

# Economics and Society



Master in Economics

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Economics  
and **Society**

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## *Introduction*

On a daily basis, companies and governments have to make routine or strategic decisions in a globalized environment with ever faster-moving technological changes. Thanks to the new information technologies, these companies and governments are overwhelmed with qualitative and quantitative data relating to markets, consumer behavior or company results, which CEOs or political authorities must understand, use or ignore.

## *Objectives*

The specialization in Economics and Society aims to provide students with cutting-edge training in economic analysis and in quantitative methods so as to propose strategic solutions to the growth and governance of companies, governmental organizations or public institutions. Students in the course of their training will have to do an internship, draw up an internship report and do a final work project (TFE) on the same topic. This specialized training in a particular area must enable students to use the knowledge they have acquired to develop valuable expertise. This expertise is to serve as a business card in the case of a job interview.

## *Job prospects*

The specialization in Economics and Society prepares students for managerial and executive positions in:

- SMEs and large corporations
- Regulatory agencies (energy, telecoms etc.)
- Economic and statistical departments
- International organizations (FMI, World Bank, BERD etc.) and NGOs
- SPF Finances and other federal administrations
- Municipal and regional public management
- Management in the health sector (hospitals etc.)
- Teaching and research in economics.

## Strengths

This training aims to provide students with rigorous methods of analysis and synthesis founded on modelling and econometric techniques. In particular, students will be able to take in-depth courses in:

- International and development economics;
- Industrial economics;
- Growth and innovation economics;
- Information economics and game theory;
- Public economics and finances;
- Health economics;
- Time series and panel data econometrics.

## Double Degrees

Provided they meet the set selection criteria, HEC Liege students enrolled in the Master in Economic Sciences (120 ECTS) with a specialist orientation in Economic Analysis and Public Governance, can take a double degree program at the University of Hohenheim (Germany). Students spend one year at the University of Liege and the other one in their host university. Courses are taught in English and the final work project must be written in English. Students must pass all examinations organized in their program's two institutions. The successful completion of these examinations entitles them to the HEC Liege Master's degree and to the host university's Master degree.

## Program

The specialization in Economics and Society relies on compulsory courses in economics sciences (55 credits) following which students choose **11 specialized courses**, skills portfolio workshops, an **internship** and a **thesis** (for a total of 65 credits), all of which spans a period of two years.

## YEAR 1

Compulsory courses in

**Master in Economics (45 credits)**

+

**Economics and Society (15 credits)**

## 15 credits to be chosen among:

- Finances publiques et politique économique en Belgique et en Europe
- Introduction à l'économie de la santé
- Economics of Innovation
- European Economics
- Environmental and Energy Economics

## YEAR 2

Compulsory courses in

**Master in Economics** (45 credits)

+

**Economics and Society** (15 credits)

Applied Microeconometrics

Internship (10 credits)

Final Work Project (20 credits)

Skills Portfolio (5 credits)

## 10 credits to be chosen among:

- Economie sociale : théories et pratiques
- Public Economics
- Economie du développement
- Droit européen de la concurrence
- Economics of Competition and Regulation
- Economic geography

The contents of the specialized courses are briefly described in the following pages. Full pedagogical mission statements are available on the ULg site ([http://progcourses.ulg.ac.be/cocoon/programmes/G2UEC001\\_C.html#3015631](http://progcourses.ulg.ac.be/cocoon/programmes/G2UEC001_C.html#3015631)) and on the Lol@ platform used by HEC Liege (<http://lola.hec.ulg.ac.be/>).

As the courses are taught either in English or in French, each course will be described in its proper teaching language.

### **Master 1:**

## **FINANCES PUBLIQUES ET POLITIQUE ÉCONOMIQUE EN BELGIQUE ET EN EUROPE**

Le cours aborde divers thèmes d'actualité économique - avec une attention toute particulière aux aspects budgétaires. Thèmes potentiels: politique fiscale et consolidation fiscale en Europe et dans le monde, concurrence fiscale, vieillissement.

## **INTRODUCTION À L'ÉCONOMIE DE LA SANTÉ**

### **Partim F. FECHER (14h)**

- Le secteur de la santé : quelques chiffres
- Incertitude, externalités, asymétrie d'informations : trois caractéristiques des soins de santé
- Organisation et financement du secteur des soins de santé en Belgique
- Comparaison internationale des systèmes de santé : les Etats-Unis et le Royaume Uni
- Une analyse économétrique des déterminants des dépenses de santé
- Une analyse empirique de l'efficacité des systèmes de santé
- L'équité dans les systèmes de santé : financement et prestations
- Analyse de la demande des soins de santé et la demande induite
- Les réformes des systèmes de santé

### **Part E. PAUL (6h)**

Les spécificités des pays en développement: aspects globaux (dont l'aide au développement pour la santé) et aspects nationaux.

### **Partim A. NEUPREZ (10h)**

- Rôle et définition de l'évaluation économique en santé
- Types d'évaluation économique et interprétation des résultats
- Les méthodes de l'évaluation économique en santé
- Les faiblesses et les enjeux de l'évaluation économique en santé
- L'évaluation économique en santé en Belgique
- Organisation et régulation de l'offre médicale
- Numérisation

## ECONOMICS OF INNOVATION

*“How to arouse innovation in my enterprise?”* Many entrepreneurs ask that question.

Innovation is the result of human behavior that is both valuable and disturbing in enterprises. It has tremendous individual and social consequences.

The objective of this course is NOT to provide management solutions or recipes to entrepreneurs who wonder how to foster innovation. Thus, the course is not a collection of business, organizational or marketing recipes to make you ready-to-use innovators.

This course, proposed for the first time in the academic year 2014-2015, is a scientific exploration of what is at the root of economic change: innovation.

This course is aimed at students who are willing to approach innovation with the tools of the scientist. We will study the determinants, the existence conditions and the consequences of innovation by using the research tools of economics, psychology, neurosciences, sociology and law.

There is no prerequisite for this course except curiosity, a taste for scientific research and basic knowledge in economics.

## EUROPEAN ECONOMICS

### 1. Introduction

The aim of this course is to familiarise students with economic reasoning applied to the process of European economic integration. Using economic models, it introduces students to the economic logic behind European policies.

### 2. Course content

#### Introduction

- History
- Law, Institutions and the Budget
- Decision Making

#### Economic aspects of European economic integration

- The Essential Economics of Preferential Liberalization
- Market Size and Scale Effects
- Growth Effects and Factor Market Integration

#### EU policies

- The Common Agricultural Policy

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- Location Effects, Economic Geography and Regional Policy

### **Monetary aspects of European integration**

- A monetary history of Europe
- The choice of an exchange rate regime
- The European Monetary System
- Optimum Currency Areas
- The European Monetary Union

### **Other economic aspects of European economic integration**

- Fiscal policy and the stability pact
- The financial markets and the Euro
- Economic integration and labour market institutions

## **ENVIRONMENTAL AND ENERGY ECONOMICS**

This course uses the various advanced tools learned throughout the master program in order to understand aspects related to environmental and energy issues.

(1) Market failures, the environment and state interventions (2) Valuing the environment (3) the economics of climate change (4) the supply and demand of the energy markets (5) Energy security, energy efficiency and renewable energies.

## **Master 2:**

### **ECONOMIE SOCIALE : THÉORIES ET PRATIQUES**

This course analyses the economic realities which are part of what is more and more frequently called the "third sector", i.e. a sector which is distinct from the traditional private sector and from the public sector. The third sector mainly brings together enterprises belonging to the co-operative movement, mutual organizations and above all activities with an economic relevance carried out by associations (formal non-profit organizations, on the one hand, and informal associations, on the other hand). These realities are often poorly understood from an economic point of view although they represent a significant part of employment in industrialized countries. In a different way but even more importantly, they are also crucial and bear great hopes in developing economies where they are generally rooted in local communities and prove to be crucial in LDCs where the public sector has decreased a lot and the formal private sector is concentrated in profitable industries and areas. In order to apprehend these realities, which are often poorly known and whose importance is usually strongly undervalued, different types of approaches are used complementarily: approaches based on the concept of the social economy, and those based on the notion of "non-profit organizations" (NPOs). Various approaches were forged during last decades to seize and analyze specificities of such organizations. Among these analytical frameworks, the concept of social economy took a particular importance to stress that the major stake is often to make live a true company by putting it at the service of a social mission.

### **PUBLIC ECONOMICS**

A number of topics in public economics will be covered, relating both to public expenditures and income. The approach is both normative and positive. We study direct and indirect taxation: incidence, incentives and optimal taxation. We also include social choice aspects, optimal social insurance systems, as well as the design and effects of real-world retirement income systems in the face of rational agents.

### **ECONOMIE DU DÉVELOPPEMENT**

Les objectifs fondamentaux de ce cours sont : - Définition des concepts et de théories les plus importantes. - Présentation des principaux indicateurs socio-économiques du sous-développement. - Description critique des modifications structurelles que connaissent les pays en développement.

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## DROIT EUROPÉEN DE LA CONCURRENCE

Le cours offre aux étudiants un socle de connaissances approfondies dans l'ensemble des matières du droit européen de la concurrence: articles 101 et 102 TFUE, contrôle des concentrations, droits exclusifs, spéciaux et entreprises publiques, aides d'Etat, oligopoles, question de procédure et de mise en oeuvre institutionnelle. Il suit une orientation originale qui puise dans les enseignements de la théorie économique, du droit comparé (national et américain), et dans des exemples concrets tirés de la pratique. Des notes de cours ainsi qu'un recueil complet de documents sont mis à la disposition des étudiants.

## ECONOMICS OF COMPETITION AND REGULATION

Public authorities often intervene in the conduct of markets. They supply goods themselves (public transport is an example), they regulate the provision of goods/services by private firms by imposing sector specific regulation. Finally, through competition policy, they prevent firms from taking actions that increase market power in a detrimental way. The course of Economic Theory of Competition and Regulation studies public interventions in a market economy and more specifically the relations between firms and public authorities.

The course is organized around 10 topics. Each topic will be introduced by a simple economic model and illustrated by an empirical analysis or a case study.

1. Fixed-price and cost-plus contracts
2. Procuring a good
3. Public-Private Partnerships
4. Liberalization of network industries and access pricing
5. Universal service obligations
6. Measuring market power
7. Mergers I: Unilateral effects
8. Mergers II: Coordinated effects
9. Abuse of dominant position: Bundling goods
10. Environmental regulation

## ECONOMIC GEOGRAPHY

- > Introduction: Stylised facts
- > Importance of transport costs and increasing returns to scale
- > Agglomeration and dispersion forces
- > Spatial competition: Hotelling
- > The core-periphery structure: Krugman's model
- > Evolution of regional disparities
- > Local labour markets
- > History vs expectations in economic geography
- > Economic growth and geography > Empirical studies

## Internship/Final Work Project

As part of their training received at HEC-Management School of the University of Liege, all students (120 credit program) accomplish an internship in a company or any other public or private institution as well as a final work project (TFE) in the 2nd year of the Master's program.

### The 10-week internship

Students do an internship in a company during the first 10 weeks of the academic year (mid-Sept. to end-Nov.) and this can be extended until mid-Dec. The 50-page or so internship report is due to be submitted by the beginning of Jan. The internship can be done in a private or public company, a public agency, an international or non-governmental organization. The internship occurs in Belgium or abroad and is generally non-remunerated.

For full details: see the Lol@ intranet website devoted to internships and final work projects in economics :

#### **For full details:**

<http://lola.hec.ulg.ac.be/claroline/course/index.php?cid=NTE010>

#### **Contact person:**

> Nadia DE ZOTTI  
Boulevard du Rectorat, 7, B31 - Room R41  
+32 4 232 72 08 - [nadia.dezotti@ulg.ac.be](mailto:nadia.dezotti@ulg.ac.be)

### The Research Thesis

Students choose a thesis topic and a supervisor in their 1st year of the Master's program. Both the contents and the location of the internship must as far as possible relate to the thesis topic. The internship must be looked upon as an opportunity to take a more professional approach to the thesis topic and a chance to collect non-public data within the institution. The thesis topic must allow students to apply the methods of analysis and synthesis used by economists which they will have acquired in the course of their studies. The topic can be theoretical, empirical or both.

At HEC Liege there also exists a possible variant of the thesis called the "project-thesis". The latter's topic is proposed by an enterprise or a public organization welcoming the student on its premises, not only in the course of the internship period but also one day per week throughout the rest of the academic year. The project-thesis thus offers students a chance to work on a topic while being immersed in the host institution or enterprise.

**For full details:** see the Lol@ intranet website devoted to "project thesis":

#### **Contact person:**

> Sophie LERUTH - +32 4 232 73 13 - [sophie.leruth@ulg.ac.be](mailto:sophie.leruth@ulg.ac.be)





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## *Contact & information*

### **Person responsible of the specialization:**

- Lionel ARTIGE - Professor - +32 4 3664891 - [lionel.artige@ulg.ac.be](mailto:lionel.artige@ulg.ac.be)

### **Program Manager:**

- Nadia DEZOTTI - +32 4 232 72 08 - [nadia.dezotti@ulg.ac.be](mailto:nadia.dezotti@ulg.ac.be)

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