

Industry regulation

Course title - Intitulé du cours	Industry regulation
Level / Semester - Niveau /semestre	M2 / S2
School - Composante	Ecole d'Economie de Toulouse
Teacher - Enseignant responsable	SAND – LAFOUILI - MALAVOLTI
Lecture Hours - Volume Horaire CM	30
TA Hours - Volume horaire TD	
TP Hours - Volume horaire TP	0
Course Language - Langue du cours	Anglais
TA and/or TP Language - Langue des TD et/ou TP	Anglais

Teaching staff contacts - Coordonnées de l'équipe pédagogique :

Wilfried Sand-Zantman: wsandz@tse-fr.eu

Yassine Lefouili: yassine.lefouili@tse-fr.eu

Estelle Malavolti: estelle.malavolti@enac.fr

Please send an email if you'd like to set up an appointment with one of the instructors.

Course Objectives - Objectifs du cours :

The course intends to provide students with general principles of industry regulation and expose them to market regulation in network industries. It deals more specifically with regulation in the telecommunications, payment card, and air transport industries. The lectures will be based on academic papers as well as real-world regulatory practices.

Prerequisites - Pré requis :

M1-level microeconomics and industrial organization.

Grading system - Modalités d'évaluation :

Grading will be based on assignments and/or a final exam. More details will be provided during the first session.

Bibliography/references - Bibliographie/références :

Part 1: General principles of industry regulation

Laffont, J-J. and J. Tirole (1993), A Theory of Incentives in Procurement and Regulation, MIT Press.

Part II: Regulation of the telecom industry

Armstrong, M., and J. Wright(2009), "Mobile Call Termination", Economic Journal, Vol. 119, pp. 270-307.

Laffont, J-J, Rey, P., and J. Tirole (1998a), "Network Competition I: Overview and Nondiscriminatory Pricing", RAND Journal of Economics, Vol. 29, pp. 1-37.

Laffont, J-J, Rey, P., and J. Tirole (1998b), "Network Competition II: Price Discrimination", RAND Journal of Economics, Vol. 29, pp. 38-56.

Part III: Regulation of the payment card industry

Rochet, J-J. and J. Tirole (2002), "Cooperation among Competitors: Some Economics of Payment Card Associations", RAND Journal of Economics, vol. 33, 549-570.

Rochet, J-J. and J. Tirole (2011), "Must-take Cards: Merchant Discounts and Avoided Costs", Journal of the European Economic Association, Vol 9, pp. 462-465.

Rysman, M. and J. Wright (2014), "The Economics of Payment Cards", Review of Network Economics, vol. 13, pp. 303-353.

Zhu, W. (2016), "Price Cap Regulation in a Two-Sided Market: Intended and Unintended Consequences", International Journal of Industrial Organization, vol. 45, pp. 28-37.

Part IV: Air Transport Regulation

ICAO, document 9626, Manual on the Regulation of Air Transport.

Starkie, D. (2015), "Congested Hubs, the EU Slot Regulation and Incentives to INvest", mimeo.

Starkie, D. (2002), "Airport Regulation and Competition", Journal of Air Traffic Management, vol. 8.

Malavolti, E. (2016), "Single Till vs Dual Till at Airports, a Two-Sided Market Analysis", Transportation Research Procedia, vol. 14.

Session planning - Planification des séances :

Part 1: General Principles of Industry Regulation (Wilfried Sand-Zantman, 9 hours)

1.1. Classical analysis of regulation

1.2. Incentive regulation

1.3. One-way access regulation

Part 2: Regulation of the telecom industry (Yassine Lefouili, 6 hours)

Part 3: Regulation of the card payment industry (Yassine Lefouili, 6 hours)

Part 4: Air transport regulation (Estelle Malavolti, 9 hours)

4.1. Introduction - General understanding of the organization of the air transport sector.

4.2. Air traffic regulation: (i) Bilateral agreements and open sky agreements, (ii) Allocation of slots

4.3. Airport activity regulation: (i) Airport business models, (ii) Airport regulations