TERMINATION REPORT OF COOPERATIVE REGIONAL PROJECTS
Supported by Allotments of the Regional Research Fund,
Hatch Act, as Amended August 11, 1955
October 1, 1996 to September 30, 2002

I. Project: NE-165 Private Strategies, Public Policies, and Food System Performance

II. Cooperating Agencies and Principal Leaders:

*Denotes Station Leader.

<table>
<thead>
<tr>
<th>Station</th>
<th>Scientist</th>
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</thead>
<tbody>
<tr>
<td>Arkansas</td>
<td>*William Bailey</td>
</tr>
<tr>
<td>California-Berkeley</td>
<td>*Jeffrey Perloff</td>
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<tr>
<td>California-Davis</td>
<td>Rachael Goodhue</td>
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<td></td>
<td>Catherine Morrison-Paul</td>
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<td></td>
<td>*Richard Sexton</td>
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<tr>
<td>Connecticut (Storrs)</td>
<td>*Ronald Cotterill</td>
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<td></td>
<td>Kathleen Segerson</td>
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<tr>
<td>Florida</td>
<td>*Richard Kilmer</td>
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<td>Georgia</td>
<td>*Stanley Fletcher</td>
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<td>Illinois</td>
<td>Michael Mazzocco</td>
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<td>Steven Sonka</td>
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<td></td>
<td>Sarahelen Thompson</td>
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<td>*Laurian Unnevehr</td>
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<td>Michael Ward</td>
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<td>Randall Westgren</td>
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<td>Indiana</td>
<td>*John Connor</td>
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<td>Iowa</td>
<td>Frances Antonovitz</td>
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<td>David Hennesssy</td>
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<td>*Helen Jensen</td>
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<tr>
<td>Kansas</td>
<td>*John Fox</td>
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<tr>
<td>Kentucky</td>
<td>*Steven Vickner</td>
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</table>
Louisiana
*Wesley Harrison

Maryland
Rimjhim Aggarwal
*Erik Lichtenberg

Massachusetts
*Julie Caswell
Nathalie Lavoie
Richard Rogers

Michigan
Kellie Raper
*Eileen van Ravenswaay

Minnesota
Terry Roe
*Rodney Smith

Montana
*John Antle

Nebraska
*Azzeddine Azzam
Jeffrey Royer

New Hampshire
*Alberto Manalo

New Jersey
Adesoji Adelaja
*Sanjib Bhuyan
Daniel Rossi

New York (Cornell)
Ralph Christy
*William Lesser
Edward McLaughlin
William Tomek

North Dakota
*Cheryl Sinn DeVuyst
William Nganje

Ohio
Wen Chern
*Ian Sheldon

Oregon
Deana Grobe

Rhode Island
James Anderson
*Cathy Wessells

Texas
*H. Alan Love
Rodolfo Nayga

Virginia
*Everett Peterson
Washington  
*Jill McCluskey

Wisconsin  
*Robin Douthitt  
Brian Gould  
Lydia Zepeda

USDA, Cooperative State Research, Education, and Extension Service (CSREES)  
Melvin Mathias  
Edith Thomas  
Donald West

USDA, Economic Research Service (ERS)  
Jean Buzby  
Stephen Crutchfield  
Mark Denbaly  
Paul Frenzen  
Phillip Kaufman  
Fred Kuchler  
James MacDonald  
Michael Ollinger  
*Tanya Roberts

USDA, Rural Business-Cooperative Service (RBS)  
Donald Frederick  
Thomas Gray  
Carolyn Betts Liebrand  
K. Charles Ling  
Thomas Stafford  
*Randall Torgerson  
James Wadsworth  
Roger Wissman

Other Cooperators

USDA, Agricultural Marketing Service  
Kevin Kesecker  
Warren Preston  
Larry Summers

USDA, Packers and Stockyards Administration  
Gerald Grinnell  
Larry Haller
University of London, United Kingdom  Nigel Poole
University of Reading, United Kingdom  James Burns
                        Spencer Henson
                        Alan Swinbank
                        Bruce Traill
University of Saskatchewan, Canada  Gary Storey
University of Waikato, New Zealand  Oswin Maurer
III. Progress of the Work and Principal Accomplishments

Regional Research Project NE-165: Private Strategies, Public Policies, and Food System Performance (http://www.umass.edu/ne165/) ended in September 2002 after 16 years of operation. During its life, NE-165 became nationally and internationally recognized as the leading source of policy relevant economic research on the industrial organization of the food system; on the impacts of changes in strategies, technologies, consumer behavior, and policies on the economic performance of the food system; and on how private and public strategies influence improvement in food safety and other quality attributes. At its end, NE-165 had 114 members from the United States, Canada, the European Union, Turkey, Brazil, Japan, and New Zealand. The hallmark of NE-165 was to provide an organizational and human infrastructure that allowed economists to make their work more policy relevant through interaction with policy makers and regulators, while the policy makers and regulators gained better direct access to economic research relevant to their work.

This termination report covers the last 6 years of the Project (October 1996 to September 2002). During this period, Project members were very productive, reporting 7 regional publications, 314 journal articles, 3 books, 4 edited proceedings, 105 book chapters, 178 station and agency publications, and 45 theses and dissertations related to their work on the Project. The Project was sole organizer or co-organizer of 7 research conferences between 1997 and 2002, while 9 books or special journal editions were published during this period as a result of these and earlier NE-165 conferences. Table 1 details these conferences and publications, as well as their policy relevance and impact. These conferences and publications highlight NE-165’s contribution to the understanding of developing trends in the food system, including industrialization and consolidation in the agricultural, processing, and retailing sectors; introduction of new quality assurance systems such as Hazard Analysis Critical Control Points (HACCP); the rapid growth of agricultural biotechnology; changes in domestic and international food demand; and the use of economic analysis in the risk management decisions of governments. A Japanese translation of many of the chapters from the NE-165 food safety books was published in 2002. NE-165 was a pioneer in making its output easily accessible to researchers around the world through its internet site and by posting papers on AgEcon Search.

NE-165 operated throughout with a core research group at the Food Marketing Policy Center at the University of Connecticut, and by subcontract at the University of Massachusetts. The Center played a major role in supporting collaboration and communication within the Project. It helped organize the Project conferences, developed the NE-165 web site, and maintained a listserv for the group. The Center purchased and maintained 12 major data sets that were used on a regular basis by NE-165 members. The core group also provided support for the NE-165 Working Paper and Reprint Series, which were distributed to over 200 economists, research libraries, and others worldwide. A CSREES Special Research Grant funds the Food Marketing Policy Center.
<table>
<thead>
<tr>
<th>Event and Year</th>
<th>Policy Relevance and Impacts</th>
<th>Publications and Year</th>
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<tr>
<td><strong>Food Retailer-Manufacturer Competitive Relationships in the EU and USA, 1995</strong></td>
<td>Brought together economists and geographers from the US, Canada, United Kingdom, France, Denmark, and Italy to focus on the impacts of globalization and whether food systems on both sides of the Atlantic are converging to a common organization and common conduct.</td>
<td>Special Issue of <em>Agribiusiness: An International Journal.</em> 1997. Ronald W. Cotterill, editor. 13 (2).</td>
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<td><strong>Consolidation in the Meat Sector, 1999</strong></td>
<td>Addressed the sharp structural changes in the sector that have raised policy concerns about market power, pollution control, and the reliability of traditional price reporting sources. The research conference was designed to encourage evaluation and discussion of research methods, data sources, and results.</td>
<td><em>Consolidation in the Meat Sector.</em> 1999. James MacDonald, editor. Storrs, CT: Food Marketing Policy Center. Executive summary and details of conference posted on the NE-165 website: <a href="http://www.umass.edu/ne165/conferences99/cms_program.html">http://www.umass.edu/ne165/conferences99/cms_program.html</a></td>
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<td><strong>The American Consumer in the Changing Food System, 2000</strong></td>
<td>Took stock of and identified ways to improve our understanding of the causes and effects of increasing concentration and coordination, particularly stressing the role of final consumer demand in driving these changes in industry organization.</td>
<td>Special Issue of Agribusiness: An International Journal. 2001. Ronald W. Cotterill, editor. 17 (1). Executive summary and details of conference posted on the NE-165 website: <a href="http://www.umass.edu/ne165/conferences%202000/american_consumer.html">http://www.umass.edu/ne165/conferences%202000/american_consumer.html</a></td>
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<tr>
<td><strong>Valuing the Health Benefits of Food Safety, 2000</strong></td>
<td>Discussed economic issues related to valuing food safety risk reduction. It was a first step in developing a common approach to valuing risk reduction to facilitate comparing programs across federal agencies. Co-sponsored by the Food and Drug Administration (FDA), the Department of Agriculture (USDA), the Centers for Disease Control and Prevention (CDC), and the Environmental Protection Agency (EPA).</td>
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IV. Usefulness of Findings

From 1996-2002, NE-165 research was used by policy makers and private parties through their direct discussions and interactions with Project members, access to publications and working papers, and Congressional testimony. The scope of this impact became increasingly international. Many of NE-165’s impacts and research results are discussed on the Project’s web site at (http://www.umass.edu/ne165/impacts.html). The timely posting of NE-165 research on the internet has contributed to policy discussion worldwide.

Under the Project’s first objective, strategy and policy analysis, Project researchers participated in major discussions on pricing, vertical coordination, supply chain relationships, and antitrust issues in the U.S. and the European Union. They also prepared analyses of, and in some cases participated in, major antitrust cases in the United States. Project members contributed a broad range of useful research on the operation of food markets in the United States and the world, focusing on pricing, competition, and policy issues. Conferences held from 1996-2002 focused on emerging food system trends, providing timely information for the policy debate on developments in the industry including consolidation, industrialization, and shifts in buyer and consumer demand. The conferences presented new data and analyses, engaging a broad range of researchers and policy makers in the discussion.

During the 1996-2002 period, the Project carried out significant work, spanning its first and second objectives, focused on providing economic analysis of the impact of private and public strategies on improvement in food safety and other quality attributes. For example, the Project’s conferences focused on the impacts of the introduction of biotechnology, changes in demand among American consumers, and changes in international demand on food system performance and food trade. Another focal point was the use of economic analysis for placing a value on the health benefits of improved food safety and for setting priorities for food safety improvements. Throughout its term, the Project brought together researchers from several federal agencies, universities, and consulting firms who were engaged in measuring the economics of food safety, allowing them to evaluate methodologies and develop best practices for this type of analysis.

Throughout 1996-2002, Project members were at the forefront of analyzing the benefits and costs of changes in regulatory policy regarding food quality, particularly food safety. Areas of work included analysis of mandatory requirements by FDA and USDA/FSIS that companies use a Hazard Analysis Critical Control Points (HACCP) approach to food safety assurance. Work also focused on analysis of other public and private quality assurance systems. Economic methodology was applied to analyze the operation of markets for quality attributes such as nutrition, pesticide residues, use of inputs produced with biotechnology, and other process attributes such as environmental friendliness. This research was directly used by private companies in their market analysis and by federal and state agencies in their rule making.
VI. Publications Issued or Manuscripts Approved During the Year

CALIFORNIA-BERKELEY

Journal Articles


Books, Chapters in Books


Hartmann and Jurgen Wandel. Institute of Agricultural Development in Central and Eastern Europe (IAMO), Wissenschaftsverlag Vauk Kiel KG.

CALIFORNIA-DAVIS

Station and Agency Publications


Journal Articles


Books, Chapters in Books


CONNECTICUT

Station and Agency Publications


Journal Articles


**Books, Chapters in Books**


**FLORIDA**

**Station and Agency Publications**


**Journal Articles**


Books, Chapters in Books


**GEORGIA**

Station and Agency Publications


Journal Articles


**Books, Chapters in Books**


ILLINOIS

Station and Agency Publications


Journal Articles


Books, Chapters in Books


INDIANA

Regional Publications

Station and Agency Publications


Connor, John M. 1998. Lysine Production, Trade, and the Effects of International Price Fixing. Staff Paper 98-03, Department of Agricultural Economics, Purdue University, January.

Connor, John M. 1998. Lysine Production, Trade, and the Effects of International Price Fixing. Staff Paper SP 98-18, Department of Agricultural Economics, Purdue University, September.

Connor, John M. 1998. What Can We Learn From the ADM Global Price Conspiracies? Staff Paper SP 98-14, Department of Agricultural Economics, Purdue University, August [www.agecon.lib.umn.edu/pu.html].

Connor, John M. 1997. Archer Daniels Midland: Price-Fixer to the World. StaffPaper 97-04, Department of Agricultural Economics, Purdue University, April.

Connor, John M. 1997. Concentration and Mergers in the Grocery Wholesaling Industry. Staff Paper 97-09, Department of Agricultural Economics, Purdue University, June.


**Journal Articles**


Books, Chapters in Books


**IOWA**

**Station and Agency Publications**


**Journal Articles**


Books, Chapters in Books


KANSAS

Journal Articles


Books, Chapters in Books

**KENTUCKY**

**Station and Agency Publications**


**Journal Articles**


**LOUISIANA**

**Journal Articles**


**MASSACHUSETTS**

**Regional Publications**


**Station and Agency Publications**


Journal Articles


**Books, Chapters in Books**


MICHIGAN

Station and Agency Publications


van Ravenswaay, E. O. and J. R. Blend. 1999. Consumer Demand for Ecolabeled Apples: Results from Econometric Estimation. Staff Paper 99-17, Department of Agricultural Economics, Michigan State University.

van Ravenswaay, E. O. and J. Blend. 1998. Consumer Demand for Ecolabeled Apples: Survey Methods and Descriptive Results. Staff Paper 98-20, Department of Agricultural Economics, Michigan State University.


Journal Articles


Books, Chapters in Books


MINNESOTA

Station and Agency Publications

Journal Articles


MONTANA

Journal Articles


Books, Chapters in Books


NEBRASKA

Station and Agency Publications


Journal Articles


**Books, Chapters in Books**


**NEW HAMPSHIRE**

**Station and Agency Publications**

Journal Articles


NEW JERSEY

Station and Agency Publications


Journal Articles


Books, Chapters in Books


NEW YORK

Station and Agency Publications


Journal Articles


Books, Chapters in Books


**OHIO**

*Station and Agency Publications*


Sheldon, I. M. 2001. Regulation of Biotechnology: Will We Ever Freely Trade GMOs? Working Paper AEDE-WP-0020-01, Department of Agricultural, Environmental,
and Development Economics, The Ohio State University (http://aede.ag.ohio-state.edu).


Journal Articles


**Books, Chapters in Books**


Sheldon, I. M. 2001. The Current Status and Perspective on Regulation of GMOs in the US and EU. In *Proceedings of Trade and Regulation of Living Modified Organisms*. Korea Institute of Bioscience and Biotechnology, Second Seminar on The Biosafety of Living Modified Organisms, Taejon, South Korea.


RHODE ISLAND

Station and Agency Publications


Journal Articles


**Books, Chapters in Books**


**TEXAS**

**Journal Articles**


**VIRGINIA**

*Station and Agency Publications*


**WASHINGTON**

*Journal Articles*


**Books, Chapters in Books**


WISCONSIN

Journal Articles


Books, Chapters in Books


ECONOMIC RESEARCH SERVICE-USDA

Station and Agency Publications


**Journal Articles**


Books, Chapters in Books


RURAL BUSINESS-COOPERATIVE SERVICE—USDA

Station and Agency Publications


Schrader, Lee and Michael Boehlje. 1996. Cooperative Coordination in the Hog-Pork System: Examples from Europe and the U.S. Staff Paper 96-21, Purdue University.


Journal Articles


FARM FOUNDATION

Books, Chapters in Books


FRANCE

Books, Chapters in Books


JAPAN

Journal Articles


TURKEY

Regional Publications


Station and Agency Publications

Rehber, Erkan. 1998. Vertical Integration in the Turkish Food Industry and Contract Farming: The Case of Bursa Region. Scientific Research and Studies No. 17, Uludag University, Faculty of Agriculture (in Turkish).

Journal Articles
VII. Attachments: Theses, Manuscripts, Works in Press, Presentations

CALIFORNIA-DAVIS


CONNECTICUT


ILLINOIS


INDIANA


Boehlje, Michael and John Connor. 1997. The Food and Agribusiness Marketplace. Central Soya University, Center for Agricultural Business, Purdue University, September 9.


KANSAS

KENTUCKY


MASSACHUSETTS


MICHIGAN


MONTANA


NEBRASKA


NEW JERSEY


Meetings of the American Agricultural Economics Association, Salt Lake City, Utah, August 3-8.


NEW YORK


OHIO


RHODE ISLAND


TEXAS


Markets. Ph.D. Dissertation, Department of Agricultural Economics, Texas A&M University.


WASHINGTON


WISCONSIN


ECONOMIC RESEARCH SERVICE USDA


FRANCE


JAPAN


TURKEY


APPROVED:

Julie A. Caswell, Chairperson, Technical Committee
December 27, 2002

Daniel Rossi, Administrative Advisor
January 3, 2003