

# EC5230 Policy Report

## Student Instructions and Marking Matrix

Gerhard Riener

### 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 counterarguments	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%