

# **Industrial Organization of the Food Systems (16:395:504)**

## **Graduate Program in Food and Business Economics**

**Department of Agricultural, Food, and Resource Economics**  
**Rutgers University, New Jersey**

**Spring 2010**

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**Office Hours:** M/W 10-12, or drop by, or make an appt (email only).

**Class Meeting Time and Location:** Thursday, 4<sup>th</sup> and 5<sup>th</sup> period (1:10-4:10pm), Cook Office Bldg. #118

**Pre-requisite:** Graduate microeconomics (16:220:501, or 16:395:505).

**Course Description and Objectives:** This is a course in industrial organization, i.e., study of firm behavior in markets in general, and in the food marketing system in particular. Industrial organization focuses on firm behavior in imperfectly competitive markets, which appear to be far more common than the perfectly competitive markets students study in microeconomics courses. The field of industrial organization analyzes the acquisition and use of market power by firms, strategic firm behavior and interactions among firms, and the role of government competition policy.

This course is designed as a food industry and business-oriented industrial organization course with less emphasis on regulation and policy. We will approach this subject from both theoretical and applied perspectives. Learning how firms interact in different markets and how to model and measure such interactions, understanding what strategic and non-strategic factors influence the market performance, how firm interaction impact economic welfare, and what and why of public policies related to industrial organization is seen as some of the learning outcomes in this course. Your work throughout the semester should show strong and coherent evidence of these learning objectives, embodied primarily in the writing and thinking you do.

**Course Materials:** The primary text for this course is:

Carlton, Dennis W. and Jeffrey M. Perloff. (CP) *Modern Industrial Organization*, 4<sup>th</sup> ed., Boston: Pearson (Addison Wesley), 2005. We will use this text to begin discussion in classes and to frame issues addressed in written work. Additional REQUIRED readings are listed at the end of this syllabus.

**Recommended/complementary:** Students are encouraged to scan the BusinessWeek, Wall Street Journal, Financial Times, business section of the New York Times, or The Economist magazine for articles relevant to the topics covered in the course.

**Sakai:** If you are registered for this course, you should be able to access this course (16:395:504) in your Sakai page (go to <https://sakai.rutgers.edu/portal> and login using your RUID and PW). We will be using Sakai extensively for accessing course materials (syllabus, articles, assignments, quiz/exams from past, videos, etc.), submitting assignments, and communicating with the course instructor.

**Teaching Methods and Expectations:** A variety of methods will be used to accomplish the course objectives. These methods include instructor's lectures, case discussions, exams, videotapes, group presentations and papers, and most importantly class discussion. Lectures and discussions will be used to integrate the topics covered in the course, to explain and amplify information contained in the reading assignments, and to present supplementary material. When possible, outside guest lecturers will be invited to speak to the students on relevant topics. The course is designed to elaborate and clarify the material in the textbook and outside material, stimulate your thinking about key issues related to food marketing, and relate the covered material to real world situations. Emphasis will be placed on active student participation and discussions. Ideally, I will like to create an open atmosphere in which we can creatively and imaginatively analyze ideas and concepts. In the process we will add to our intellectual skills and become more analytical in our thinking about events related to (or not) food marketing.

You are expected to come to class prepared to discuss the relevant issues. You are strongly encouraged to and are expected to participate actively during class discussions and analyses. You are responsible for the material in the reading assignments and materials handed out in class. It is particularly important that you do the application readings and prepare any discussion questions BEFORE CLASS. These form the basis of class discussion, in which you are expected to participate and which will be graded. *This is a graduate course and as a graduate student, it is expected that you will step beyond what is taught in class, read additional and relevant materials, and also pursue topic(s) of interest in-depth.* Note that for each hour of the class, you may need to devote at least 2/3 hours outside the classroom.

### Class Outline and Assignments

(this is a dynamic outline and is subject to change)

Planned Class meetings	Topics and Reading assignments	Comments, Assignments, Exams, etc.
1 (Jan 21 <sup>st</sup> )	Course syllabus explained  The Foundation: 1. Industrial organization – what, how, and why? (CP Ch. 1; articles/handouts) 2. Food system industrial organization – what and why? (articles/handouts)	Review Ch 2 on your own and bring questions to class.
2,3,4	Market Structure Basics 1. Competition (CP Ch. 3; articles/handouts) 2. Monopolies, Monopsonies, and Dominant Firms (Ch. 4, CP; articles/handouts)	-Discuss your <i>thoughts on</i> and <i>plans for</i> your term paper -HW (e.g., empirical estimation of market power)
5,6,7	Oligopoly and Game Theory 1. Oligopoly (CP Ch. 6; articles/handouts) 2. Industry Structure and Performance (CP Ch 8; articles/handouts)	-HW (e.g., empirical estimation of price and quantity reaction functions) - Discussion of your <i>term paper topic</i> in class, submit outline, receive comments, and finalize <i>outline</i>
8,9,10,11	Strategies and Conduct 1. Price Discrimination (CP Ch. 9 &10; articles/handouts) 2. Predatory and Limit Pricing (CP Ch. 11; articles/handouts) 3. Vertical Integration and Horizontal Merger (CP Ch 12; articles/handouts)	-HW (e.g., empirical analysis of issues on integration and mergers)

12,13	Non-price Competition 1. Advertising (CP Ch 14; articles/handouts) 2. R&D (CP Ch 16; articles/handouts)	-HW (e.g., empirical analysis of impact of advertising on price and profitability)
14	Public Policy 1. Antitrust and Regulation (CP Ch 19 & 20; articles/handouts)	- HW (e.g., write a brief on the major antitrust cases involving the US food firms)

**Evaluations:** The main question of interest here is “What did you learn in this class that you did not know before?” One enrolls in a course to learn something new or to expand the horizon of something already learnt, and I hope this course will be able to offer students exactly that. To evaluate student understanding and progress, there will be **2 in-class tests**. Each test will both multiple-choice and short essay-type questions focusing on relevant concepts, theories, facts, analytical procedures, and models. In addition, there will be **home work and a term project** during the semester. Details of the term project are given separately.

Examination dates are given below so that you can plan accordingly.

**Thu, March 4<sup>th</sup>**  
**May 14<sup>th</sup>?**

**1<sup>st</sup> exam; in-class, 1<sup>st</sup> period only, or take home**  
**2<sup>nd</sup> exam; in-class, both periods, or take home**

**Grading:** It is my responsibility to prepare appropriate evaluation to evaluate your progress in learning and give feedback regularly. Grading will be based on written work (tests, homework, term paper) and class participation. I aim for fairness in grading. Please remember that grading is a subjective process whose end is not always satisfactory to everyone. Also please remember that your grade in this course is not a prediction of your success after graduation, nor is it an evaluation of your worth as a person.

Grades for the course will be based on:

2 exams, @100 each,	200
Term project (5 pts outline + 10 pts RPR + 20 pts oral report + 65 pts written report)	100
HW	50
<b>TOTAL</b>	<b>350</b>

**Grades:** A: GE 90% and F: LE 60%. *Improvement during the semester will be taken into consideration in determining course grades in borderline cases. University policy regarding incomplete grades will be followed.*

**My commitment regarding Teaching and Learning:** I see my role as a teacher to be a facilitator of learning. My goals include, among others, the transfer and discovery of knowledge and the development of YOUR abilities to think critically and analytically. This is accomplished through both theory and practical work in- and outside the classroom. Teaching and learning require a collaborative effort where I assume the primary responsibility for guiding the learning process and YOU assume the personal responsibility for learning. In this collaborative approach, I expect YOU to participate actively and provide feedback throughout the semester to improve my teaching and your learning.

Even after a decade of teaching this and other courses, I still consider myself learning continuously how to teach better. Therefore, I am committed to continuous improvement in the quality of teaching and learning. To achieve this, I will use several mechanisms. First, you are invited to speak to me freely at any time about any aspect of the course. Second, we will conduct a mid-terms evaluation of the course. You may indicate the merits and demerits of the course and your suggestions for improvements. Your feedback will help me gauge how the course is progressing and make it a worthwhile learning experience for you. I will share the summary of your feedback with you and will try to make the necessary adjustments in my teaching based on your feedback. Finally, course evaluation forms will be administered at the end, and I encourage you to write comments on the back in addition to filling up the bubbles. This will be particularly helpful for making effective changes in future.

**Your Responsibilities:** Some of YOUR responsibilities, as a student, include:

1. Be committed to and responsible for learning. Prepare for each class by **READING** assignments **BEFORE** class, study for quizzes and exams.
2. Do your assigned work on time. If you think you will need help in the class, get it as soon as possible. The longer you wait to get help, the harder it gets to catch up with the class.
3. Participate in class discussions. *There are credits to be earned!* You are strongly encouraged to provide feedback to the Instructor throughout the semester in order to improve this class. Please participate in the Mid-semester evaluation.
4. If you are having difficulty learning in this class, or having any class-related problem, or just want to stop by, I expect you to see you in my office.
5. You have chosen to enroll in this class, therefore, you are expected to arrive on time and attend every class session for its entirety. Absence from class does not excuse you from being responsible for contents missed.
6. Be mindful of your neighbor. Notify me if you are having any difficulty in class.
7. Your active engagement in the following is **PROHIBITED** during class: cell phone, beeper, newspaper, and similar other distractions that disturb the class. Conducting prohibited activities in class may result in your dismissal from the class.
8. Academic dishonesty will not be tolerated. You are expected to follow all applicable University, School, and Departmental policies and regulations. All students are expected to abide by the *academic honor system* followed at Rutgers. Any form of cheating, including plagiarism in reports, will be handled accordingly. Please visit <http://academicintegrity.rutgers.edu/integrity.shtml> for more details.
9. *Those students with learning or other disabilities should contact me at the beginning of the semester with appropriate paper work.*
10. Last but not the least, kindly note that this syllabus is a contract for enrolling in this course. If you decide to continue with this course beyond the point of drop and add, I shall consider that all rules, policies etc. outlined in this syllabus and discussed in the class are acceptable to you.

**IMPORTANT**

1. If your HW and/or any written work has more than one page, properly number the pages and staple the report *before* you submit. Folding pages at the corner is not considered stapling. I am not responsible for any lost or missing pages in your written work. Do not forget to write your name on any submitted work.
2. Complete and submit **ALL** assignments, whether individually or in a group, in a timely manner and in a suitable/professional format. Non-submission of homework and other assignments on the due date will result in a @20% deduction of points per calendar day **AFTER** the due date, i.e., if you submit the day after the due date, you will lose 20% and so on.
3. If you submit your completed assignments by email, make sure you receive my acknowledgment of receipt. If you drop off your completed assignment in my mail box, make sure to get a written acknowledgment from one of the secretaries. If you are sliding your completed assignment under my office door, it is your

responsibility to obtain an acknowledgment from me.

4. ***There are NO make-ups for missed exams.*** IF you must **miss an exam** and have a valid, documented excuse (e.g., illness documented by a physician's note is a valid excuse), you have the option of (i) writing a short paper on a class-related and instructor approved topic, or (ii) increase proportionately the weight of the other exams and having the final grade determined accordingly. Without any documented valid excuse, you will be given zero weight for the missed exam.
5. Plagiarism carries severe penalty, including but not limited to, suspension and expulsion. **Note that Rutgers subscribes to a service ([www.turnitin.com](http://www.turnitin.com)) that can and will detect and verify plagiarism and all faculty members have access to this service.**
6. If you have questions regarding this syllabus, or about the course, or any class material, please feel free to see me.
7. DO NOT perform any illegal activities, whether out of ignorance or otherwise, in order to complete the project (you are fully responsible for any illegal activity). If in doubt, ask Dr. Bhuyan.
8. All project-related expenses are student's responsibility (as per university rules and regulations).

## TEAM TERM PROJECT

Because of the time constraints generally faced by students during a semester, it is a good idea to start working on your term paper ASAP. If you have any questions or concerns, or are having problem with finding a topic or finding references, please consult me immediately.

### Term Paper Topics

1. *Own topic*: you may select your own topic, but it must relate to an industrial organization topic/issue. Please see me to discuss the specifics and possible references.
2. *Survey paper*: select a section of the course outline/readings that interest you and write a survey paper on that section. Explain the main issue and why it is important, outline the evolution of economists thinking on the subject, state our current knowledge on the subject, and indicate what is left to be studied or understood.
3. *Industry/Market study*: conduct market analysis for the food industry/market selected or assigned. This must include a size and growth rate terms of sales growth and profitability, market structure analysis in terms of selected industry's competitive environment, number of firms, how the industry structure have changed over time, including concentration, and reasons for such change, how the changing industry structure is affecting the producers and consumers, including examination of welfare effects, common pricing and distribution strategies, use of coordination and alliances, product availability and new product introduction, merger & acquisitions and its impact on the competitive environment, global market expansion and the impact of globalization including the role played by non-U.S. firms, and recent industry developments. Use sections or sub-sections to divide your report to clearly present your market analysis.

**List of available food industries/markets:** Food & drinking places (NAICS 722), Grocery stores (4451), Animal food manufacturing (3111), Breakfast cereal (31123), Sugar (31131), Chocolate (31132), Frozen food (31141), Dairy products (3115), Animal slaughtering (3116), Snack food (31191), Coffee and tea (31192), Soft drinks (312111), Bottled water (312112), Breweries (31212), Wineries (31213), and Tobacco (3122). There are more of such industries under NAICS 311. NAICS=North American Industry Classification System which replaced the SIC (Standard Industrial Classification)

system in 1997.

4. *Methods study*: select a method of analyzing an aspect of market organization (e.g., market performance), develop economic and econometric models which are integral to this method, and show how it has been used to analyze that aspect of market organization in a particular industry. Explain why you think this industry needs to be studied.
5. *Strategy study*: select a market strategy, e.g., price discrimination, vertical restriction, product differentiation, and examine (with theory and empirical evidence) how firms use such strategies in the market and whether such strategies pay off, e.g., impact of advertising strategies on profitability, price, among others.

### **Important Dates the Term Paper**

1. **February 11<sup>th</sup>/18<sup>th</sup>**: Discuss our thoughts on and plan for your term paper
2. **February 23<sup>rd</sup>**: TP topic and draft outline (at the minimum must include a tentative title, rationale, draft objectives, and a plan of action) to Dr. Bhuyan by email (5 points after approved; Any change in the outline after approval must be discussed with the teacher). **Be prepared to discuss in details in class on the 25<sup>th</sup>.**
3. **March 25<sup>th</sup>**: Term paper research progress report or RPR #1 (a.k.a. “Check points”), (5 points). Bring to class (as well email Dr. Bhuyan) a research progress report #1 clearly stating the main purpose of your study, the approach you have taken, your hypotheses, your findings so far, your preliminary conclusions, if any, and what you plan to do next to complete the paper. **You’ll briefly discuss your RPR#1 in class.**
4. **April 15<sup>th</sup>**: Term paper progress report #2. (5 points). Bring to class (as well as email Dr. Bhuyan) your RPR#2 explaining your progress since March 26<sup>th</sup> and your plan for completion of your paper. Keep in mind that you will be submitting the ORAL report in about 3 weeks time. **You’ll briefly discuss your RPR#1 in class.**
5. **May 6<sup>th</sup>**: Oral presentation of your term paper in class (20 points). You’ll be given about 20 mins max, so be well prepared (ppt recommended).
6. **May 10<sup>th</sup>**: Email the completed term paper by 4pm (65 points). See “Term Paper Requirements” below for submission requirements.

### **Important reminders!**

Once you have selected a term paper topic, use the RU libraries (mainly Alexander and Kilmer) and resources at their reference desks for your research. These library resources will be of great help to you during your term paper research and reporting. Some of the most commonly used literature and data sources include **Econolit, ABI Info, Dow Jones, MarketLine, Compustat, ERS/USDA, Moody’s Industrials**, and trade publications such as *Progressive Grocer, Advertising Age, and Consumer’s Research*. At any time feel free to consult me as deemed necessary.

Your term paper grades will depend upon how thoroughly you survey the relevant literature, the quality of your analysis, and the quality of your economic rhetoric and arguments. Be succinct - you will be graded on what you say, not what you mean to say. Assume your reader knows a little but not everything about the subject. Rewrite your papers – most published papers are rewritten at least 5 times.

If you plan to comment on someone else’s work, do not attack the person, but his/her work. Make sure you are accurate in your criticism and you have substantiated your comments/criticisms.

### **Term Paper Requirements:**

1. Written reports **must be typed** (at least 11 pt Times Roman or similar type faces). Quality is more important than length. All team projects require library research for economic data and information. All projects require you to study and analyze such economic data, i.e., you will have to discuss the economic meaning and implications of the information you gather. Your report should not exceed 20-25 typed, one-sided, double-spaced of text.
2. You must provide **proper citations and a reference in your term paper** even if you only rewrite someone else's writing. You must reference at least 5 journal articles (not business magazines or from the Web). Wikipedia is good place to start for some information, but it is NOT an acceptable source of reference.
3. Plagiarism implies academic dishonesty and if caught, you will be penalized accordingly.
4. If you are attaching any appendix material (e.g., data print out), make sure that they are well defined and submitted in an organized manner.
5. Write your reports in the **style of a professional report**. For example, each page, except the title page, should be numbered and stapled properly. On the title page, identify yourself (if individual assignment) and your teammates (if team project), and write the project title clearly.
6. Submit a soft copy (i.e., in a floppy/CD, or email) of each report.
7. Last but not the least, **REVISE, REVISE and REVISE** *before* you submit any report.

### **Recommended Style for the Term Paper**

Major effort in the written report should be devoted to the research question, consequent research methodology, analyses, and results sections. Professionalism in the presentation of the written report will count. The final written report should consist of the following sections.

1. **Title Page:** appropriate, descriptive, title? Researcher identified, i.e., is your name there?
2. **Table of Contents:** well organized? Consistent with headings/subheadings in paper?
3. **Abstract:** summary of the project, including purpose of research, in 150 words or less.
4. **Introduction:** good background but concise? Is problem well defined, i.e., does it clearly state the research question? Objectives clearly related to the problem statement? Objectives clear and precise? Hypothesis, if any, clearly explained?
5. **Literature Review:** relevant? Updated? Focuses on the objectives of the study?
6. **Research Methodology:** Research design clearly stated? Data and model well explained?
7. **Analysis and Discussion of Findings:** Summary of raw data and Statistical analyses used and their explanation provided? Is analysis appropriate for the objective(s)? Discussion clear and informative? Appropriate use of tables/graphs to support discussion? Was any hypothesis tested? Avoids claiming findings not supported by procedure? Avoids opinions and biased presentation of results? Findings clearly related to objectives?
8. **Summary and Conclusions:** Strategic implications, based on your analyses of the data? Major conclusions clearly summarized in logical order? Have all objectives listed earlier been accomplished? Honest discussion of shortcomings? Easy to understand?
9. **Recommendations** Recommendation clearly related to conclusions?

10. **References:** a complete set of references included? Follow a consistent style, e.g., adopt your text book=s style of reference.
11. **Appendix Material:** Description and explanation of appendix material sufficient to inform reader of its importance and role?

**ADDITIONAL READING LIST: This is NOT a comprehensive or exhaustive list of relevant work. Some of these are required readings (with \* marks) and you will be asked to discuss these in class, or will be discussed by Professor Bhuyan. For the required readings, book chapters will be supplied by Professor Bhuyan while students find the journal articles. This list is subject to change.**

### **The Foundation**

Caswell, J.A. "Using Industrial Organization and Demand Models for Agribusiness Research." *Agribusiness*, 8,6 (1992): 537-548.

Harris, J.M., P. Kaufman, P., W.S. Martinez, W & Price, C. *The U.S. Food Marketing System, 2002: Competition, consolidation, and the Technological innovations in the 21st Century*. USDA-ERS, Washington, D.C., 2002.

Henderson, D. R., C. R. Handy, and S. Neff. *Globalization of the Processed Foods Market*. ERS/USDA Agricultural Economics Report No. 742, Washington, D.C., Sept. 1996.

Kilmer, R. and W. Armbruster (eds.). *Economic Efficiency in Agricultural and Food Marketing*. Ames: Iowa State University Press, 1987.

Klein, K.K. and Kerr, W.A. "The Globalization of Agriculture: A View from the Farm Gate." *Canadian Journal of Agricultural Economics (CJAE)*. 43 ,4 (Dec. 1995): 551-63.

\*Marion, B.W. and W.F. Mueller. "Industrial Organization, Economics, and the Food System." In Paul Harris (ed) *Future Frontiers in Agricultural Marketing*, Ames: Iowa State University Press, 1983.

McMichael, P. (ed.). *The Global Restructuring of the Agro-food System*. Cornell University Press, 1994.

\*Pepall, L., D. J. Richards, and G. Norman. *Industrial Organization: Contemporary Theory and Practice*. 2nd ed., Mason, OH: Thomson (South-Western), 2005. Ch 1.

Polopolus, L.C. "Agricultural Economics beyond the Farm Gate." *American Journal of Agricultural Economics (AJAE)*. 64 (1982): 803-810.

Schertz, L.P. and L. M. Daft (eds.). *Food and Agricultural Markets: The Quiet Revolution*. National Policy Association, Washington, D.C., 1997. Selected chapters.

\*Senauer, B., E. Esp and J. Kinsey. *Food Trends and the Changing Consumer*. St. Paul, MN: Eagen Press, 1991. Ch 11.

\*Sexton, R.J. and N. Lavoie. "Food Processing and Distribution: An Industrial Organization Approach." In B.L. Gardner and G.C. Rausser (eds.) *Handbook of Agricultural Economics*, Vol 1B, Marketing, Distribution, and Consumers. Amsterdam: North Holland, 2001.

### **Market Structure Basics**

\*Adams, W. and J. Brock. *The Structure of American Industry*, 10<sup>th</sup> ed., Upper Saddle River, NJ: Prentice Hall, 2001. Chapters 1, 3, and 4.

Baumol, W.J. "Contestable Markets: An Uprising in the Theory of Industry Structure." *American Economic Review*, 72, 1 (1983):1-15.

Blaug, M. "Is Competition Such a Good Thing? Static Efficiency versus Dynamic Efficiency." *Rev. of Indus. Org.*, 19 (2001): 37-48.

- \*Boehlje, M. "Structural Changes in the Agricultural Industries: How do we measure, analyze, and understand them?" *AJAE*, 81, 5 (1999): 1028-1041.
- Barkema, A., M. Drabenstott, and N. Novack. "The New U.S. Meat Industry." *Economic Review*, 2<sup>nd</sup> Qtr, Fed Reserve Bank of Kansas City, 2001:33-56.
- Barkema, A. "The Changing Structure of the U.S. Food System." *CJAE*. 42, 4 (Dec. 1994): 541-47.
- Boehlje, M., J. Akridge and D. Downey. "Restructuring Agribusinesses for the 21st Century." *Agribusiness*. 11, 6 (1995): 493-500.
- Bollman, R.D., L. A. Whitener, and F. L. Tung. "Trends and Patterns of Agricultural Structural Change: A Canada-U.S. Comparison." *CJAE*. Special Issue (1995): 15-28.
- Cairns, R.D. "Reflections on Lerner's Index of Monopoly Power." *Rev. of Indus. Org.*, 10 (1995): 83-96.
- Caswell, J.A. and R.W. Cotterill. "Two New Theoretical Approaches Measuring Industry and Firm Performance." *Agribusiness*, 4,6 (1988):511-520.
- Collins, K. *Concentration in Agriculture*. Statement of the Chief Economist, USDA, before the U.S. Senate Committee on Appropriations subcommittee on Agriculture, Rural Development, and related agencies, May 17, 2001.
- \*Gilbert, R.J. "The Role of Potential Competition in Industrial Organization." *Journal of Economic Perspective*. 3, 3 (Summer 1989): 107-27.
- Goodwin, B.K. and G.W. Brester. "Structural change in factor demand relationships in the U.S. food and kindred products industry." *AJAE*, 77 (Feb 1995): 69-79.
- \*Griffith, G. "Competition in the food marketing chain." *The Australian Jr. of Agricultural and Resource Economics*. 44, 3 (2000): 333-367.
- \*Kleit, A. N. (ed.). *Antitrust and Competition Policy*. Cheltenham (UK): Elgar. Chapter 1.
- Marion, B. W. and F. E. Geithman. "Concentration-price Relations in Regional Fed Cattle Markets." *Rev. of Indus. Org.*, 10 (1995): 1-19.
- Ordober, J. A. "Economic Foundation of Competition Policy." in Alexis Jacquemin (ed.) *Competition Policy in Europe and North America: Economic Issues and Institutions*. London: Harwood Academic Publishers, 1990, pp.7-42.
- \* Stiegert, Kyle W., Wang, Shinn-Shyr, & Rogers, Richard T. "Structural change and market power in the U.S. food manufacturing sector." *Agribusiness*, 25, 2 (2009): 164-180.
- \*Rogers, Richard T. "Structural change in U.S. food manufacturing, 1958-1997." *Agribusiness*, 17, 1 (2001): 3-32.
- USDA/AMS. *Concentration in Agriculture: A Report of the USDA Advisory Committee on Agricultural Concentration*. Agricultural Marketing Services, USDA, Washington, D.C., June 1996.
- USDA/GIPSA. *Concentration in the Red Meat Packing Industry*, GIPSA (Grain Inspection, Packers and Stockyard Administration), USDA, Washington, D.C., February 1996.

Yang, Shen-Ping. "Identifying a Dominant Firm's Market Power Among Sellers of A Homogenous Product: An Application to Alcoa." *Applied Economics*, 34 (2002): 1411-1419.

Yu, Chih-ching and J.M. Connor. "The price-concentration relationship in grocery retailing: Retesting Newmark." *Agribusiness*, 18, 4 (2002): 413-426.

### **Oligopoly and Game Theory**

Ailawadi, K.L., N. Borin, and P.W. Farris. "Market Power and Performance: A Cross-industry Analysis of Manufacturers and Retailers." *Jr. of Retailing*, 71, 3 (1995): 211-248.

Appelbaum, E. "The Estimation of the Degree of Oligopoly Power." *Journal of Econometrics*. 19 (1982): 287-99.

Aw, B.Y. "An Empirical Model of Markups in a Quantity-differentiated Export Market." *Jr. of International Economics*, 33, 3&4 (1992): 327-344.

Azzam, A.M. "Measuring Market Power and Cost Efficiency Effects of Industrial Concentration." *Jr. of Industrial Econ.*, 45 (1997): 377-386.

Azzam, A.M. and J. R. Schroeter. "Concentration in Beef Packing: Do Gains Outweigh Losses?" *Choices*. 1st Quarter (1997): 26-28.

Azzam, A.M. and J.R. Schroeter. "The Tradeoff between Oligopsony Power and Cost Efficiency in Horizontal Consolidation: An Example from Beef Packing." *AJAE*, 77, 4 (1995): 825-836.

Azzam, A.M. and E. Pagoulatos. "Testing Oligopolistic and Oligopsonistic Behavior: An Application to the U.S. Meat-packing Industry." *Journal of Agricultural Economics*. 41, 3 (1990): 362-370.

Bhuyan, S. and R.A. Lopez. "Welfare Losses Under Alternative Oligopoly Regimes: The U.S. Food and Tobacco Manufacturing Industries." *JAAE*. 27 (1995): 577-587.

Bhuyan, S. and R.A. Lopez. "Oligopoly Power in the Food and Tobacco Industries." *AJAE*. (Aug. 1997): 1035-1043.

Clarke, R. and S. W. Davies. "Market structure and price-cost margins." *Economica*, 49 (Aug. 1982): 277-287.

Clarke, R., S. Davis and M. Waterson. "The Profitability-Concentration Relation: Market Power or Efficiency?" *Journal of Industrial Economics*. 32, 4 (1984): 435-450.

Connor, J. M. and W. A. Schiek. *Food Processing: An Industrial Powerhouse in Transition*, 2nd ed., New York, NY: John Wiley, 1997.

Cowling, K. and M. Waterson. "Price-cost margins and market structure." *Economica*, 43, 7 (1976): 267-274.

\*Dickson, V.A. and Y. Sun. "Revisiting the price effect of rising concentration in U.S. food manufacturing." *Jr. of Agric & Food Indus Org.*, 2 (2004): article 10.

\*Digal, L.N. and F.Z. Ahmadi-ESfahani. "Market power analysis in the retail food industry: A survey of methods." *Australian Jr. of Agric and Res Econ.*, 46, 4 (2002):559-584.

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## **STUDENT INFORMATION:**

**Please email the following info by the 2<sup>nd</sup> class period to [Bhuyan@aesop.rutgers.edu](mailto:Bhuyan@aesop.rutgers.edu). Thank you!**

1. Your name and the name you like to be called:
2. Your E-mail address that you use more frequently:
3. Your expected graduation date:
4. Why are you taking this course, i.e., what is your learning goals or what are you expecting to learn in this course?
5. Your previous education and/or experience in marketing and allied field:
6. What do you know about the **Industrial Organization** BEFORE taking this course?
7. Courses you have taken on micro- and macroeconomics, math, calculus, and statistics:
8. Best course yet, and why:
9. How much time per week do you plan to devote to this class outside of scheduled class hours?
10. If you were teaching a course, any course, how would you teach it?