

<b>Module title</b>		<b>Abbreviation</b>
Empirical Industrial Organization		12-M-EIO-161-mo1
<b>Module coordinator</b>		<b>Module offered by</b>
Holder of the Chair of Industrial Economics		Faculty of Business Management and Economics
<b>ECTS</b>	<b>Method of grading</b>	<b>Only after succ. compl. of module(s)</b>
5	numerical grade	--
<b>Duration</b>	<b>Module level</b>	<b>Other prerequisites</b>
1 semester	graduate	--
<b>Contents</b>		
<p>1. (Recap of) Econometric methods</p> <ul style="list-style-type: none"> <li>• Ordinary Least Squares (OLS)</li> <li>• Endogeneity and how to deal with it (Instrumental Variables)</li> </ul> <p>2. Estimation of demand</p> <ul style="list-style-type: none"> <li>• Representative consumer models</li> <li>• Multinomial Logit Model (ML) and extensions</li> <li>• Discrete choice models with individual data</li> <li>• Discrete choice models with aggregate data</li> </ul> <p>3. Further applications</p> <ul style="list-style-type: none"> <li>• Demand and Supply estimation</li> <li>• Inferring marginal costs</li> <li>• Using structural models for counterfactual policy analysis</li> </ul>		
<b>Intended learning outcomes</b>		
<p>The students taking this class will learn modern empirical methods in studying questions related to industry outcomes. They will become familiar with methods used in estimating demand and during exercises will learn how one can implement these methods in practice using statistical software. The lectures will help students to have a thorough understanding of the so-called New Empirical Industrial Organization (NEIO) methodology. The students will become familiar with methods used in estimating demand and imperfect competition models among firms. They will learn how to use such models to infer marginal costs as well as constructing policy simulations based on the estimated models to evaluate the effects of changes in the competitive environment, such as mergers. A student that successfully completes this course will not only be able to read empirical academic papers but will also implement a few important models in computer exercises. Furthermore, students will be able to draw implications of empirical studies for economic policy in areas such as antitrust and regulation.</p>		
<b>Courses</b> (type, number of weekly contact hours, language — if other than German)		
V (2) + Ü (2)		
<b>Method of assessment</b> (type, scope, language — if other than German, examination offered — if not every semester, information on whether module is creditable for bonus)		
<p>a) written examination (approx. 60 to 90 minutes) or b) written examination (questions concerning mathematical methodology; approx. 120 minutes) or c) term paper (approx. 15 to 20 pages)</p> <p>Language of assessment: German and/or English</p> <p>creditable for bonus</p>		
<b>Allocation of places</b>		
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<b>Additional information</b>		
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<b>Workload</b>		
150 h		
<b>Teaching cycle</b>		
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**Referred to in LPO I** (examination regulations for teaching-degree programmes)

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**Module appears in**

Master's degree (1 major) Econometrics (2016)  
Master's degree (1 major) Business Management (2015)  
Master's degree (1 major) China Business and Economics (2016)  
Master's degree (1 major) International Economic Policy (2015)  
Master's degree (1 major) China Language and Economy (2016)