

- Faculté des sciences économiques
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Economics of Regulation and Antitrust Policy (5ER2010)

Filières concernées	Nombre d'heures	Validation	Crédits ECTS
Master en développement international des affaires	Cours: 2 ph	Voir ci-dessous	3
Master en économie appliquée	Cours: 2 ph	Voir ci-dessous	3
Master of Science en innovation, orientation Management de la R&D	Cours: 2 ph	Voir ci-dessous	3

ph=période hebdomadaire, pg=période globale, j=jour, dj=demi-jour, h=heure, min=minute

Période d'enseignement:

- Semestre Printemps

Equipe enseignante

Dr. Bertrand Rime, Associate Professor
Director, Swiss National Bank
Email: bertrand.rime@snb.ch

Hediger Cécile, PhD Assistant
University of Neuchâtel
Institute of Economic Research
Rue Abram-Louis Breguet 2
2000 Neuchâtel
Email: cecile.hediger@unine.ch

Contenu

Part 1 of the course introduces the main notions of the economics of regulation and antitrust. It briefly reviews the main rationale for State intervention and analyses the role of lobbying. We will see why State intervention may take place in areas where it is not necessary, and even undesirable.

Part 2 provides a thorough analysis of State intervention in the case of natural monopolies. It examines the various instruments - price restrictions, franchises, subsidies - that the State can use to improve the economic efficiency of natural monopolies, and at their limitations.

Part 3 will look at State intervention through patents. We will see that patents can have positive but also counterproductive effects on welfare and on innovation. We will also review the regulatory issues related to the internet economy.

Part 4 examines State intervention in the so-called social regulation. It discusses the rationale but also the limitations of State intervention in three main areas: safety regulation, drugs, labour.

Part 5 is dedicated to antitrust policy. It examines several models of imperfect competition. We will see how the authorities can identify restrictions to competition and mitigate their undesirable effects.

Part 6 provides an application of the economics of regulation to the banking sector. It examines the various rationales for State intervention in banking. It shows why banking regulation is such a difficult task, because of the complexity of the domain and because of the political forces that are at work.

Forme de l'évaluation

2h-written exam closed book during the exam session.
Retake: 2h-written exam closed book during the exam session
Group presentation compulsory

Neither documents nor connected devices are permitted during the exams.

In case of violation of these rules, the students are in situation of fraud and the unauthorized items will be removed. The exam could be deemed as failed.

Documentation

- Tirole, Jean, The Theory of Industrial Organization, MIT Press, 1988.
- Viscusi, Kip, Joseph Harrington and John Vernon, Economics of Regulation and Antitrust, MIT Press, 4th edition, 2005.

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Forme de l'enseignement

Lectures: 2h per week.

Objectifs d'apprentissage

Au terme de la formation l'étudiant-e doit être capable de :

- Explain why state intervention may deviate from the social optimum
- Integrate the various stage of the regulatory process
- Illustrate how regulation evolves to accomodate innovation
- Identify the rationale for state intervention
- Evaluate trade-offs in regulatory decisions
- Apply concepts to specific industry or societal problems
- Present a paper in structured an convincing manner

Compétences transférables

- Apply knowledge to new situations
- Teamwork