AREC 710
Advanced Agricultural Economics

Instructors: Marco Costanigro, Stephen Koontz, Alessandro Bonanno and Dawn Thilmany
Office Hours: By appointment with individual instructors

Meeting time: W 2-4 pm Location: Clark C 217

Readings: The Oxford Handbook of the Economics of Food Consumption and Policy
Additional Handouts and Materials posted online

Grading: Oral exam 60% (Tentative date: December 12)
Homeworks and presentations 20%
Paper Presentation/Critique 20%

Course Outline

I. Empirical Demand Issues (Thilmany)-August 24-September 14th

Alston, J. Consumer Demand Analysis: Class Notes. Department of Agricultural Economics, University of California-Davis, Davis, CA.

USDA-ERS Consumer Demand Resources

Literature and student presentation choices

II. Topics in Market Power –SPECIAL DAYS PROPOSED: Sept 21st and 28th 9 am


### III. Product Differentiation and the Economics of Information—Oct 5-26

A. Monopolistic competition: Chamberlin (1933)

B. From commodities to differentiated products. Hedonic Pricing

**Chapter 3 (Costanigro and McCluskey) in:**


C. Vertical differentiation:

**Chapter 9 (Giannakas) in:**


D. The Economics of Information:


E. Horizontal differentiation:

Chapter 10 (Merel and Sexton) in

IV. Quality, Reputations and the Economics of Information—October 26-November 2

A. Current Literature

V. Marketing Margins and Transaction Costs—November 7-14


- Literature and student presentation choices

VI. Evaluating Welfare Effects in Commodity and Differentiated Markets—November 16-30


Other Material – applications

A. Just and Rosen (editors) Handbook of food consumption and policy Ch. 5
Adamowicz and Swait “Discrete Choice Theory and Modeling”


Commodity Markets


C. Two older applications: look at the model, the graph, and the results. And what’s the issue under examination?


Two newer applications: look at the model and the results. And what’s the issue under examination?


An EDM integrated with market power.

H. Livestock and Meat Marketing Study, Volume 3, Section 6, pp 1-61. Model, graphs, and tables. And what’s the issue under examination?