Modified Policies to Conventional Export Taxes and Quotas that are Less Market-Distorting

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Incidence of Ag Export Restrictions

• Temporary ag export restrictions imposed during 2007-2011
  – 23 countries banned at least one product
  – 9 created taxes
  – 7 created quotas

• Longstanding export taxes existing during 2003-09
  – 35 countries maintained for ag exports
  – 17 for exports of leather, hides, and skins
Focus of Presentation

• Paper covers different scenarios
  − Export taxes versus quotas
  − Short term versus long term measures
  − Small versus large country assumption

• This presentation examines scenario of a preexisting and long term export quota, both small and large country cases
Exports with Quota, Small Country Assumption

Diagram showing the relationship between price and quantity with demand curve $D_D$ and supply curves $S^1$ and $S^2$. The price points $p^1$, $p^2$, and $p^3$ are marked on the diagram, with corresponding quantities $Q^1$ to $Q^6$. The diagram illustrates the impact of quotas on the market equilibrium.
Market for Private Export Licenses

Price

\[ \text{R}^3 \]

\[ \text{D} \]

\[ \text{L}^2 \]

Licenses
Market for Private Export Licenses

Diagram showing the market for private export licenses. The x-axis represents the number of licenses, and the y-axis represents the price. The demand curve (D) is downward sloping, indicating that as the price increases, the quantity demanded decreases. The supply curve (S) is vertical, indicating that the quantity supplied is constant regardless of the price. The price level is represented by the intersection of the demand and supply curves, indicating the equilibrium price and quantity.
Exports with Quota, Small Country Assumption

Graph showing the demand (D) and supply (S) curves with different price points (p1, p2, p3) and corresponding quantities (Q1, Q2, Q3, Q4, Q5, Q6).
Exports with Quota, Small Country Assumption

Diagram showing supply and demand curves with price and quantity axes. The diagram illustrates the impact of a quota on exports, assuming the country is small in the global market.
Market for Private Export Licenses

[Diagram showing the market for private export licenses, with the axes labeled as Price and Licenses, and the supply and demand curves labeled as S², S¹, R³, R¹, and D.]
Exports with Quota, Small Country Assumption, Modified Policy

Price

Quantity

$P_1$, $Q_1$, $Q_2$, $Q_3$, $Q_4$, $Q_5$, $Q_6$
Exports with Quota, Large Country Assumption
Market for Private Export Licenses

The graph illustrates the supply and demand for private export licenses. The demand curve (D) and supply curves (S1 and S2) are shown. The intersection points represent different equilibrium prices and quantities of licenses.
Exports with Quota, Large Country Assumption, Modified Policy

[Diagram showing supply and demand curves with labeled points and quantities]
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Thank you for your attention!