

Agricultural Trade Implications of the International Economic Integration Process in Latin America

Prof. Dr. Alicia Jimenez Portugal

Time: 30hrs = 15 hrs. Theory and 15 laboratory (or first the theory and after that the lab, it can be organized as convenient for you), 10 days with 90 min

Students will learn about the motivation of the economic integration processes, their benefits and challenges that Latin American countries face during the trade liberalization movements; a special emphasis will be done to analyze the situation from the perspective of Mexico and Latin partners of the Pacific Alliance will face once the TTIP will be focused.

The analysis of the countries' competitiveness will be using and interpreting tables, graphs and maps - indicators on export performance, international demand, alternative markets and competitive markets offered by the platforms data of Trademaps, IQOM and Magic plus.

The active work with the data will help participants to better understand the methodologies we use the required data and how to process this data in analyzing the export potential or risks on the international markets.

The participants completing the workshop are highly encouraged to submit a final work. Country cases will be distributed among participants so everyone will be able to conduct its own research, which in the final sessions needs to be presented orally and in writing in order to be subject of an evaluation as a final work.

Introduction

Latin American and Caribbean (LAC) countries are members of 29 different free trade agreements with other Latin American partners, and 44 such agreements exist between an LAC country and other countries (Josling, et al. 2015).

Most of trade among the LAC is already duty free, they joined a Free Trade Agreement (FTA), though many trade barriers in agriculture persist. There is a significant difference in the trade patterns among the LAC countries. While México is one of the LAC that presents the

largest percentage of trade concentration with the USA, the Southern Cone countries, for example, have extensive agricultural exports to Asia and to the European Union (EU), and have few FTAs with regional countries. By contrast, countries in Central America and the Andean region have extensive trade agreements with each other, and have fewer exports outside the region. Meanwhile, other regions are negotiating ambitious mega-agreements, particularly the Trans Pacific Partnership (TPP) and the Trans-Atlantic Trade and Investment Partnership (T-TIP). These could have significant impacts on the region, including trade diversion and preference erosion in major import markets.

In our workshop we will explore the impact of a TPP and T-TIP on agricultural exports; the evolution of the existing bilateral trade agreements within the region; the existing multi-country agreements such as Mercado Común del Sur (MERCOSUR) and the Pacific Alliance to North American Free Trade Agreement (NAFTA); the current trade agreements with the EU; the TPP, and RCEP.

Bibliography

Josling, T., M. Paggi, F. Wainio, and F. Yamazaki. "Latina American agriculture in a world of trade agreements." Edited by American Journal of Agricultural Economics. *American Journal of Agricultural Economics* (American Journal of Agricultural Economics) 97, no. 2 (March 2015): 546-567.

IQOM, Data Base

Trademaps, Data Base