

Table 11.1 Alternative Reform Strategies

<i>Compensation</i>	<i>Speed of Implementation</i>	
	<i>Slow</i>	<i>Fast</i>
Yes	Cash-out	Buyout
No	Squeeze-out	Cutout

Source: Orden, Paarlberg, and Roe (1999).

Table 11.2 Value of the U.S. Peanut and Tobacco buyouts

US\$ a pound

<i>Measure</i>	<i>Peanuts</i>	<i>Flue-cured tobacco</i>	<i>Burley tobacco</i>
Seven-year simple average rent (1995–2001)	0.037	0.471	0.411
		<i>\$7.00 Tobacco Buyout</i>	
Quota buyout present value	0.550	5.675	5.675
Equivalent infinite annuity	0.026	0.270	0.270
Years for Average Rent	24	16	21
		<i>\$10.00 Tobacco Buyout</i>	
Quota buyout present value	--	8.108	8.108
Equivalent infinite annuity	--	0.386	0.386
Years for Average Rent	--	34	56

Source: Womach (2003) and authors' calculations. Present value and years of average rent are based on a 5 percent discount rate.

Note: -- = not applicable.

Table 11.3 Cost of Possible Buyouts of the Main U.S. 2002 Farm Bill Support Payments

US\$ billions

Buyout cost	Fixed direct payments	Countercyclical payments	
		Maximum possible	Projected level
2002 farm bill payments (crop years 2002–2007)	5.292 (average) 28.198 (lump sum)	7.302 (average) 38.787 (lump sum)	3.505 (average) 18.303 (lump sum)
Buyout payments over 10 years equivalent to annual payments at 2002 farm bill level for 25 years	9.659 (annual) 78.311 (lump sum)	13.328 (annual) 108.065 (lump sum)	6.398 (annual) 51.870 (lump sum)
Infinite annuity equivalent of buyout payments	3.729 (annual)	5.146 (annual)	2.470 (annual)

Source: Fixed direct payments and projected countercyclical payments are based on the president's 2006 budget. Estimate of maximum countercyclical payments is from calculations provided by the U.S. Department of Agriculture's Economic Research Service. Buyout payments are assumed to be made in equal installments over 10 years. Present values and infinite annuities are based on a 5 percent discount rate.

Table 11.4 Average Tariff Protection Applied, by Economy or Region, early 2000s

percent

Sector	Average applied MFN tariff rate										
	Asian NIEs	China	South Asia	Transition economies	Sub-Saharan Africa	Middle East and North Africa	Latin America	Western Europe	North America	Japan	Rest of the world
Primary agriculture	38	16	21	13	16	49	12	12	9	30	6
Processed agriculture	20	15	29	20	27	58	17	21	10	46	13
Other primary sectors	2	2	14	1	5	4	5	0	0	0	5
Textiles and apparel	8	13	28	14	21	13	15	5	10	6	14
Other manufactures	5	6	24	9	11	8	11	2	1	0	9

Source: Cernat, Laird and Turrini (2002).

Note: NIEs = newly industrialized economies.