# Postgraduate Brochure: Honours

Department of Economics

*University of Pretoria*

*2024*

## 1 University of Pretoria Department of Economics Background

The Economics department at UP is a leader in Africa and South Africa, because of the conviction of its academic staff to a central tenet of economics: properly developed, understood and applied, economics offers insights into society and policy evidence that would not otherwise be available.

It is because of that belief that we present rigourous postgraduate programmes and place very high expectations on our students. Those standards have yielded results. The Economic Society of South Africa Founders Medal in Economics has been awarded to a number of Honours, Masters and PhD students in the department in recent years. For the past decade or more, the Department of Economics has been ranked as one of the top two departments of economics in the country. More recently, it has been ranked amongst the top 6% in the world. Despite being a relatively small department, we consistently punch above our weight. Our academic staff members represent a wide swathe of the world. Many of them have been trained overseas, or otherwise developed research collaborations in the north and the south.

Academic staff in our department come from a variety of countries around the world, including: Germany, India, Italy, Mauritius, the United States, Ethiopia, Zimbabwe, and, of course, South Africa. Students from nearly every country south of the Sahara have earned degrees in the department, while students from around the world have undertaken exchange programs, and spent time in the department.

Former students have taken up employment in the United States, the United Kingdom, Australia, and many other countries. They have roles in the International Monetary Fund and World Bank, as well as their country's central bank or ministry of finance, amongst others. Locally, our students enjoy prominent roles in both National Treasury and the South African Reserve Bank. Our students are also employed in all of the top banks and consulting companies in the country; a number of them have begun to take on leading roles in many of those places.

Students also decide to continue their studies, elsewhere. Recent graduates have gone on to further their studies in the USA, Japan, Australia, Canada, Germany, the Netherlands, the United Kingdom.

The department, through its engagement with researchers in Canada, the United Kingdom and the rest of Africa, initiated the African Econometric Society. That society is now fully incorporated into the Econometric Society (https://www.econometricsociety.org), which is the premier society for advancing economic and econometric theory.

The department hosts two Web of Science Journals, the South African Journal of Economics and the South African Journal of Economic and Management Sciences. The managing editor of the former is in the department, while the current managing editor of the latter is at Northwest University. Researchers in the department also sit on editorial boards of journals that lead their respective fields. We are and have been widely represented in leadership positions in learned societies, including presidencies and committee memberships in the African Econometric Society and the Economic Society of South Africa. Academic staff in the department have also been tasked to participate in the Econometric Society Africa Region Standing Committee and to direct the African Finance and Economics Association.

The department is widely engaged in the policy environment. The South African Reserve Bank hosts the Chair in Monetary Economics, while supporting a new cadre of research through student fellowships. Researchers in the department have worked with National Treasury, the Competition Commission, the Department of Energy, the Department of Health and many Provincial and African treasuries, central banks and departments.

Department staff have also worked with other governments, development banks and central banks in Africa and the rest of the world.

# 2 Honours Program

As of 2024, we have merged our two honours degrees (previously the **BCOM (Hons) Economics** and **BCOM (Hons) Econometrics** degrees) into a single **BCOM (Hons) Economics** degree.This was done because the 2 degrees had become almost identical. Students interested in an econometrics focus should choose a research topic accordingly. This will give them experience with econometric techniques, which they can leverage for further studies and/or job interviews.

The honours degree follows clear curricula including microeconomics, macroeconomics, econometrics and the research essay. In 2023, we introduced an exciting new modular approach to the micro- and macroeconomics courses. For each semester, students choose 2 micro and 2 macro mini-modules aligned with their interests. In total, over the year, students therefore have 4 mini-modules on macroeconomics topics (choosing from energy economics, macroeconomic modelling, political economy, economic growth, public economics and economic policy) and 4 mini-modules on microeconomics topics (choosing from economics of corruption, competition economics, behavioural economics, economics of gender, development economics and environmental economics). Summaries of each mini-module are included at the end of this brochure, along with a link to the mini-module selection survey, which needs to be completed by end of day of 1 February 2024.

If you have administrative questions that you would like to ask, we request that you first contact the postgraduate administrator, Ms Sindi Magwaza, who can be reached via sindi.magwaza@up.ac.za. Questions about processing of final admission and registration should be directed to our faculty administrator, Ms Thabiso Motsei (thabiso.motsei@up.ac.za)

## 2.1 Honours Degree Requirements

The economics honours degree is designed to be completed in one year, and covers 120 credits. As part of the credit load, students are expected to complete a research essay, which includes participation in a poster event later in the year. The event is designed to allow students to showcase their work and to interact with professional and research economists.

Each semester includes microeconomics, macroeconomics and econometrics, with each covering 15 credits per semester. The remaining 30 credits come from the research essay.

## 2.2 Sick Tests, Exams and Chancellor's Exams

The Honours Economics course does not offer sick tests or supplementary exams.

- Should a student miss a test for a legitimate reason (as defined in the faculty guidelines), the exam for the relevant module will be reweighted to account for this.
- Should a student miss an exam for a legitimate reason, a sick exam will be scheduled exactly four days after the original exam, and the form of that exam, e.g., oral exam, is up to the discretion of the lecturer. No other sick exam times will be scheduled.
- A student cannot complete the module without an exam mark.
- Notifications, regarding illness or missing tests.[1]
  - All notifications must go to the department postgraduate administrator and to the module instructor.
  - Notifications regarding exams must also be submitted to the faculty.

[1]The department has the right to verify all documentation.

- Notice should be submitted no less than three days beforehand, in the case of expected events (e.g., a work related requirement or sports event). According to faculty guidelines, no notices are accepted more than three days after the fact (i.e., the test/exam).
- All support documentation must be submitted no later than three days after the fact (i.e., the test/exam).
- Failure to meet these requirements will result in a zero for the missed test/exam.

**The honours degree is a one year program. According to faculty guidelines, and, therefore, department guidelines, students are not allowed to take a module more than once.**

For that reason:

- Students who fail no more than ONE module in the honours course, and achieve a sub-minimum grade of 30% for the failed module, will have the opportunity to write a chancellor's exam on that module in January 2025. If this exam is passed, the student will be given 50% for the relevant module.
- Students who fail more than one module or fail the chancellor's exam (or do not gain access to that exam) will be de-registered from the program, and will need to appeal to the department to be allowed to re-register for the degree program in 2025.[2]

Given the realities of the program, we would like to make two suggestions to the students.

- Keep up with the material and continually do the work that is asked of you.
- If you find yourself not being able to manage, be honest. **Seek help, immediately.**

# 3 Honours Modules

## 3.1 Full year module: Research paper

### Research paper and research methods (EKN/EKT795)

This module will present the underlying principles of research methodology, as well as the principles of writing, referencing, and research ethics. The module will be evaluated based on an economics research proposal, a research ethics submission and a research paper focusing on the analysis of economic issues or policies.

Note that this module has classes in the first semester. The first half of the semester will be devoted to principles of research methodology, as above; with the second half focusing on practical techniques for data analysis. The data analysis part will include lectures specific to different modeling software: Stata and R.

## 3.2 First Semester Modules

### Econometrics (First semester: EKT 713)

EKT 713 is an introductory yet comprehensive course in econometrics, encompassing an in-depth examination of elementary statistics and regression analysis. This includes the fundamentals of simple and multiple regression analyses, as well as estimation, inference and hypothesis testing. In addition to cross-sectional analysis, an introduction to multivariate time-series analysis is included, focussing on the theory and application of multivariate cointegration, notably a discussion of the implication for the Classical Linear Regression Model (CLRM) when unit roots are present in the data, the process of unit root testing and the simple residual-based approach to cointegration and error correction modelling. Considerable attention is devoted to practical applications of current economic issues and examples drawn from the applied economic literature. We believe the econometrics course to be an exciting component of your Honours degree studies – econometrics allows us to apply theoretical concepts to real-world data, provides us with tools to solve complex problems (or at least to try!), make predictions, and contribute to policy discussions. Its interdisciplinary nature and constant evolution make it a vibrant and intellectually stimulating sub-discipline of economics.

[2] Appeals must be submitted to the postgraduate administrator in time to be considered for re-registration, which is determined by the university calendar.

**Macroeconomics (First semester: MEK 780)** Students will select 2 of the 3 mini-modules below to make up this course. Brief details for each mini-module are included below to help you to choose.

- **Monetary and Fiscal Policy (Prof Viegi)**: In this module of the Macro sequence the students will be introduced to the basic models to understand and discuss monetary and fiscal policy in small open emerging economies like South Africa.

  The module will provide the student with the tools to analyse independently issues as the suitability of Inflation targeting in emerging markets, the role of fiscal policy in stabilizing the economy, the effect of debt accumulation on macroeconomic stability, how participation on international capital market constraints national economic policies, and how monetary and fiscal policy can be coordinated. While we want to give instruments to understand the current public macroeconomic debate, the module is quite formal in the sense that models are the language of economics and only models can discipline our thinking.

  The course will be a combination of class lectures and independent readings. The following readings are some of the material that you will be asked to study and discuss in class.

  - Milton Friedman (1968) “The Role of Monetary Policy”
  - Dornbusch and Edwards.(1990) "Macroeconomic populism"
  - Alan Blinder (1997) "What Central bankers could learn from Academics and Viceversa"
  - John Taylor (1993) “Discretion versus Policy Rules in Practice”
  - Evan Tanner (2013) "Fiscal sustainability: A 21st century guide for the perplexed"
  - Loate, T., E. Pirozhkova, and N. Viegi. (2021) "Sailing into the Wind: evaluating the (near) future of Monetary Policy in South Africa"
  - Gita Gopinath (2022) "How Will the Pandemic and War Shape Future Monetary Policy?"

- **Public Economics (Prof Monkam)**: The honours macroeconomics module in Public Economics offers an introduction to this seminal field. Public Economics examines the role of government in the economy through its tax and spending policies: what does government do, what are the effects of these actions, and are these effects “good” or “bad”. The 5-week lectures highlight key issues in taxation and fiscal decentralization. Using theoretical and empirical tools, the course describes the major taxes used around the world; it analyzes the impacts of taxation on the allocation of resources, the distribution of economic welfare, and the level of tax revenues; and it evaluates these impacts.

  The course also aims to introduce students to the role of taxation beyond its revenue raising function and as a tool for good governance and state-building. The goal is for the students to develop tools to analyze tax systems around the world and evaluate their impact on economic decisions and fiscal balances.

  The module is designed to go beyond traditional theory, and includes recent empirical findings and current issues in taxation in Africa. In that respect, students will be required to keep abreast of recent domestic and international developments in taxation and the role of the tax system in the economy. The module will emphasize self-motivation and drive among the students and will expect them to fully participate through in-class presentations on related topics.

  Preliminary Readings included the recommended but not required textbook: Black, P., Calitz, E., Steenekamp, T, and associates, (2019). Public Economics (7th Edition). Cape Town: Oxford University Press Southern Africa.

- **Economic Growth and Development (Prof Chisadza)**: Economic development is the process in which people in a country have increasing standards of living through greater access to economic opportunities, such as income, health, education, employment, finance and good institutions that protect the rights of citizens. Economic growth is a critical component that drives economic development and

economic development is a critical component that drives economic growth. So how do we achieve this virtuous cycle?

As development economists, one of our key contributions is to make a positive impact on society's economic well-being. In order to make this impact, we need to understand the processes and pathways that lead to sustainable development. Understanding these dynamics is an integral foundation to finding effective channels that address anti-growth strategies while encouraging and reinforcing growth-promoting drivers.

In this module, we focus on a range of topics, such as the great divergence (when/how economic growth started), and growth factors to explain the development disparities between countries. We also take a deeper dive into quality of institutions, conflict (state-building or destructive), as well as the evolution of technology (are humans being replaced by machines? - think Will Smith 'I, Robot' or Arnold Schwarzenegger 'Terminator' series, though I am 90% sure our future is not going to be overrun by a hostile artificial intelligence. . . ..fingers crossed!!).

These topics will incorporate discussion papers, as well as incorporate long-run economic growth in Africa compared to other global regions. Is Africa's growth path on par with developed regions or is it delayed? Why? I hope you will open your mind to very interesting theories that will hopefully demystify economic growth and highlight that achieving a good and sustainable quality of life is not impossible. *Disclaimer: content is subject to a few tweaks here and there as the semester progresses.*

**Microeconomics (First semester: MIE 780)** Students will select 2 of the 3 mini-modules below to make up this course. Brief details for each mini-module are included below to help you to choose.

- **Behavioural Economics (Prof Nicholls):** Policy makers and companies around the world are increasingly recognising the value of behavioural science in helping to inform better systems, by taking into account the ways in which people actually make decisions. Although the academic literature in behavioural economics started in the 1980s, it is only in more recent years that the field has gained a lot of traction in the policy and corporate spaces. South African companies are following the international trend of adopting behavioural principles: think about Discovery's "behavioural banking"; and all those little notes you see when you're shopping online: "only 1 left", "5 people are looking at this option right now", etc.

  The honours microeconomics module in Behavioural Economics offers an introduction to this growing field. We start by talking about some of the ways in which our behaviour might not be strictly "rational". We look at why our decisions deviate from what a rational model might predict; and we consider how policy makers and companies might incorporate these deviations in designing better systems that account for the sometimes "irrational" ways in which people make choices.

  Our 5 classes will highlight key topics in this area. We will consider some theory on how our decisions deviate from classical models of decision making, and we'll use a lot of real world applications, including relatable examples and academic research. We will consider the cognitive overload that we all experience, and how this influences the "shortcuts" we take when we make decisions. We will talk about attitudes to risk, time preferences, loss aversion, and social preferences. We will engage with the concepts of choice architecture, nudges and decision mapping. We will also discuss how policy ideas can be tested and how good experiments should be designed.

- **Environmental Economics (Ms Oosthuizen):** In the multifaceted realm of environmental issues, economists play a pivotal role in deciphering the economic drivers behind environmental degradation and resource over- exploitation. This course is designed to empower you with a comprehensive understanding of economic perspectives on contemporary environmental challenges.

  We will explore theories related to natural resources, discussing how economic objectives can align with environmental goals and the limitations of economic analyses. Beyond theory, the course extends to applications in renewable and non-renewable resources, pollution, global climate change, international trade, and environmental politics, offering a holistic perspective on the interplay between economics and environmental concerns.

Starting with foundational concepts in environmental economics, the course provides insights into key theories and a thorough examination of major environmental challenges. We navigate through the economic valuation of environmental goods and services, evaluating policies addressing global climate change and emphasizing the role of economic strategies in mitigation.

The course also ventures into the intricate relationships between consumption patterns, poverty, and environmental sustainability. An exploration of the impact of climate change on inequalities between countries includes an analysis of the costs and benefits of mitigating climate change on the economic progress of less affluent nations.

By the end of the course, it is my hope that you will not only grasp key theories but also be adept at expressing informed perspectives on how economics can effectively contribute to environmental goals.

**Some Reading:**

- *Climate Change and Inequality - IMF* – https://www.imf.org/en/Publications/fandd/issues/2021/09/climate-change-and-inequality-guivarch-mejean-taconet
- Taconet, N., Méjean, A. & Guivarch, C. Influence of climate change impacts and mitigation costs on inequality between countries. *Climatic Change, 160, 15–34 (2020).* DOI: 10.1007/s10584-019-02637-w
- Rewatch *"The Lorax"* - Dr. Seuss

- **Economics of Gender (Dr Zawaira and Dr Pleace):** Only three women have won the Nobel Prize in Economics, with Claudia Goldin being the latest recipient in 2023 for her work on the gender wage gap and gender-based labour force decisions. This course delves into the intricate role of gender in various economic contexts and identifies areas with significant disparities.

  The course is structured into two main parts. The initial segment focuses on the theoretical underpinnings of gender in economics. In the first week, we aim to cultivate an understanding of the concept of gender and its relevance in economic studies. The following week discusses the link between gender and macroeconomics, exploring these concepts from a theoretical standpoint. The main idea is to sensitise learners to how gender is not only "a women's or social" problem, but also an economics problem.

  The second part of the course is about the practical aspects of gender research in economics. We begin by examining the current status quo of gender disparities within the field of economics. Then, we investigate broader issues of where the most significant disparities exist and how decision-making processes differ by gender to help explain these disparities that we see.

## 3.3 Second Semester Modules

**Econometrics (Second semester: EKT 723)**

This is an advanced course in econometrics that goes beyond elementary statistics and regression analysis. We introduce techniques that help with violations of the Gauss-Markov assumptions and sample restrictions that require more advanced estimation techniques. Topics covered in cross-sectional analysis include difference-in-difference estimation, basic panel data estimation techniques, the issue of endogeneity in economic relationships and limited dependent variable (LDV) models. The time-series analysis component includes in-depth analyses of the theory and practical application of unit root testing, Vector Autoregression (VAR) modelling and impulse response analysis, extended to the maximum-likelihood approach to multivariate cointegration and vector error correction modelling, as well as the bounds testing approach to cointegration. We explore methods of forecasting and scenario testing applied to structurally estimated models, concluding with an introduction to volatility models. Once again, techniques are extensively applied to real-world data, following the empirical literature.

**Macroeconomics (Second semester: MEK 781)** Students will select 2 of the 3 mini-modules below to make up this course. Brief details for each mini-module are included below to help you to choose.

- **Macroeconomic Modelling (Prof Naraidoo):** Macroeconomic models are important as they help academics and policy makers alike to shed light on relevant real-world economic problems. The key ingredient in macro modelling is solving a problem under constraints to address a particular problem at hand. In so doing, a macro model helps us to understand a particular problem in the past or present and to make predictions about the future and also to carry counterfactual experiments.

  This course will expose students to the study of modern macroeconomics which makes use of micro-founded methodology to model relevant real-world situations such as business cycles. The benchmark model that is built reflects the way current macroeconomic analysis is done at the frontier of macroeconomic research and at central banks and governments.

  The 5 classes will start by explaining some mathematical background that one needs to be able to solve consumer's and firm's problems and how economic decisions are made in the market place and how these decisions interact to explain economic phenomena. The analysis will consist firstly, of a simple one-period model to understand consumption and labor/leisure decisions, i.e., goods and labor markets before moving to a two-period model to explain consumption and savings-investment decisions, i.e., goods and capital markets. And the modelling section culminates in combining these elements to form the main framework to analyze the macroeconomy. There will be introduction to computational economics in Matlab (and Dynare) to generate the solution of the model. We will also look at South African and other world economies data to compare with the model predictions. Writing a small project will be useful for understanding how the macroeconomy work and relevant for working environment or further studies.

- **Energy Economics (Prof Inglesi-Lotz):** Have you wondered how loadshedding is currently the biggest issue in South Africa?

  Have you thought that the planners', policymakers and other market stakeholders' energy choices affect the future of the global economy?

  Have you realised that the impact of energy prices to the global economy is significant?

  If the answers are yes, you are at the right module!

  Definitely, we will not find all the answers and solutions to all these in a five-week module. The solutions are complex and complicated. Such problems are wicked. But in this module, we will aim to understand the essence of these challenges by delving deeper into their nature, history and possible solutions (or why they are difficult to solve). Energy is one of the main inputs to production; some consider it the fifth factor of economic production that cannot be underestimated in economic decisions by both the private and public domains. At the same time, energy is a necessity for the population and access to it is an important determinant of economic development and reduction of poverty. Like any other sub-field of economics, energy and environmental economics are concerned with the basic economic issue of scarcity and the optimal allocation of limited resources in the economy.

  Energy economics is a course that explores the economic principles and issues related to energy production, distribution, and consumption. It looks at the macroeconomic impacts of energy markets, including the impact of energy prices on economic growth and inflation. The course also covers topics such as energy policy, the relationship between energy and the environment, and the role of government in regulating energy markets. It also examines the current trends in energy markets, such as renewable energy, fossil fuels, and the increased use of natural gas.

- **Political Economy (Prof Getachew):** In this module of the Macro sequence the students will study the influence of political processes and structure in economic outcomes. We will analyse issues like the persistence of bad policies, the political origins of economic crisis, the economic origins of dictatorship and democracy, the joint conditions defining a stable economic and political environment. The course will introduce the students to the rational choice approach to political economy where the interaction between politics and economics is studied starting from the disciplining assumption that individuals act in their best interest either in their economic or political actions and that collective outcomes are the results of social interaction of individual choices.

Preliminary Readings: The course will be a combination of class lectures and independent readings. The following readings are some of the material that you will be asked to study and discuss in class.

- Acemoglu, Daron and James A. Robinson (2006). "Economic Backwardness in Political Perspective", American Political Science Review 100 (1), pp. 115-131.
- Acemoglu, Daron, Georgy Egorov and Konstantin Sonin (2013). "A Political Theory of Populism", Quarterly Journal of Economics 128 (2), pp. 771-805.
- Bedasso, B. E. (2014) "Political transition in a small open economy: Retracing the economic trail of South Africa long walk to democracy". ERSA Working Paper No. 458. 2014.
- Bedasso, B. E., and N. Obikili. (2016)"A Dream Deferred: The Microfoundations of Direct Political Action in Pre-and Post-democratisation South Africa." The Journal of Development Studies 52, no. 1: 130-146.
- de Kadt, Daniel and Horacio A. Larreguy (2018). "Agents of the Regime? Traditional Leaders and Electoral Behavior in South Africa", The Journal of Politics 80 (2).

**Microeconomics (Second semester: MIE 781)** Students will select 2 of the 3 mini-modules below to make up this course. Brief details for each mini-module are included below to help you to choose.

- **Economics of Corruption (Dr Molefinyane):** Corruption, the use of public resources for private gain, has received lots of attention by economists and other social scientists ever since Paul Mauro published his 1995 paper, titled 'Corruption and Growth'. In that important contribution, Mauro showed, by estimating an econometric model, that corruption is not merely a nuisance to policymakers, but it is a major problem in attracting investment, contributing to sluggish economic growth. Thereafter, economists sought to understand corruption better, by asking questions such as, what factors contribute to high incidences of corruption, why are some countries more corrupt than others, why is corruption so stubborn to get rid of, and how best can policymakers fight corruption given its stubbornness.

  In this course, we are going to take a (brief) tour of the corruption literature. We will start with exploring several definitions of corruption used in the literature. Because the way things are defined affects how they are measured, we will then look at different ways to measure corruption based on these definitions. Thereafter, we will look at theories that explain how corruption spreads. There are two main approaches adopted by scholars to study corruption – a macroeconomics, or an empirical approach, and a microeconomics approach, or the incentives approach, which mainly rely on the principal-agent framework of moral hazard and adverse selection to model corruption. We will focus on the incentives approach. In the microeconomics approach, corruption spreads because agents (government employees) exploit information asymmetries in the workplace to gain favours from clients of their principal (the government). This observation leads us to the (possible) solution of the corruption problem: either destroy the stake of corruption (information asymmetry) or provide incentives, such as better pay, to dissuade public sector employees from taking part in corruption. Evidence, however, shows that incentives are not effective at fighting corruption, and that destroying the gains of corruption is almost impossible to do. This conclusion will lead us to finding alternative approaches to fighting corruption. We will look at some of the promising solutions.

  Our approach in the course will be weekly readings and analysis of research papers. I will suggest the papers beforehand, and I expect students to read the papers before class. Regarding the prerequisite of the course, students are required to have a basic understanding of Ordinary Least Squares (OLS) regression. This is required to understand papers focusing on the macroeconomics approach. Because our focus will be a micro approach, I will present the principal-agent framework first, so that subsequent papers will be easy to follow. But students are expected to have a very basic understanding of probability theory, as well as an ability to manipulate equations.

- **Micro Development Economics (Dr Yitbarek):** This is an upper-level seminar studying economic development. The module has three goals: (i) Learn about the process of economic development, the experiences of underdeveloped and developing countries, and possible explanations for underdevelopment; (ii) Learn about the methods, data, and theories economists use to study economic development; (iii)

Gain practical experience using micro households' data to analyze a development challenges such as poverty and inequality. Overall, the module allows students to understand concepts at the core of development economics from a microeconomic perspective: (i) What is poverty, and how can we measure it? (ii) How do agricultural households make decisions? (iii) Why do some children work, and why is it bad for development? The core material will be taken from peer-reviewed articles so students will understand what development economists do. Within all issues covered in the mini-module, there will be ample use of econometric techniques and applications using STATA.

The module will typically cover the following topics: Defining and measuring Development; Poverty, poverty dynamics and poverty Traps; Inequality and social mobility; Health and Nutrition; Education in Developing Countries

- **Competition Economics (Mr Nxumalo):** South Africa has a large number of markets with few firms. Part of this is owing to the role that scale economies often play in smaller economies and in other cases it is on account of policies adopted by previous governments. In this context, concerns may arise when firms make decisions that may have the effect of lessening or restricting competition in markets. These actions ultimately harm consumers through higher prices, lesser quality and other unfavourable trading conditions.

  South Africa has a set of laws that are meant to ensure that competition in South African markets isn't restricted and is, in some cases, enhanced. We refer to this as competition law. Competition economics underpins the application of this law as it studies strategic decision making by firms in markets and when those decisions are likely to harm competition in those markets.

  In this course I will introduce students to the various ways in which competition economics is used in competition law. First, we will review the aims of South African competition law and the role that economics plays in it, we will also contrast the application of competition law in South Africa, the European Union and the United States. Second, we will study how agreements between horizontally and vertically related firms could restrict or enhance competition. Third, we will discuss horizontal and vertical mergers, particularly highlighting those likely to reduce competition and those that may enhance some efficiencies. Fourth, we will discuss when a firm can be said to be dominant and how it could go about abusing its dominance in markets to the detriment of consumers. Last, we conclude with a session on how digital markets have changed how firms compete and how this impacts on the application of competition law.

  Our sessions will rely on standard theoretical models of firm behaviour. This will provide the important knowledge necessary to understanding the typical theories of harm that arise in actual competition cases. Importantly, we will also review critical South African cases that have shaped how competition authorities have applied economics in cases.

# 4 Selecting your mini-modules

You will submit your mini-module selections for both semesters at the start of the year. The deadline for selections is 1 February. If we have not received your selections by this date, we will assign you to modules. Please use the following link to submit your choices: https://forms.gle/BJwAHYtmZYqnPf8Q7 or click here

Any changes to your selected modules will need to be discussed and agreed in writing with the lecturers of all modules affected by the change.

# 5 Some helpful tips from our PhD students

Some of our PhD students have kindly put together some helpful tips about where to find resources you might need for your post grad studies. We hope you'll find this useful. (Many thanks to Anneri Oosthuizen for putting this together!) Access the document by clicking here