

STEPS Students Report

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During my stay in SPbU, I dealt with two different topics: deregulation policy in the electricity market and public innovation policy. In addition to studying these topics, I participated in the STEPS Seminar held by Department of Civil Engineering, UTokyo and two Russian universities as a STEPS exchange student.

1. Deregulation Policy in the Electricity Market

I wanted to know what kind of regulation policy on the electricity market is really efficient and why deregulation of the market is different from country to country, although the text of industrial organization says that it is important to make the market contestable in order to make natural monopolistic markets (like the electricity market) efficient. Prof Ivanov introduced to me Dr. Storchevoy, whose research interest is industrial organization. I first intended to study this topic through case-studies in the electricity markets in Russia, other European countries, US and Japan, but he advised me that it is important to understand firstly the theory of regulation in the electricity market and then the practice of it. He also recommended to me some articles to read. I had planned to ask him some questions and cultivate a better understanding of the regulation policy when I finished reading the articles, but indeed I did not have enough time to do so and I finished my stay just after I finished reading them. I learned through them that the main problems when you make deregulation policy in the electricity market were "moral hazard" and "adverse selection", which were the problems with the asymmetry of information and disturbed proper competitions.

2. Public Innovation Policy

I took the course "Innovations and Public Innovation Policy" lectured by Prof Sokolova and studied what kind of public policy can enhance innovations effectively.

It is not clear that how to make innovations and in fact many companies do trial and error to make innovations. However, the government has responsibility to explain the reason for the policy when the government has some innovation policy. Therefore, it is important for policy makers to understand the system of innovation and innovation infrastructure.

The idea of the national system of innovations focuses on the flow of technology,

information and knowledge among people, corporations and institutions. The system introduces some concepts such as *incubators*. Incubators provide knowledge network and social network to entrepreneurs and support them. The concept of the national system of innovations says that incubators play an important role to make innovations in the society.

In addition to the system, I studied the relation between antitrust policy and innovations. The topics dealt with in this part of the lecture were mainly the topics of industrial organization, which I studied last semester. Therefore, it was relatively easy for me to understand the topics.

3. STEPS Seminar

I participated in the STEPS Seminar held by Department of Civil Engineering, UTokyo, Institute of Earth Science, SPbU and Faculty of Geography, MSU from March 12th to 14th. The topics in the seminar were oceanology, city planning, landscape, etc., and they were not closely connected with the topics I studied in School of Management, but they were interesting to me.

After the seminar, I had a chance to interact with SPbU and MSU students in the restaurant and talked a lot about students' life in Russia and Japan, cultural differences, our researches, etc. It was a good time for me.