

**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:

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

PROBLEM SETS

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

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

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 20th

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 24th 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 5th: Class 1 – Introduction
Syllabus

January 10th: Class 2 – The Case for Competition
Chapter 2 and 3
Blair Handout on Monopsony

January 12th: Class 3 – The Antitrust Laws
Chapter 4

January 17th: No Class- **Martin Luther King Jr. Day**

January 19th: Class 4 – Private Enforcement I
Chapter 5
Blair Handout on Settlements

January 24th: 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 26th: No Class – **Career Showcase**

January 28th: **Problem Set 1 Due at 9:35am**

January 31st: Class 6 – Monopoly I
Chapter 7

February 2nd: Class 7 – Market Definition and Market Power
Chapter 6

February 7th: Class 8 – Monopoly II
Chapter 8

February 9th: Class 9 – Monopsony I
Blair Handouts on Monopsony

February 14th: Class 10 – Monopsony II
Weyerhaeuser v. Ross-Simmons

February 16th: Class 11 – Seller Cartels I
Chapter 9

February 18th: **Problem Set 2 Due at 9:35am**

February 21st: Class 12 – Seller Cartels II
Chapter 10

February 23rd: Class 13 – Buyer Cartels I
Blair Handouts

February 28th: Class 14 – Buyer Cartels II
Blair Handouts

March 2nd: Class 15 – Oligopoly
Chapter 11

March 4th: **Problem Set 3 Due at 9:35am**

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

March 14th: Class 16 – Horizontal Mergers I
Chapter 12

March 16th: Class 17 – Horizontal Mergers II
2010 Horizontal Merger Guidelines

March 21st: Class 18 – Vertical Integration I
Chapter 14

March 23rd: Class 19 – Vertical Integration II
Chapter 14

March 28th: Class 20 – Vertical Mergers
Chapter 15
2020 Vertical Merger Guidelines

March 30th: Class 21 – Rick Schultz Presentation
Rick Schultz Folder

April 4th: Class 22 – Maximum Resale Price Restraints
Chapter 16

April 6th: Class 23 – Resale Price Maintenance (RPM)
Chapter 17
Leegin Creative Leather Products

April 8th: **Problem Set 4 Due at 9:35am**

April 11th: Class 24 – Tying Agreements
Chapter 18

April 13th: Class 25 – Exclusive Dealing
Chapter 20

April 18th: Class 26 – Bilateral Monopoly
Blair Handouts

April 20th: Class 27 – **EXAM**