

Implementation and Interpretation of Policy Scenarios in Partial Equilibrium Models of the Agricultural Sector

Instructors

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Course Description

This course aims at enabling students to understand the implementation of agricultural policy scenarios in partial equilibrium models and the implications of scenario specification for model results. Furthermore, students learn to explore and analyze model results in a systematic way. The course is based on exercises with two large scale PE models of the agricultural sector: “CAPRI” and “ESIM”. Students will be provided with study material before the course and are expected to prepare short presentations on various assignments. During the course, much of the work will concentrate on students working in small groups through predefined model scenarios.

Course Outline

- 1) Comparative introduction to the PE models CAPRI and ESIM.
- 2) Discussion of policy scenarios to be implemented.
- 3) Discussion on anticipated differences in results between models.
- 4) Some exercises to illustrate the relevance of differences between certain model specifications (e.g. net-trade/Armington; production effectiveness of DP....).
- 5) In small groups: understanding model specific scenario implementation. Discussion of results.
- 6) Group presentations, systematic result comparison and discussion of underlying drivers.

Teaching methods

Lectures (20%), student presentations (20%), PC-demonstrations (20%), hands-on-exercises (40%)

Grading

Presentation (30%), assignments (40 %), oral exam (30 %)

Credit points

3

Requirements

Microeconomics at an intermediate level, linear programming. An introduction to simulation modeling in GAMS is helpful, but not required.

References (background reading)

Francois, J. and K. Reinert (eds.) (1997). *Applied Methods for Trade Policy Analysis*.

Snyder, C. and W. Nicholson (2008), *Microeconomic Theory, Basic Principles and Extensions*.

Sadoulet, E., and A. de Janvry (1995), *Quantitative Development Policy Analysis*. (For an introduction to programming and multimarket models).

Software

GAMS, MS-EXCEL, GSE, G-Tree, CAPRI GUI

Language

English

Organization and time

This is a one week blocked course which will be held at a low budget holiday home in order to integrate the course location with accommodation. More specific information on the location and the cost involved will be provided by the instructors in January 2012.