EC337-15 Industrial Economics 2: Market Economics, Competition & Regulation

26/27

Department
Economics
Level
Undergraduate Level 3
Module leader
Caroline Elliott
Credit value
15
Module duration
10 weeks
Assessment
Multiple
Study location
University of Warwick main campus, Coventry

Description

Introductory description

EC337-15 Industrial Economics 2: Market Economics, Competition & Regulation

Module web page

Module aims

This module aims to enable students to put industrial organisation theory into practical regulation and competition policy contexts and to provide students with an opportunity to analyse policy issues arising in different market structures. This module will also help enable students to build an understanding of how economics informs policy-making and how to apply effective policy in this area.

Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

The core topics in the syllabus for this module will be based on the following:

1. Market Failures and Competition Policy Theories of market structure, conduct and performance and their relationship to antitrust policy. Theory will be complemented by extensive reference to experiences in the UK, EU and the United States. Specific topics are likely to include:

- The concept of market definition;
- Measures, determinants, and consequences of horizontal concentration and market power (dominance);
- Prohibition on restrictive practices and abuses of dominance (articles 101 & 102 TFEU);
- Substantial lessening of competition tests; horizontal merger policy;
- Vertical structures including vertical integration, restraints, mergers, and operational separation;
- Per se rules versus rule of reason (as part of the wider debate on effects based competition policy versus form based competition policy);
- Essential facilities, access pricing remedies and multi-sided markets;
- Innovation and dynamic efficiency

1. Natural monopoly, Market Liberalisation and Regulation Modern regulatory practice, particularly in relation to communications and other networked public utilities. It analyses technical, economic and societal regulatory theory and practice. Specific topics are likely to inc:

- Incentive-based (“smart”) regulation,
- Use of market-based and/or ex ante regulation (e.g. spectrum auctions) and regulatory reform.
- Specific cases include ‘converged’ regulators (Ofcom formed in 2003 in the UK combines the former duties of five separate regulatory bodies) and self- and co-regulation in e.g. financial and professional services, animal disease management and Internet regulation.
- Examples from Internet economics (e.g. cloud computing networks) and health care management procurement are likely to feature.

However, the module leader may add additional topics and sub-topics within the scope set out by the aims and learning outcomes of the module and subject to the approval of the department.

Learning outcomes

By the end of the module, students should be able to:

- Subject knowledge and understanding:...demonstrate knowledge and understanding of how to analyse competition and regulation policy in different market structures, covering economic regulation of firms and markets, applying critical analysis, formulating concepts and hypotheses, and showing how they are tested in relevant literature. Students will demonstrate knowledge and understanding of how to apply microeconomic theory to address regulation and competition problems, as well as demonstrating familiarity with

contemporary empirical debates and latest research in industrial economics.

- Subject-specific and Professional Key General Skills:...demonstrate proficiency in study and research skills such as communicating knowledge and understanding to others, verbally and in writing; demonstrating proficiency in study and research skills including data skills and the use of library and the Internet as information sources; demonstrating proficiency in mathematical/statistical skills; and demonstrating proficiency in study and research skills through reviewing relevant literature and evidence.
- Cognitive skills:...demonstrate capacity of analytical thinking, reasoning and application; demonstrate capacity of abstraction and problem solving, and demonstrate capacity of applying critical analysis to the topics of the module.

Indicative reading list

Reading lists can be found in Talis

Specific reading list for the module

Subject specific skills

Applied Economics
Economic information
Economic principles
Research and debate
Analysis of incentives
Analytical reasoning
Analytical thinking and communication
Creative thinking
Critical thinking
Policy evaluation
Problem solving
Strategic thinking
Sustainability

Transferable skills

IT skills
Numeracy and quantitative skills
Research skills
Information technology
Math, Statistical, data-based research skills
Oral communication
Written communication

Study

Study time

Type	Required
Lectures	20 sessions of 1 hour (13%)
Seminars	4 sessions of 1 hour (3%)
Private study	126 hours (84%)
Total	150 hours

Private study description

Private study will be required in order to prepare for seminars/classes, to review lecture notes, to prepare for forthcoming assessments, tests, and exams, and to undertake wider reading around the subject.

Costs

No further costs have been identified for this module.

Assessment

You must pass all assessment components to pass the module.

Assessment group A4

	Weighting	Study time	Eligible for self-certification
Written Assignment Policy analysis	30%		No
Briefing paper 2500 words	70%		No

Assessment group R4

	Weighting	Study time	Eligible for self-certification
Resit Briefing Paper	100%		No

Feedback on assessment

The Department of Economics is committed to providing high quality and timely feedback to students on their assessed work, to enable them to review and continuously improve their work. We are dedicated to ensuring feedback is returned to students within 20 University working days

of their assessment deadline. Feedback for assignments is returned either on a standardised assessment feedback cover sheet which gives information both by tick boxes and by free comments or via free text comments on tabula, together with the annotated assignment. For tests and problem sets, students receive solutions as an important form of feedback and their marked assignment, with a breakdown of marks and comments by question and sub-question. Students are informed how to access their feedback, either by collecting from the Undergraduate Office or via tabula. Module leaders often provide generic feedback for the cohort outlining what was done well, less well, and what was expected on the assignment and any other common themes. This feedback also includes a cumulative distribution function with summary statistics so students can review their performance in relation to the cohort. This feedback is in addition to the individual-specific feedback on assessment performance.

Availability

Pre-requisites

EC202 (with EC208 and EC231 desirable) OR
EC204 (with EC208 and EC231 desirable) OR
EC238 (with EC208 and EC231 desirable)

EC231 and EC208 are recommended though not a formal pre-requisite. For those without EC231 or EC208, it is recommended that material covered in the EC208 and EC231 syllabus is the basis for private study during the summer vacation.

To take this module, you must have passed:

- Any of
  - EC204-30 Economics 2
  - EC202-30 Microeconomics 2
  - EC238-15 Economics 2: Microeconomics

Courses

This module is Core for:

- Year 3 of UECA-3 Undergraduate Economics 3 Year Variants
- UECA-4 Undergraduate Economics 4 Year Variants
  - Year 4 of L115 Industrial Economics with Study Abroad
  - Year 4 of L114 Industrial Economics with Study in Europe

This module is Optional for:

- Year 4 of UECA-L1N3 BSc Economics and Management with Placement Year
- TECA-L1PA Postgraduate Taught Economics (Diploma plus MSc)
  - Year 1 of L1PA Economics (Diploma plus MSc)
  - Year 2 of L1PA Economics (Diploma plus MSc)

- Year 3 of UECA-3 Undergraduate Economics 3 Year Variants
- UECA-4 Undergraduate Economics 4 Year Variants
    - Year 4 of LV16 Economics & Economic History with Study Abroad
    - Year 4 of L103 Economics with Study Abroad
    - Year 4 of LM1H Economics, Politics & International Studies with Study Abroad
- Year 3 of UECA-L1N2 Undergraduate Economics and Management
- Year 3 of UECA-LM1D Undergraduate Economics, Politics and International Studies
- UPHA-L1CA Undergraduate Economics, Psychology and Philosophy
    - Year 3 of L1CA Economics, Psychology and Philosophy
    - Year 3 of L1CC Economics, Psychology and Philosophy (Behavioural Economics Pathway)
    - Year 3 of L1CD Economics, Psychology and Philosophy (Economics with Philosophy Pathway)
    - Year 3 of L1CE Economics, Psychology and Philosophy (Philosophy and Psychology Pathway)
    - Year 4 of L1CB Economics, Psychology and Philosophy (with Intercalated Year)
- UPHA-L1CB Undergraduate Economics, Psychology and Philosophy (with Intercalated Year)
    - Year 4 of L1CG Economics, Psychology and Philosophy (Behavioural Economics Pathway) (with Intercalated Year)
    - Year 4 of L1CH Economics, Psychology and Philosophy (Economics with Philosophy Pathway) (with Intercalated Year)
    - Year 4 of L1CJ Economics, Psychology and Philosophy (Philosophy and Psychology Pathway) (with Intercalated Year)
    - Year 4 of L1CB Economics, Psychology and Philosophy (with Intercalated Year)
- Year 3 of UMAA-GL11 Undergraduate Mathematics and Economics
- Year 4 of UECA-GL12 Undergraduate Mathematics and Economics (with Intercalated Year)
- Year 3 of UPHA-V7ML Undergraduate Philosophy, Politics and Economics
- UPHA-V7MM Undergraduate Philosophy, Politics and Economics (with Intercalated year)
    - Year 4 of V7MQ Philosophy, Politics and Economics (Bipartite) with Intercalated Year
    - Year 4 of V7MH Philosophy, Politics and Economics - Economics/Philosophy Bipartite (Economics Major) (with Intercalated year)
    - Year 4 of V7MF Philosophy, Politics and Economics - Economics/Politics Bipartite (Economics Major) (with Intercalated year)
    - Year 4 of V7MG Philosophy, Politics and Economics - Politics/Economics Bipartite (Politics Major) (with Intercalated year)

This module is Unusual option for:

- Year 3 of UPHA-L1CA Undergraduate Economics, Psychology and Philosophy
- UPHA-V7ML Undergraduate Philosophy, Politics and Economics
    - Year 3 of V7MR Philosophy, Politics and Economics (Bipartite with Economics Major)
    - Year 3 of V7MP Philosophy, Politics and Economics (Bipartite)
- UPHA-V7MM Undergraduate Philosophy, Politics and Economics (with Intercalated year)
    - Year 4 of V7MS Philosophy, Politics and Economics (Bipartite with Economics Major) (with Intercalated Year)
    - Year 4 of V7MQ Philosophy, Politics and Economics (Bipartite) with Intercalated Year

    - Year 4 of V7MM Philosophy, Politics and Economics (Tripartite) (with Intercalated year)

This module is Option list B for:

- Year 3 of USTA-G300 Undergraduate Master of Mathematics,Operational Research,Statistics and Economics
- Year 3 of USTA-Y602 Undergraduate Mathematics,Operational Research,Statistics and Economics
- Year 4 of USTA-Y603 Undergraduate Mathematics,Operational Research,Statistics,Economics (with Intercalated Year)

This module is Option list C for:

- UPHA-V7ML Undergraduate Philosophy, Politics and Economics
    - Year 3 of V7MP Philosophy, Politics and Economics (Bipartite)
    - Year 3 of V7ML Philosophy, Politics and Economics (Tripartite)
- UPHA-V7MM Undergraduate Philosophy, Politics and Economics (with Intercalated year)
    - Year 4 of V7MS Philosophy, Politics and Economics (Bipartite with Economics Major) (with Intercalated Year)
    - Year 4 of V7MQ Philosophy, Politics and Economics (Bipartite) with Intercalated Year
    - Year 4 of V7MM Philosophy, Politics and Economics (Tripartite) (with Intercalated year)

This module is Option list D for:

- Year 3 of UPHA-V7ML Undergraduate Philosophy, Politics and Economics