Week 1
Mandatory Read:
2. Hirshleifer, J. and J. Riley (1992). The Analytics of Uncertainty and Information (Cambridge Univ. Press). Sections 1.0 – 1.4.1 (pp. 7-19), 1.5 (pp. 23-33), 5.0-5.2.2 (pp.167-187), 5.2.4-5.2.5 (pp. 200-208) (CT) [http://www.worldcat.org/oclc/23976725](http://www.worldcat.org/oclc/23976725)

Supplemental Read:
2. Hirshleifer and Riley, op. cit. Sections 1.6 (pp. 33-39), 5.2.3 (pp. 187-200), 5.3.0-5.3.2 (pp. 209-222) (CT). [http://www.worldcat.org/oclc/174454774](http://www.worldcat.org/oclc/174454774)

Week 2
Mandatory Read:

Supplemental Read:

**Week 3**  
**Objective:** What are the implications for competition, efficiency and new product innovation when information goods or services are characterized by network externalities?

**Mandatory Read:**  

**Supplementary Read:**  

**Mandatory Case: U.S. v. Microsoft**  
2. Jeffrey Mackie-Mason (JMM), Case Notes.

**Week 4**  
**Objective:** How should an information provider in competition with others configure the information goods or services she offers? Digital information is relatively easy to unbundle and re-bundle. If providers have imperfect information about what information consumers want, what strategies can they follow to learn about customer preferences?

**Mandatory Read:**  
1. Carl Shapiro; Hal R Varian, *Information rules: a strategic guide to the network economy*, ch. 3 pp. 73-78  

**Supplementary Read:**  

**Mandatory Case: Bundling Academic Journals**
3. JMM, Case Notes.

**Week 5**
**Objective:** Creating information content requires effort, and effort is costly. At least some creators will create less if they cannot obtain compensation for their efforts. Digital rights management is a family of approaches to protect the rights of creators to obtain compensation. Yet many claim that unprotected sharing does not harm creators, and may even benefit them. What do we know currently about basic models of rights management, and their impacts on compensation to creators?

**Mandatory Read:**

**Mandatory Case: File Sharing**
3. JMM, Case Notes.

**Week 6**
**Objective:** What is a “long tail”, and are they more important now for information goods? Why or why not? If the conditions for long tail demand apply to your information goods, what are the implications for competitive strategy: how you should price, bundle, market your products?

**Mandatory Read:**
1. Chris Anderson (2006), The Long Tail (Hyperion), chs. 1, 2, 8. (CT)

Mandatory Case: Long wait for long tail?
3. JMM, Case Notes.