MARITIME INDUSTRIAL ECONOMICS

This course aims at giving some theoretical and empirical concepts inspired by Industrial Organization to analyse the shipping industry and its connected markets. After a thorough analysis of demand and supply characteristics and the derived equilibria of the shipping market, other key concepts will be defined and measured, such as network economies, mixing up economies of scope (i.e. from a bundle of freight services) and economies of scale, which are key factors of concentration and competitiveness for this industry. A good complementary handbook reference for this first part dedicated to the essentials in maritime economics can be found in Martin Stopford's book, third edition. The UNCTAD Review of Maritime Transport, published on a yearly basis, might also be helpful to capture the updates of the maritime shipping industry.
The market organization is further developed in the second part of the course, starting with the modelling of spillover effects through Input-Output models. The method can be also used to estimate any kind of direct and indirect economic effects caused by the presence of a specific industry (e.g. fishing and commercial ports, shipping industry, coastal tourism, shipyards, etc.). The measurement and analysis of concentration will follow to appreciate the creation of large and integrated firms, consortia and alliances in the shipping industry. The last chapter will be dedicated to a conceptual analysis of firm strategies through oligopoly models and game theory, possibly illustrated by a remote participation to a serious game of oligopoly competition in the liner market (TRALIN).

PUBLIC :

Any professional actor or any person who needs to use knowledge about industrial and maritime economics for a study or to make a decision.

LEARNING OBJECTIVES:

By the end of this course, learners will be able to:

- Define and describe the major findings of IO analytical frameworks
- Classify the different shipping markets and types of cargo
- Apply cost and returns to scale analysis to the shipping industry
- Analyse mergers, alliances and concentration in the liner shipping industry
- Analyse growth strategies of shipping companies in an oligopoly market with capacity constraint

COURSE CONTENT :

Introduction - What is Industrial Organization about?
Part I. Essentials of industrial maritime economics
Module 1: Demand, supply and market equilibrium
Module 2: Shipping costs: scale, scope and networks economies
Part II. Market organization and competition in the shipping industry
Module 3: Industrial concentration of the shipping industry
Module 4: Theoretical analysis of market structures and game theory applied to liner shipping

INSTRUCTIONAL STRATEGY:

Learners will have to read the documents and watch the videos that will be accessible to them online. They will also have to respond on a regular basis to short quiz tests in order to be self-evaluated.

Moreover, learners will experience a quite innovative online scenario-based assignment: a serious game called TRALIN.
TRALIN or TRAnsport LINer aims at providing a thorough understanding of the strategic issue a liner shipping company is confronted to.

Learners may send questions to the teacher when some concepts need further explanations and are not clearly understood.

RECOMMENDED RYTHM :

3 hours / week

COURSE INSTRUCTOR:

The course is delivered by the Professor Patrice GUILLOTREAU, professor of economics at the University of Nantes.

Price : 1080 €

Partnership and grouped registration: contact us

NEXT SESSION

FEBRUARY 4, 2020

DURATION

30 hours during 9 weeks

content availability:
4 months

PREREQUISITES

Essentials in microeconomics (supply and demand functions, market equilibria)

Basic knowledge in Industrial Organization (S-C-P model, 5 forces model, returns to scale, barriers to entry)

VALIDATION

This training leads to a participation certificate.
The content of this training is derived from the Master Shipping-Trading.

Registration at UN e-SEA / contact.unesea@univ-nantes.fr

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