BEM/Ec 101– Selected Topics in Economics (Behavioral IO) *9 units (3-0-6); first term.* This course studies canonical models in Industrial Organization (IO) when decision makers that have bounded rationality, because they cannot rank all products in a logically consistent way, or because they do not use information Bayes-optimally. We analyze how a seller tailors the mechanisms used to sell a good to the different ways in which a consumer might have bounded rationality. Topics include how marketing reacts to consumers that do not have a logically consistent ranking of alternatives, the optimal way a seller hides information about a good's attributes when consumers are not fully Bayesian, and how suboptimal search behavior by consumers affects the dispersion of prices in a market. Instructor: Schenone