

Parsons, Spring 2023

YCU Spring 2023: Advanced Topics in Microeconomics
Course sub-title: "Monopolies, Market Power and Society"
Room #201
Fridays, 4th period

Some information will be available on my website here:

<http://www.parsons.ynu.ac.jp/>

You can always email me here:

parsons-craig-gj@ynu.ac.jp

We can meet on YCU campus in person, or setup a zoom, or have an email dialogue with any questions you have pertaining to the class.

Course objective

In this course, students will learn the origins of and impact from various manifestations of monopoly power including pure monopolies, collusive cartels, labor unions, price discrimination and others. While much of the focus will be on the cost and inefficiencies created by such market power, possible benefits will also be studied. Some legal aspects will also be discussed, though the main goal of the course is to learn the microeconomics of market power.

In this course, we will study the economic theory, but also some legal aspects to the presence of monopolies. Case studies from around the world, but mostly from the US and Japan, will be used.

Grading criterion

Attendance: 20%

Student Presentations 20%

Take home exam: 20%

Final exam (in-class): 40%

Prerequisites

None, but at least one course in Economics "Supply and Demand" would be helpful.

Students should not be afraid to use high school math sometimes. I will try to avoid calculus, however. The course will be conducted in-person and the language of instruction will be English.

Chapters from various textbooks will be used.

The first, main text will be Goolsbee, Levitt and Syverson's Microeconomics (3rd edition). We may also use Oz Shy's Industrial Organization, Baron's "Business and its Environment" and other texts.

Course schedule (subject to change)

Week 1: Intro to the course

Week 2: Supply and Demand, Consumer Surplus, Producer Surplus, Taxes and Deadweight Loss

Week 3-7: The basic monopoly model and Market Power (Goolsbee et al text), several chapters

Week 8: Measuring monopoly power (HHI, etc.)

Week 9: Testing for possible collusion

Week 10: More on Cartels

Week 11: Some legal aspects of monopolies and anti-trust Law in US and Japan

Week 12: Is/Was Microsoft a monopolist? Is Amazon (or Google?) a monopolist?

Week 13: Creative Destruction, Schumpeter

Week 14: Government sanctioned monopolies (Patent and Trademarks)

Week 15: Final Exam (in class)