

## Empirical analysis of firm behavior

Course title - Intitulé du cours	Empirical analysis of firm behavior
Level / Semester - Niveau /semestre	M2 / S1
School - Composante	Ecole d'Economie de Toulouse
Teacher - Enseignant responsable	REYNAERT MATHIAS
Other teacher(s) - Autre(s) enseignant(s)	
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Other teacher(s) - Autre(s) enseignant(s)	
Lecture Hours - Volume Horaire CM	30
TA Hours - Volume horaire TD	
TP Hours - Volume horaire TP	
Course Language - Langue du cours	Anglais
TA and/or TP Language - Langue des TD et/ou TP	

### **Teaching staff contacts - Coordonnées de l'équipe pédagogique :**

mathias.reynaert@tse-fr.eu

Office T690

Office hours: by appointment

Interaction in class is encouraged

### **Course's Objectives - Objectifs du cours :**

The goal of this course is to develop a better understanding of firm behavior through an empirical lens. What is a firm and what determines the firms' boundaries? How do firms respond to regulation? How do firms source inputs and how do they sell outputs?

In the course, we will empirically analyze firm behavior in different settings by reading and analyzing academic work. The following skills will be developed: expanding your knowledge of micro-economic and industrial organization theory, pairing theoretical insights with empirical evidence, ability to read and critically evaluate empirical evidence, recognizing strengths and weaknesses of modern econometric techniques. You will also obtain practical knowledge through two problem sets that guide you through data analysis and estimation.

The following topics will be covered:

1. Vertical boundaries of the firm: contracts, vertical integration and competition, franchising, intermediaries
2. Horizontal boundaries of the firm: mergers, common ownership, antitrust policy
3. Inside the Firm: management, anatomy of organizations, labor and incentives
4. Pricing strategies: auctions vs. posted prices vs. bargaining

5. Reputation Mechanism and market transparency

Depending on time and class preference we will also cover:

6. Consumer behavior and firm responses

7. Environmental regulation and compliance

8. The global firm and international trade

9. State owned firms and the Chinese economic system

**Prerequisites - Pré requis :**

Class is aimed to students admitted to the EMO track, other students should have attended previous master classes in Micro-Economics, Econometrics and Industrial Organization.

**Practical information about the sessions - Modalités pratiques de gestion du cours :**

Lecture hours will be discussion based lectures where students are expected to participate.

**Grading system - Modalités d'évaluation :**

Evaluation is based on three components:

60% - final exam that consists of open questions

20% - written essay that links course insights to a recent news article

20% - 2 problem sets where you analyze data and estimate regressions

**Bibliography/references - Bibliographie/références :**

Reading materials will consist of lecture notes and academic articles. Detailed reading list and access to articles will be provided for each of the topics covered in class.

**Session planning - Planification des séances :**

3 hours of lecture, Friday 9.30-12.30.

**Distance learning – Enseignement à distance :**

Lectures will be presential, online alternative with recorded lectures and live Q&A will be made available only if necessary.