

The University of Kansas
ECON 630 – Fall 2018
Jéssica Dutra – dutra@ku.edu
<http://dutra.live>

Exam 1 Checklist

- I know the difference between Industrial Organization and Classic Microeconomic Theory
- I know the different cost curves, their shapes, their meaning, how to calculate them, and how this impacts a firm's decision making process.
- I know what Economies and Diseconomies of Scale are and how they impact the decision of firm size. I know the difference between Scale/Scope.
- I know the difference between "Public's Interest" and "Society's Interest"
- I know what bounded rationality is, why it is important, and what type of decisions it affects.
- I know what are transaction costs, their types, and why they are an important aspect of industrial organization
- I know what is Asset Specificity, its types, and how it affects a firm's decision making process
- Given different ATC curves, I can find out properties of the LRAC curve.
- I know what is Double Marginalization
- I can infer the results of vertical merger in four different scenarios
- I know what is vertical foreclosure and when it can happen
- I know the difference between upstream and downstream
- I know the difference between harming competitors and harming competition
- I know the different between monopolizing and being a monopoly
- I can compute whether Horizontal Mergers are beneficial to society
- I can compute whether Horizontal Mergers are beneficial to the Public
- I know what Natural Monopolies are, and given a cost structure and demand I can tell if a market is indeed a natural monopoly.
- I know what a market is
- I know how people try to determine the boundaries of the market (i.e. who is in and who isn't)
- I know what is "Functional Equivalence" and "Reasonable Interchangeability of Use"
- I know what the NAICS are, how the classification works, and why it may or may not be a good way to delimit a market: (e.g. Domestic not International, Supply side v. Demand, etc...)
- I know what is the SSNIP test, I know its advantages and caveats
- I know the problems with defining a market too broadly or too narrowly
- I am familiar with Horizontal Merger Guidelines §§4 and 10.