

Fudan University School of Economics

Jiang Xuemo Lecturing Platform

Segment: Vertical relations

Professor: Patrick Rey, Toulouse School of Economics

Introduction: vertical restraints, vertical integration and antitrust

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Vertical coordination

Prices: double marginalization

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Non-price dimensions

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Horizontal coordination: common agency

Downtream agents

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Upstream agents

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- Marx, Leslie, and Greg Shaffer (2007), "Upfront Payments and Exclusion in Downstream Markets," *RAND Journal of Economics*, 38: 823-43.
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- Rey, Patrick, and Michael D. Whinston (2013), "Does Retailer Power Lead to Exclusion?," *RAND Journal of Economics*, 44(1): 75-81.

Rivalry among vertical structures

Strategic delegation

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- Rey, Patrick, and Joseph E. Stiglitz (1995), "The Role of Exclusive Territories in Producers' Competition," *RAND Journal of Economics*, 26: 431-451.
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Facilitating practices

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Interlocking relationships

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- Interlocking Relationships," *Journal of Industrial Economics*, 58(4): 928-961.
- Collard-Wexler, Allan, Gautam Gowrisankaran and Robin Lee (2018), "Nash-in-Nash" Bargaining: A Microfoundation for Applied Work," *Journal of Political Economy*, forthcoming.
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Exclusionary practices

Naked exclusion

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- Rey, Patrick, and William S. Comanor (2000), "Vertical Restraints and the Market Power of Large Distributors," *Review of Industrial Organization*, 17(2): 135-153.

Vertical integration and foreclosure

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- Allain, Marie-Laure, Claire Chambolle and Patrick Rey (2016), "Vertical Integration as a Source of Hold-up," *The Review of Economic Studies*, 83(1): 1-25.
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