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COURSE BROCHURE

# Partial Equilibrium Market Modelling and Welfare Analysis Training Course

22 – 26 February 2027
Rome

# Partial Equilibrium Market Modelling and Welfare Analysis Training Course

**Ref:** 2789_106827 **Date:** 22 – 26 February 2027 **Location:** Rome **Fees:** 6200 GBP

Partial Equilibrium Market Modelling and Welfare Analysis is a 1-week training course for economists, policy analysts and planning staff who trace how a tax, subsidy or supply shock moves one market, and it closes with a single-market impact model. Pricing rules and levies now face sharper questions about who gains and who pays. Jupiter Prime Training delivers this course.

## Why Partial Equilibrium Market Modelling and Welfare Analysis Matters Now

Three forces shape this subject today. Public bodies and regulated firms publish impact assessments before a pricing or levy change, so surplus estimates are read by lawyers, auditors and the press. Richer transaction data let analysts estimate elasticities for narrow product groups. An organisation that models well can show and defend a measure's incidence; one that models badly may back a measure whose deadweight loss outweighs its revenue. The course rests on applied welfare economics and established estimation methods.

## Who Gains Most from Partial Equilibrium Market Modelling and Welfare Analysis

- Analysts estimating demand and supply responses for a product or tariff
- Specialists drafting impact assessments for levies, subsidies or price controls
- Planners forecasting volumes and revenues under pricing scenarios
- Market-study staff assessing concentration, entry and cost pass-through
- Advisers briefing decision makers on distributional effects

A policy or economics unit gains most when several analysts attend together, leaving with shared modelling conventions and welfare reporting formats.

## Partial Equilibrium Market Modelling and Welfare Analysis Capabilities

Participants move from estimating curves to measuring incidence and surplus, defending each assumption.

- Estimate own-price, cross-price and income elasticities — the pricing decision under review
- Specify linear and constant-elasticity curves — the analyst choosing a functional form
- Calculate tax and subsidy incidence — finance colleagues setting revenue targets
- Measure changes in consumer surplus, producer surplus and deadweight loss — the decision maker comparing options
- Assess how market structure alters pass-through — competition reviewers
- Build and test a single-market impact model — reviewers who challenge the result

## Key Partial Equilibrium Market Modelling and Welfare Analysis Terms

- Partial equilibrium — analysis of one market, holding prices and incomes elsewhere constant.
- Price elasticity of demand — the percentage change in quantity demanded caused by a one per cent change in price.
- Consumer surplus — the gap between what buyers would pay and what they actually pay.
- Deadweight loss — surplus lost when a tax, quota or price control moves output from equilibrium.
- Tax incidence — the split of a tax burden between buyers and sellers, set by relative elasticities.
- Pass-through rate — the share of a cost or tax change appearing in the final price.

## Partial Equilibrium Market Modelling and Welfare Analysis Day by Day

### Day 1: Markets, Shocks and the Single-Market Lens

- Single-Market Versus Economy-Wide Analysis — Choosing the Right Scope
- Policy Shock Typology — Taxes, Subsidies, Quotas and Supply Disruptions
- Market Definition and Product Boundaries — Deciding What the Model Covers
- Comparative Statics on Supply and Demand — Predicting Direction of Price Change
- Impact Assessment Questions — Framing What Decision Makers Must Know

### Day 2: Estimating Demand and Supply Responses

- Own-Price, Cross-Price and Income Elasticities — Sizing Buyer Reactions
- Regression Estimation of Demand Curves — Separating Price Effects From Noise
- Identification and Instrumental Variables — Avoiding Simultaneity Bias in Estimates
- Supply Elasticity and Capacity Limits — Short-Run Versus Long-Run Response
- Borrowed Elasticities and Benefit Transfer — Judging When Literature Values Suffice

### Day 3: Market Structure and Cost Functions

- Short-Run and Long-Run Cost Functions — Linking Output Levels to Unit Costs
- Perfect Competition, Monopoly and Oligopoly Benchmarks — Setting Price Formation Rules
- Concentration Measures and Entry Conditions — Judging Market Power
- Cost Pass-Through Under Imperfect Competition — Forecasting Final Buyer Prices
- Price Controls and Regulated Tariffs — Weighing Shortage and Rationing Effects

### Day 4: Welfare Measurement and Incidence

- Consumer and Producer Surplus Calculation — Valuing Gains and Losses in Money Terms
- Deadweight Loss Triangles — Comparing Efficiency Cost Across Policy Options
- Tax and Subsidy Incidence — Showing Who Bears the Burden
- Distributional Tables by Household or Firm Group — Informing Fairness Judgements
- Government Revenue and Fiscal Cost Lines — Balancing Welfare Against Budget Effects

## Day 5: Practising the Single-Market Impact Model

- Spreadsheet Model Architecture — Separating Inputs, Equations and Results
- Calibrating Curves to Observed Price and Quantity — Applying Day 2 Estimates
- Simulating a Levy or Supply Shock — Applying Day 3 Pass-Through Rules
- Sensitivity Ranges and Elasticity Stress Tests — Applying Day 4 Welfare Measures
- Single-Market Impact Model — Presenting Results for Peer Challenge

## Applying Partial Equilibrium Market Modelling and Welfare Analysis After the Course

- Rebuild a recent levy assessment in the calibrated spreadsheet structure and compare its surplus results with those reported.
- Compile an elasticity register for the unit's main markets, recording each estimate's source, method and range.

## Partial Equilibrium Market Modelling and Welfare Analysis Questions FAQ

### What is partial equilibrium market modelling and welfare analysis, and why does it matter now?

It is the method of modelling one market's supply and demand to measure how a policy or shock changes prices, quantities and surplus. It matters now because impact assessments face closer scrutiny and leaders want testable numbers.

### Which roles gain most from partial equilibrium market modelling and welfare analysis?

Economists, policy analysts and planning staff gain most. You benefit if you estimate demand responses, draft impact assessments or brief leaders on who gains and who pays.

### How does partial equilibrium market modelling and welfare analysis differ from economy-wide modelling?

It focuses on one market and holds the rest of the economy fixed. Economy-wide models trace links across every sector; this course stays with single-market incidence and surplus, suited to faster assessments with small spillovers.

### What do you bring back from partial equilibrium market modelling and welfare analysis?

You bring back a calibrated single-market impact model built on your own market example. It holds elasticities, a pass-through rule, surplus results and sensitivity ranges colleagues can audit.

## Partial Equilibrium Market Modelling and Welfare Analysis: The Way Forward

The single-market impact model first informs whether a proposed levy, subsidy or price rule is worth its efficiency cost. Analysts use it to brief decision makers; finance colleagues use its revenue lines. After its first use, revisit the elasticity assumptions and pass-through rule against observed prices, since those two inputs move the welfare results most.