

AEB 6933
Section 14D4
Trade Policy / Welfare Economics
Spring 2017

Class Location and Time: 3124 McCarty Hall B, MWF – 6th Period [12:50 PM to 1:40 PM]

Instructor: Professor Andrew Schmitz [Office: 1130 McCarty Hall B; Phone: 352-294-7685;
Email: aschmitz@ufl.edu]

Office Hours: Open hours or by appointment

Course Objectives: To provide students with a theoretical base for conducting benefit-cost analysis and provide empirical applications. These include the impact of US ethanol policy, genetically modified organisms (GMOs), and multifunctionality.

Topical Outline: Subjects include theoretical welfare economics, theory of optimal trade distortions, benefit-cost analysis, multifunctionality, US Farm Bills, US ethanol policy, US country-of-origin labeling (COOL), genetically modified organisms (GMOs), tobacco and US sweetener tax policies, and international trade law (including antidumping and countervailing duty laws)

Class Attendance: Required

Grading: Grades are based on one term paper (30%) and a final exam (70%)

Make-up Exams & Other Work: Will facilitate students for makeup exams if needed

Students with Disabilities Statement: Students requesting classroom accommodations must first contact the Disability Resource Center to register (392-8565). Documentation is required. Information is available online at <https://www.dso.ufl.edu/drc/students/accommodations>.

Required Textbooks

1. *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour, Second Edition*. 2010. Schmitz, Moss, Schmitz, Furtan, and Schmitz [University of Toronto Press]
2. *The Welfare Economics of Public Policy: A Practical Approach to Project and Policy Evaluation*. 2004. Just, Hueth, and Schmitz [Edward Elgar Publishers]
3. *International Agricultural Trade Disputes: Case Studies in North America*. 2005. Schmitz, Moss, Schmitz, and Koo [University of Calgary Press]

Reading List

AEB 6933

Trade Policy / Welfare Economics

Spring 2017

Professor Andrew Schmitz

- Schmitz, Andrew, Charles B. Moss, Troy G. Schmitz, Hartley W. Furtan, and H. Carole Schmitz. 2010. *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition. Toronto: University of Toronto Press.
- Just, Richard E., Darrell L. Hueth, and Andrew Schmitz. 2004. *The Welfare Economics of Public Policy: A Practical Approach to Project and Policy Evaluation*. Cheltenham, UK and Northampton, MA: Edward Elgar Publishers.
- Schmitz et al. 2010. Appendix 3A: Graphical conditions for a Pareto optimum. In *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition, 79–87. Toronto: University of Toronto Press.
- Schmitz et al. 2010. Chapter 3, Theoretical considerations. In *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition, 56–88. Toronto: University of Toronto Press.
- Currie, John M., John A. Murphy, and Andrew Schmitz. 1971. The concept of economic surplus and its use in economic analysis. *The Economic Journal* 81: 741–799.
- Harberger, Arnold. 1978. On the use of distributional weights in social cost-benefit analysis. *The Journal of Political Economy* 86(2):S87–S120.
- Rausser, Gordon. 1992. Predatory versus productive government: The case of US agricultural policies. *Journal of Economic Perspectives* 63(3):133–157.
- Schmitz et al. 2010. Appendix 4A: Negative gains from trade. In *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition, 110–112. Toronto: University of Toronto Press.
- Schmitz et al. 2010. Chapter 4, Agricultural trade and macroeconomic policies. In *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition, 89–112. Toronto: University of Toronto Press.
- Schmitz, Troy G., and Andrew Schmitz. 2012. The complexities of the interface between agricultural policy and trade. *The Estey Centre Journal of International Law and Trade Policy* 13(1):14–25.
- Schmitz et al. 2010. Chapter 6, Section 6.7, Supply management: An economic framework. In *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition, 183–188. Toronto: University of Toronto Press.
- Schmitz, Andrew and Troy G. Schmitz. 2010. Benefit-cost analysis: Distributional considerations under producer quota buyouts. *Journal of Benefit-Cost Analysis* 1(1):Article 2.
- Schmitz, Troy G. and Andrew Schmitz. 2011. Compensation and the twin producer gains from production quotas. *Theoretical Economic Letters* 1(3):70–72.

Reading List, AEB 6933, Trade Policy / Welfare Economics, Spring 2017 (continued)

- Schmitz, Andrew, Dwayne Haynes, and Troy G. Schmitz. 2013. Consumer tax production quota buyouts and negative compensation: Producers' dilemma. *Theoretical Economic Letters* 3(3):156-158.
- Schmitz, Andrew, Dwayne Haynes, Troy G. Schmitz, and Evan D. Schmitz. 2013. The U.S. tobacco buyout: A partial and general equilibrium analysis. *Journal of Agricultural and Applied Economics* 45(3):411-419.
- Schmitz, Andrew, P. Lynn Kennedy, and Julie Hill-Gabriel. 2012. Restoring the Florida Everglades through a sugar land buyout: Benefits, costs, and legal challenges. *Environmental Economics* 3(1):74-89.
- Schmitz, Andrew, P. Lynn Kennedy, and Julie Hill-Gabriel. 2013. Accounting for externalities in benefit-cost measures: An analysis of a land buyout and associated projects to save the Everglades. *Journal of Agricultural and Applied Economics* 45(3):421-433.
- Schmitz et al. 2010. Chapter 9, Policy decoupling, GATT, and the WTO. In *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition, 254-271. Toronto: University of Toronto Press.
- Schmitz et al. 2010. Chapter 5, U.S. agricultural policy. In *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition, 122-164. Toronto: University of Toronto Press.
- Schmitz et al. 2010. Chapter 10, Farmland markets: Politics, policy, and urbanization. In *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition, 273-301. Toronto: University of Toronto Press.
- Schmitz, Troy G., Andrew Schmitz, and James L. Seale. 2003. Brazil's ethanol program: The case of hidden sugar subsidies. *International Sugar Journal* 105(1254):254-265.
- Schmitz et al. 2010. Chapter 12, The economics of biofuels. In *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition, 326-352. Toronto: University of Toronto Press.
- Schmitz et al. 2010. Chapter 13, Multifunctionality in agriculture: Externalities and non-trade goods. In *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition, 353-369. Toronto: University of Toronto Press.
- Schmitz et al. 2010. Chapter 11, Agricultural productivity and R&D policy. In *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition, 302-325. Toronto: University of Toronto Press.
- Schmitz et al. 2010. Chapter 15, Genetically modified organisms. In *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour*, Second Edition, 404-427. Toronto: University of Toronto Press.
- Schmitz, A. Charles B. Moss, Troy G. Schmitz, and Won W. Koo. 2005. *International Agricultural Trade Disputes: Case Studies in North America*. Calgary: University of Calgary Press.
- Bredahl, M.E., Andrew Schmitz, and Jimmie S. Hillman. 1987. Rent seeking in trade. *American Journal of Agricultural Economics* 69(1):1-10.

UF Polices and Resources

UF Grading Policies

Information on UF grading policies is available online at <http://www.registrar.ufl.edu/catalog/policies/regulationgrades.html>

Student Honor Code

Information on the UF student honor code is available online at <https://www.dso.ufl.edu/scsr/process/student-conduct-honor-code/>
The Honor Pledge: On all work submitted for credit by students at the University of Florida, the following pledge is either required or implied: **"On my honor, I have neither given nor received unauthorized aid in doing this assignment."**

Software Use

Everyone (faculty, students, and staff) at the university are required and expected to obey the laws and legal agreements governing software use. Failure to do so can lead to monetary damages and/or criminal penalties for the individual violator. Because such violations are also against university policies and rules, disciplinary action will be taken as appropriate. See <http://www.it.ufl.edu/policies/intellectual-property/copyright/>

Campus Help Resources

The following student services are provided at no cost to currently enrolled students.

University Counseling and Wellness Center, 3190 Radio Road, 352-392-1575

<http://www.counseling.ufl.edu/cwc/CWC-Service.aspx>

Career Resource Center, Level One at Reitz Union, 352-392-1601

<https://www.crc.ufl.edu/students/>

Students with Disabilities

The Disability Resource Center coordinates academic accommodations for currently enrolled students (including distance learning students) with disabilities. Documentation is required.

Disability Resource Center, 1316 Museum Road (Reid Hall), 352-392-8565

<https://www.dso.ufl.edu/drc/students>