



School of Public Policy
Economics, Political Science, Sociology

“The Role of Policy in Technology Markets”

by

Chris Nosko
Harvard University

Abstract: Technology markets have qualities that many economists suspect lead to socially inefficient outcomes. In this presentation, I outline some of these qualities and discuss policy that is implemented in the hopes of improving on market outcomes. I then discuss two projects from technology industries that illustrate how we might think of quantifying the effect of policy. The first project tackles competition in the market for CPUs, and the second looks at illegal filesharing in the music industry. I conclude that policy plays an important role in these markets but indicate ways it can be harmful if naively applied.

Presentation is drawn from the following two papers:

“Competition and Quality Choice in the CPU Market”

http://www.people.fas.harvard.edu/~cnosko/papers/nosko_jmp.pdf

“Supply Responses to Digital Distribution: Recorded Music and Live Performances”

http://www.people.fas.harvard.edu/~cnosko/papers/concerts_draft_01oct2010.pdf

Wednesday, January 26, 2011
4:30 – 5:30 pm
Kelley Engineering 1001