**American University of Central Asia**

**Agricultural Policy and International Trade**

**ECO 705**

**Fall 2021**

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| **Instructor:** | Gulnara N. Nurieva |
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| **Credits:** | 6 |
| **Prerequisites:** | ECO 601, ECO 602 |
| **Schedule:** | Wednesday 18.30, 19.55 |
| **Office Hours:** | Wednesday 21.10 – 22.00 or by appointment |
| **E-course:** | Enrollment key: AgriPol |

**Course Description and Goals:**

This course explores the economic foundations for agricultural policy and international trade at the global level. The emphasis of this course is on concepts and introduction of various tools required for policy analysis and empirical research in agricultural and international economics. In particular, the course aims to deepen students’ understanding of how economic theory can be applied to analyze policy problems of agricultural sectors and various aspects of international trade, economic integration and development. Special attention is paid to problems and prospects of development of the Eurasian Economic Union.

This course is suitable for individuals who have strong interest in international trade, economic development and agricultural economics. As required knowledge, students should be familiar with microeconomics, macroeconomics, and international economics.

**Student Learning Outcomes:**

At the end of this course, students should be able to:

* evaluate the role of agriculture and international trade in the economy
* analyze economic integration problems and their linkage with the economic development
* critically review certain agricultural policies and economic tools
* present results of their project using appropriate economic theories, concepts and methods in a professional setting.

**Grading:**

* Presentation (duration – 25 min) – 15
* Midterm Exam - 30
* Project:

Paper - 30

Presentation (duration: 20 min) - 15

* Active participation - 10

**Grading Scale:**

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| **A** | **А-** | **B+** | **В** | **В-** | **C+** | **С** | **С-** | **D** | **D-** | **F** |
| ≥ 90 | 85 - 89 | 80 - 84 | 75 - 79 | 70 - 74 | 65 - 69 | 60 - 64 | 55 - 59 | 50 - 54 | 45 - 49 | < 45 |

**Course Requirements:**

* This course will be conducted mostly as a seminar: discussion will replace lectures as much as possible. Therefore, it is essential that students attend classes and come prepared.
* Attendance is mandatory. If a student misses class, it is his/her responsibility to view and make up missed material.
* If a student misses an exam because of an emergency or any unpredictable reasons, contact me as soon as possible and present the appropriate document (a student will have a possibility for testing at the appropriate time only). Any undocumented absence to an exam will be recorded as a zero.
* Students are expected to write and present a research **project** of 10 – 15 pages in length, including cover, contents and bibliography. Font: Times New Roman/Size 12, with Standard Margins, Double – Spaced. It will be subtracted one point a day for late paper. Detailed information will be provided separately.

**Presentation Grading (Total - 15 points)**

**\*Content:**

**Introduction – 3**

* Actuality (2)
* The aim of the presentation (1)

**Theory – 4**

* Literature Review

**Practice - 3**

**Conclusion (and Policy recommendations) - 2**

**\*Answers to the questions - 1**

**\*PPt – 2**

* Structure (1)
* References (1)

**Paper Evaluation (Total – 30 points)**

**Introduction (8)**

* Topicality (4)
* Aim (1)
* Structure and Logic of the Chapter (3)

**Theoretical part (9)**

* Literature Review (6)
* Structure and Logic of the Chapter (3)

**Practical Part (8)**

* Critical analysis of used materials/data (3)
* Policy recommendations (2)
* Structure and Logic of the Chapter (3)

**Conclusion (2)**

* Structure and Logic of the Chapter

**References (2)**

**Appendices (1)**

* All required material and additional readings are available on the AUCA E-Course System.
* The criteria of grading your **active participation** depend on your activity (in an argumentative manner), preparation of homework and **presentation** it by sharing screen. Remember about **Chat** as an additional opportunity to be an active participant of the class.
* Grades “W” and “I” will be granted according to the University rules and regulations.
* **Academic honesty** is required. Students will get a zero for any tasks and exams if it is marked with a dishonest behavior (including cheating and plagiarism).

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| **Session(s)** | **Course Outline and Readings** |
| **1**  15.09 | Syllabus Review. Course overview. Introduction. |
| **2**  22.09 | **1. Agricultural Policy Background**  **1.1. Agriculture and International Trade: current situation**   * Global level * European Union * USA * Developing and Transition countries   **1.2. Agricultural Problems (**terms of trade**,** agricultural price instability,dependence on commodities**,** Food Security)  **Readings**  Steven Husted and Michael Melvin. International Economics, 9th Ed., Ch.9  Mark Allen (2011). The Common Agricultural Policy – background and challenges posed by reform.  European Commission (2013). Overview of CAP Reform 2014-2020.    Joseph W. Glauber, Anne Effland (2016). United States agricultural policy: Its evolution and impact.  Frank Ellis. Agricultural Policies in Developing Countries, 1992.  Mogilevskii, Roman et al. (2017). The outcomes of 25 years of agricultural reforms in Kyrgyzstan. |
| **3 - 4**  29.09-6.10 | **2. Economics of Trade and Agricultural Policy**  **2.1 Economics on the rules on market access restrictions**   * Use of trade policy as “agricultural policy”: tariffs, quotas, subsidies * Equivalence/non-equivalence: tariffs/quotas * Nontariff barriers   **2.2 Rules, general obligations and disciplines on trade**   * Most-favored-nation status (non-discrimination) * National treatment (non-discrimination)     **Readings:**  Steven Husted and Michael Melvin. International Economics, 9th Ed., Ch.6-7  Paul R. Krugman, Maurice Obstfeld and Marc J. Melitz. International Economics, 9th Ed., Ch. 9 |
| **5**  13.10 | **Presentations** |
| **6 - 7**  20-27.10 | **2.3 GATT/WTO: rules and disciplines on market access restriction (imports/exports)**    **2.4 Agricultural policy measures and programs**   * WTO and EU definition of a subsidy * Types of subsidies and WTO’s basic principles. Green, blue and amber box support * Subsidies and countervailing measures     **Readings:**  Steven Husted and Michael Melvin. International Economics, 9th Ed., Ch.8  Paul R. Krugman, Maurice Obstfeld and Marc J. Melitz. International Economics, 9th Ed., Ch.10  The general agreement on tariffs and trade. GATT. Available on: <https://www.wto.org/english/docs_e/legal_e/gatt47_e.pdf> (E-course: Reading L5-6, pages 1-25) |
| **8**  3.11 | **2.5 Related WTO Agreements (SPS and TBT Agreements)**   * SPS: Sanitary and Phytosanitary agreement * TBT: Technical Barriers to Trade agreement   **Readings:**  Steven Husted and Michael Melvin. International Economics, 9th Ed., Ch.7  The general agreement on tariffs and trade. GATT. Available on: <https://www.wto.org/english/docs_e/legal_e/gatt47_e.pdf> (E-course: Reading L5-6, pages 26-50) |
| **9**  10.11 | **Midterm Exam** |
| **10**  17.11 | **3. Eurasian Union: Multilateral Disciplines vs Regional Integration**  **3.1 Process of Eurasian Economic Union (EAEU)**   * Historical Background * Current situation, preliminary results and prospects   **Readings:**  Official web-site: <http://www.eaeunion.org/?lang=en>  Eurasian Development Bank. Eurasian Economic Integration 2017, Report 43.  Eurasian Economic Commission (2016). Eurasian Economic Integration: Facts and Figures.  David G. Tarr (2015). The Eurasian Economic Union among Russia, Belarus, Kazakhstan, Armenia and the Kyrgyz Republic: Can it succeed where its predecessor failed?  Evgeny Vinokurov (2017). Eurasian Economic Union: Current state and preliminary results.  Ksenia Kirkham (2016). The formation of the Eurasian Economic Union: How successful is the Russian regional hegemony?  Li Ziguo (2016). Eurasian Economic Union: Achievements, Problems and Prospects. |
| **11-12**  24.11-1.12 | **3.2 Agroindustrial policy of the EAEU**   * Agroindustrial Complex (AIC) * Production of agricultural commodities within the Union * Regulatory mechanisms: Agreement on the unified rules of the state support of agriculture * SPS and TBT agreements * GOST system * Intra-Union trade and trade turnover with third countries   **3.3 WTO compliance issues**  **Readings:**  Official web-site: <http://www.eaeunion.org/?lang=en>  Eurasian Economic Commission (2014). Agroindustrial Policy of the Eurasian Union. |
| **12 – 13**  8-15.12 | **Presentations of Projects** |
| **14**  22.12 | **Final Exam – Paper submission** |

**Note:** *Instructor reserves the right to change or modify this syllabus as needed. Any changes will be announced during class.*

**We wish you a successful semester and GOOD LUCK!**