Georg-August-Universität Göttingen **Universität Kassel/Witzenhausen** **Module M.SIA.E19: Market integration and price transmission I**	6 C 4 WLH
Learning outcome, core skills: • Students gain insight into the functioning of the price mechanism on agricultural markets and into the determinants of market integration • Students learn to apply econometric methods to analyse horizontal and vertical prices transmission processes (dynamic models, cointegration, including non-linear and regime-dependent error correction models)	**Workload:** Attendance time: 56 h Self-study time: 124 h
Course: M.SIA.E19.Lec **Market integration and price transmission I** (Lecture) *Contents*: 1. Vertical price transmission A simple model of the farm-retail price spread, empirical applications, the effect of market power on vertical price transmission, asymmetric price transmission, the analysis of retail prices 2. Horizontal or spatial price transmission A simple model of spatial equilibrium, empirical applications, accounting for transaction costs in spatial trade, the effects of temporal and spatial data aggregation A list of seminal papers (Gardner, Goodwin and Fackler, Barrett and others) will be provided to students Lecture notes and presentations are made available on StudIP	4 WLH
Examination: Written examination (90 minutes) M.SIA.E19.Mp: Market Integration and price transmission I **Examination requirements:** • Students are able to explain the economic theory of vertical and spatial/horizontal price transmission and market integration • Students are able to apply the most important methods that are used in price transmission analysis (estimation of error correction models)	6 C

Admission requirements: none	**Recommended previous knowledge:** Basic/intermediate econometrics
Language: English	**Person responsible for module:** Prof. Dr. Stephan von Cramon-Taubadel
Course frequency: Every second summer semester (Start: 2021)	**Duration:** 1 semester[s]
Number of repeat examinations permitted: twice	**Recommended semester:** from 2
Maximum number of students: 40	