

EC132-15 The Industrial Economy: Strategy

20/21

Department

Economics

Level

Undergraduate Level 1

Module leader

Daniel Sgroi

Credit value

15

Module duration

10 weeks

Assessment

100% exam

Study location

University of Warwick main campus, Coventry

Description

Introductory description

This module aims to introduce students to firm behaviour including central questions such as why firms exist, what they can do better (and worse) than markets and how they compete. The course involves the use of descriptive, graphical and mathematical models (such as very basic game theory) twinned with topical examples. By the end of the course students should have a good grasp of how and why firms act as they do and will have a better understanding of related topical issues in the real world. The course also serves as a basic introduction to the field of industrial economics.

[Module web page](#)

Module aims

To introduce students to firm behaviour. The core method is an introduction to game theory and oligopoly theory to illustrate the way firms compete and how the different parts of the firm co-operate to achieve success. This is central to the understanding of industrial economics and hence important for L116, but also of interest of all students of economics and related courses who wish to better understand how firms compete and co-operate in the modern economy, and

also useful for those with an interest in game theory and how it can help economists to understand behaviour.

Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

The module will typically cover the following topics: What are firms and why do they exist; How firms compete; Analysis of strategy (using basic game theory) However, the module leader may add additional topics and sub-topics where appropriate.

Learning outcomes

By the end of the module, students should be able to:

- Understand why firms play an important role in modern economies, including why firms exist. The teaching and learning methods that enable students to achieve this learning outcome are: This is covered during the first few lectures of the course and supported by seminar questions. The summative assessment methods that measure the achievement of this learning outcome are: The exam typically includes at least one question relating to this part of the course.
- Understand how we model how firms price and position their products and how they interact and compete with each other. The teaching and learning methods that enable students to achieve this learning outcome are: This is covered in the final more technical part of the course and supported by seminar questions. The summative assessment methods that measure the achievement of this learning outcome are: The exam typically includes at least one question relating to this part of the course.
- Explain the problems that firms have to overcome (relating to cooperation and coordination) and understand different interpretations of firms' role. The teaching and learning methods that enable students to achieve this learning outcome are: This is covered during the first few lectures of the course and supported by seminar questions. The summative assessment methods that measure the achievement of this learning outcome are: The exam typically includes at least one question relating to this part of the course.
- Understand the resources and assets firms use to generate and maintain profits such as innovation and reputation. The teaching and learning methods that enable students to achieve this learning outcome are: This is covered in the middle of the course and supported by seminar questions. The summative assessment methods that measure the achievement of this learning outcome are: The exam typically includes at least one question relating to this part of the course.
- Outline and analyse the reasons why firms might choose to merge and when this might happen. The teaching and learning methods that enable students to achieve this learning outcome are: This is covered in the middle of the course and supported by seminar questions. The summative assessment methods that measure the achievement of this learning outcome are: The exam typically includes at least one question relating to this part of the course.

Indicative reading list

Please see Talis Aspire link for most up to date list.

[View reading list on Talis Aspire](#)

Subject specific skills

Students will have the opportunity to develop skills in:

Analytical thinking and communication

Analytical reasoning

Critical thinking

Strategic thinking

Problem-solving

Policy evaluation

Analysis of institutions

Analysis of incentives

Analysis of optimisation

Transferable skills

Students will have the opportunity to develop:

Numeracy and quantitative skills

Written communication skills

Oral communication skills

Mathematical, statistical and data-based research skills

Study

Study time

Type	Required
Lectures	20 sessions of 1 hour (13%)
Seminars	4 sessions of 1 hour (3%)
Private study	126 hours (84%)
Total	150 hours

Private study description

Private study will be required in order to prepare for seminars/classes, to review lecture notes, to prepare for forthcoming assessments, tests, and exams, and to undertake wider reading around the subject.

Costs

No further costs have been identified for this module.

Assessment

You do not need to pass all assessment components to pass the module.

Students can register for this module without taking any assessment.

Assessment group B1

	Weighting	Study time
Online Examination	100%	
A paper which examines the course content and ensures learning outcomes are achieved.		

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- Online examination: No Answerbook required
 - Students may use a calculator

Feedback on assessment

The Department of Economics is committed to providing high quality and timely feedback to students on their assessed work, to enable them to review and continuously improve their work. We are dedicated to ensuring feedback is returned to students within 20 University working days of their assessment deadline. Feedback for assignments is returned either on a standardised assessment feedback cover sheet which gives information both by tick boxes and by free comments or via free text comments on tabula, together with the annotated assignment. For tests and problem sets, students receive solutions as an important form of feedback and their marked assignment, with a breakdown of marks and comments by question and sub-question. Students are informed how to access their feedback, either by collecting from the Undergraduate Office or via tabula. Module leaders often provide generic feedback for the cohort outlining what was done well, less well, and what was expected on the assignment and any other common themes. This feedback also includes a cumulative distribution function with summary statistics so students can review their performance in relation to the cohort. This feedback is in addition to the individual-specific feedback on assessment performance.

[Past exam papers for EC132](#)

Availability

Pre-requisites

There are no pre-requisites for students on any of our single honours or joint honours degrees. For any other student, grade B or better in Mathematics and Economics at A-level, or the equivalent.

Courses

This module is Core optional for:

- Year 1 of UIPA-L1L8 Undergraduate Economic Studies and Global Sustainable Development

This module is Optional for:

- UECA-3 Undergraduate Economics 3 Year Variants
 - Year 1 of L100 Economics
 - Year 1 of L100 Economics
 - Year 1 of L100 Economics
 - Year 1 of L116 Economics and Industrial Organization
 - Year 1 of L116 Economics and Industrial Organization
- UECA-LM1D Undergraduate Economics, Politics and International Studies
 - Year 1 of LM1D Economics, Politics and International Studies
 - Year 1 of LM1D Economics, Politics and International Studies
- UPHA-V7ML Undergraduate Philosophy, Politics and Economics
 - Year 1 of V7ML Philosophy, Politics and Economics (Tripartite)
 - Year 1 of V7ML Philosophy, Politics and Economics (Tripartite)
 - Year 1 of V7ML Philosophy, Politics and Economics (Tripartite)

This module is Option list A for:

- Year 1 of UIPA-L1L8 Undergraduate Economic Studies and Global Sustainable Development