

5.0 credits

30.0 h

2q

Teacher(s) :	
Language :	Anglais
Place of the course	Louvain-la-Neuve
Main themes :	The aim of the module is to study the working of the so-called information economy (which refers to the development of the industries producing and processing information, and to the growing use of information technologies across all economic sectors).
Aims :	At the end of this module, the student will have acquired an understanding of the economic mechanisms that sustain the information sector. <i>The contribution of this Teaching Unit to the development and command of the skills and learning outcomes of the programme(s) can be accessed at the end of this sheet, in the section entitled "Programmes/courses offering this Teaching Unit".</i>
Content :	<p>The teaching will be essentially based on lectures, aiming at presenting the main theoretical concepts and their applications, using the tools of the theory of industrial organization. Presentations and discussions of selected case studies will complement the theory.</p> <p>Content</p> <ul style="list-style-type: none"> <li>" Pricing strategies in the information sector. Goal: understand the general principles of price discrimination ; apply these principles to the information economy and show that information goods are particularly prone to price discrimination and that the use of information technologies enlarges the scope of price discrimination.</li> <li>" Management of intellectual property. Goal: understand how digital technologies affect the management of intellectual property et examine the effect of piracy on the behavior of producers of information goods.</li> <li>" Network effects, switching costs, compatibility and standardization. Goal: define and contrast network effects and switching costs; examine how these phenomena affect competition on the markets for information technologies and influence, in particular, firms' decisions about technology prices and about the level of compatibility among technologies.</li> <li>" Intermediation and multi-sided markets. Goal: understand what makes intermediation particular in the information sector ; analyse competition among intermediaries ; understand pricing strategies and competition in multi-sided markets (video game consoles, credit cards, search engines, ).</li> </ul> <p>Methods</p> <ul style="list-style-type: none"> <li>- In-class activities : lectures, interactive seminar, micro-teaching (partly presented by students)</li> <li>- At home activities : readings to prepare the lecture, paper work, students presentation</li> </ul>
Other infos :	<p>Prerequisites (ideally in terms of competencies) A course in industrial organization or in advanced microeconomics.</p> <p>Evaluation: End-of-year examination and marked coursework (group work: oral presentation of a case and short report). Weights to be defined.</p> <p>Support : Slides (and additional readings) provided through icampus</p> <p>References : Provided during the class SHAPIRO C. and VARIAN H.R., Information Rules. A Strategic Guide to the Network Economy, Boston, Harvard Business School Press, 1999. Belleflamme P. and Peitz, M., Markets and Strategies, Cambridge University Press, forthcoming.</p>
Cycle and year of study :	<a href="#">&gt; Master [60] in Economics : General</a> <a href="#">&gt; Master [120] in Economics: General</a>
Faculty or entity in charge:	ECON