



Economic Issues B

Module Code: ECU22042

Module Name: Economic Issues B - Economics of Innovation: Innovation and Society

- **ECTS Weighting:** 5
- **Semester/Term Taught:** Semester 2
- **Contact Hours:** 22 hours of lectures
- **Module Personnel:** Lecturer: Prof. Yuen Ho

*Please note that this module outline is under construction and its assessment method is subject to change.

Module Learning Aims:

This course addresses the economics of research and incentives for innovation and how innovation interacts with society. Topics include the standard modern economics of invention; modern intellectual property rights; case studies of key innovations across sectors and implications for society; the diffusion of innovation, including the political, social, and cultural barriers to technology adoption; and the unintended consequences of innovation.

Module Learning Outcomes:

On successful completion of this module, you will be able to:

- Apply the simple but powerful economic tools available for study of the economics of innovation.
- Analyse key aspects of public policy, market structure, and incentives related to innovation.
- Understand how innovations diffuse and assess common barriers to technology adoption.
- Critically evaluate key innovations and their implications for labor markets and society more broadly.

Module Content:

Information, research, and innovation are key drivers of growth and prosperity in the modern economy. Policy makers, entrepreneurs and lawyers need to understand the economics of research and innovation. They also need to be familiar with the various means of fostering sustained innovation in a world of proliferating intellectual property rights.



Finally, both the direct and unintended interactions of innovation with the workplace, culture, and society will be considered.

Key topics that may be discussed (time permitting) include:

- The history of innovation
- The importance of innovation (innovation and growth; case studies of key innovations across sectors)
- Investing in knowledge (information as a public good, optimal design of intellectual property, cumulative innovation, management and funding models)
- Diffusion of innovation and barriers to technology adoption (political, social, and cultural)
- Innovation and labor markets (wages, jobs, labor force composition)
- The unintended effects of innovation.

Recommended Reading List:

The main textbook is Suzanne Scotchmer, *Innovation and Incentives*, Cambridge, Cambridge, MA: MIT Press, 2004. Key chapters will be made available on Blackboard. Additional readings, including news articles, academic papers, and book chapters, will also be provided at the start of the term.

Module Pre-Requisite: No specific module is a formal prerequisite for this module. However, it is expected that students have a basic understanding of general economic concepts. Students who have not previously completed (1) an Introduction to Economics and/or (2) Mathematics and Statistics modules (such as ECU11011/ECU11012/ECU11022/ECU11024 at Trinity) are encouraged to review appropriate introductory material.

Module Co-Requisite:

Assessment Details:

- In-person midterm exam (40%)
- In-person final exam (60%)

Module Website:

Blackboard