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FORUM 2014
JUNE 25-27
Markets and Trade



Photo: Sibylle Mundt

IAMO Forum 2014

The IAMO Forum 2014, titled "The Rise of the 'Emerging Economies': Towards Functioning Agricultural Markets and Trade Relations?" will take place from 25 to 27 June. The Halle (Saale)-based conference is being jointly organized by IAMO, the Agricultural & Applied Economics Association (AAEA), and the International Agricultural Trade Research Consortium (IATRC). Internationally renowned speakers will discuss "Emerging Economies - Are They the Future Global Food Basket?" (25 June), "Volatility and Speculation on Agricultural Markets" (26 June) and "Transatlantic Trade and Investment Partnership" (27 June) during the morning plenary sessions. Furthermore, several special sessions will be followed by discussions. In a practice-oriented session on 25 June, guests from Russia, Ukraine and Kazakhstan will provide insight into the special challenges of developing the wheat sector in these countries. The session hosted by the Food and Agriculture Organization of the United Nations (FAO) will focus on the recent trade agreement among countries of the former Soviet Union. On 26 June Ingo Pies, professor and business ethicist at Martin Luther University Halle-Wittenberg, will discuss the perspectives of global food security with various experts. On 27 June, Michael Carter, UC Davis, USA, and Kym Anderson, University of Adelaide, Australia, as well as IAMO researchers Gulmira Gafarova and Dmytro Serebrennikov will present the latest findings of the IAMO research projects "The Global Food Crisis – Impact on Wheat Markets and Trade in the Caucasus and Central Asia and the Role of Kazakhstan, Russia and Ukraine", (MATRACC) and "Global food security and the wheat markets in Russia, Ukraine and Kazakhstan" (GERUKA). Further information about the conference, as well as online registration forms, can be found here: www.iamo.de/forum/2014. Registration is open until 13 June.

IAMO Forum 2014

The Rise of the 'Emerging Economies': Towards Functioning Agricultural Markets and Trade Relations?

25 - 27 June 2014 | Halle (Saale), Germany
www.iamo.de/forum/2014

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Overview

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VolkswagenStiftung

Volkswagen Foundation: Further funding of research project on rural third sector approved



Olive tree in Greece. Photo: Jürgen Paasche

The Volkswagen Foundation (VolkswagenStiftung) supports the project "**Agricultural cooperatives as economic crisis-absorbers: The role of cooperative ownership and governance**" over the next two years with 50,000 Euro in the framework of its Support for Europe programme. IAMO researcher Vladislav Valentinov, together with Constantine Iliopoulos from the Agricultural Economics Research Institute in Athens, Greece, will explore the way in which the ownership structures and governance practices of Greek agricultural cooperatives influence their crisis-absorbing capacity. Greece is now experiencing one of its most severe economic crises since the Second World War. A non-negligible percentage of the urban population is moving to rural areas in order to make a living from farming and related activities. The new rural inhabitants realize that they are faced with challenges related to the state of rural infrastructure, as well as the operation of agricultural markets. Agricultural cooperatives potentially play a major role in addressing these challenges. Valentinov expects to obtain valuable synergies from this project for his research on "**Third sector organizations in rural development: a theoretical and empirical analysis**" for which he won a Schumpeter Fellowship of the Volkswagen Foundation in 2010.

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Structural change in Agriculture. Photo: Fotolia

FarmAgriPoliS 2.0: A business simulation to experience structural change of agriculture

The LandwirtschaftlicheRentenbank promotes the pedagogical business simulation of FarmAgriPoliS with 15,000 Euro. In this business simulation, developed at IAMO and based on the agent-based agricultural structure model AgriPoliS, the player can take over the leadership of a model company and make strategic decisions. Thereby, the players compete with other computer-operated businesses, the so-called agents, directly. Thus far, FarmAgriPoliS has experimentally analyzed whether people act strategically different than shortsighted optimizing agents. The LandwirtschaftlicheRentenbank supports the further development of FarmAgriPoliS into a business simulation that is usable for pedagogical purposes as well as for experts and students. Instead of dealing with structural change and effects of agricultural policy only theoretically, the business simulation allows the user direct and intuitive access by experiencing short- and long-term effects of corporate decisions directly on one's own model company, as well as compared to the remaining companies.

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Photo: Aleksei Potov - Fotolia.com

COMPETE: Forum presents recent results and policy recommendations

The COMPETE Forum will take place directly after the 6th Agribusiness Foreign Trade Congress on 25 June in Berlin. The event is open for stakeholders and decision makers from European food value chains, as well as representatives from politics and the sciences. Project coordinator Heinrich Hockmann (IAMO) will present recent results, challenges and policy recommendations. Hans-Jörg Lutzeyer from the EU Commission (inquired) will highlight aims and expectations of EU policy makers on COMPETE, and Roxanne Feller from FoodDrinkEurope will speak about the prospects and chances of the European food and drink industries regarding COMPETE. Participation is free of charge, but registration for the Agribusiness Trade Congress is absolutely necessary and can be done until 15 June. Since 2012 the collaborative research project "[COMPETE International Comparisons of Product Supply Chains in the Agri-Food Sectors: Determinants of their Competitiveness and Performance on EU and International Markets](#)" has brought together 16 European partners. Coordinated by IAMO, the consortium applies in-depth knowledge on the agri-food sector to provide single market policies that are flexible enough to increase international competitiveness and respond to needs on the whole value chain.

COMPETE-Forum

Following the [6. Foreign trade day of the agri-food sector \(Außenwirtschaftstag der Agrar- und Ernährungswirtschaft\)](#)

25 June 2014 | 4:30 – 6 pm

German Federal Foreign Office, Unterwasserstraße 10, 10117 Berlin, Germany

Please note that a registration for the Außenwirtschaftstag until 15 June is necessary. Otherwise you won't get permission to enter the building where the COMPETE-Forum takes place.

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Meat market in Kazakhstan.
Photo: Alexander Prishchepov

Knowledge exchange: Conference on regional economic cooperation in Central Asia

From 24-26 November, IAMO will host the conference "Regional Economic Cooperation in Central Asia: Agricultural Production and Trade", funded by the German Academic Exchange Service (DAAD).

The workshop will be organized in cooperation with the Regional Environmental Centre for Central Asia in Kazakhstan, Samarkand Agricultural University in Uzbekistan, and the Kyrgyz National Agricultural University. The conference aims to function as a platform for knowledge exchange for researchers from Central Asian countries to present and discuss relevant findings on topics related to regional economic cooperation and integration for strengthening sustainable economic development in the region.

Interested parties are invited to submit an extended abstract for the conference electronically to recca@iamo.de until 11 July. For further information about the conference and extended abstracts, please see the conference flyer, available in [English](#) and [Russian](#).

Regional Economic Cooperation in Central Asia: Agricultural Production and Trade

24.-26. November 2014 | Halle (Saale), Germany

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IAMO expertise in demand I: Price trends of agricultural commodities

IAMO Director Thomas Glauben and business ethicist Ingo Pies from Martin Luther University Halle-Wittenberg were invited experts at an internal meeting of the Deutsche Bank about "Price trends of agricultural commodities" on 16 April in Frankfurt (Main).

Co-Chairman of the Management Board Jürgen Fitschen had invited researchers and representatives of NGOs, the financial sector, business and politics. According to the latest scientific knowledge, index funds' financial speculation with agricultural commodities is not responsible for the hunger in poorer countries. On the contrary, there is much to suggest that index funds and similar financial products have an essential impact in stabilizing global agricultural markets. As a suitable strategy for combating hunger, the experts identified massive investments to raise the efficiency and productivity of the agricultural sector, as well as improvements in the infrastructure of main exporting nations and countries facing crises. The financial industry plays a central role in generating the amount of financing required for these actions. Detailed information on the research results can be found in [IAMO Policy Brief 12 "Index funds' financial speculation with agricultural commodities: Functioning. Effects"](#).

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IAMO expertise in demand II: Demographic change

At the invitation of the Cooperative Union (Genossenschaftsverband e.V.), IAMO researcher Axel Wolz will join a one-day-conference on the organization of public services in rural areas via realizing efficient networks and co-operation structures on 18 June in the Saxony representation facilities in Berlin. The Cooperative Union has published a study on the topic, the results of which shall be discussed with stakeholders from rural areas and researchers during the conference. Axel Wolz and Wolfgang Weiß (University of Greifswald) are among the invited researchers. In a project funded by the Saxony-Anhalt Ministry of Science, these researchers, together with IAMO Director Thomas Herzfeld, have analyzed whether and how agriculture is affected by demographic change. Their results show that agricultural businesses are faced with ever-stronger problems with finding suitably qualified staff and apprentices. At the same time, these businesses are ready to or already do perform public service functions. For example, the businesses provide machines, tools and staff for fire services and road administration, or offer rides for villagers. Selected results of the study are published in [IAMO Policy Brief 13 \(available in German only\)](#).

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Photo: Fotolia

German Bundestag: IAMO researchers in dialogue with politicians

On 20 and 21 May the Leibniz Association organized informal meetings between researchers and members of the German Bundestag. Within the scope of "Leibniz at the German Bundestag" IAMO researcher Axel Wolz, together with members of the German Bundestag, discussed the question of which role agriculture plays in demographic change, and in consequence, within the public services of peripheral rural areas. Wolz met MP Wilhelm Priesmeier, agricultural spokesperson of the SPD parliamentary group in the Bundestag, and MP Dirk Wiese, member of the Committees on Legal Affairs and Consumer Protection and on Food and Agriculture. Furthermore, Wolz talked to MP Michael Frieser, member of the Committee on Internal Affairs, as well as MP Ingrid Pahlmann, member of the Committee on Family Affairs, Senior Citizens, Women and Youth. At the end of June, Wolz will discuss the topic with MP Ute Bertram, member of the Committee on Health. In the beginning of July, IAMO Director Alfons Balmann will meet MP Artur Auernhammer. Auernhammer currently holds the deputy chair in the Committee of Environment, Nature, Conservation, Building and Nuclear Safety, and is a member of the Committee on Food and Agriculture. In the informal meeting they will focus on structural impacts of the EU agricultural policy and on agricultural land markets.

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Florian Schierhorn. Photo: Andreas Stedtler

Lindau Nobel Laureate Meeting: IAMO researcher nominated

Florian Schierhorn has been nominated for the 5th Lindau Meeting of the Winners of the Sveriges Riksbank Prize in Economic Sciences. In a multi-step selection process, the young IAMO scientist could qualify for the Nobel Laureate Meeting taking place in Lindau on Lake Constance from 19-23 August. There, 480 young elite researchers from more than 80 countries will meet 19 Nobel Laureates to exchange intercultural and cross-generational knowledge and experiences. The meetings are organized annually in memory of Alfred Nobel; the special meeting for economists will take place for the fifth time this year. Schierhorn conducts research on the question of how to increase food production considering a growing world population and to simultaneously leave behind as few negative effects on the environment as possible.

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IAMO Policy Briefs 15 and 16. Photo: Britta Paasche

IAMO Policy Briefs: Kazakhstan's agricultural sector and wheat production in Russia, Ukraine and Kazakhstan in focus

IAMO Policy Brief 15 offers new insights into the constraints that hamper further economic growth and provide an assessment of the Kazakhstani government's agricultural development strategy. The country is now widely regarded as a key player on world agricultural markets, with considerable export potential in the wheat, beef and dairy sectors. The authors recommend that political decision makers establish measures which improve the local institutional environment instead of focusing on the provision of subsidized capital. **IAMO Policy Brief 16 illustrates which production and market potentials can be expected in the grain industries of Russia, Ukraine and Kazakhstan.** With almost 100 million tons per annum and a combined share of nearly 15 per cent in global wheat production, the three countries rank among the major grain-producing nations. Their enormous land and yield potentials have earned them considerable importance for world grain markets and thus global food

supplies. Their growth opportunities, however, are severely inhibited not only by the current turmoil in the wake of the Russian-Ukrainian conflict, but notably by problematic trade and market policies, a low level of production reserve usage, and significant deficits in marketing infrastructures.

The publications are available free-of-charge for downloading on the IAMO webpage. Policy Brief 15 is available in [English](#) and [Russian](#), while Policy Brief 16 is available in [German](#), [English](#) and [Russian](#).

Are you interested to receive the print or the PDF versions of the IAMO Policy Briefs in future directly? Please send an e-mail with your contact details and your preferred format to presse@iamo.de.

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IAMO building in Halle, Germany. Photo: Sibylle Mundt

Personalia

On 21 May IAMO researcher **Michael Kopsidis** was appointed Adjunct Professor at the Faculty of Law and Economic Sciences of the Martin Luther University Halle-Wittenberg (MLU). Kopsidis, who has worked at IAMO since 1995, conducts research on historical questions in agriculture. At MLU he teaches economic and social history. +++ On 20 May IAMO PhD-student **Maryna Hahlbrock** successfully defended her dissertation on "Motives and outcomes of vertical coordination from the processors' perspective Insights from the Ukrainian dairy industry". +++ On 1 May **Ulrich Koester** was named a IAMO Research Fellow. For two years the agricultural economist and professor of the Christian-Albrechts-University of Kiel will provide his expertise to support IAMO research projects dealing with markets and institutions in transition economies. Also, he is committed to the promotion of young scientists. Koester teaches the module "Foundations of Agricultural Economics: Selected topics" in the Doctoral Certificate Programme in Agricultural Economics. +++ On 1 June **Bettina Blümling** also became a IAMO Research Fellow. She is affiliated with Wageningen University, and carries out research in the field of natural resources in the agrarian sector of China. At IAMO, she is going to be involved in a variety of projects of the International Research Group China, and will carry out a module in the Doctoral Certificate Programme in Agricultural Economics.

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IAMO Annual 2014. Photo: Daniela Schimming

New publications

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IAMO Annual 2014 [Download \(in German only\)](#)

IAMO Policy Briefs

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Petrick, M., Gramzow, A., Oshakbayev, D., Wandel, J. (2014): A policy agenda for agricultural development in Kazakhstan, Nr. 15, Halle (Saale). [Download](#)

Discussion Paper

Prehn, S., Brümmer, B., Glauben, T. (2014): Gravity Model Estimation: Fixed Effects vs. Random Intercept Poisson Pseudo Maximum Likelihood, *IAMO Discussion Paper No. 148*, Halle. [Download](#)

Prehn, S., Glauben, T., Loy, J.-P., Pies, I., Will, M. G. (2014): The impact of long-only index funds on price discovery and market performance in agricultural futures markets, *IAMO Discussion Paper No. 147*, Halle.

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Further selected publications

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