

346 Arab Univ. J. Agric. Sci., Ain Shams Univ., Cairo, 24(2), 333-347, 2016

MEASUREMENT AND ANALYSIS OF THE ECONOMIC EFFECTS OF PRICE POLICIES FOR FISH IN EGYPT

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Keywords: Economic loss, A surplus product, Consumer surplus , The nominal protection coefficient, Partial equilibrium

ABSTRACT

Prices reflect the relative scarcity of resources in terms of planning is based under the freemarket mechanisms for price and market signals as an essential mechanism in the allocation of resources and guidance system, Price is also working on consumer directed toward maximizing satisficing the resources available to them, which leads to maximizing the well-being of the community. The research problem is in direct government intervention in price policy, which may give rise to a variation in the local and indirect world prices lead to non-optimal utilization of the resources used in the production process, which affects the welfare of producers and consumers, as well as on government revenue and the outcome of the state foreign trade. research aims to identify the price differences between local and world prices resulting from price, The policies fish and by estimating the partial equilibrium model to examine the effect influence of the policies of government intervention at all stages of fish flow in the market, by measuring the efficiency of the product, the consumer, the community level, and measurement of well-being at the community level, as well as measurement of government revenues and this may help to measure the efficiency of these policies in achieving its objectives and examine the effects on producers, consumers and the overall economy.

(Received 27 July, 2016) (Revised 2 August, 2016) (Accepted 8 August, 2016)

The results showed the following

The average nominal protection for fish rate during the study period (1998-2013) amounted to 0.67 i.e. it is greater than zero, which means that the state supports the producers of fish by about at 67% in favor of the producers of fish on the expense of the consumer represented in the higher domestic price for the world price, The results indicate that the concern of the State on promoting fish producers to reduce the size of the gap and reduce the import of foreign currency into force.

The study showed also that the expansion of fish production leads to increased foreign exchange earnings by reducing imports and reduce the food gap, where the maximum fish production reached amounted to 1372.0, 1454.4 during the years 2012.2013, respectively, while the maximum foreign exchange earnings reached a maximum in 2012, 2013 amounted to 27067.03.

The results of the welfare check gains in producer excess as the average change in the product excess amounted to 3.1336 billion pounds, which reflects the impact of price policy applied, while under the negative values of consumer excess has been achieved loss in consumer surplus, bringing the average loss during the study period of about 5566.88 million pounds. Decline in consumer surplus was due to the local consumer bear the superiority of market forces and the presence of protectionist policy to support the product and taxing the consumer, leading to increased consumer spending as a result of the purchase of small quantities at high prices, leading to lower prices of consumer welfare.

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Gains in government revenues for both revenue and foreign exchange earnings, bringing the average value of the change in government revenue amounted to 10.77637 billion pounds during the study period, as the average value of the change in foreign exchange earnings amounted to 1.8088 billion pounds.

RECOMMENDATIONS

Based on the above it can be seen from the study

• The need to establish the expansion of fish farming projects to further reduce the food gap

fish with the availability of fish prices to suit the consumer, especially those with low incomes, where local fish prices rise on prices in the world market, and reduce the import of fish to increase foreign exchange earnings.

• The study also recommends a review of the determination of direct taxes and non-value directly to the consumer and to follow economic policies and price match between the taxes and the support given to a product as they bear the burdens of consumer reflected in the increase in the average value of the loss in surplus, and the decline in welfare.