ECONOMICS 420: Economics of Antitrust and Regulation
Fall 2018

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Texts: Economics of Antitrust and Regulation, 4th ed. (Viscusi, Harrington, and Vernon)
The Antitrust Revolution, 6th ed. (Kwoka)

Grading:
final 100 points
bibliography not graded, but must be submitted to get a course grade
paper graded on 1 to 5 scale; neutral if “3”; bounce if >3; penalty if <3.
homework neutral if 9 of 10 assignments completed; half grade penalty if < 10

Comprehensive Bibliography and Critical Survey Paper:
You must write and submit a paper that provides a relatively brief overview of the historical development and current status of the law that includes the relevant Supreme Court and other appellate court rulings, and a comprehensive critical review of the relevant economic literature for one of the following:

1. tying (Jefferson Parish) or
2. aftermarket monopolization (Kodak) or
3. predatory pricing (Matsushita Electric) or
4. vertical mergers (AT&T/Time Warner)

This is a two-part assignment:

1) A complete, comprehensive bibliography of the relevant economic literature, and a listing of the key appellate decisions is due in my mailbox in the Econ Department Office by October 4.

2) A well-written comprehensive, critical survey of the relevant literature is due at the start of class on November 29.

Your bibliography and paper may be submitted early, but not late.

You must submit both the bibliography and the paper by the above deadlines to get a course grade.

The paper must, of course, include the bibliography (which could be updated if you find additional articles or cases that are relevant or drop irrelevant articles after October 4).

The style for citations and footnotes is that used in the American Economic Review, Journal of Political Economy or Journal of Economic Literature.

For a model of this kind of paper, please see the lead survey articles in the Journal of Economic Literature. The first section or two of any professional economics paper is an abbreviated example of this kind of survey, see articles in AER or JPE.
Homework:

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NOTE: there is a typo in #1, it should be \( C(Q) = 100 + 10Q + Q^2 \)

Paper:

Comprehensive bibliography due October 4.

Paper due November 29.

Final:

Saturday, December 13     FINAL EXAM     11 a.m.-2 p.m. 170 FOB
**ANTITRUST**

Lecture 1  intro to law  Chpt 3
Lecture 2  elements of an antitrust lawsuit
Lecture 3  antitrust norms; market power; relevant antitrust markets  Chpt 4
Lecture 4  critical elasticities; critical loss analysis; GUPPI
Lectures 5-10  collusion (Sherman Section 1)  (through, approximately, the first week of October)  Chpt 5  8, 11
Lectures 11-17  monopolization (Sherman Section 2)  (through, approximately, the end of October)  Chpt 6  7, 9, 10
Chpt 9  19
Lectures 18-19  horizontal mergers (Clayton Section 7)  Chpt 7  1-6, 18
Lectures 20-22  vertical issues  (through, approximately, the Thanksgiving break)  Chpt 8  12-17
Lecture 23  patent misuse and monopolization  Chpt 24

**REGULATION**

Lecture 24-25  regulating natural monopolies  Chpt 11  18
Chpt 12
Lectures 26-29  pricing issues  Chpts 13, 15, 16