

# Cornhusker Economics

Cooperative Extension

Institute of Agriculture & Natural Resources  
Department of Agricultural Economics  
University of Nebraska – Lincoln

## The Center for Agri-Food Industrial Organization & Policy: Scholarly Economic Research for a Changing Agri-Food Industry

Market Report	Yr Ago	4 Wks Ago	12/7/01
<b><u>Livestock and Products,</u></b>			
<b><u>Average Prices for Week Ending</u></b>			
Slaughter Steers, Ch. 204, 1100-1300 lb Omaha, cwt .....	\$74.52	\$64.39	\$65.68
Feeder Steers, Med. Frame, 600-650 lb Dodge City, KS, cwt .....	92.11	86.21	89.12
Feeder Steers, Med. Frame 600-650 lb, Nebraska Auction Wght. Avg .....	96.87	89.90	92.01
Carcass Price, Ch. 1-3, 550-700 lb Cent. US, Equiv. Index Value, cwt .....	114.45	100.22	105.03
Hogs, US 1-2, 220-230 lb Sioux Falls, SD, cwt .....	43.00	32.00	33.50
Feeder Pigs, US 1-2, 40-45 lb Sioux Falls, SD, hd .....	*	43.50	41.00
Vacuum Packed Pork Loins, Wholesale, 13-19 lb, 1/4" Trim, Cent. US, cwt .....	105.70	*	95.10
Slaughter Lambs, Ch. & Pr., 115-125 lb Sioux Falls, SD, cwt .....	63.95	45.75	55.00
Carcass Lambs, Ch. & Pr., 1-4, 55-65 lb FOB Midwest, cwt .....	149.00	*	125.88
<b><u>Crops,</u></b>			
<b><u>Cash Truck Prices for Date Shown</u></b>			
Wheat, No. 1, H.W. Omaha, bu .....	3.21	2.95	3.05
Corn, No. 2, Yellow Omaha, bu .....	1.89	1.85	1.95
Soybeans, No. 1, Yellow Omaha, bu .....	4.83	4.20	4.27
Grain Sorghum, No. 2, Yellow Kansas City, cwt .....	3.59	3.41	3.66
Oats, No. 2, Heavy Minneapolis, MN, bu .....	1.30	2.25	2.23
<b><u>Hay,</u></b>			
<b><u>First Day of Week Pile Prices</u></b>			
Alfalfa, Sm. Square, RFV 150 or better Platte Valley, ton .....	110.00	115.00	115.00
Alfalfa, Lg. Round, Good Northeast Nebraska, ton .....	75.00	77.50	77.50
Prairie, Sm. Square, Good Northeast Nebraska, ton .....	95.00	105.00	105.00
* No market.			

The Department of Agricultural Economics at the University of Nebraska-Lincoln is now the home of the **Center of Agri-Food Industrial Organization & Policy**. Founded in June 2001, the Center pools the research expertise of 5 scholars from the Department of Agricultural Economics and the Department of Economics to address in a timely and scientific manner agri-food industrial organization & policy issues of vital interest to the agricultural economy of the State of Nebraska, to disseminate research results to the public, and to train students and interested citizens in the economics of the food supply chain that links input suppliers, farmers, processors and consumers.

Examples of completed and ongoing research include:

1. The effect of the Livestock Mandatory Reporting Act on competition in the livestock industry.
2. The effect of the Tyson-IBP merger on competition in the cattle and hog industries.
3. Monopoly power and cost-efficiency effects of increased concentration in beef-packing and pork-packing on beef and pork price spreads.
4. The effect of cattle delivery-timing incentives on the relationship between captive supplies and cash market prices for fed cattle.
5. The relationship between productivity and concentration in food processing.
6. The effect of Initiative 300 on the structure of the cattle industry in Nebraska.
7. Vertical economies of scope in hog production.



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8. The effects of cooperatives on imperfect markets and vertical coordination in agricultural raw product markets.
9. The effects of biotechnology on concentration and structure in the agricultural inputs industry.
10. The market effects from the introduction of genetically modified (GM) food.
11. Economic analysis of issues related to the labeling of GM products.
12. The effect of information problems on the efficiency of organic food product markets.
13. The effectiveness of the USDA program on highly erodible lands in inducing adoption of conservation practices.
14. Economic causes of infringement of intellectual property rights and its consequences for U.S. agriculture.

The Center is also launching *The Journal of Agri-Food Industrial Organization & Policy*. As the Editor, I will be assisted by an editorial board of 28 industrial organization scholars from 11 countries. The aim of the *Journal* is to foster use of state-of-the-art economic analysis of agri-food industrial organization and policy issues. Of particular interest are issues related to regulatory economics and competition policy, horizontal and vertical coordination, mergers and acquisitions, contracts, auctions, monopolistic

competition and product differentiation, food labeling, food safety, cooperatives and strategic alliances, economics of innovation and property rights, strategic trade, market structure and environmental economics and political economy.

One unique aspect of the Center is that, since it is Web-based, the additional cost to the University of Nebraska of running the Center is practically zero, but the additional benefits are immeasurable. One particularly important benefit is maintaining balance in the public debate about food industry issues by providing the economic side of the arguments.

We invite you to visit the Center's Website at <http://agecon.unl.edu/CAIEP/HOMEPAGE.html>. There you can meet the core faculty and learn about their credentials. The Website will soon have a section containing brief non-technical summaries of research findings and their public policy implications. Feel free to contact the Center's core faculty at any time.

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