Over the past thirty years, digitization and the Internet have transformed business and society. More than half of the world's population now uses the Internet, which has transformed many industries, including retailing, media, and entertainment products.

The firms of the digital economy are also highly profitable. In 2022, four of the ten most valuable companies in the world were firms of the digital economy (Alphabet, Microsoft, Amazon, and Apple).

The objective of this course is twofold. First, can we use the standard tools of economic theory to understand market interactions in the digital age? And secondly, how have digitization and the Internet affected the economy?

There is no required textbook. Some useful references:
- Belleflamme and Peitz (2010), *Industrial organization*. CUP
- Peitz and Waldfogel (2012), *The Oxford handbook of the digital economy*. OUP
- Waldfogel (2017). “How digitization has created a golden age of music, movies, books, and television.” *Journal of Economic Perspectives*

<table>
<thead>
<tr>
<th>Attendance</th>
<th>Assignment</th>
<th>Midterm</th>
<th>Final</th>
<th>Additional Evaluation</th>
<th>Attitude</th>
<th>Other</th>
<th>합계</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
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**Attendance Policy:** Students who are absent for over 1/3 of the class will receive a grade of ‘F’ or ‘U’ for the course. (Exceptions can be made when the cause of absence is deemed unavoidable by the course instructor.)

**Other Remarks:** The assignment is a presentation of 15 minutes that has to be done in groups of three students, about any topic related to the digital economy.
The course consists of 15 sessions over five weeks, three sessions a week. The last two sessions will be used for students’ presentations. Below is a tentative schedule for the course, but things can change.

- **Introduction (session 1)**
- **Consumer search and personalized pricing (sessions 2 to 4)**
  - Online vs offline
  - Search costs
  - Price discrimination
  - Advertising and privacy
- **Network and Platforms (sessions 5 and 6)**
  - Network effects
  - Two sided platforms
- **New Digital Business Models (sessions 7 to 9)**
  - Bundling information goods
  - The sharing economy
  - Intellectual property
- **Antitrust (sessions 10 and 11)**
  - Principles of Antitrust
  - US DoJ v Google
  - Antitrust and two-sided markets: Amex and app stores
  - Algorithmic Pricing
- **Presentations preparation (sessions 12 and 13)**
- **Presentations (sessions 14 and 15)**

### 5. Additional Notes for Students

| Class |  ○ Visual Impairment: Make textbooks (digital textbook, braille textbook, enlarged textbook etc.), Allow note takers  
○ Physical Disability: Make textbooks (digital textbook), Allow note takers and assistants  
○ Hearing Impairment: Allow note takers and translators, Allow lecture recording  
○ Health Impairment: Excuse absence due to health problems, Allow note takers  
○ Learning Disability: Allow note takers  
○ Intellectual Disability / Autism Spectrum Disorder: Allow note takers and mentors |
| Assignment & Evaluation |  ○ Visual Impairment / Physical Disability / Hearing Impairment / Health Impairment / Learning Disability: Extend assignment deadlines, Offer alternate assignment submission and response method, Extend testing period, Offer alternate testing method, Offer different testing room  
○ Intellectual Disability / Autism Spectrum Disorder: Offer individualized assignments and alternative evaluations |
| Others |  Students who take this course can get appropriate level of support service including the support listed above depending on the students’ individual characteristics and needs through consultation with professors and the Support Center for Students with Disabilities. If you have any questions concerning support service for students with disabilities you can contact Professor *** (Contact Information) or Support Center for Students with Disabilities (02-880-8787). |