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**RESPONSE TO NEW ZEALAND'S  
AGRICULTURAL SECTOR FROM ECONOMIC  
GROWTH AND FREE TRADE WITH CHINA**

**A Computable General Equilibrium Analysis**

A thesis presented in partial fulfilment  
of the requirements for the degree of

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in  
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## Abstract

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China's growth performance over the last three decades has stood at a phenomenal nine percent per annum and shows little sign of abating despite challenging market conditions in recent times. With ever increasing demand and limited land availability this is set to have an increasing impact on New Zealand which has a comparative advantage in land-intensive agricultural products. Already this is observable in recent trade statistics. Using GTAP (global trade analysis project), a computable general equilibrium model, this research estimates the future effects of Chinese growth to New Zealand's agricultural sectors and its economy in general. Almost all primary industries in New Zealand can expect to benefit from China's growth, most notably wool and forestry. Modest gains in gross domestic product and economic welfare also benefit the country on the whole. Chinese growth also complements the well documented gains of the recently signed free trade agreement between the two nations.

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# Contents

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<b>Abstract .....</b>	<b>ii</b>
<b>Acknowledgements .....</b>	<b>iii</b>
<b>Contents .....</b>	<b>iv</b>
<b>List of Tables .....</b>	<b>vi</b>
<b>List of Figures .....</b>	<b>viii</b>
<b>INTRODUCTION .....</b>	<b>1</b>
1.1. Research Questions .....	2
1.2. Hypothesis .....	3
1.3. Methodology .....	4
1.4. Thesis Outline .....	4
<b>GROWTH AND TRADE THEORY .....</b>	<b>6</b>
2.1. Overview of Economic Growth .....	6
2.2. Overview of International Trade Theory .....	9
2.3. Trade-Growth Nexus .....	12
2.4. Trade Protectionism and Liberalisation .....	14
2.5. Summary .....	19
<b>CHINESE AGRI-FOOD ECONOMY AND TRADE .....</b>	<b>21</b>
3.1. General Economic Overview .....	22
3.2. Economic Growth .....	27
3.3. Consumption Trends .....	30
3.4. Production Trends .....	36
3.5. Trade.....	40
3.6. Summary .....	46
<b>NEW ZEALAND AGRI-FOOD ECONOMY AND TRADE .....</b>	<b>47</b>
4.1. General Economic Performance.....	48
4.2. Food Consumption trends .....	51
4.3. Agricultural Production.....	52
4.4. Agricultural Trade in New Zealand.....	54

<b>SINO-NZ BILATERAL TRADE .....</b>	<b>60</b>
5.1. Trade History between China and New Zealand.....	61
5.2. New Zealand and China Free Trade Agreement .....	67
5.3. Summary .....	69
<b>COMPUTABLE GENERAL EQUILIBRIUM MODELS.....</b>	<b>71</b>
6.1. General Equilibrium Theory .....	72
6.2. Computable General Equilibrium Models .....	75
6.3. The GTAP Model.....	78
6.4. Previous GTAP Empirical Studies .....	81
6.5. GTAP Data and Aggregations.....	87
6.6. GTAP Simulations and Methodology .....	88
<b>RESULTS AND DISCUSSION .....</b>	<b>93</b>
7.1. Chinese Economic Growth.....	94
7.2. China and New Zealand Free Trade Agreement.....	103
7.3. China and Australia FTA – the effect on New Zealand.....	108
7.4. Indian Economic Growth .....	111
7.5. Industry Summary .....	114
<b>CONCLUSION.....</b>	<b>118</b>
<b>References .....</b>	<b>122</b>
<b>Appendices .....</b>	<b>136</b>
A1. Selected GTAP Notation .....	137
A2. GTAP Aggregations .....	139
A3. Selected GTAP Data .....	142
A4. Industry Summary Data.....	151

## List of Tables

---

<b>Table 3.1</b>	Economic Growth and Doubling Times in China	28
<b>Table 3.2</b>	Per-Capita Dairy Consumption in China	34
<b>Table 3.3</b>	Grain Production in China (1990-2008)	37
<b>Table 3.4</b>	Meat and Fish Production in China (1990-2008)	38
<b>Table 3.5</b>	Dairy Production in China (1990-2008)	38
<b>Table 3.6</b>	Production of Selected Fruit and Vegetables in China (1990-2008)	39
<b>Table 3.7</b>	Agricultural Exports and Imports of China by Group (1985-2008)	43
<b>Table 3.8</b>	China's Revealed Comparative Advantage of Selected Agricultural Groups	45
<b>Table 3.9</b>	China's Trade Competitiveness Index for Selected Agricultural Groups	45
<b>Table 4.1</b>	Consumption of Major Agricultural Products in New Zealand	52
<b>Table 4.2</b>	Production of Major Agricultural Commodities in New Zealand	53
<b>Table 4.3</b>	Value of Selected New Zealand Agricultural Exports	57
<b>Table 4.4</b>	Revealed Comparative Advantage of Selected Agricultural Groups in New Zealand	58
<b>Table 4.5</b>	New Zealand's Trade Competitiveness Index for Selected Agricultural Groups	58
<b>Table 5.1</b>	The Rise of China as a Trading Partner to New Zealand	63
<b>Table 6.1</b>	Empirical CGE Models on Economic Growth	84
<b>Table 6.2</b>	Empirical CGE Models on Trade Policy	85
<b>Table 6.3</b>	Aggregation of the GTAP Data	88
<b>Table 6.4</b>	Modelled Per-Annum Growth of China	90
<b>Table 6.5</b>	Modelled Ten-Year Accumulated Growth of China (2010-2020)	90
<b>Table 6.6</b>	Modelled Per-Annum Growth of India	92
<b>Table 6.7</b>	Modelled Ten-Year Accumulated Growth of India (2010-2020)	92

<b>Table 7.1</b>	Decomposition of Consumption Growth in China under Selected Growth Scenarios	95
<b>Table 7.2</b>	Change in Production and Trade Volumes in China under the High-Growth Scenario	96
<b>Table 7.3</b>	Share of Additional Chinese Imports of New Zealand or Australian Origin for Selected Sectors	97
<b>Table 7.4</b>	Effect on New Zealand Trade and Production resulting from China's High Growth	98
<b>Table 7.5</b>	Effect on World and Selected Domestic Prices resulting from High Growth in China	100
<b>Table 7.6</b>	Change in Economic Welfare for each Region under the Chinese High-Growth Scenario	102
<b>Table 7.7</b>	Welfare Changes to New Zealand and Australia under Various Chinese Growth Scenarios	102
<b>Table 7.8</b>	Change in Bilateral Trade by Sector between New Zealand and China with implementation of FTA	104
<b>Table 7.9</b>	Change in New Zealand's Global Exports and Imports resulting from FTA with China	105
<b>Table 7.10</b>	New Zealand Domestic Price and Output Changes as a result of FTA with China	106
<b>Table 7.11</b>	Welfare Effects resulting from NZ-China FTA under the Base-Case Scenario	107
<b>Table 7.12</b>	Welfare Effects resulting from NZ-China FTA under the Chinese High-Growth Scenario	108
<b>Table 7.13</b>	New Zealand and Australia's Global Export and Import Changes with Australia's inclusion of FTA with China	110
<b>Table 7.14</b>	Welfare Effects resulting from a CER-China FTA under the Chinese High-Growth Scenario	110
<b>Table 7.15</b>	Welfare Effects of China signing FTA with only Australia	111
<b>Table 7.16</b>	Welfare Changes to Selected Regions under Indian High-Growth Simulation	112
<b>Table 7.17</b>	Sectoral Effects to New Zealand from High Growth in India	113
<b>Table 7.18</b>	Welfare Changes to New Zealand and India resulting from FTA	113
<b>Table 8.1</b>	Simulated Welfare Effects on New Zealand under Various Scenarios	120

## List of Figures

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<b>Figure 3.1</b>	Gross Domestic Product of China	28
<b>Figure 3.2</b>	Chinese Real Per-Capita Economic Growth	29
<b>Figure 3.3</b>	Declining Share of Expenditure on Food in China	31
<b>Figure 3.4</b>	Per-Capita Consumption of Traditional Staple Foods in China	32
<b>Figure 3.5</b>	Per-Capita Consumption of Selected Meat and Fish Products in China	33
<b>Figure 3.6</b>	Per-Capita Consumption of Selected Horticultural Products in China	35
<b>Figure 3.7</b>	Even Faster Trade Growth: China's Trade-GDP Ratio	41
<b>Figure 3.8</b>	Share of Agricultural Exports in China	41
<b>Figure 3.9</b>	Share of Agricultural Imports in China	42
<b>Figure 4.1</b>	Gross Domestic Product of New Zealand	49
<b>Figure 4.2</b>	New Zealand's Real Per-Capita Economic Growth	51
<b>Figure 4.3</b>	Share of Agricultural Exports in New Zealand	54
<b>Figure 4.4</b>	Share of Agricultural Imports in New Zealand	55
<b>Figure 5.1</b>	Value of New Zealand's Trade with China since 1988	62
<b>Figure 5.2</b>	China's Share of New Zealand's Exports and Imports since 1988	63
<b>Figure 5.3</b>	Share of Agricultural Trade between New Zealand and China	64
<b>Figure 5.4</b>	The Decline of New Zealand's Wool Exports to China	65
<b>Figure 5.5</b>	The Rise of New Zealand's Dairy Exports to China	65
<b>Figure 5.6</b>	The Importance of Sheep Meat Exports to China for New Zealand	67
<b>Figure 6.1</b>	Equilibrium in a Two-Person Two-Commodity Economy	74
<b>Figure 6.2</b>	Flowchart of the CGE Process	77
<b>Figure 6.3</b>	Monetary Flows in the GTAP Model	80