market Level Data”, *Econometrica*.
- Gandhi, A and Houde, J.F. (2017), “Measuring Substitution Patterns in Differentiated Products Industries”, available on J.F. Houde’s webpage.

### Collusion

- Abreu, D. (1988) “Noncooperative Collusion under Imperfect Price Information,” *Econometrica*.
- Green, E. and R. Porter (1984) “Noncooperative Collusion under Imperfect Price Information,” *Econometrica*.
- Rotemberg, J. and G. Saloner, (1986) “A Supergame-Theoretic Model of Price Wars During Booms” *Econometrica*.
- Genesove, D. and W. Mullin, (2001) “Rules, Communication, and Collusion: Narrative Evidence from the Sugar Institute Case,” *American Economic Review*.
- Levenstein, M. (1997) “Price Wars and the Stability of Collusion,” *American Economic Review*.
- Athey, S., K. Bagwell, and C. Sanchirico, (2005) “Collusion and Price Rigidity,” *Review of Economic Studies*.

- Bernheim, D. and Erik Madsen, (2017) “Price Cutting and Business Stealing in Imperfect Cartels,” *American Economic Review*.
- Igami, M, (2017) “Measuring the Incentive to Collude: The Vitamins Cartels, 1990-1999,” , available on Mitsuri Igami’s webpage.

## Horizontal Merger Analysis

- FTC/DOJ Merger Guidelines
- Dafny, L., M. Duggan and S. Ramanaryanan (2012), “Paying a Premium on Your Premium: Consolidation in the U.S. Health Insurance Industry”, *American Economic Review*.
- Nevo (2010), “Mergers with Differentiated Products: The Case of the Ready-to-Eat Cereal Industry”, *Rand Journal of Economics*.
- Farrell and Shapiro (2010), “Antitrust Evaluation of Horizontal Mergers: An Economic Alternative to Market Definition”, *The B.E. Journal of Theoretical Economics*.
- Ashenfelter, O., D. Hosken and M. Weinberg (2015), “Efficiencies Brewed: Pricing and Consolidation in the U.S. Beer Industry”, *Rand Journal of Economics*
- Miller, N. and M. Weinberg (2017), “Understanding the Price Effects of the Miller/Coors Joint Venture”, forthcoming at *Econometrica*.

## Vertical Relationships

- Whinston, M. (2003), “On the Transaction Cost Determinants of Vertical Integration,” , *Journal of Law, Economics, and Organization*.
- Chipty, T., (2001) “Vertical Integration, Market Foreclosure, and Consumer Welfare in the Cable Television Industry,” *American Economic Review*.
- Hortacsu, A. and C. Syverson, (2007) “Cementing Relationships: Vertical Integration, Foreclosure, Productivity, and Prices,” *Journal of Political Economy*.
- Grennan, M. (2007) “Price Discrimination and Bargaining: Empirical Evidence from Medical Devices,” *Journal of Political Economy*.
- Nevo, A., G. Gowrisankaran, and B. Town (2015) “Mergers When Prices are Negotiated: Evidence from the Hospital Industry,” *American Economic Review*.
- Villas-Boas, S.B. (2007) “Vertical Relationships Between Manufacturers and Retailers: Inference with Limited Data,” *Review of Economic Studies*.
- Crawford, G.S. and A. Yurokoglu (2012) “The Welfare Effects of Bundling in Multi-channel Television Markets,” *American Economic Review*.

## Productivity

- Olley, S. and A. Pakes. (1996), “The Dynamics of Productivity in the Telecommunications Industry” *Econometrica*.
- Levinsohn, J. and A. Petrin. (2003), “Estimating Production Functions Using Inputs to Control for Unobservables” *Review of Economic Studies*.
- Akerberg, D., K. Caves, G. Frazer (2015), “Identification Properties of Recent Production Function Estimators” *Econometrica*.
- De Loecker (2011), “Product Differentiation, Multiproduct Firms, and Estimating the Impact of Trade Liberalization on Productivity” *Econometrica*.
- Syverson, C. (2011), “What Determines Productivity?” *Journal of Economic Literature*.
- Bartel, A., C. Ichniowski, and K. Shaw (2007), “How Does Information Technology Affect Productivity? Plant-Level Comparisons of Product Innovation, Process Improvement, and Worker Skills,” *Quarterly Journal of Economics*.
- Bloom, N. and J. Van Reenen (2007), “Measuring and Explaining Management Practices across Firms and Countries,” *Quarterly Journal of Economics*
- Bloom, N., R. Sadun, and J. Van Reenen (2012), “Americans Do I.T. Better: U.S. Multinationals and the Productivity Miracle,” *American Economic Review*
- Syverson, C. (2004), “Market Structure and Productivity: A Concrete Example”, *Journal of Political Economy*

## Administrative Items

- **Academic Honesty:** It is the responsibility of the Committee on Academic Misconduct to investigate or establish procedures for the investigation of all reported cases of student academic misconduct. The term academic misconduct includes all forms of student academic misconduct wherever committed; illustrated by, but not limited to, cases of plagiarism and dishonest practices in connection with examinations. Instructors shall report all instances of alleged academic misconduct to the committee (Faculty Rule 3335-5-487). For additional information, see the Code of Student Conduct <http://studentlife.osu.edu/csc/>.
- **Special Accommodations:** The University strives to make all learning experiences as accessible as possible. If you anticipate or experience academic barriers based on your disability (including mental health, chronic or temporary medical conditions), please let me know immediately so that we can privately discuss options. To establish reasonable accommodations, I may request that you register with Student Life Disability Services. After registration, make arrangements with me as soon as possible to discuss your accommodations so that they may be implemented in a timely fashion. SLDS contact

information: [slds@osu.edu](mailto:slds@osu.edu); 614-292-3307; [slds.osu.edu](http://slds.osu.edu); 098 Baker Hall, 113 W. 12th Avenue.