

Propositions

to the thesis "Productivity and Strategies of multiproduct firms"

1. Products within a firm have their own productivity, strategy and market power. Research on competition should study products, not firms.
2. Productivity and market strategies are strictly connected to economic growth and resource (mis)allocation. Studying their relationship in emerging countries is paramount.
3. In markets where all products have the same price, productivity differences across products still exist and can stimulate nonprice competition (Chapter 2).
4. In a competitive environment with high product substitutability higher productivity drives prices downwards (Chapter 3).
5. In the pharmaceutical industry, the sales of the largest firms are concentrated in a small number of superstar products that have higher market power and higher productivity (Chapter 4).
6. The future of industrial economics is the study of multiproduct, multimarket and multiplant production.
7. Higher total factor productivity fosters growth sustainably: it increases output using the same inputs.
8. The availability of large and highly disaggregated data reduces the need of structural models.
9. Rather than aiming at external validity, empirical research should aim at the generalizability of the methods and encourage replication studies.
10. Economists should look at individual differences to explain aggregate economic changes.
11. To master complexity economists must be philosophers, not just technical experts.