(4201-420)

Advanced Policy Analysis Modelling

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Review and Discussion Questions
- Part II -

Please note:

- While preparing for the written examination, please be aware that you can achieve most points (70 %) for your total grade through a good and thoughtful prepared and presented project. Therefore I would consider it as more important to invest most of your remaining time in the project, rather than in the preparation of the exam.

- Some of the examination questions will be multiple choice.

32. What is a Policy Analysis Matrix (PAM) and what is it applied for? Please explain briefly.

33. Name some advantages of PAM.

34. Explain briefly the concept underlying PAM.

35. *What is a domestic resource cost analysis (DRC)? Explain briefly the methodology of DRC.*

36. What is a Social Accounting Matrix (SAM). Explain briefly.

37. Indicate the basic structure of SAMs

38. Summarize and briefly explain the criteria for disaggregating accounts in SAMs.

39. What is a multiplier and what is a multiplier effect in the context of SAM-based multiplier analysis?

40. Regarding the decomposition of multipliers please describe briefly:
   a) The endogenous income flow.
   b) The exogenously induced multiplier effects.

41. Briefly discuss the shortcomings of SAM-based multiplier models.

42. What are agricultural regional models? What are they used for?

43. How can ago-economic regional models be differentiated?

44. *Which spatial and temporal resolution and which optimization approach are used in ACRE?*

45. ACRE is a production model; trade between districts is not simulated. Why? Please explain briefly.

46. *Briefly explain what the regional farm approach of ACRE is.*

47. What is the PMP-optimization approach and what are the advantages of PMP compared to the LP-approach?

48. Give some examples for the scenario input and output data of a regional production model like ACRE.

To answer the questions on GTAP use also the information that is given in the article of Hertel and at the GTAP-Homepage. Follow the link that is provided at our module homepage.

49. The key drivers of change in world food trade can be usefully grouped into four fundamental forces: demand-side, supply-side, transportation costs, and policies. Please explain them briefly.

50. What is GTAP?

51. The database and the world-wide network of contributors can be considered as the two key assets associated with GTAP. Explain briefly.

52. What is the GTAP model and what is it used for? Explain briefly.

53. Explain briefly the major assumptions underlying the GTAP model.

54. *What can the 'savings-investment identity' be used for in the GTAP model?*

55. *Explain briefly the representation of a multi-region open economy with government intervention in GTAP.*

To answer the questions on CAPRI use also the information that is given at the CAPRI-Homepage (which also includes a FAQ section). Follow the link that is provided at our module homepage.

56. What is CAPRI? What are the objectives, properties and contents of CAPRI?

57. Describe the work flow in CAPRI and briefly summarize the data base tools of CAPRI.

58. What is CAPMOD? Briefly explain the supply side *and the overall structure* of CAPMOD.

59. Summarize the assumptions of the CAPRI supply model.

60. *How is model calibration be done regarding the supply side of CAPRI? Expain.*

61. Explain a calibration method for quadratic programming using exogenous own price elasticities.

62. What is a multi-commodity model? Explain briefly.