



Department of Economics Course Outline

		Term:	Winter 2011
Course:	Economics 477 [Regulatory Economics]	Section:	01
Time:	TR 11:00 – 12:15	Place:	ST 027
Instructor:	Aidan Hollis		
Office:	SS 426	Telephone:	403-220-5861
Office Hours:	TR 16:00 – 17:00 or by appointment, or quick stuff after class	E-mail:	ahollis@ucalgary.ca

Textbook(s):

W. K. Viscusi, J. E. Harrington, and J.M. Vernon. *Economics of Regulation and Antitrust*, 4th Ed. MIT Press, 2005.

Optional helpful resource: Jeffrey Church and Roger Ware. *Industrial Organization: A Strategic Approach*, Irwin/McGraw Hill, 2000.

Course Outline:

The object of this course is to give students an understanding of how regulation and regulated firms operate. A surprisingly large proportion of our economy – telecom, pipelines, electricity and other industries – is regulated by government authorities. We explore the reasons for this regulation, using tools developed in intermediate economics theory courses. We examine how it is supposed to work in theory, and explore the many pitfalls and trade-offs inherent in any approach to regulation. The midterms will test your understanding of the theory of regulation. The second half of the course examines the operation of regulatory schemes and attempts at deregulation by working through several case studies. This section is very practical and will enable students to look at other regulatory schemes to identify what strengths and weaknesses they are likely to have. The final exam will test your ability to apply the theory that we worked through in the first part of the course to case studies. The focus in the text will be on chapters 10-18.

Students will be required to write an original piece of research on a regulatory topic to be approved with me. I will also require you to present a proposal and a (possibly point-form) draft on which I will provide comments before you submit the paper. Students will also be required to

present a summary of their paper's findings to the class. Attendance during those presentations is mandatory.

I will provide a detailed schedule of readings and dates in the first week of classes. Generally I find email a pretty convenient way of addressing questions – don't hesitate to drop me a line if you have questions or other issues crop up.

Grade Determination and Final Examination Details:

Mid-Term Examination 1	10%
Mid-Term Examination 2	10%
Term Paper	35%
Term Paper Presentation	10%
Term Paper Proposal	5%
Term Paper Draft	5%
Final Examination	<u>25%</u>
	100%

Tests and final exams are marked on a numerical (percentage) basis, then converted to letter grades. The course grade is then calculated using the weights indicated above. As a guide to determining standing, these letter grade equivalences will generally apply:

A+	93-100	B	73-76	C-	60-62
A	86-92	B-	70-72	D+	55-59
A-	80-85	C+	67-69	D	50-54
B+	77-79	C	63-66	F	<50

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

Non-programmable calculators will be allowed during the writing of tests or final examinations.

There will be a Registrar scheduled final examination, lasting 2 hours in a classroom.

Tests and exams will not involve multiple choice questions.

Students' Union Vice-President Academic:

Alyssa Stacy

Phone: 220-3911

E-mail suypaca@ucalgary.ca

Students' Union Faculty Representative (Arts)

Phone: 220-3913 Office: MSC 251

E-mail arts1@su.ucalgary.ca

Society of Undergraduates in Economics (S.U.E.):

www.ucalgary.ca/sue

Notes:

- Students seeking reappraisal of a piece of graded term work (term paper, essay, etc.) should provide a written explanation of their reasons for reappraisal to me *within fifteen days* of the work being returned to the class.
- It is the student's responsibility to request academic accommodations. If you are a student with a documented disability who may require academic accommodation and have not registered with the Disability Resource Centre, please contact their office at 220-8237. Students who have not registered with the Disability Resource Centre are not eligible for formal academic accommodation. You are also required to discuss your needs with me no later than fourteen (14) days after the start of this course.

Safewalk / Campus Security: 220-5333
Emergency Assembly Point – ICT Food Court

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AH/mi
2010-11-29