

UNIVERSITY OF CASTILLA-LA MANCHA
TEACHING GUIDE/SYLLABUS
ECONOMICS OF INNOVATION

1. Course and Instructor Information

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| Subject: ECONOMICS OF INNOVATION | CODE: 53346 |
| Typology: OPTIONAL | ECTS credits: 6 |
| Grade: 316 –DEGREE IN ECONOMICS | Academic course: 2016-17 |
| (5) FACULTY OF ECONOMICS AND BUSINESS | Group(s): 10 |
| Centre: ADMINISTRATION (ALBACETE) | Duration: First term |
| Course: 4 | Second language: English |
| Main language for teaching: Spanish | |

Professor: ANGELA TRIGUERO

| Office | Department | Phone | email | Tutorials timetable |
|-------------------------|--|-------------------|-------------------------|--------------------------------|
| Melchor de Macanaz 2.03 | Spanish and International Economics, Econometrics and Economic History | 967599200 2342 | Angela.Triguero@uclm.es | It will be announced in Moodle |

2. Prerequisites

There are no prerequisites to take this subject. Despite this, it is advisable that the student has passed subjects as Foundations of Microeconomics, Applied Economics or Spanish Economy. Moreover, the student must have the basic skills in handling computer software to solve the practical exercises (Word, Excel or similar). Knowledge of a foreign language, preferably English, can also allow read supplementary literature.

3. Justification in the curriculum, relationship with other subjects and the professional career

The Economics of Innovation refers to the analysis of markets and the behaviour of firms operating in these markets taking into account the role of innovation. Traditionally, this course has been taught under the name of "Industrial Economics" (Industrial Organization). Given the current role of innovation to understand the competition level in the markets, this area is called "Economics of Innovation" in the current curriculum. This subject includes contents of Industrial Organization but is more in line with current economic reality considering the key role of innovation and technological change.

The name "Economics of Innovation" is justified because the nature of competition in the markets is broader than simple competition through prices and focuses on innovation (in new products, processes, marketing and organizational ways...). The direct consequence is that markets are experiencing a continuous change since the conduct of companies constantly modifies their conduct taken into account technological change. This dynamic conception of competition deviates from the neoclassical tradition, but integrates many of the problems in the models of imperfect competition of traditional microeconomic analysis. From a microeconomic view, the course addresses key issues for understanding the level of competition in the markets and the strategic behaviour of firms, the conditions under which there is full competition and identification of anti-competitive practices and abuse of dominant position. The course also aims to provide students with tools that will be useful in their future professional activity, especially in developing market research or making strategic decisions in the field of business.

4. Competencies

Competences obtained with the subject

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| E02 | To understand the role of institutions and economic agents in economic and social activities. |
| E04 | Analytical skills to identify and anticipate relevant economic and legal issues and the different alternative solutions. |
| E10 | Ability to design and implement policies and strategies promoting competition and market restructuring. |
| G01 | Possession of the skills needed for continuous, self-led, independent learning, which will allow students to develop the learning abilities needed to undertake further study with a high degree of independence. |
| G03 | To develop oral and written communication skills in order to prepare reports, research projects and business projects and defend them before any commission or group of professionals (specialised or non-specialised) in more than one language, by collecting relevant evidence and interpreting it appropriately so as to reach conclusions. |
| G04 | Ability to use and develop information and communication technologies and to apply them to the corresponding business department by using specific programmes for these business areas. |
| G05 | Capacity for teamwork, to lead, direct, plan and supervise multidisciplinary and multicultural teams in both national and international environments so as to create synergies which benefit organisations. |

5. Learning Outcomes

Results from taking the subject

Know the performance and regulation of product and factor markets at national and international level and the drivers for the generation of wealth and a suitable distribution of income.

Train student to solve problems in a creative and innovative way.

Train the student to listen to and defend arguments orally or in writing.

Additional results

- Ability to design and implement policies and strategies promoting competition and market restructuring.
- Diagnosis and assessment skills to conduct reports about the situation of a market.
- Identify relevant sources of information and its content, as well as the ability to derive the important information from the data, otherwise completely unknown to non-professionals.

6. Syllabus

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|---------------|--|
| Unit 1 | Theories of Industrial Organization |
| Unit 2 | Innovation and technological change |
| Unit 3 | Entry barriers and innovation |
| Unit 4 | Market Structure and innovation |
| Unit 5 | Product differentiation, diversification and innovation |
| Unit 6 | Vertical integration and Transaction costs |
| Unit 7 | Regulation and Competition |

7. Activities and methodology

| Training activity | Methodology | Related Competencies | ECTS | Hours | Eva | Com | Rec | Description |
|---|---|-------------------------|------|-------|-----|-----|-----|---|
| Classroom teaching (theory) | Master Class | E02, E04, E10, G01 | 1.33 | 33.25 | Yes | - | - | Theoretical explanations of main concepts and ideas of the subject by professor |
| Classroom teaching (Classroom) | Case study | E02, E04, E10, G01 | 0.35 | 8.75 | Yes | No | No | Resolution of practices and discussion of diverse competitive strategies in the markets (case studies) |
| Other practices (Classroom) | Combination of learning methods | E02, E04, E10, G01, G05 | 0.32 | 8.00 | Yes | No | No | Practical tasks, discussions purposed by the professor and/or students |
| Study, preparation of tests (Autonomous) | Individual student work | E02, E04, E10, G01 | 2.00 | 50.00 | Yes | No | Yes | To face the final evaluation, the student must devote time to learn the concepts learned in class through reading and study the Manual and complementary bibliography |
| Other non-classroom activity (Autonomous) | Resolution of exercises and problems | E02, E04, E10, G01 | 0.80 | 20.00 | Yes | No | Yes | Use of reports from European Commission, Minister of Industry, Competition Defence Authorities...) and diverse data sources (DIRCE, ESEE...) |
| Other non-classroom activity (Autonomous) | Reading of scientific articles and realization of reviews | E02, E04, E10, G01 | 0.60 | 15.00 | Yes | No | Yes | To Synthesize and answer to based questionnaires after reading complementary bibliography |
| Final exam (Classroom) | Exam evaluation | E04, E05, E15 | 0.10 | 2.50 | Yes | Yes | Yes | The written test consist of different |

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|---|--|--|--|---------------|--|--|---|
| | | | | | | | questions concerning theoretical aspects, definition of concepts basic and resolution of numerical exercises. |
| Total: | | | 6.00 | 150.00 | | | |
| Total credits of classroom work: 2.10 | | | Total hours of classroom work: 52.50 | | | | |
| Total credits of autonomous work: 3.90 | | | Total hours of autonomous work: 97.50 | | | | |

Eva: Evaluable training activity
Com: Compulsory training activity
Rec: Recoverable training activity

8. Evaluation criteria and assessment

| Evaluation system | % | Description |
|---------------------------------|----------------|---|
| Other systems of evaluation | 20.00% | Evaluation of the quantity and quality of participation in the classroom classes (theoretical and practical) |
| Resolution of problems or cases | 20.00% | The quantity and quality of the practices will be valued. They will be delivered through the virtual platform |
| Final exam | 60.00% | Final exam with different questions about concepts, theoretical topics and resolution of practical exercises. The minimum valuation to approve the course is 5.0 points (Equivalent to 3 points of the final grade) |
| Total: | 100.00% | |

9. Course schedule, assignments and estimated work

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| No directly related to Units | |
| Training activities | Hours |
| Classroom teaching (theory) (CLASSROOM) (33.25 h tot.) | 33.25 |
| Classroom teaching (practices) (CLASSROOM) (8.75 h tot.) | 8.75 |
| Other practices (practices) (CLASSROOM) (8 h. tot.) | 8 |
| Study, preparation of tests (AUTONOMOUS) (50 h tot.) | 50 |
| Other non-classroom activity (resolution of problems and exercises) (AUTONOMOUS) (20 h tot.) | 20 |
| Other non-classroom activity (case studies) (AUTONOMOUS) (12.5 h tot.) | 12.5 |
| Other non-classroom activity (Reading of scientific articles and realization of reviews) (AUTONOMOUS) (15 h tot.) | 15 |
| Final exam (CLASSROOM) (2.5 h tot.) | 2.5 |

10. References

| Author/s | Title | Editorial | City | ISBN | Year |
|---------------------|---|--|--------|-------------------|------|
| Callejón, M. | Economía Industrial | Universitat Oberta de Catalunya y Civitàs | | 84-470-1586-6 | 2001 |
| Castro Pérez, J. M. | La innovación comienza aquí | Libros de Cabecera | | | 2016 |
| Clarke, R. | Economía Industrial | Colegio de Economistas de Madrid-Celeste Ediciones | Madrid | 84-87553-47-8 | 1993 |
| Comisión Europea | Unión por la Innovación. Una guía de bolsillo sobre una iniciativa de Europa 2020 | Luxemburgo: Oficina de Publicaciones de la Unión Europea | | 978-92-79-28655-1 | 2013 |
| Dosi, G. | Fuentes, métodos y efectos microeconómicos de la innovación. | | | | 1992 |
| Molero, J. | Innovación tecnológica y competitividad en Europa | Síntesis | | | 2001 |
| VV.AA. | España en la era de la innovación | FUNCAS | | | 2011 |