Market power in a non-US setting

For this topic, you should analyze market power for a country that is *not* the US. Most of the current work focuses on the US, but it would be interesting to know whether these features extend to other countries.

Data

You could use the World Bank Enterprise Survey which has country-by-country information on firm characteristics. That includes a harmonized dataset across many countries, as well as specific questions from individual countries. You will need to register an account with the WB to get the data (this is trivial).

The Enterprise Surveys do not cover the universe of firms in a country, so your analysis will be limited in that sense, but acquiring the universe of firm-level data is far more difficult, so this will do for this assignment.

Analysis

Here are a few things you should cover in your paper just in terms of measurement:

- 1. You will need to review the literature we talked about on market power to come up with a way of measuring market power that can be used with the Enterprise Survey data.
- 2. You will also need to think about whether you have data to talk about market power in one country over time, or instead talk about variation in market power across countries.
- 3. You will need to discuss the implications of the imperfect firm-level coverage of the Enterprise Surveys

Given the measurement of market power, then your paper should discuss the implications of variation in market power (over time or across countries) in accounting for variation in level of development or growth. This is very open-ended, but for this paper I'd expect some basic theory work illustrating how market power is related to aggregate TFP, for example. And then you'd use this basic theory work to interpret the impact of the market power variation you see in the data. A truly ambitious paper would attempt to use the theory to quantify the effect of market power variation on development.

The paper should be in Latex.