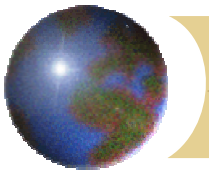


*Policy Reform and Adjustment in
the Agricultural Sector
Session 3, IATRC, June 6-7, 2004*

Discussant

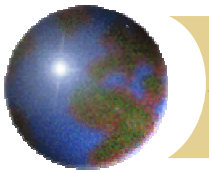
Willi Meyers

FAPRI at University of Missouri-Columbia



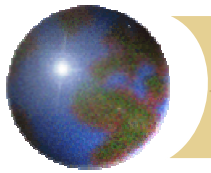
Policy Reform and Adjustment

- ✚ Very different approaches
- ✚ Comment briefly on each
- ✚ Look for common thread



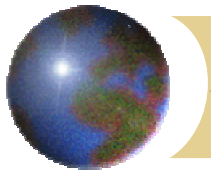
CAP Reform and Enlargement

- ⊗ Impacts depend on decoupling factor
 - ⊠ Min to max is large and uncertain
 - ⊠ Challenge to research
- ⊗ Most adjustment in New Members
- ⊗ Some modest commodity shifts
- ⊗ Policy outcomes tend to minimize adjustment
- ⊗ What efficiency gains?
- ⊗ What next?



Global Reform and U.S. Adjustment

- ✦ Innovative use of micro/macro analysis
- ✦ Detailed analysis of impact distribution
- ✦ Impacts of hypothetical 0-0-0
- ✦ Example quite optimistic, no net losers
- ✦ Promising approach to a deeper understanding of adjustment at the household level and to better policy design
- ✦ How to convey to policy makers?



Synergies

- ❖ Decoupling is a mechanism that accommodates heterogeneous adjustment capacity
- ❖ Interesting to apply the adjustment analysis to CAP reform and its accompanying measures
- ❖ Research: household analysis and decoupling