

ARE Faculty Profile

Professor Richard J. Sexton joined the Department of Agricultural and Resource Economics in 1984 after receiving his Ph.D. from the University of Minnesota. He has served as the department chair since 1994. In addition to his administrative responsibilities, Rich is actively involved in teaching and research duties.

His research focuses primarily on the analysis of agricultural markets with special emphasis on the fruit, vegetable, and nut industries in California. A particular focus is the role that imperfect competition plays in agricultural markets. He explains that although these markets are sometimes offered as textbook examples of competitive markets, the reality is quite different. Agricultural markets often exhibit high levels of concentration at multiple points in the market chain from the farm gate to the consumer.

In particular, California markets often exhibit institutions and organizations of grower power, such as marketing cooperatives, bargaining associations, and marketing orders. These forces interact to influence market behavior in ways that may not be well captured by a basic competitive markets model.

Examples of Dr. Sexton's recent studies include: The effects of imperfect competition on the size and distribution of benefits from agricultural research; price determination for fresh produce with application to California lettuce; spatial competition and pricing in the California processing tomato industry; the role of buyer coalitions and exclusive contracts as a



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force to countervail market power; measurement of departures from perfect competition in multiproduct food industries; market integration and imperfect competition with application to U.S. celery; and behavior and decision making in water/irrigation districts.

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tional and market reforms should soon run their course. With rapid growth, both in the rural sector and in the new export-oriented activities in Mexican urban areas, jobs and upward pressure on wages should encourage many potential migrants to remain in Mexico.

- The U.S. labor market is expected to absorb a large number of unskilled workers over the next few years, as the normal complement of new job seekers are joined by persons removed from welfare rolls. This increased supply of U.S. workers, as well as even more border and interior enforcement, may reduce the availability of jobs for newly-arrived Mexican workers.

ARE Professor Philip Martin has interests in farm labor, immigration, and agricultural policy. Professor J. Edward Taylor specializes in economic development, population and resources, technology adoption, and applied econometrics.

Their report, including policy recommendations, is included in the final report of the Binational Study of Migration, which is available on the following websites: <http://migration.ucdavis.edu> or <http://www.utexas.edu/lbj/uscir/>. Or contact the authors directly at: martin@primal.ucdavis.edu (916-752-1530) or taylor@primal.ucdavis.edu (916-752-0213).