

## Antitrust and Competition Policy in the Digital Era

**Department:** Fudan International Summer Session 2024

<b>Course Code</b>	TBA		
<b>Course Title</b>	Antitrust and Competition Policy in the Digital Era		
<b>Credit</b>	2	<b>Credit Hours</b>	36 credit hours + 3 tutorial hours (one credit hour is 45 minutes)
<b>Course Nature</b>	<input type="checkbox"/> Specific General Education Courses <input type="checkbox"/> Core Courses <input checked="" type="checkbox"/> General Education Elective Courses <input type="checkbox"/> Basic Courses in General Discipline <input type="checkbox"/> Professional Compulsory Courses <input type="checkbox"/> Professional Elective Courses <input type="checkbox"/> Others		
<b>Course Objectives</b>	This course presents an economic analysis of monopoly power and effort to limit monopoly. This course will help students understand the theoretical rationale for competition policy in the classical price-centric economy and recent New Economy. Furthermore, this course will provide student with an understanding of the practice of competition policy and antitrust regulation by examining recent prominent public and private antitrust cases.		
<b>Course Description</b>	The first part of this course introduces a classical economic analysis of two common antitrust conducts: collusion and merger. The second part is devoted extensively to antitrust in the new economy, including network, two-sided market and optimal pricing, exclusionary practices in the New Economy. The third part covers two special topics in the Digital Economy in recent antitrust cases: Algorithm and Data.		
<b>Course Requirements:</b>			
Pre-requisite: Principle of Microeconomics			
<b>Teaching Methods:</b>			
<ol style="list-style-type: none"> <li>1. Lectures</li> <li>2. Case Studies</li> <li>3. Group Discussion</li> </ol>			
<b>Instructor's Academic Background:</b>			
Dr. Yu (Amanda) Zhou is an Associate Professor of Practice in Economics at NYU Shanghai. She holds a PhD in Economics from the University of Michigan, Ann Arbor and a BA and a MA from Peking University.			
Zhou's research interests include industrial organization, econometrics, and applied econometrics. Her current works focus on consumer behaviors on the online platform, household finance and household economics.			

## Course Schedule

- Session 1: Overview
  - Competition and Welfare: Welfare Tools Monopoly and Competition
  - Industrial Organization: Market Definition and Market Power, Structure-Conduct-Performance, Government
  - Antitrust: Purpose and Design of Antitrust Laws, U.S. Federal Antitrust and Enforcement
- Session 2: Collusion
  - Game Theory/ Oligopoly Theory
  - Collusion: A Theory of Collusion, Challenges to Collusion
  - Case Study: Hiring Collusion in Tech Firms
- Session 3: Horizontal Merger
  - Antitrust Laws and Merger Trends
  - The Effects of Horizontal Mergers: Why Firms Merges and Welfare
  - Merger Law and Enforcement: Merger Evaluation, Development of Merger Law and Policy, Practices for Evaluating a Merger, International Issues.
  - Case Study: Facebook & WhatsApp (2014)
  - Case Study: Tech-over acquisition activity by Amazon, Facebook and Google.
- Session 4: Vertical Merger and Restraint
  - Vertical Merger and Restraint: Benefits, Anticompetitive Benefits, Fixed Proportions and Antitrust Law and Policy
  - Case Study: Tesla vs. State Vehicle Franchise Laws (2017)
- Session 5: Antitrust in the New Economy
  - Economic Fundamentals of the New Economy, Antitrust Issues in the New Economy
  - Network Effect: Market with Network Effects
  - Case Study: U.S. vs. Microsoft (2001)
- Session 6: Two-Sided Platform

- Prices at a Two-Sided Platform
- Optimal Pricing in Two-Sided Platform
- Challenges in Antitrust Analysis
- Case Study: Uber Price Fixing (2015-2020)
- Session 7: Exclusion Practices: Predatory Pricing/Exclusive Dealing/Tying, Manufacturer Restraint
  - Predatory Pricing
  - Exclusive Dealing
  - Tying and Manufacturer Restraint
  - Case Study: Sidecar vs. Uber (2020) and Alibaba (2021)/Amazon
- Session 8: Algorithm and Competition
  - Algorithms: How they work and what they are used for
  - Pro-competitive effects of algorithm
- Session 9: Algorithm and Collusion, Regulation
  - Impact of algorithms on the relevant factors for collusion
  - Role of algorithms as facilitators of collusion
  - Algorithms and challenges for competition policy
  - Case Study: Algorithmic collusion in the Amazon (2015)
- Session 10: Data Portability
  - Data: Analysis and Markets
  - Benefits and Costs of Portability
  - Antitrust Enforcement and/or Regulation
- Session 11: Data in Antitrust: Conceptions and Misconceptions
  - Conception
  - Misconception
- Session 12: Student Presentation and Take Home Open-Book Exam

**The design of class discussion or exercise, practice, experience and so on:**

For each lecture,

1. Start with the theoretical analysis on each topic
2. Follow with the case study discussion on the specific topic
3. End with the group discussion on the related cases or exercise.

**Grading & Evaluation:**

Class participation: 10%

Assignments: 30%

Midterm (Take-home, open book): 30%

Case Study and Presentation: 30%

**Teaching Materials & References (Including Author, Title, Publisher and Publishing time):**

- W. Kip Viscusi, Joseph E. Harrington Jr. and David E. M. Sappington: *Economics of Regulation and Antitrust*, The MIT Press; Fifth Edition, 2018
- Lynne Pepall, Dan Richards and George Norman, *Industrial Organization: Contemporary Theory and Empirical Applications*, Fifth Edition, 2015
- John E. Kwoka and Lawrence J. White: *The Antitrust Revolution: Economics, Competition and Policy*, Oxford University Press; Seventh edition, 2018
- Chiara Fumagalli, Massimo Motta, Claudio Calcagno: *Exclusionary Practices: The Economics of Monopolisation and Abuse of Dominance*, Cambridge University Press, 2018
- David S. Evans (Editor), Allan Fels AO (Editor) and Catherine Tucker (Editor) : *The Evolution of Antitrust in the Digital Era: Essays on Competition Policy*, Competition Policy International, 2020
- David S. Evans (Editor), Allan Fels AO (Editor) and Catherine Tucker (Editor) : *The Evolution of Antitrust in the Digital Era: Essays on Competition Policy Volume II*, Competition Policy International, 2021