

KAZAKH NATIONAL UNIVERSITY AL-FARABI
Higher School of Economics and Business
Department of Economics

**The program and methodological recommendations
for the final exam on the subject «Economics of Industrial markets»**

Educational program in specialty «5B050600 - Economics»

Almaty 2020

Compiler:

Bekturganova M.S. PhD,
Senior Lecturer at the Department of Economics

(prepared – full name, degree, position)

The program and methodical recommendations of the final examination on discipline «**Economics of Industrial markets**» were considered and recommended at the meeting of the Department of Economics " ____ " _____ 2020, Protocol № _____

Introduction

The final exam is conducted in the form of a test as a result of the knowledge acquired in 15 weeks.

Tasks are given on the following topics:

1. Methodology for studying the course "Theory of industrial markets"
2. Basic concepts of a firm and approaches to explaining its size
3. Market and industry: concepts, boundaries and classifiers
4. Indicators of concentration of sellers in the market
5. Barriers to entry and market structure
6. Oligopoly and market concentration
7. Natural monopoly
8. Price competition
9. Business Scaling Strategies
10. Product differentiation, market structure and competition
11. Market structure and technological innovation
12. State regulation of industry markets
13. Justification of the mechanism and tools for regulating industry markets

Students must be able to:

- to know the economic fundamentals of industry markets; methods and principles of market structure analysis;
- to use basic models of market structures; to know the main problems that arise when changing market structures;
- to know the main types of state sectoral policy and ways to improve its effectiveness;
- to consider the influence of the market structure on the strategies implemented by the firm and assess their effectiveness;
- to develop strategies for the behavior of economic agents in various markets.

Program questions on the discipline «Economics of Industrial markets»

- 1) Identify the object and subject of the theory of industrial markets.
- 2) Expand the basic concepts of the firm as a subject of the industry market.
- 3) Compare the concepts of "market" and "industry".
- 4) Show how the boundaries of the industry market are determined.
- 5) Expand the main types of market structures and the factors that determine them.
- 6) Describe the structure of the market according to the classification of J. Bane.
- 7) Reveal the essence of concentration in the industry market and its indicators.
- 8) Describe the main indicators of market concentration: concentration index, Herfindahl - Hirschman index, dispersion of market shares.
- 9) Describe the main indicators of market concentration: Herfindahl - Hirschman index, Lorentz curve and Gini index.

- 10) Define barriers to entry - exit and provide their classification.
- 11) Give the classification of industry barriers.
- 12) Expand the concept of market power and provide its indicators.
- 13) Expand the features of the strategic behavior of firms in an oligopoly.
- 14) Describe the cooperative interaction of firms in an oligopoly. Cartel.
- 15) Describe non-cooperative interaction in an oligopoly.
- 16) Highlight the criteria and conditions for the dominance of the firm in the market
- 17) Reveal the essence and main features of natural monopoly.
- 18) Describe the main directions of state regulation of the natural monopoly.
- 19) Expand the essence of price discrimination and identify the conditions for its implementation.
- 20) Identify the types of price discrimination and its consequences.
- 21) Indicate the motives of the integration processes and the differences between horizontal and vertical integration.
- 22) Expand the essence of product differentiation and highlight its types.
- 23) Identify the relationship between market structure and innovation.
- 24) State the motives and benefits of mergers.
- 25) Expand the essence of the monopoly market. Impact of monopoly on public welfare.
- 26) Determine the impact of monopoly on public welfare.
- 27) Expand the essence of the state's antimonopoly policy.
- 28) Expand the nature and types of industrial policy of the state.

**EXAM FORM: ONLINE
EXAMINATION - TEST
PLATFORM: DLS MOODLE**

Testing control - online proctoring.

Proctoring technology (English "proctor" - to control the course of the exam). The proctors, as in the usual exam in the auditorium, make sure that the examinees pass the test honestly: they complete the assignments on their own and do not use additional materials. Both a specialist (full-time proctoring) and a program that controls the test examinee's desktop, the number of faces in the frame, extraneous sounds or voices, and even gaze movements (cyber proctoring) can follow the online exam in real time on a webcam. A type of mixed proctoring is often used: a video recording of an exam with program comments is additionally viewed by a person and decides whether violations have actually taken place.

DURATION: 60 MINUT

NUMBER OF QUESTIONS: 25 questions, 1 attempt

EXAMINATION RULES

1. The exam is held according to the schedule specified in the Univer system.
2. 30 minutes before the start, students must prepare for the exam in accordance with the requirements of the proctoring instruction
3. After opening the test, the student answers the questions in accordance with the principles of academic integrity and without violating the rules of the exam.
4. Test results can be revised based on proctoring results. If a student violated the rules for passing the test, his result will be canceled.
5. For a student who violates the requirements of the rules of final control (unauthorized use of auxiliary devices, cell phones, unexcused delays, etc.), the grade "F" is automatically set and the act of violation is filled out on a non-appeal basis. In this case, the student re-learns the subject on a paid basis.
6. Information on the violation of the rules of the final control is included in the transcript of the student.
7. For repeated violation of the rules, the student is expelled from the university on the recommendation of the Ethics Council of the faculty.

MOODLE TEST QUESTIONS HAVE SEVERAL BASIC TYPES OF QUESTIONS

1. Multiple choice. Allows the selection of a single or multiple responses from a pre-defined list.
2. True/False. A simple form of multiple choice question with just the two choices 'True' and 'False'.
3. Matching. The answer to each of a number of sub-question must be selected from a list of possibilities.
4. Short answer. Allows a response of one or a few words that is graded by comparing against various model answers, which may contain wildcards.

EVALUATION POLICY

1. Students who have scored more than 50 points on the results of intermediate control $(RK1 + MT + RK2) / 3$ are admitted to the final control.
2. The maximum score of the final exam – 100 points.
3. Number of test questions per student: 25 questions, each – 4 points.
4. The final grade for the discipline is calculated by the following formula: $(RK1 + MT + RK2) \times 0.2 + (FE \times 0.4)$.
5. Students' academic achievements (knowledge, skills, abilities and competencies) are assessed on a 100-point scale, the numerical equivalent of the alphabetic system accepted in the relevant international practice (positive grades, decreasing from "A" to "D" (100-50) and "unsatisfactory" - "FX" (25-49), "F" (0-24), and the grade is given according to the traditional system. The grade "FX" is given only in the final exam.

6. In the case of receiving a grade of "F" (retake), the student has the right to retake the course (no more than three times). Retraining of disciplines is carried out on a paid basis.

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4. Paul Belleflamme and Martin Peitz. Industrial Organization: Markets and Strategies. Cambridge University Press, 2010.
5. Tremblay Victor, Tremblay Carol. New Perspectives on Industrial Organization: With Contributions from Behavioral Economics and Game Theory, 2012
6. Lebedev O.T. Economics of industrial markets. Textbook. allowance. - M.: Boslen, 2008. -- 528 p.