



APPLIES TO ACADEMIC YEAR 2010/2011

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

### Programme

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

### Responsible for the course

### Department

### Term

According to study plan

### ECTS Credits

6

### Language of instruction

English

### Introduction

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 regulatory state, comparative competition policy and sector regulation.

### Learning outcome

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 reading

#### Books:

Jordana, Jacint and David Levi-Faur, eds. 2004. The politics of regulation : institutions and regulatory reforms for the age of governance. Cheltenham : Edward Elgar  
Ogus, Anthony. 2004. Regulation : legal form and economic theory. New ed. Oxford : Hart

#### Other:

-During the course there may be hand-outs and other material on additional topics relevant for the course and the examination.

A list of compulsory readings will be provided on It's learning or in class.

Compendium of Recent Journal Articles, including articles/chapters.

### Recommended reading

#### Books:

Baldwin, Robert and Martin Cave. 1999. Understanding regulation : theory, strategy, and

practice. Oxford : Oxford University Press  
El-Agraa, Ali M., ed. 2007. The European Union : economics and policies. 8th ed. Cambridge: Cambridge University Press  
Gerber, David J.. 2001. Law and competition in twentieth century Europe : protecting Prometheus. New ed. Oxford : Clarendon Press  
Newbery, David M.. 1999. Privatization, restructuring, and regulation of network utilities. Cambridge, Mass. : MIT Press

**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 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**

It's learning

**Learning process and workload**

A course of 6 ECTS credits corresponds to a workload of 160-180 hours.

Please note that while attendance is not compulsory in all courses, it is the student's own responsibility to obtain any information provided in class that is not included on the course homepage/It's learning or text book.

**Examination**

In class assessment (30%) and written paper (70%, individual).

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

Specific information regarding student evaluation beyond the information given in the course description will be provided in class. This information may be relevant for requirements for term papers or other hand-ins, and/or where class participation can be one of several elements of the overall evaluation.

This is a course with continuous assessment (several exam elements) and one final exam code. Each exam element will be graded using points on a scale (e.g. 0-100). The elements will be weighted together according to the information in the course description in order to calculate the final letter grade for the course. You will find detailed information about the point system and the cut off points with reference to the letter grades on the course site in It's learning.

**Examination code(s)**

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

**Examination support materials**

A bilingual dictionary.

Exam aids at written examinations are explained under exam information in our web-based Student handbook. Please note use of calculator and dictionary.

<http://www.bi.edu/studenthandbook/examaids>

**Re-sit examination**

It is only possible to retake an examination when the course is next taught.

The assessment in some courses is based on more than one exam code.

Where this is the case, you may retake only the assessed components of one of these exam codes.

Where this is not the case, all of the assessed components of the course must be retaken.

All retaken examinations will incur an additional fee.

**Additional information**

**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 academic integrity. If you have any questions about your responsibilities under the honor code, please ask.