Seminario de Microeconomía Aplicada - Buyer Power in the Beef Packing Industry

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Abstract: This paper summarizes the progress that has been achieved to date on a research project that explores the pricing behavior of beef packers in the United States. Of particular interest is the increase in the packer spread—the gap between the prices that packers pay to upstream feedlots and the prices that they receive from retailers—that occurred over 2015-2019. To our knowledge, there is no plausible cost-based explanation for the increase in the packer spread during that period. Thus, it is natural to explore the role of market power, and especially whether the beef packers may have been able to exercise buyer power in the market for fed cattle to a greater degree. We focus on the alternative market arrangements (AMAs) that increasingly are used to facilitate transactions between feedlots and packer.

Acerca del expositor: Francisco got his Ph.D. in economics from Georgetown University in 2020 and is currently an assistant professor at ITAM, where he teaches Business Strategy. His research focuses on competition and regulation, with a particular focus on the interaction between market structure, product variety, and price competition. Additionally, he is interested in using econometric and computational tools to inform private decision making.

Tiempo de exposición: 1 hora

Fuente: https://www.banrep.gov.co/es/seminario-microeconomia-aplicada-buyer-power-beef-packing-industry-0