Identification	Subject	**ECON 833 Economics of Regulation – 3KU credits (6ECTS)**
	Department	Economics and Management
	Program	Graduate
	Term	Spring, 2023
	Instructor	Ingilab Ahmadov
	E-mail	ingilab@khazar.org
	Classroom/hours	Wednesday, 18:30 – 21:00 Room 21 Bashir Safaroglu, 122
Prerequisites	**ECON 801** Advanced Microeconomics	
Language	English	
Compulsory/Elective	Compulsory	
Textbooks and course materials	Main textbook; 1. "Market Regulation" Roger Sherman, 1st edition, Pearson, 2008 2. "Macroeconomics", Gregory Mankiw, 10th edition, Worth Publishers, 2018 Supplementary reading: [3] "Economics of Regulation and Antitrust" W. Kip Viscusi, John M. Vernon, and Joseph E. Harrington, 4th edition (Cambridge, MA: MIT Press, 2005)	
Course objectives	The objective of the course is to introduce the role of the government in market regulation to provide efficiency when competitive equilibrium fails. In this course we will emphasize the importance of market structure, the behavior of individual markets, investment behavior, market power and government's regulatory behavior on monopolies and options for dealing with them. We will examine the rationales, legal rules, and regulatory models in diverse areas of regulation. Particularly, the course will emphasize the resource rich countries revenue management specifics, different models of the fiscal rules and ways of diversification of the economy.	
Course outline	Regulation, Market failure, Antitrust laws, Behaviors and Regulation, Resource-rich economy, Revenue Management in the resource-rich economies, Budgeting, Diversification	
Learning outcomes	At the end of the course, students should have clear framework for the analysis of government intervention in diverse sectors of the economy. Students can clearly identify different policies to regulate economy properly, differentiate government management in resource rich and resource poor countries. Students also can understand and implement in the practice relevant fiscal rules to reach fiscal sustainability in the resource rich countries. They will understand also the nature and measurement of diversification and the ways to reach sustainable development.	

Teaching methods		Points
	Case analysis	x
	Group discussion	x
	Lecture	x
	Presentation	x

Evaluation Criteria	Methods	Date/deadlines	Percentage (%)
	Midterm Exam		30
	Class attendance		5
	Activity		5
	Quizzes (2)	5th,12th	10
	Presentation	13th	5
	Written assignment	14th	5
	Final Exam		40
	Total		100

Policy	**Written assignment:** Students are obliged to prepare written papers focusing on difference case studies, which will be realized individually by each of them.
	Presentation: Students will be divided into small groups (up to 5) to prepare group presentation, dedicated concrete challenging problems of regulation. After successful presentations, each group will have a gained score, which can be difference depending on each student's contribution to the group work.
	Activity – Will be assessed by the active engagement of each student during the class discussion.
	Quizzes – Will be organized 2 written multiple choice questions (5 for each) assessment in the first and second part of the course, to be sure that students understood the materials properly and demonstrate proper knowledge by answering questions.

		Tentative Schedule	
Week	**Date/Day**	**Topics**	**Textbook/Assignments**
1		Government regulation of the economy	"Economics of Regulation and Antitrust" W. Kip Viscusi, John M. Vernon, and Joseph E. Harrington, 4th edition (Cambridge, MA: MIT Press, 2005)
2		Monopolization, collusion, antitrust laws, and natural monopoly	"Economics of Regulation and Antitrust" W. Kip Viscusi, John M. Vernon, and Joseph E. Harrington, 4th edition (Cambridge, MA: MIT Press, 2005)
3		The Keynesian Model. The goods market (IS) and the money market (LM). Fluctuations with IS-LM model. The role of monetary and fiscal stabilization policies	Ch. 10,11. Mankiw
4		Behaviors and the regulation economy	Masao Ogaki • Saori C. Tanaka Behavioral Economics Toward a New Economics by Integration with Traditional Economics
5		Natural Resources Economy **(Quiz 1)**	Handout
6		Revenue management in the resource rich countries	Handout
7		Revenue management in the resource rich countries	Handout
8		Fiscal rules in the resource rich economies	INTERNATIONAL MONETARY FUND Fiscal Rules—Anchoring Expectations for Sustainable Public Finances1/
9		**Midterm exam**	
10		Budgeting the resource rich economies	Handout
11		Extra budgetary funds (SWF)	www. oilfund.az, Handout
12		Monetary and debt policy **(Quiz 2)**	Ch. 15. Mankiw
13		Agricultural and regional policy. **(Presentation)**	and handout
14		Economic Diversification (1) **Written assignment**	Handout
15		Economic Diversification (2)	Handout
16		**Review. Final exam**	