GTAP Related Activities: 2001-2002
The Economic Research Service (ERS) of the U.S. Department of Agriculture has contributed to and utilized the products of the Global Trade Analysis Project since its inception. This provides a short summary of recent and forthcoming activities.

Contributions to GTAP Products

**Trade data.** Mark Gehlhar continues to make progress on commodity-level trade and transport database for future releases. Trade data is being prepared for year 2000. Some good news on this front is that all countries belonging to the South African Customs Union are now available. Estimates were made in version 5 but will no longer be necessary. Additional FSU Republics will be available to year 2000 including Kazakhstan, Kyrgyzstan, and Tajikistan. Luxemboug’s trade statistics are now reported independently from Belgium.

**Evaluation of tariff data in V5.** Mark Gehlhar and John Wainio have successfully reconstructed tariffs for all food processing sectors of the GTAP database. This was done by adopting an alternative weighting scheme that takes into account exporter’s product trade at a detailed level (HS 6-digit). Preliminary results from a simulation exercise revealed biases in using the simple average approach. As examples, because the U.S. faces a higher tariff on beef exports using the trade weighted average, results from a tariff cut are under-stated using the simple average in the current version of the GTAP database. Impacts on U.S. vegetable oils are over-stated with the simple tariff since soybean products have the lowest tariffs within the vegetable oil sector and large in U.S. exports. Alternative tariffs will have implications for individual EU members in terms of welfare gains and trade pattern changes for scenarios involving processed food tariff cuts. Mark and John plan to extend the coverage other sectors other including the vegetable, fruit and nut sector which is also susceptible to tariff biases.

**Agricultural protection data for GTAP database version 5.** A team at Market and Trade Economics Division (MTED) contributed the agricultural protection data on the three disciplines: market access, export subsidies, and domestic support. The team obtained detailed information allowing for further reclassification of the producer support estimates as measured by the OECD. Another dimension of this disaggregation was based on WTO notifications of specific programs, where minimally distorting payments (green) were separated from trade distorting-type of support payments (amber).


**Land and water resources database.** Roy Darwin, Kevin Ingram, John Sullivan, and Vince Breneman continue to revise the land and water resources database used by the Future Agricultural Resources Model (FARM), a modified version of the first GTAP database and model, to be compatible with version 5 of the GTAP database. Work on this database proceeds slowly due to intermittent suspensions to devote resources to research on the environmental
impacts of trade agreements, the agricultural impacts of greenhouse gas emissions, and other ERS research. A beta version of the land and water resources database will be available sometime prior to a Workshop on the Incorporation of Land Use and Greenhouse Gas Emissions into the Global Trade Analysis Project (GTAP) Data Base, currently scheduled for September 5 and 6, 2002. We are using resources immediately available to ERS. Once completed, other consortium members will be asked for help in upgrading the database through one or another mechanism (e.g., the project entitled “Toward an Integrated Data Base for Assessing the Potential for Greenhouse Gas Mitigation” funded by the U.S. Environmental Protection Agency).

1996 US-I0. Ken Hanson and Agapi Somwaru contributed the United States (US) Input-Output (I/O) accounts for the GTAP version 5 database. They US IO was derived from the 1992 benchmark Input-Output accounts published in 1997 by the US Department of Commerce, Bureau of Economic Analysis (Survey of Current Business, November 1997). For modeling projects at USDA-ERS, the detailed 1992 I/O accounts have been updated to 1996. For the GTAP project, they have aggregated the 1996 I/O accounts to the GTAP database version 5 sectors.

The US I/O accounts, consists of about 500 commodities and industries, classified according to the 4-digit standard industry classification (SIC) codes, except for agriculture. The 17 agricultural sectors are aggregated according to a commodity grouping. Three sectors in the US I/O accounts had to be further disaggregated to accommodate the sectoral detail of the GTAP database.

1997 China IO. Zhi Wang contributed the China’s 1997 IO table to v5 GTAP Data Base.

Publications

1. Articles


2. Manuscripts and Working Papers


3. Other Publications


4. Unpublished Conference Presentations and Invited Speeches


