

Research Paper Guidelines:

A significant part (30%) of your grade in Eco 461 this semester will come from your term research project. I will not impose a specific format for this project to follow, because I want to allow room for you to exercise your own creativity. The choice of a topic is up to you. The only constraint is that you should pick something directly related to the material on the course outline. I will suggest possible topics as we move through the course, but you should start searching for something yourself right away.

You should aim for a report that has 8-10 pages of text (typed, double-spaced, 12 pt. font, normal margins) plus footnotes, a list of references, and any supporting figures, tables, or illustrations. The report should be prepared as a professional business report, following all of the normal rules of professional writing that you have learned in college and before. That also means that you should write efficiently and be careful not to waste your reader's time with verbosity and fluff. You should also carefully cite every resource you use in performing your analysis and composing your report.

The quality of your project will be determined largely by the amount of effort you spend researching your topic. I expect that many of you will rely heavily on internet sources. Because the quality and veracity of information obtained from the internet are sometimes hard to ascertain, I have the following request/requirement. Make a copy of every resource that you use in your report. If you use something from a book or a lengthy journal article, copy the cover page and the relevant section that you relied upon. When you turn in your report, attach these copies of your references to your report. I will return the entire package to you after I have graded your project.

As was stressed above, your choice of a topic is important. I strongly encourage you to try your ideas out on me before going too far. In early October, I will ask you to turn in a one-page memorandum to me describing what you have come up with. To get you started, here are some possible topics that have worked for students who have taken this course in prior semesters.

- Evaluate the vertical chain of production in an industry. What stages of production are characterized by arms-length market transactions and what stages are characterized by more permanent connections between firms?
- Evaluate a merger or acquisition that worked or one that didn't work. What were the synergies or lack thereof? Evaluate the stock market performance of the firms prior to the merger and after the merger.
- Analyze a market where firms have pricing power and practice price discrimination. What methods do firms use to sort customers and price according to willingness to pay?
- Analyze the product space in an industry and how firms locate themselves in product space. How do firms differentiate their products, and what role does advertising play?

- Evaluate an industry for potential entry by our company. Analyze the structure of the industry. Is there room for another efficient-sized competitor? How will existing firms react to a new entrant?
- Take an antitrust case and analyze the public policy issues at the core of the case. This could be a price-fixing case, a monopoly case, an anticompetitive merger, etc.
- Evaluate the nature of rivalry in an oligopolistic industry. What are the ways in which existing firms compete, i.e., do they use price competition, advertising, research and development of new products, etc.? What methods do they use to soften competition with one another?

Your project is due on Thursday, December 8, our last class meeting of the semester.