



APPLIES TO ACADEMIC YEAR 2007/2008

## **GRA 5915 The Political Economy of Regulation: EU Competition Policy and Sector Regulation**

### **Program**

Advanced Specialization Course (MSc), Master of Science in Political Economy

### **Responsible for the course**

Nick Sitter

### **Department**

Public Governance

### **Term**

According to study plan

### **ECTS Credits**

6

### **Language of instruction**

English

This is one of four courses dedicated to core questions in political economy, in this case competition policy and market regulation. The course is primarily designed for students in the MSc in Political Economy programme and therefore assumes some knowledge of political processes and policymaking.

The central themes include the European Union regulatory state, comparative competition policy and sector regulation.

### **Objective**

The course takes theories of regulation as its starting point, addressing the rationales and motivations for economic regulation and centering on the evolution of competition policy and sector regulation in Europe and its changes in the light of liberalisation and de-regulation in the Single Market and the individual states. It also draws on the US models of and experience with deregulation. The course covers several aspects of the regulatory state with respect to the different sectors, such as the degree of liberalisation; the degree of Europeanisation of regulation; questions related to self-regulation, flexibility and indirect regulation; regulatory competition, cooperation and/or convergence; as well as the legal, administrative and political bases for regulation and questions of political intervention, transparency, political or legal appeals and review processes and regulatory reform. It covers EU competition policy, the key tool for regulating the single market, and regulation, liberalisation and de-regulation in the European Union. Three broad sectors are the subject of thorough analysis: the ICT sector (telecoms, communications and the media), the energy sector (oil, gas and electricity) and financial services and capital markets. Central questions concerning regulatory reform include: What kind of regulation or competition policy is necessary in order to make markets work as desired? Who demands and supplies regulation? To what extent do existing institutions (at different levels) shape the trajectories of regulation and regulatory change?

### **Prerequisites**

GRA 5912 or an equivalent course on EU policy.

### **Compulsory literature**

#### **Books:**

Gerber, David J. 2000. Law and competition in twentieth century Europe : protecting Prometheus. New ed. Oxford: Clarendon Press  
Newbery, David M. 2002]. Privatization, restructuring, and regulation of network utilities. Cambridge, Mass. : MIT Press

#### **Other:**

Compendium of Recent Journal Articles, including articles/chapters.

### **Recommended literature**

#### **Books:**

El-Agraa, Ali M., ed. 2004. The European Union : economics and policies. 7th ed. Harlow: FT Prentice Hall

#### **Other:**

Individual journal articles and book chapters available in the library and/or electronically will be recommended as further reading.

### **Course outline**

1. Theories of regulation (normative, positive and institutional). Economic and social regulation. Network regulation, utilities and public services. Regulatory reform. Independent regulatory agencies, and principal/agent issues.
2. Comparative public policy and regulation: Economic policy and regulation in Western Europe and the USA. Privatisation, liberalisation and de-regulation, and challenges for sector regulation. Transparency, accountability and democratic control.
3. Regulation and liberalisation in the EU and a global economy. The international dimension of regulation. Regulatory competition and cooperation.
4. Comparative competition policy: National (incl. Norwegian, US), European Union and international.
5. Sector regulation. Specific aspects of and case studies from the ICT sector (telecoms, communications and the media), the energy sector (oil, gas and electricity) and financial services and capital markets.

### **Computer-based tools**

None

### **Course structure**

36 hours.

Specific Information regarding student evaluation will be provided in class. Please note that while attendance is not compulsory in all courses, it is the student's responsibility to obtain any information provided in class that is not included on the course homepage/Blackboard or text book.

### **Evaluation**

In class assessment (40%) and written paper (60%).

Both parts of the evaluation need to be passed in order to get a grade in the course.

### **Evaluation code(s)**

GRA 59151accounts for 100 % of the final grade in the course GRA 5915.

### **Aids at the examination**

Bilingual dictionary

### **Makeup exam**

Re-takes are only possible at the next time a course will be held. When course evaluation consists of class participation or process elements, the whole course must be re-evaluated when a student wants to retake an exam. Retake examinations entail an extra examination fee.

### **Honor Code**

Academic honesty and trust are important to all of us as individuals, and represent values that are encouraged and promoted by the honor code system. This is a most significant university tradition. Students are responsible for familiarizing themselves with the ideals of the honor code system, to which the faculty are also deeply committed.

Any violation of the honor code will be dealt with in accordance with BI's procedures for cheating. These issues are a serious matter to everyone associated with the programs at BI and are at the heart of the honor code and academy integrity. If you have any questions about your responsibilities under the honor code, please ask.