

Course title – Intitulé du cours	<b>Agriculture and Global Value Chains</b>
Level / Semester – Niveau / semestre	S1
School – Composante	Ecole d'Economie de Toulouse
Teacher – Enseignant responsable	Josepa (Pepita) Miquel-Florensa
Other teacher(s) – Autre(s) enseignant(s)	
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Other teacher(s) – Autre(s) enseignant(s)	
Lecture Hours – Volume Horaire CM	30
TA Hours – Volume horaire TD	-
TP Hours – Volume horaire TP	-
Course Language – Langue du cours	English
TA and/or TP Language – Langue des TD et/ou TP	-

**Teaching staff contacts – Coordonnées de l'équipe pédagogique :**

*Josepa (Pepita) Miquel-Florensa*

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Office: T.351

Office hours: by appointment

**Course Objectives – Objectifs du cours :**

The first part of this course aims to understand how agricultural markets work in developing countries : challenges at the production stage, market structure at the intermediaries stage, and how to reach final consumers (national or international).

The second part of the course will look at more detail on how to link producers in developing countries, specially agricultural and manufactures, to Global Value Chains. In this part we will focus on the structure of these value chains, the challenges faced by developing country producers to reach these chains (specially on quality) and the important differences between agricultural and manufacture markets.

**Prerequisites – Pré requis :**

Applied econometrics

**Practical information about the sessions – Modalités pratiques de gestion du cours :**

While this is a lecture course, students are expected to thoroughly read all the mandatory readings (announced in class) prior to each session and actively participate in class.

### **Grading system – Modalités d'évaluation:**

The grade is a weighted average of (1) a written assignment (40%) and a class presentation/proposal in group (60%).

The written assignment is due October 25th. A preliminary one-page version of the proposal should be handed in by the 2nd week of October to be discussed with the professor.

- The written assignment is a paper that discusses what has been covered in the first block of the course on Agriculture (up to 5 double-spaced pages). This exercise requires students to provide a brief analytical synthesis of the material and point out what are the most important aspects and the main unresolved issues.
- The proposal - groups of 2 students – is to be presented to the class (in the last weeks of the course) and handed in the week of term exams. The project proposal should be the foundation of a paper. You need to motivate the research idea (in the context of the existing literature), present suggestive statistics from available data, lay out the research design, and present preliminary results when possible. Length: 10-15 pages.

### **Distance learning – Enseignement à distance :**

Classes will be held in person until further notice.

The instructor will be available for online and face-to-face office hours (please send an email to make an appointment).

### **Confidentiality – Confidentialité :**

If classes are to be held online, recording Zoom sessions in any form, including taking screenshots, is prohibited. Redistributing any class materials (such as articles and slides uploaded on Moodle) is also prohibited.

### **Bibliography/references – Bibliographie/références :**

#### 1. Agricultural markets I - Challenges at the production stage

- Christopher Udry and Tavneet Suri. "Agricultural technology in Africa". *Journal of Economic Perspectives*. 36/1 Winter 2022.
- Timothy G. Conley Christopher R. Udry "Learning about a New Technology: Pineapple in Ghana" *American Economic Review* 2010
- Tessa Bold, Kayuki C. Kaizzi, Jakob Svensson and David Yanagizawa-Drott "Technologies and Adoption: Measurement, Theory and Evidence from Agricultural Markets in Uganda" *Quarterly Journal of Economics* 2017
- Lorenzo Casaburi and Jack Willis "Time versus State in Insurance: Experimental Evidence from Contract Farming in Kenya." *American Economic Review*, 108.12 (2018): 3778-3813.

#### 2. Agricultural markets II - Markets for locally consumed products

- Burke, Falcao and Miguel "Sell low and buy high: Arbitrage and local price effects in Kenyan markets" *Quarterly Journal of Economics*, vol. 134, no. 2, 785–842, May 2019
- Falcao and Dinerstein "Competition and entry in agricultural markets: Experimental evidence from Kenya" *American Economic Review*, vol. 110, no. 12, 3705-3747, December 2020
- Iacovone and McKenzie "Shortening Supply Chains: Experimental Evidence from Fruit and Vegetable Vendors in Bogotá" *Economic Development and Cultural Change*, 71(2): 111-149, 2022
- Tanguy, de Janvry, Mbaye and Sadoulet "Expected Product Market Reforms and Technology Adoption by Senegalese Onion Producers" *American Journal of Agricultural Economics* 2017

### 3. Agricultural markets III - Markets for exported products

- Lorenzo Casaburi and Tristan Reed "Using individual-level randomized treatment to learn about market structure." *American Economic Journal: Applied Economics*, 14.4 (2022): 58-90.
- Rocco Macchiavello and Ameet Morjaria "Competition and Relational Contracts in the Rwanda Coffee Chain" *The Quarterly Journal of Economics*, Volume 136, Issue 2, May 2021, Pages 1089–1143

### 4. Linkages to Global Value Chains I – Structure

- **Introduction to GVC:** Antràs, Pol. 2021. "De-Globalisation? Global Value Chains in the Post-COVID-19 Age." 2021 ECB Forum: "Central Banks in a Shifting World" Conference Proceedings.
- (within-country connections) Robert Jensen & Nolan H. Miller "Market Integration, Demand, and the Growth of Firms: Evidence From a Natural Experiment in India," *American Economic Review*, vol 108(12), 2018, pages 3583-3625.
- (connecting to trade) Donaldson "Railroads of the Raj: Estimating the Impact of Transportation Infrastructure" *American Economic Review* 2018
- (incoming products) Matthew Grant and Meredith Startz "Cutting Out the Middleman: The Structure of Chains of Intermediation" Working paper 2020
- (manufacturing to export) Atkin, Chaudhry, Chaudry, Khandelwal and Verhoogen "Organizational Barriers to Technology Adoption: Evidence from Soccer-Ball Producers in Pakistan." *Quarterly Journal of Economics* 2017

### 5. Linkages to Global Value Chains II – Export quality ladder

- Hjort, Hansman, Leon and Teachout "Vertical Integration, Supplier Behavior and Quality Upgrading among Exporters" *Journal of Political Economy*, Volume 128, Number 9, September 2020
- Macchiavello and Miquel-Florensa "Improving Export Quality: The case of the Sustainable Quality Program in Colombian Coffee" Working paper 2019
- Khandelwal, Osman and Atkin "Exporting and Firm Performance: Evidence from a Randomized Experiment" *Quarterly Journal of Economics* 2017

### 6. Linkages to Global Value Chains III – Manufacturing exports

- McKenzie and Woodruff "Business Practices in Small Firms in Developing Countries" *Management Science* 2017

- Boudreau “Multinational enforcement of labor law: Experimental evidence from Bangladesh’s apparel sector” Conditionally Accepted *Econometrica* (2022)
- Nina Pavcnik “The Impact of Trade on Inequality in Developing Countries” Proceedings of Jackson Hole Economic Symposium, Fostering a Dynamic Global Economy, pp. 61-114 (2017)
- Julia Cajal-Grossi, Rocco Macchiavello, Guillermo Noguera “Buyers’ Sourcing Strategies and Suppliers’ Markups in Bangladeshi Garments” *The Quarterly Journal of Economics* 2023