

# UNIVERSITÄT HEIDELBERG

ALFRED WEBER-INSTITUT

DR. STEFAN BEHRINGER



Bachelor / Diplom                      WiSe 2012/13

Titel:    Theory and Policy of Telecommunication Industries

Language of Instruction:                  English

Organizational Meeting:                  6.11.2012 at 11:00 in Room 00.028

Blockseminar:                                18.-19.01.2013 at 10:00 in room 00.028

## Prerequisites:

Prerequisites for successful completion of this seminar are a good knowledge of the theory of industrial organization at the level of Jean Tirole's (1988) or Helmut Bester's (2010) textbooks. Preferably you have taken an advanced microeconomics course before.

## Registration:

Takes place at the Organizational Meeting.

## Content:

Technical progress within the telecommunications industry has been rapid in recent decades. Theoretical models based on the assumption of the telecommunications industry being a natural monopoly no longer reflect reality. This seminar on the theory and policy of the telecommunications industry will allow an investigation of this new balance of sector specific regulation and competition. It aims to provide a technical and thorough understanding of the theoretical fundamentals of the telecommunication industry. In particular the issue of interconnection and access pricing that are critical for the functioning of the industry will be investigated. In addition some recent policy issues will be discussed. Presentations will be based on topics treated in the survey of Armstrong (2002) which is required reading for all participants. In addition, some recent academic articles will be allocated. Seminar presentations take place prior to the submission of the final (seminar) papers and are discussed in class. The final grade is based on 30% presentation, 20% discussion, and 50% paper.

## Required Reading:

Armstrong, M. (2002): "The Theory of Access Pricing and Interconnection, in: "Handbook of Telecommunications Economics", Volume 1", by Cave, M. et al., Emerald, Amsterdam.

## Recommended Reading:

Laffont, J., Tirole, J. (2001): "Competition in Telecommunications", MIT Press.