

EC5230 Policy Report

Student Instructions and Marking Matrix

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Task

Write a short policy report (maximum 1000 words) on an industrial organisation policy issue of your choice. You must choose your own topic and link your analysis to one or more concepts/models from the course (e.g. oligopoly competition, product differentiation, innovation incentives, patents/IP, multi-stage games and commitment).

Your goal is to produce a clear, well-argued recommendation that is grounded in IO reasoning.

Requirements

- Word limit: max 1000 words for the main text (everything from the first word of the introduction to the last word of the conclusion).
- Must include:
 - A clearly stated policy question and why it matters.
 - A concise IO framework (concept(s)/model(s)) and how it applies.
 - A recommendation (what should be done, by whom, and why).
 - Discussion of trade-offs and at least one alternative policy option.
 - Use of evidence (facts, stylised facts, institutional details, basic data, or credible external sources).
- Must not include: long textbook derivations. Use the model to structure reasoning, not to fill space.

Suggested structure

1. Title + policy question (1-2 sentences)
2. Context and institutional details (what market, who are the players, what is regulated)
3. IO analysis (use one or two core mechanisms; define the key object(s) you use)
4. Policy options (at least two) and how outcomes change
5. Recommendation (clear and actionable)
6. Limitations / what evidence would change your mind (short)

Topic choice

You may pick any topic where IO tools are useful. Examples of areas (not required): merger policy and unilateral effects, regulation of platforms, pricing/competition in differentiated

markets, entry deterrence, patent policy and innovation incentives, licensing, R&D subsidies vs patents, market power in digital markets, collusion screens and facilitating practices.

Referencing and style

- Use a consistent citation style (any standard author (date) style is fine).
- Cite sources for factual claims (e.g. market shares, prices, legal rules, dates).
- You are not graded on the number of references, but your report must be evidence-based.

Submission format

- Submit as PDF.
- Include your word count on the first page.

Marking matrix (short rubric)

Criterion	What we look for	Weight
1. Problem framing	Clear policy question, correct market definition/players, institutional realism	10%
2. Use of course concepts	Correct IO mechanism(s); appropriate model choice; correct comparative statics/intuitions	30%
3. Quality of analysis	Coherent logic; links assumptions to conclusions; addresses counter-arguments	25%
4. Evidence and sources	Credible facts/data; correct interpretation; sources cited for key claims	15%
5. Policy evaluation	Compares options; recognises trade-offs (efficiency, equity, innovation, consumer surplus, etc.)	10%
6. Communication	Structure, clarity, concision; policy memo style; within word limit	10%

Bibliography