




5.00 credits	30.0 h	Q2
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Teacher(s)	Belleflamme Paul ;
Language :	English
Place of the course	Louvain-la-Neuve
Prerequisites	Intermediate Micro-Economics and Introductory Industrial Organization In addition, this course is reserved for students with a bachelor's degree in business engineering or students with equivalent quantitative method skills
Main themes	The course aims at analysing the mechanisms and institutions governing the production, use and diffusion of information and knowledge. It also aims at developing a rigorous economic analysis of a large set of issues surrounding intellectual property, R&D and innovation. In this field, the economic approach appears as fundamental as it focuses on markets, incentives and strategic interaction.
Learning outcomes	<p>At the end of this learning unit, the student is able to :</p> <p>Having regard to the LO of the programme, this activity contributes to the development and acquisition of the following LO:</p> <ul style="list-style-type: none"> • 1. Corporate citizenship <ul style="list-style-type: none"> • 1.1. Demonstrate independent reasoning, look critically • 2. Knowledge and reasoning <ul style="list-style-type: none"> • 2.1. Master the core knowledge of each area of management. • 2.2. Master highly specific knowledge • 2.3. Articulate the acquired knowledge from different areas • 2.4. Activate and apply the acquired knowledge • 3. A scientific and systematified approach <ul style="list-style-type: none"> • 3.1. Conduct a clear, structured, analytical reasoning • 3.2. Collect, select and analyze relevant information • 3.3. Consider problems using a systemic and holistic approach • 3.4. Perceptively synthesize 'demonstrating a certain conceptual distance • 3.5. Produce, through analysis and diagnosis, implementable solutions • 5. Work effectively in an international and multicultural environment <ul style="list-style-type: none"> • 5.2. Position ... the functioning of an organization, in its ...socio-economic dimensions • 6. Teamwork and leadership <ul style="list-style-type: none"> • 6.1. Work in a team... • 8. Communication and interpersonal skills <ul style="list-style-type: none"> • 8.1. Express a clear and structured message • 8.2. Interact and discuss effectively • 9. Personal and professional development <ul style="list-style-type: none"> • 9.1. Independent self-starter • 9.4. Quick study, lifelong learner <p>¹</p> <p>At the end of this course, the student will be able to:</p> <ol style="list-style-type: none"> 1. understand what sets innovation markets apart from other markets. 2. understand why markets often fail when it comes to produce information and knowledge. 3. understand why and how governments should intervene in such markets. 4. use the economic analysis in order to improve their understanding of a number of topical issues (e.g., the impact of patents and generic drugs on the fight against diseases like HIV/AIDS or malaria, software patents, piracy of digital goods, etc).

Evaluation methods	<p>The final grade in this course is based on grades in individual coursework (25%), group coursework (45%) and final exam (40%).</p> <ul style="list-style-type: none"> • Individual and group coursework. Each week, students present to the instructor the work they achieved regarding the topic of the week. Marks are given for the individual presentations and for the overall group performance. For each of the five meetings with the instructor, 4% of the final grade is awarded to the individual presentations and 8% to the overall group performance. • Final exam. The final exam is a 2-hour, close-book, written exam covering the entirety of the course. <p>Important note. The marks for the individual coursework are set once and for all (this part of the assessment cannot be retaken). However, students can retake the final exam in August and, if the mark of the group coursework is below 10/20, replace it with an individual assignment (to be handed in August).</p>
Teaching methods	<p>The module follows an inverted classroom approach. Each topic is covered over one week. At the start of the week, students work in groups and individually to deepen their knowledge of the topic by going through teaching material that is made available online. At the end of the week, each group spends 45' with the instructor to present the work they achieved during the week, debate case studies, and get further explanations about any unclear issue.</p> <p><i>Knowledge Objectives</i></p> <p>During the module, students will develop an understanding of the economics of innovation and intellectual property. They will be able to analyse business settings to understand the competitive and strategic implications of the digital economy, as well as the benefits and drawbacks of particular intellectual property approaches. They will also appreciate some strategic challenges that the economics of innovation and intellectual property present managers.</p> <p><i>Skill Objectives</i></p> <p>Students should develop the ability to:</p> <ul style="list-style-type: none"> • Improve diagnostic and analytical skills; • Enhance verbal skills via class and group discussions; • Build up critical thinking and interpretation skills; • Learn how to evaluate different strategic options; • Assess and resolve managerial challenges.
Content	<p>This course aims to study the economics of innovation in the digital economy. The course is articulated around the following five topics.</p> <p>1 – INTANGIBLES & IP. Intangible (non-physical) assets increasingly replace tangible assets as the main determinants of organisations' value and performance. Investing in intangible assets is, however, fraught with problems. We want to understand (i) the sources of these problems, (ii) how the protection of intellectual property (IP) contributes to alleviating these problems, and (iii) how the IP system should be designed.</p> <p>2 – TRADING IP. Week 1 of the course explained the importance of exclusivity in IP law. Now, we shift our focus to the equally vital concept of transferability. This aspect is crucial as it enables the trading of intangible assets, allowing them to be utilized by those who value them the most. However, trading IP has challenges, which the IP system may mitigate or exacerbate.</p> <p>3 – DATA & MARKETS. The performance of consumer markets largely depends on the structure of information, that is, on what buyers know about sellers (e.g., existence, quality and price of products) and what sellers know about buyers (e.g., willingness to pay). Digital technologies have drastically increased the available data and the capacity to turn them into relevant information for sellers and buyers alike. This makes consumer markets more 'transparent'. We want to understand how this increased transparency affects buyers, sellers, and market efficiency in general.</p> <p>4 – NETWORK EFFECTS & PLATFORMS. In many markets, users enjoy benefits that depend on the decisions of other users (meaning that users are subject to network effects), and firms operating 'platforms' make decisions that partly determine how large those benefits are and who will obtain which benefit. Such platforms permeate our everyday lives and contribute to an increasing share of economic activity. It is thus crucial to comprehend how these platforms differ from 'traditional' companies, how they design their strategies and with which effects.</p> <p>5 – PLATFORMS & INFORMATION. To close the course, we use the angle of Topic 4 to revisit the topics covered in Topics 1 to 3. That is, we describe the troubled relationship between digital platforms and IP rights, and we analyse digital platforms' impacts on the transparency of consumer markets.</p>
Inline resources	See the Moodle web site of the course.
Bibliography	All the teaching material is provided online.
Other infos	Internationalisation <ul style="list-style-type: none"> • international case study
Faculty or entity in charge	CLSM

Programmes containing this learning unit (UE)				
Program title	Acronym	Credits	Prerequisite	Learning outcomes
Master [60] in Economics : General	ECON2M1	5		
Master [120] : Business Engineering	INGE2M	5		
Master [120] in Economics: General	ECON2M	5		
Master [120] : Business Engineering	INGM2M	5		