

Module Title: MARITIME ECONOMICS

- **Type of Module:**

NA0003 | PC (Prescribed Core Module)

- **Level of Module**

Postgraduate

- **Year of Study** MASTER'S

- **Semester** 1st

- **Number of credits allocated** 5

- **Name of lecturer / lecturers : ELENI (HELEN) THANOPOULOU-MARIA LEKAKOU**

- **Description:**

The course analyses the shipping markets. Following a short introductory part it discusses the economic idiosyncrasies of bulk shipping: The nature of the demand, demand function and price elasticity of demand for bulk shipping services. Supply, technological constraints and elasticity of supply of bulk shipping services. Cyclical fluctuations in bulk shipping and the role of exogenous factors are analyzed then on the basis of a historic overview. There is emphasis on the role of time lags and of supply adaptation and on the difficulties of modeling and forecasting in shipping. The role of competition and competitiveness and the role of cost in competitive shipping markets are discussed in the context of the International Division of Labor in shipping in a Vernon product cycle, perspective. The case of the Greek fleet is analyzed within the new framework of quality shipping. The second part of the modules analyses the nature and the economic structure of liner shipping markets within the historical evolution of liner shipping. The structure of liner shipping costs, pricing policies and rate-making in liner shipping. are discussed next and the module concludes with the analysis of passenger shipping trends and the discussion of a case study: Greek passenger coastal shipping.

- **Prerequisites:**

N/A

- **Module Contents (Syllabus):**

Introduction to shipping markets. Shipping Economics: content and modern trends. General division of markets: bulk shipping, scheduled voyages/liner shipping. Bulk shipping markets: traditional and specialized. The economic idiosyncrasies of bulk shipping: nature of the demand, demand function and price elasticity of demand for bulk shipping services. Supply, technological constraints and elasticity of supply of bulk shipping services. Cyclical fluctuations in bulk shipping and the role of exogenous factors: Historic overview, time lags and supply adaptation, models and forecasting problems in shipping. Understanding market structures and competition in bulk shipping: Competition and competitiveness, the role of cost in competitive shipping markets. Modern shipping: International Division of Labor in shipping and the Vernon product cycle, changes in the regulatory framework, the case of the Greek fleet. Competitiveness in bulk shipping in a new framework: Quality shipping, forms of co-operation and prospects for market forms. Investment strategies: History and prospects in a new maritime framework, the case of Greek-owned shipping. The nature and the economic structure of liner shipping. The

historical evolution of liner shipping. The structure of liner shipping costs. Pricing policies and rate-making in liner shipping. Competition and regulation in liner shipping. Passenger shipping. Case study: Greek passenger coastal shipping.

- **Recommended Reading:**

- **A) Principal Reference:**

-Stopford, M. 2009. *Maritime Economics*. 3^η έκδοση. London: Routledge

-Grammenos, C. ed. 2002/2010. *Handbook of Maritime Economics and Business* (1st/2nd edition). London: Lloyd's of London Press

- **B) Additional References:**

Additional sources (books, article titles and URLs) are provided in each lecture handout. Access to a specialized shipping database and information resource.

- **Teaching Methods:**

Lectures supported by slide presentations and other audiovisual material as professional videos and internet sources. Attendance of external lectures from industry speakers.

- **Assessment Methods:**

One final written exam (50%), one group assignment with individual contribution marked independently (40%) with presentation of the relevant part of the group assignment at the end of the semester (10%)

- **Language of Instruction:**

Greek (duplicated in English if required for ERASMUS students).

Module Objective:

The aims of the course are:

- To promote a thorough understanding of the economic phenomena and mechanisms as these manifest themselves or influence shipping respectively.
- To provide the opportunity for the application and development of maritime economic analysis skills
- To equip students with knowledge and tools in order to study the various shipping markets in depth.

Completing the course successfully, students should be able to (Learning outcomes):

- A. Have a deep understanding of the special characteristics of shipping
- B. Master the nature and structure of the various maritime markets
- C. Understand the nature of endogenous and exogenous factors affecting shipping

Students should also be in a position to:

- a. Analyze the function of economic mechanisms affecting freight rate levels
- b. Distinguish between different charting and investment strategies under different market conditions
- c. Analyze the underlying causes for the changes in world maritime hierarchy

At the end of lectures students should have enhanced further skills related to:

- Locating appropriate information sources
- Designing, organizing and processing relevant data
- Organizing and presenting coursework
- Debating comprehensively and concisely a multi-faceted subject
- Writing a collective piece of analysis