

Written Exam for the M.Sc. in Economics winter 2012-2013 R

Telecommunications Economics

Final Exam

21.02.2013

(3-hour closed book exam)

Please note that the language used in your exam paper must correspond to the language of the title for which you registered during exam registration. I.e. if you registered for the English title of the course, you must write your exam paper in English. Likewise, if you registered for the Danish title of the course or if you registered for the English title which was followed by "eksamen på dansk" in brackets, you must write your exam paper in Danish.

If you are in doubt about which title you registered for, please see the print of your exam registration from the students' self-service system.

Answers are wanted for both questions.

A.

Describe the concepts of privatization and liberalization and the recommended policy from EU at the end of the 1990'ies. Describe shortly the role of the regulator of the telecommunication sector. Present the considerations today about potential Public Private Partnerships as one of the possibilities to support further penetration of Fibre to the Home (FTTH). Which objectives are behind, and what are the impediments?

B.

Describe – for example by use of examples - the issue about, when duplication of production facilities and especially duplication of infrastructure is beneficial for the society, and how it is connected with different possibilities to obtain competition in the market. Discuss the concepts of natural monopoly and essential facilities/bottlenecks, and how it influences the industrial structure in the telecommunication sector now and in the future.