

**ECP 6455  
ANTITRUST ECONOMICS  
Spring 2022**

**INSTRUCTOR:** Roger Blair  
342 Matherly Hall  
(352)392-0179  
rdblair@ufl.edu

**TA:** Mitchell Babka  
339 Matherly Hall  
babkam@ufl.edu

**CLASS:** Periods 3-4 M&W, MAT 112

**OFFICE HOURS:** 11:45-1:00pm MWF – Blair  
9am-12pm F – Babka

**TEXT:** Required: *Antitrust Economics*, 2d Ed. by Roger D. Blair and David L. Kaserman and Handouts

### **PURPOSE OF COURSE**

This course will focus exclusively on the law and economics of antitrust policy in the United States. Since the material is at the interface of antitrust law and microeconomic theory, it is an interdisciplinary challenge that will aid your understanding of economics. It will also inform you about competition policy in the United States.

We will read the second edition of *Antitrust Economics*, which David Kaserman and I wrote. These reading materials are intended to support and supplement my lectures. You are, of course, responsible for all of the course material presented in class and in the required reading.

The standard learning outcomes (SLOs) for Economics majors are available at <http://www.registrar.ufl.edu/catalog/programs/majors/alc/#e>. This course contributes to a number of SLOs. For WCBA majors: numbers 3 – 5, 7, and 9. For CLAS majors: numbers 2 – 4, 6, and 8.

### **INSTRUCTOR**

Before I get into the rest of the course details, I would like to introduce myself. I received my Ph.D. in Economics at Michigan State University in 1968. I began teaching at UF in 1970 and have remained here ever since. In addition to my teaching and research, I have been retained as an expert witness in many antitrust cases. From time to time, I will bore you with “war stories.” My current research focuses on antitrust, law and economics, and sports economics.

## GRADES

Your grade will depend on your performance on four problem sets and one exam. The four problem sets and the exam are each worth 20%. There is no curve in the class, which means that everyone can earn an “A”. The grading scale is as follows:

<b>A:</b>	<b>90 - 100</b>
<b>A-:</b>	<b>87- 89</b>
<b>B+:</b>	<b>83 - 86</b>
<b>B:</b>	<b>80 - 82</b>
<b>B-:</b>	<b>77 - 79</b>
<b>C+:</b>	<b>73 - 76</b>
<b>C:</b>	<b>70 - 72</b>
<b>C-:</b>	<b>67 - 69</b>
<b>D+:</b>	<b>63 - 66</b>
<b>D:</b>	<b>60 - 62</b>
<b>D-:</b>	<b>57- 59</b>
<b>E:</b>	<b>0 - 56</b>

## PROBLEM SETS

There will be four problem sets during the semester. These are scheduled as follows:

- Problem Set 1: January 28<sup>th</sup>**
- Problem Set 2: February 18<sup>th</sup>**
- Problem Set 3: March 4<sup>th</sup>**
- Problem Set 4: April 8<sup>th</sup>**

Please clear your social calendar for these events. Instructions will be given with the assignment.

**Formatting: Times New Roman, 12 point font, 1 inch margins, ONE SIDED**  
**Turn in a HARD COPY of your paper WITHOUT staples on 12/2/2019 (in class).**

## EXAM

There will be one exam on the last day of class. This exam will cover any material that we have covered in class and will be similar to the problem sets assigned throughout the semester.

**Exam: April 20<sup>th</sup>**

## ATTENDANCE

**I expect you all to attend class. Late arrivals distract me and the other students in the class. Be professional and be on time. Tardiness will not be tolerated on your next job.**

**Therefore, I will deduct one point from your final grade for every unexcused absence. Attendance will be taken at the beginning of every class, and if you are tardy, you will be considered absent. The only exception to this attendance rule is January 24<sup>th</sup> for Career Showcase.**

**If you miss class, you are responsible for everything that goes on in class – all lecture materials, homework assignments, handouts, problems, and the like. In my experience, those who do not attend class regularly do not perform as well as those who do. In addition, if you do not attend class and I have no idea who you are, it is extremely difficult to write a meaningful letter of recommendation.**

## DETERMINATION OF FINAL GRADE

**I promise to do my best to make the course requirements as clear as possible. If anything is unclear, then it is *your* responsibility to ask me or the TA for clarification. I am also delighted to respond to any questions both in and out of class throughout the semester to help you succeed in this course. Ultimately, however, the grade that you earn in this course is *your* responsibility. Please note that I do not *give* you a grade; rather, you *earn* a grade. You know what grade you need to earn or want to earn for the purposes of honors, graduation, major and minor requirements, and so forth. If, at the end of the semester, you have not earned the grade that you initially set your sights on, I will commiserate with you. I will even shed a tear as I try to console you. But the one thing that I absolutely will NOT do is change your grade because the grade you want is different from the grade that you earned. Note that this policy applies equally to graduating seniors! Again, it is up to you to put forth the effort to earn the grade that you desire.**

## POLICY MATTERS

**The University requires that I set out my policies on certain matters so you will be fully informed about my expectations.**

- 1. You are required to comply with the University's honesty policy regarding cheating and the use of copyrighted materials.**
- 2. Each class is a business meeting. You should be prompt and prepared. Please turn off your cell phone to avoid distracting your classmates (and me!). All cell phones are to be put away. If you insist on monitoring your**

- phone for voice mail or text messaging, you will be asked to leave the room. Being unconnected for 100 minutes or so will not prove to be fatal.
3. Students with disabilities who require classroom accommodation should contact me early in the semester, so we can discuss individual needs.
  4. Please check your e-mail for announcements. This is *your* responsibility.
  5. I will go over exams on the day that they are returned. You have one week to appeal the grades that you receive. If you do not begin the appeal process by that date, your grade will be final. Any appeal must begin with your contacting me by e-mail. If you appeal your grade, the assignment will be re-graded in its entirety. The result may be that your grade may go up or it may go down depending upon the circumstances.
  6. Students are allowed to record video or audio of class lectures. However, the purposes for which these recordings may be used are strictly controlled. The only allowable purposes are (1) for personal educational use, (2) in connection with a complaint to the university, or (3) as evidence in, or in preparation for, a criminal or civil proceeding. All other purposes are prohibited. Specifically, students may not publish recorded lectures without the written consent of the instructor.

A "class lecture" is an educational presentation intended to inform or teach enrolled students about a particular subject, including any instructor-led discussions that form part of the presentation, and delivered by any instructor hired or appointed by the University, or by a guest instructor, as part of a University of Florida course. A class lecture does not include lab sessions, student presentations, clinical presentations such as patient history, academic exercises involving solely student participation, assessments (quizzes, tests, exams), field trips, private conversations between students in the class or between a student and the faculty or lecturer during a class session.

Publication without permission of the instructor is prohibited. To "publish" means to share, transmit, circulate, distribute, or provide access to a recording, regardless of format or medium, to another person (or persons), including but not limited to another student within the same class section. Additionally, a recording, or transcript of a recording, is considered published if it is posted on or uploaded to, in whole or in part, any media platform, including but not limited to social media, book, magazine, newspaper, leaflet, or third party note/tutoring services. A student who publishes a recording without written consent may be subject to a civil cause of action instituted by a person injured by the publication and/or discipline under UF Regulation 4.040 Student Honor Code and Student Conduct Code.

## COURSE OUTLINE

**This outline will give you a rough road map for the course. This is ambitious (to say the least) since there is a lot of law and economics to cover. If we all work hard, we can accomplish a lot.**

**Read your textbook. There is a lot of good information here that will help you with your exams. The following assignments are tentative, but you should keep pace so you will not have to scramble to prepare for exams. Moreover, the lectures will mean a lot more if you are prepared.**

### Spring 2022 Schedule:

**January 5<sup>th</sup>:** Class 1 – Introduction  
Syllabus

**January 10<sup>th</sup>:** Class 2 – The Case for Competition  
Chapter 2 and 3  
Blair Handout on Monopsony

**January 12<sup>th</sup>:** Class 3 – The Antitrust Laws  
Chapter 4

**January 17<sup>th</sup>:** No Class- **Martin Luther King Jr. Day**

**January 19<sup>th</sup>:** Class 4 – Private Enforcement I  
Chapter 5  
Blair Handout on Settlements

**January 24<sup>th</sup>:** Class 5 – Private Enforcement II  
(*Attendance Optional* – you will not be penalized if you are not in class due to Career Showcase, however I will still be teaching)  
Chapter 5  
Blair Handout on Settlements

**January 26<sup>th</sup>:** No Class – **Career Showcase**

**January 28<sup>th</sup>:** **Problem Set 1 Due at 9:35am**

**January 31<sup>st</sup>:** Class 6 – Monopoly I  
Chapter 7

**February 2<sup>nd</sup>:** Class 7 – Market Definition and Market Power  
Chapter 6

**February 7<sup>th</sup>:** Class 8 – Monopoly II  
Chapter 8

**February 9<sup>th</sup>:** Class 9 – Monopsony I  
Blair Handouts on Monopsony

**February 14<sup>th</sup>:** Class 10 – Monopsony II  
Weyerhaeuser v. Ross-Simmons

**February 16<sup>th</sup>:** Class 11 – Seller Cartels I  
Chapter 9

**February 18<sup>th</sup>:** **Problem Set 2 Due at 9:35am**

**February 21<sup>st</sup>:** Class 12 – Seller Cartels II  
Chapter 10

**February 23<sup>rd</sup>:** Class 13 – Buyer Cartels I  
Blair Handouts

**February 28<sup>th</sup>:** Class 14 – Buyer Cartels II  
Blair Handouts

**March 2<sup>nd</sup>:** Class 15 – Oligopoly  
Chapter 11

**March 4<sup>th</sup>:** **Problem Set 3 Due at 9:35am**

*March 7-9: No class- **Spring Break***

**March 14<sup>th</sup>:** Class 16 – Horizontal Mergers I  
Chapter 12

**March 16<sup>th</sup>:** Class 17 – Horizontal Mergers II  
2010 Horizontal Merger Guidelines

**March 21<sup>st</sup>:** Class 18 – Vertical Integration I  
Chapter 14

**March 23<sup>rd</sup>:** Class 19 – Vertical Integration II  
Chapter 14

**March 28<sup>th</sup>:** Class 20 – Vertical Mergers  
Chapter 15  
2020 Vertical Merger Guidelines

**March 30<sup>th</sup>:** Class 21 – Rick Schultz Presentation  
Rick Schultz Folder

**April 4<sup>th</sup>:** Class 22 – Maximum Resale Price Restraints  
Chapter 16

**April 6<sup>th</sup>:** Class 23 – Resale Price Maintenance (RPM)  
Chapter 17  
Leegin Creative Leather Products

**April 8<sup>th</sup>:** **Problem Set 4 Due at 9:35am**

**April 11<sup>th</sup>:** Class 24 – Tying Agreements  
Chapter 18

**April 13<sup>th</sup>:** Class 25 – Exclusive Dealing  
Chapter 20

**April 18<sup>th</sup>:** Class 26 – Bilateral Monopoly  
Blair Handouts

**April 20<sup>th</sup>:** Class 27 – **EXAM**