




5 credits	30.0 h	Q1
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Teacher(s)	Belleflamme Paul ;
Language :	English
Place of the course	Louvain-la-Neuve
Main themes	The course aims at analysing the mechanisms and institutions governing the production, use and diffusion of information and knowledge. It also aims at developing a rigorous economic analysis of a large set of issues surrounding intellectual property, R&D and innovation. In this field, the economic approach appears as fundamental as it focuses on markets, incentives and strategic interaction.
Aims	<p>Having regard to the LO of the programme, this activity contributes to the development and acquisition of the following LO:</p> <ul style="list-style-type: none"> • 1. Corporate citizenship <ul style="list-style-type: none"> • 1.1. 'Demonstrate independent reasoning, look critically ' • 2. Knowledge and reasoning <ul style="list-style-type: none"> • 2.1. Master the core knowledge of each area of management. • 2.2. Master highly specific knowledge ' • 2.3. Articulate the acquired knowledge from different areas • 2.4. Activate and apply the acquired knowledge ' • 3. A scientific and systematif approach <ul style="list-style-type: none"> • 3.1. Conduct a clear, structured, analytical reasoning ' • 3.2. Collect, select and analyze relevant information ' • 3.3. Consider problems using a systemic and holistic approach ' • 3.4. Perceptively synthesize 'demonstrating a certain conceptual distance ' • 3.5. Produce, through analysis and diagnosis, implementable solutions' 1 • 5. Work effectively in an international and multicultural environment <ul style="list-style-type: none"> • 5.2. Position ... the functioning of an organization, in its ...socio-economic dimensions' • 6. Teamwork and leadership <ul style="list-style-type: none"> • 6.1. Work in a team... • 8. Communication and interpersonal skills <ul style="list-style-type: none"> • 8.1. Express a clear and structured message' • 8.2. Interact and discuss effectively ' • 9. Personal and professional development <ul style="list-style-type: none"> • 9.1. Independent self-starter ' • 9.4. Quick study, lifelong learner ' <p>At the end of this course, the student will be able to:</p> <ol style="list-style-type: none"> 1. understand what sets innovation markets apart from other markets. 2. understand why markets often fail when it comes to produce information and knowledge. 3. understand why and how governments should intervene in such markets. 4. use the economic analysis in order to improve their understanding of a number of topical issues (e.g., the impact of patents and generic drugs on the fight against diseases like HIV/AIDS or malaria, software patents, piracy of digital goods, etc). <p>-----</p> <p><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></p>

Evaluation methods	<p>The final grade in this course is based on grades in individual coursework (40%), group coursework (40%) and final exam (20%).</p> <ul style="list-style-type: none"> • Individual coursework. The individual coursework consists of written answers to quiz questions about the cases discussed in class. Each quiz will consist of a single question, asking for a justified opinion. Your response to each quiz should be 300-500 words long. All quizzes are required to be completed, and the mark will consist of quiz answers relating to two cases, to be selected at random at the end of the course. Please bear in mind that – in addition to being marked – the quizzes have the purpose to prepare you for the class discussion. • Group coursework. The task is to devise and develop a business case for an existing business. Each team is expected to submit a written report (max 6,000 words, excluding references and appendix) that provides a compelling argument for a company to invest in and launch a new product or service. Imagine that you work for this company, and that the recipient of the business case is a senior manager from whom you need support to go ahead. Propose a new product or service that you believe this company should introduce. This may be because the company is particularly well placed to introduce a specific innovation, or because it is threatened by competition and will suffer if no action is taken. Use all information that you can find on the company to build your case. This information may include annual reports, regulatory information issued by the company, press information (FT, Economist, etc.) and any other information source that you can identify, such as personal contacts. All members of the team will receive the same mark, regardless of individual contributions. • Final exam. The final exam is a 1-hour, close-book, written exam covering the entirety of the course. The focus is on economic intuition and interpretation of cases, and not on mathematical reasoning. The exam will be organized in the two regular exam sessions (January and August). • Important note. The marks for the individual coursework are set once and for all (this part of the assessment cannot be retaken). However, students have the possibility to retake the final exam in August and, if the mark of the group coursework is below 10/20, to replace it with an individual coursework (to be handed in June or in August).
Teaching methods	<p>The theoretical material is presented during the lectures. Students are asked to work in groups and individually in order to apply the theoretical framework to specific case studies and/or to topical issues.</p> <p>In-class activities</p> <ul style="list-style-type: none"> • Lectures • Group discussions • Testimonies by external experts <p>At home activities</p> <ul style="list-style-type: none"> • Readings to prepare the lectures • Assignments
Content	<p>Summary, content and methods</p> <ol style="list-style-type: none"> 1. We introduce the main concepts and explain why activities generating information and knowledge are marred by three sources of market failures, which contribute to create a generic problem of appropriability. 2. We compare various public policy measures that are designed to alleviate this problem of appropriability. 3. We assess the effect of market structure on the incentives for R&D. 4. We study how patent protection should optimally be designed. In particular, we address the questions of the optimal length and breadth of patents. 5. We apply the previous general analyses to the specificities of the digital economy. Two topical issues are addressed: the piracy of digital products and the development of open-source software. <p>Content</p> <ul style="list-style-type: none"> • Information and appropriability • Market structure and incentives for R&D • Patents and efficiency • Intellectual property in the digital economy
Inline resources	See the Moodle web site of the course.
Bibliography	References : Provided during the class Lecture notes and Slides provided through Moodle
Other infos	Internationalisation <ul style="list-style-type: none"> • international case study
Faculty or entity in charge	CLSM

Programmes containing this learning unit (UE)				
Program title	Acronym	Credits	Prerequisite	Aims
Master [120] in Business Engineering	INGM2M	5		
Master [60] in Economics : General	ECON2M1	5		
Master [120] in Business Engineering	INGE2M	5		
Master [120] in Economics: General	ECON2M	5		