The Economic Growth Centre cordially invites you to a seminar by Yao Shuntian and Lydia Gan

**Speakers:**

**Assoc Prof Yao Shuntian**  
*Division of Economics*  
*School of Humanities and Social Sciences*

**Asst Prof Lydia Gan**  
*Division of Economics*  
*School of Humanities and Social Sciences*

**Topic:**  
"How Does the Innovation of a Monopoly Affect the Social Welfare?"

**Date:**  
Wednesday, 16 August 2006

**Time:**  
2:30 pm - 4:00 pm

**Venue:**  
Executive Seminar Room 10 (Block S3.1-B2-11)  
Nanyang Business School (Southspine 3)  
Nanyang Technological University

**About the Speaker:**

Shuntian Yao is an Associate Professor at the Division of Economics, School of Humanities and Social Sciences, Nanyang Technological University. He obtained his PhD in Game Theory and Mathematical Economics from UCLA in 1987. He is a Chartered Member of the Game Theory Society, with research interests in Game Theory, General Equilibrium Theory and China's Economy Reforms. He has published widely in International Refereed Journals, such as *Journal of Economic Theory*, *the Economic Journal*, *Games and Social Sciences*, *Journal of Mathematical Economics*, among others.

Lydia Gan is an Assistant Professor at the Division of Economics, School of Humanities and Social Sciences, Nanyang Technological University. She received her Ph.D. in Economics from the University of Texas in 1997. Her current research interests include intellectual property rights issues, profiling of consumer behavior, Internet pricing behavior, and monopoly innovations. Her research work has been published in international journals such as *Journal of Services Marketing*, *Journal of Travel and Tourism Marketing*, *Information and Management*, *Economic Outlook*, *Asian Economic Review*, *Asia Pacific Journal of Economics and Business*, among others.

**Abstract:**

In this paper we study the welfare effect of a monopoly innovation. Unlike many partial equilibrium models carried out in previous studies, general equilibrium models are constructed and analyzed in greater details. We discover that, technical innovation carried out by a monopolist could significantly increase the social welfare. We conclude that, in general, the criticism against monopoly innovation based on its increased dead weight loss is less accurate as previously postulated by many studies.

**Reservation:**

Admission is free. Please reply to Christina, e-mail: achristina@ntu.edu.sg or Tel: 6790-5689 to confirm your attendance.