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**“Greek Agriculture, CAP and Agenda 2000: A Case
Study in the External Trade, 2000-2008”**

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Master Thesis

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Abstract

Europe has established the Common Agricultural Policy, CAP, from the early years of the construction of the EU as a tool against rural poverty and food deficit. As the years passed by CAP became more goal oriented towards the economic growth and development of each country. The latest development known as Agenda 2000 opted for a competitive agriculture led by the international market powers and for a more liberalized trade among the member countries. Moreover, it prepared the whole Europe for its enlargement with the accession of the Central and East European Countries, CEEC's.

Greece was and remains traditionally an agricultural country as the rural sector contributes much to the national income and the employment in comparison to the rest of the EU countries. It's vital for the economic development and growth of the country. It seems though that after the implementation of the Agenda 2000, Greece still does not have a comparative advantage in the production of agricultural products. Her balance of trade remains negative both when it comes to the external trade with the member countries and with the non-member countries. Her imports tend to increase much more than her exports constituting her a net receiver from the EU. It is disputed whether all these reforms and aids have been beneficial, after all, for a small country like Greece since her international position has been worsened.

Key words: greek agriculture, CAP, Agenda 2000, enlargement, Central and East European Countries

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1. Introduction

In Greece the agriculture has a significant role and is vital as the income and the employment occupied in the agricultural sector contributes much more to the national income and employment than it does in the rest of the EU countries (Agenda 2000: Strengthening and Widening the European Union, 1999).

Since the implementation of the Common Agricultural Policy, CAP, which commenced as a tool against rural poverty and food deficit in the 1950's, a lot of developments have been implemented in order to improve the condition of the farmers, the economic growth of each country in the EU and the protection of the environment. The latest development refers to the proposals discussed in Berlin in 1999 and revised in the Luxembourg agreement in 2003, known as Agenda 2000 (Borresch et al., 2005). The Agenda 2000 is also goal oriented towards the enlargement of the EU with the integration of the Central and East European Countries, CEEC's: Cyprus, Czech Republic, Malta, Estonia, Lithuania, Hungary, Poland, Slovenia, Slovakia and Latvia.

But how should both the above enlargement and macroeconomic development affect external trade and balance in agricultural products in the Greek territory? Have they fostered the production and improved the condition of the farmers or are their results vague and hard to measure?

Such a survey is very interesting to be conducted taking into consideration that the farms in Greece are small sized, they have low productivity and they expertise in Mediterranean products in comparison to the northern farms. Moreover, because Greece has many imports in agricultural products which constitute her a net receiver from the EU budget (Agenda 2000: Strengthening and Widening the European Union, 1999).

Lastly, as Greek agriculture has to face many obstacles such as the small number of the farmers who tend to get older day by day, their low incomes, the environmental factors which are unpredictable and many other obstacles analyzed in this paper, a price policy and a structural aid are demanded (Agenda 2000: Strengthening and Widening the European Union, 1999). The macroeconomic effects of the above policy should be measurable since the economic growth of this country relies on the rural sector which is an indispensable part of the country's whole national economy and there is huge interdependence among the sectors.

This survey tries to find out if the position of Greece in terms of its agricultural production and its external trade with the EU countries has improved after the new wave of CAP (Agenda 2000) and the enlargement. Does she have a comparative advantage in the production of agricultural products or is she still a net receiver from the EU? It provides the data of imports, exports and balance of trade in agricultural products of Greece with the EU countries and the third non-member countries for the years 2000-2008. It analyzes also the production of some basic agricultural products in order to give an overall view of the greek agriculture after the enlargement.

It seems like the production in most of the vital agricultural products has diminished through the years 2000-2008 which shows that Greece does not have a comparative advantage in the production of agricultural products after all. The external trade with the third non-member countries in the years 2000-2004 decreases considerably, thing expected, the balance of trade is negative but not more than balance of trade with the EU countries, thing rather unexpected. This deficit grows even larger constituting Greece a net receiver from the EU budget. Even though the exports in both occasions seem to increase, they cannot outweigh the outrageous number of imports. Even after the enlargement the trade between Greece and the CEEC's tends to increase but still the imports are huge in comparison to the exports leaving Greece again with an augmenting negative balance. Last but not least, the agricultural sector still continues to be indispensable for the greek economy since the exports in agricultural products represent the 29% of the total exports of Greece to the EU.

The limitations of this survey are based on the fact that all sectors are indissolubly connected to each other and to the national economy itself. So, the imports, exports and production of agricultural products in Greece could be affected by many factors such as national policies, natural, technical, social, political and cultural reasons and the general economic situation. So, the reforms in Agenda 2000 cannot be the single and only variable for this measurement.

This paper consists of 10 Parts. The second section analyzes the historical background of CAP and the third provides a brief description of the notion CAP and analyzes the agricultural problem in Greece, the impacts stemming from it and the reasons that constitute the exercise of common agricultural policy obligatory. It also mentions the ways that CAP operates in order to come up to its goals and the means used for this. The fourth analyzes the previous researches conducted in the agricultural sector as a part of the EU. The fifth part concentrates on the data selection and the sixth on the method used to reach to the result. The seventh analyzes the results derived and consists of five parts. Lastly, in the sections eight

and ten there are presented the conclusions and an appendix with the tables of data utilized for the conduct of the survey.

2. Historical background

The CAP was implemented at a time very difficult for the whole Europe, 1950 - 1960's, as it was characterized by food deficit and rural poverty. So it tried to support prices and incomes internally mainly through mechanisms such as protectionism of borders, intervention and aids (payments). Before this, the system of price support was mainly applied in order to avoid more costly policies such as direct subsidies (Baltas, 1997).

The **Treaty of Rome** in 1957 established the creation of a Custom Union with firstly the elimination of custom tariffs and secondly the institution of a Common External Customs Tariff in the trading with third non-member countries. It also created a common market establishing four policies: freedom in the circulation of agricultural and industrial products, freedom in the circulation of employees, freedom in the establishment and supply of services, freedom in the circulation of capital (Agenda 2000 – A CAP For The Future, 1999).

A reform was made on May 1992, known as the **Maastricht Treaty**, where the three basic characteristics of the CAP, common market for agriculture, stability against market fluctuations and preference of products in the EU, remained unaltered. All in all, EU kept its interventionist policy (subsidies, taxes, refunds) in order to narrow the gap between the market prices of the EU and the world. So the main changes were the below: A diminution in the prices of the agricultural products in order to be more consumable for the world and in order for the poorer people to be able to survive easier. Those price diminutions were connected to payments, refunds based on hectare, historic evidence and not on quantities produced. An effort was made for the limitation of the factors of production used in the agricultural sector and the protection of the environment with the application of friendly measures such as afforestation, early retirement and aid for the farmers who applied the above, managed their land and protected the environment (Agenda 2000: Strengthening and Widening the European Union, 1999).

All the Mediterranean countries were given the FEOGA "Guarantee" (Fonds Européen d'Orientation et de Garantie Agricole). In that way EU tried to facilitate those economies to be coherent with the rest of the economies in the EU in a social and economic angle. This cohesion was put into serious discussion in the Maastricht Treaty and all the poorest members of EU received more financial aid with the

Delors II package (Baltas, 1997). Greece utilized most of this package for the improvement of the agricultural sector.

The **Mac Sharry plan** wanted to shift the support from the prices of the products towards a support of the producers themselves applying the compensatory payments to the farmers. In that way the producers wouldn't be benefited depending on the volume of their production as it used to be before and the poorer farmers would also be able to survive due to this redistribution of support (Baltas, 1997).

Import protection and export subsidies and in general all friendly policies were meant to be eliminated according to the **Uruguay Round** which became effective in 1995 and was mainly a discussion about the General Agreement on Tariffs and Trade, GATT. This had significant meaning both for developed and developing countries since it uncovered market inefficiencies and put on the map the competitiveness issues (Stoforos, 2003).

The Uruguay Round was a world trade agreement in order to eliminate the obstacles and liberalize and bind the global agricultural markets. The GATT agreement brought in rules that had to do with the subsidies, support and entry in the market policies. More specifically, the domestic subsidies were to be diminished by 20% and all the import constraints were transformed into custom tariffs. Countries were allowed to take initiatives in order to diminish the imports of a product so as to avoid extreme concentration or a fall in the prices. The subsidies on exports had to be diminished by 21% and 14% (Nea Kini Agrotiki Politiki, 2003).

A second wave of CAP had to do with a reform discussed in 1999 in Berlin by the Ministers of Agriculture. The proposals are known as the **Agenda 2000**. Those reforms were firstly published by the Commission in 1997 and revised afterwards in 2003 in Luxembourg (**Luxembourg agreement**), (Mili, 2006).

Agenda 2000 had as main discussions the trade liberalization, the reform of the CAP, the reduction in protection, the accession of CEEC's and environmental issues (Agenda 2000: Strengthening and Widening the European Union, 1999).

The policies adapted had as main goal the preparation of the EU for the accession of the CEEC's meaning Cyprus, Czech Republic, Malta, Estonia, Lithuania, Hungary, Poland, Slovenia, Slovakia and Latvia.

It focused mostly on the quality of the food, the protection of the environment, the welfare of the animals, the solidarity among the countries, the creation of employment and the economic development. The aid to the poorer and newly

integrated countries was supposed to be doubled (Annual Report: Development and agri-food policies in the Mediterranean region, 2000).

More specifically, the environment would recover from the degradation and would be protected by all means even if this had as a consequence the cut of the aid for the farmers that misused it. The quality of the food would improve in order for it to be safe, the production cost would diminish but the incomes of the farmers would increase. The competitiveness in the agricultural sector was meant to improve. CAP needed to be more decentralized, have simpler rules and be clearer. Those were the goals and outlines of Agenda 2000.

This new CAP focused on the elimination of the different support levels and opted for a production which would be guided by the international market powers leading to a competitive agriculture. To achieve that, agriculture should be based in three key elements known as decoupling, modulation and cross compliance. The decoupling was firstly discussed and implemented in the MacSharry reform in 1992 and had the form of a compensation payment for price diminutions. Decoupling could be explained by two faces (Annual Report: Development and agri-food policies in the Mediterranean region, 2000 and 2004).

The payments to the farmers wouldn't any longer have anything to do with the production of a good but would be based on the total hectares of the cultivated land (Single Farm Payment, decoupling). So, it displaced the subsidy from the quantity of the good produced to the actual good itself. All in all, the amount of planting of a specific good wouldn't count so much in comparison to the cultivation of the agricultural land and the actual production. Furthermore, the direct payments would be diminished for the large farms receiving more than 5.000€ (modulation). Cross compliance had to do with some necessary standards such as environmental protection, animal and plant respect and food quality. The Single Farm Payment would affect the regional production and as a consequence the market itself but those impacts would be again controlled by the production effects of the payments (Borresch et al., 2005).

The second wave of CAP, also known as decoupling, affected mainly three of the basic Mediterranean products: olive oil, tobacco and cotton. More specifically, in olive oil a prolongation of the support was decided as it was judged to be indispensable and for the tobacco a diminution of the support was implemented since there was a pressure by the European Parliament (Borresch et al., 2005).

On the 26th of June 2003, in Luxemburg, a reform of the CAP was implemented after the integration of more countries in the EU (**Luxembourg Agreement**). There would be an aid for all the farmers partially according to their production but mainly

according to their will to stick to some standards like the protection of the environment, the security of the food, the health of plants and animals (Gomez-Limon et al. 2000). Those measures had also to do with the incentives provided to the farmers so as not to abandon the cultivation of the land. In case of not compliance to the above, those aids would be immediately cut. The immediate aid for the big farms would be diminished in order for all the farmers to be benefited. Controls would take place in order for the countries not to exceed the agricultural budget. Consultants would be employed in the aid of the farmers and also the last ones would be supported in order to invest (Agenda 2000: Strengthening and Widening the European Union, 1999).

Financial means were granted for cotton, olive oil and tobacco until 2013. Smaller farms would benefit since the measures concerning the aid allocation to the bigger farms were abolished. The EU would contribute a percentage of 85% of the total cost for those programs in comparison to the previous 60%. A negative effect was that since the aid would have as main goal the structure of the cultivation in the period 2000-2002 and not in every year separately there would be abandonment of the land especially because the ageing population in the agricultural sector in Greece. In general, there was an objective for the stabilization of the income of the farmers against the weather alterations which threaten them (Barkaoui et al. 2000 and Semos 2001).

This new wave of reform was lastly characterized by notions like transparency, quality of food, sustainability, environmental protection, animal welfare, creation of employment, education, solidarity, reallocation of resources and stability (Agenda 2000: Strengthening and Widening the European Union, 1999).

3. Theoretical Background of CAP

3.1 Concept of Notion CAP

To understand and analyze the notion of Common Agricultural Policy (CAP), we firstly have to refer to the meaning of the concept “Policy” and “Agricultural Policy”. So, policy is the “art of the possible” according to Otto von Bismarck (German chancellor, 1815-1898) which means that there’s no meaning of scheduling or planning without having in mind that your propositions and strategies have to be attainable (Theofanidis, 1992).

Policy has two main features: a) the goals at which we’re aiming b) the means that we’re using so as to achieve these goals. So, by using the word policy we mean the decision for action or execution from behalf of the State or the Country. We should also mention here that in some occasions the passivity or inaction are considered to be “policy” (Theofanidis, 1992).

In order for the policy to be able to be exercised it should follow two routes. Firstly, there should be a bunch of choices or alternative possibilities of action. Their combination constitutes a problematic including the goals and the means used so as to achieve them. Secondly, from this combination of actions there should be the election of the best one. When we select one from all the alternative possibilities of action then we exercise policy.

The questions that are generated from the above are summarized in the scheme below:

- a) Who takes the decisions or acts?
- b) What are the objectives of the policy? (Stabilization of agricultural income, reduction of the dependence on the foreign products)?
- c) How are the selected goals and means combined? (Procedure, time frame, functional connection of alternative choices)?
- d) In which way is the enforcement-execution of the policy implemented?
- e) With which methods are the follow up and the control of the results monitored? Can the policy be reviewed and revised?

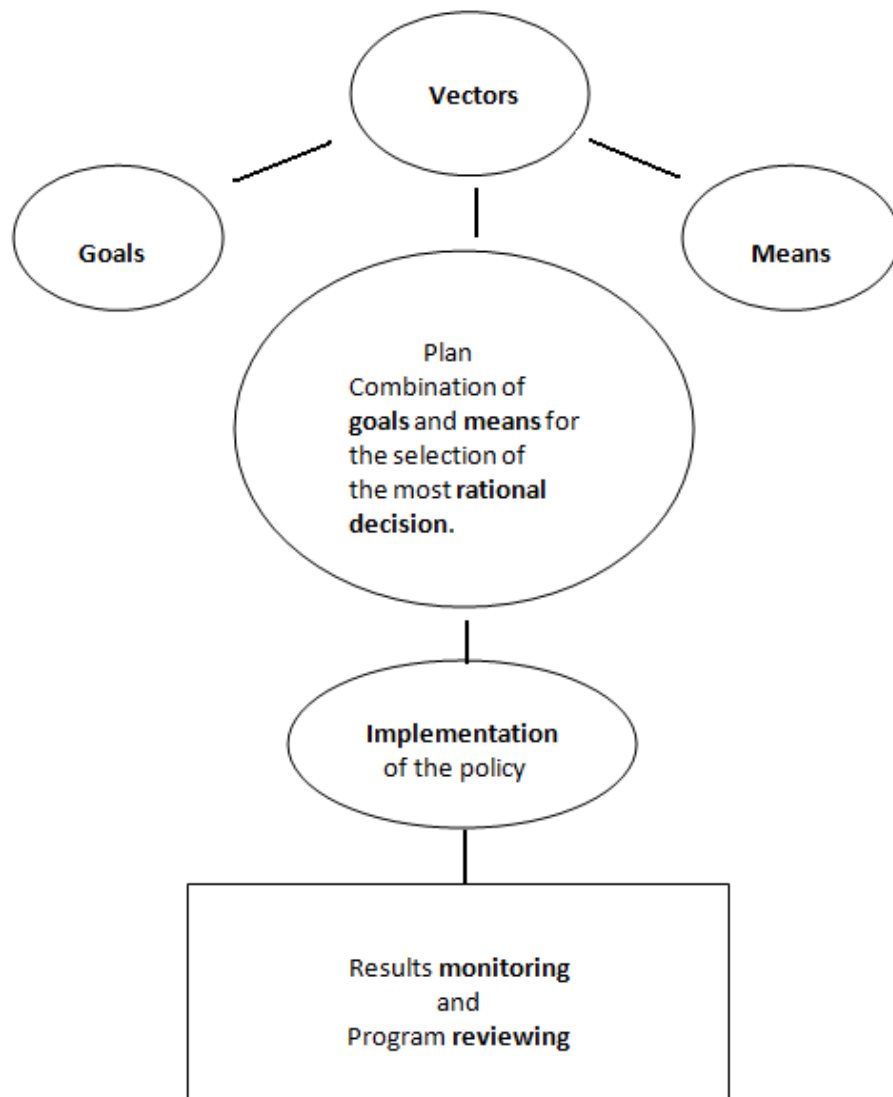


Diagram No. 1 The complete notion of the content of agricultural policy
Source Theofanidis 1992, p. 481

3.2 Directions, Basic principles and characteristics of CAP

The common agricultural policy was established in 1961 since it was a common belief that “without agriculture there can’t be common market” and “without economic policy there can’t be economic integration.”

CAP takes into consideration the specific characteristics of every country’s agricultural economy and it establishes a protective status which can enforce the development of the European agricultural economy and the improvement of the farmers’ adverse position. Furthermore it ensures the necessary economic resources for the implementation of the common policy and creates controlling factors and means for the monitoring of her results. Those are her general directions. (Theofanidis, 1992)

CAP has as its principle the creation of a common market, thus the creation of common rules for the organization of the markets of the agricultural products. Those rules should be based on free circulation, common pricing system, common trading rules, common tariff protection etc. In other words the tariffs, national subsidies and all the barriers in the free circulation of the products are eliminated and substituted by common policies.

It also fosters the preference of the community products which means the encouragement of the products produced by the member-countries and the parallel discouragement or exclusion of the imports from non-member countries with the implementation of a system of variable fees-contributions and tariffs.

Lastly, it promotes the common financial responsibility or solidarity which means that all the countries-members engage to cover altogether the expenses that the implementation of the common agricultural policy demands. (Theofanidis, 1992)

CAP is characterized by the free circulation of agricultural products among the borders of the community. This is implemented by the elimination of tariffs, limitations of imports-exports between the members-countries, special adjustments or preferences and other actions of equal results.

It keeps the pricing of agricultural products common in the whole market of the community and it uniforms protection guarantees for the community producers and for the same product.

Last but not least, it uniform trading relations with the third non-member countries. On the one hand, an exclusion of the imports from non-member countries is established with certain means such as the custom tariffs or the compensative fees-contributions. On the other hand, the community exports to third non-member countries enjoy export subsidies with the aid of which they can be distributed to the non-member countries.

3.3 Reasons that constitute the exercise of common agricultural policy obligatory in Greece

Agricultural policy is vital for the society since it provides it with the essential consumable goods for the sustenance of the population and with many raw materials (wood, cotton etc.) indispensable for it. We shouldn't forget that every country has a high instinct of self-preservation and combines rural economy with national sustenance.

Furthermore, rural economy is subject to a high degree of uncertainty and instability due mainly to the weather alternations and to the discontinuity of the rural activity (cycles of production). It's true that the farmer cannot control totally the quantity and quality of his production due to the unpredictable weather phenomena. Moreover, the products themselves are most of the times susceptible and perishable so they cannot be stored without expenditure in processing and conservation. That's why this sector needs the systematic intervention and aid from the nation.

The rural sector is usually evolving with lower rhythms than the other sectors because of the structural alterations that it's subject to. These can be: a) decreasing yield of the ground in the process of production, b) adaption to the modern consuming standards and c) the high percentage of the rural population quitting the land and turning into more profitable sectors which are mainly situated in the capitals. It's true that the rural sector is absorbing mostly land and the other natural resources in comparison to the other factors of production (labor, capital, technology). As a consequence, this sector is subject to the law of descending return of the land which affects its productivity (Theofanidis, 1992).

There are problems of the rural sector's durable adaption in the economy as a whole due mainly to the consumable goods' low income elasticity of demand and the changes in the demand of rural products (Engel law). This means that as the income of the households or the national income in general increases, the demand (expenditure) allocated to the rural products will increase less than the demand (expenditure) for industrial products or services. Moreover, the income levels are not only lower in comparison to the non rural activities but they're also highly fluctuating. This is because the market is subject to competition strategies. That's why a minimum amount should be assured for the subsistence of the rural population (Theofanidis, 1992).

The expansion of the production's elasticity of supply due mainly to the appearance of new technologies (fertilizers, new seeds), creates stocks of rural products which demand the political intervention of the state. This asymmetry has also to do with the problem of the rational allocation. Because of this instability and uncertainty, Greece has established a special bank which is called "Agricultural Bank". This bank provides the farmers with loans adjusted to the conditions of rural economy. With these special conditions the farmers are able to acquire the essential technology which guarantees the symmetry of the allocation, completeness and utilization of the rural resources.

Another problem is that the prices of the agricultural products are very volatile and this leads to the incapacity of programming the costs, savings and investments rationally. Most of the times those prices are being adjusted by intermediary factors or intercessors due to many products' low scale of production and sensitivity. These intermediaries affect negatively the income of the farmers-producers since the last ones cannot regulate the market. The interventional role of the state here is indisputable.

Rural sector is subject to competition more than any other sector. As a consequence, producers cannot take into consideration the influence of the mutation of the prices to the supply of the products. Contrary to the manufacturers, they have employed all the production factors and anticipate that every time the supply is augmenting, the same will occur to their gross income. This couldn't be further from the truth since most of the times the rural sector suffers from exigent production and the products remain undisposed. This competition combined to the low income elasticity of demand creates negative effects for the rural products. That's because the exchange terms between the industrial products plus services and the rural products are in favor of the first category. The well known parity moves against rural prices (Theofanidis, 1992).

Moreover, farmers traditionally have a certain life status that is strictly combined to their productive activity. This way of living provides them with fewer opportunities for education or knowledge of the modern methods of production, organization and technology.

The rural sector is an indispensable part of the country's whole national economy and there is huge interdependence among the sectors. For example, a decrease in the rural income results into the decrease in the demand of the goods and services of the other sectors which leads further on to the decrease in the occupation and the incomes of the rest of the sectors.

The assurance of national independence is also based on the partial autarky in agricultural products. Last but not least, rural economy absorbs a big amount of national resources and this cost creates problems concerning the allocation and management of these resources in order for this rural economy to be effective and competitive.

This policy is mostly compulsory in Greece since its rural economy is in a transitional stage so as to become modernized and highly competitive.

All in all, we can mention that the rural problem is complex because it refers to natural, technical, economic, social, political and cultural reasons that are indissolubly connected to the nature, characteristics and structure of the agricultural sector.

3.4 Impacts stemming from the agricultural problem in Greece

According to Theofanidis, 1992 the impacts that burden Greece because of the agricultural problem are the below:

The per capita income of the rural population is lower than that of the urban. It's estimated that in Greece the per capita income of the rural population is 50% lower than that of the urban population which means that there's a big gap between those two incomes. This gap is related not only to economic but also to social implications.

The percentage of the rural sector's product in the total national product is declining mostly because of the lower productivity of this sector. This trend is observed in a long term period or even in a middle term period.

There is a great movement of the rural population to the big urban centers and abroad. It's a phenomenon that the most educated and active working population tends to seek for employment far away from the countryside.

The low per capita income doesn't allow the accumulation of many resources so as to be invested in the rural sector. That's why the fixed capital in the rural sector is decelerating in comparison to other sectors. In any case the investments in the rural sector have fewer advantages like lower yield, limited stability, lower liquidity, not prosperous long lasting expectations, less security and higher risk. As a consequence the income and capital outflows from the rural sector to the rest of the sectors.

The productivity of the farmer is less in comparison to the employees in the other sectors. This is mainly due to the impact of the unpredictable weather phenomena, of the low educational level of the farmers and of the low fixed capital in this sector. This leads to the lower competitiveness of the sector in the whole economy.

The low income per capita and the way of living in the countryside forces the rural population to face worse standards in comparison to the urban population.

The rural economy suffers from great structural weaknesses in the production, the distribution and the development of the rural products.

All in all, it's incontestable that the rural activity and income suffer from great instability which further on creates a permanent uncertainty for the rural sector.

3.5 Goals and means of the CAP

The goals of the agricultural policy belong to a bigger plan of the economic policy and of the general social policy and can be distinguished in a) national and peripheral, b) higher and lower priority, c) short-term, middle-term and long-term.

The main goal is the most effective distribution and utilization of the production factors. This optimization objects at the rational utilization of all the agricultural resources and at the production of the agricultural products that are demanded by the consumers.

In order for the above to be implemented there are some requirements:

- 1) Rational organization of the rural populations' social life
- 2) Rational utilization of the natural resources
- 3) Augmentation of rural factors' production
- 4) Diversification of production
- 5) Modernization of the institutions of the rural economy
- 6) Production of rural products according to the demand of the consumers or the consuming standards
- 7) Education of the rural population
- 8) Implementation of modern techniques of production and adaptation to the new technologies
- 9) Disengagement of the excess resources in order to be used to other sectors

Another goal is the acceleration of the rural rhythm of production since the development of the rural income is lower than the one in the rest sectors. This gap needs to be diminished by the utilization of the unused natural resources, the amplification of the productive possibilities and the production of those products really demanded by the consumers. The amplification needs to be qualitative and quantitative.

Moreover, agricultural policy aims at the stability which can only be achieved by the diminution of the big fluctuation in the incomes' prices. In this way all the households will be able to take rational decisions and program their savings and investments. As a consequence, they'll be able to adopt the new technologies, enforce their consumption to the optimum level and improve their standard of living. All this leads to the stabilization of the supply of the market which constitutes a basic target of the Common Agricultural Policy (CAP).

The distribution of the income and wealth between the farmers may not be socially preferable because of economic, social, political and ethical reasons. That's why there should be a more just distribution in favor of the farmers. This effective redistribution of the income and wealth in the country is another goal of the agricultural policy. At this moment the income of the farmers is estimated to be only 50% of the income of the rest of the population. This cannot be socially just since it doesn't ensure a satisfactory mean of existence. The inequalities in the distribution of income become larger and larger (Theofanidis, 1992).

Those inequalities are mainly due to the forces of the market and historical factors. That's why the mission of the agricultural policy is to redistribute the income in favor of the poorer without affecting negatively the general welfare (parito efficient). This policy aims not only at the fair distribution of the goods stemming from the development but also at the fair distribution of the damages (costs) accruing from this development.

Last but not least, another goal of the agricultural policy is the diminution of the external dependence and the enforcement of the competitiveness. This dependence on consumable goods can be ascending, stable or descending. The first one reflects the incapacity of the local production dynamic to cover the increased demand in comparison to the last one which shows that the local production eliminates step by step the imported products so as to reach the complete autarky. This autarky is implemented by the full replacement of the imports by the domestic production. Unfortunately, nowadays the agricultural trading balance of Greece with the European Union is negative (Annual Report: Development and agri-food policies in the Mediterranean region, 2000).

This dependence can be eliminated by the promotion of the exports of agricultural products and the substitution of the imports but local products. Another way is the enforcement of the exchange resources and the saving of the exchange resources that flow outside the country. Finally, the competitiveness can be implemented by the competitive prices, quality, kind, diversity, appearance, continuous alimentation, advertisement and many other means. Greeks themselves need to support their own products against the ones imported, thing that they don't do so far.

3.6 Ways that constitute the operation of CAP

There exist four ways according to Theofanidis, 1992 for the common organization of the market for agricultural products.

The first one is the foundation of a **support price** and **intervention**. A minimum price is guaranteed to the producers of the Union for most of the 70% of the agricultural production-grain, sugar, milk, meat. When the price that formulates depending on the power of the market is too low then the Intervention Organization interferes and buys the supplies of the product to that minimum price. When in contrast this price tends to be very high the Intervention Organizations sell the quantities or try to find third non-member countries to export them. The above prices are called support or intervention prices. In that way a price and market stabilization is accomplished.

The second one is the **external protection**. This group represents the 25% of the common agricultural production-eggs, fowls, wine and some fruit and flowers. The notion external protection refers to the exclusion of the third non-member countries from the competition of the production. The internal market usually doesn't need to interfere as the organization of the common market covers this protection by using fees, special tariffs or a combination of both.

The third measure that refers to a group of products that represent the 2, 5% of the production- hard grain, olive oil, tobacco- is called **complementary support/subsidies**. Those subsidies are crucial for the greek rural economy as they guarantee a low price for the consumer and in the same time enforce the revenue of the producer.

Finally there is the **support** that refers to some very specific products and is granted per hectare of production or per quantity of production. The common organization of the market in those products implements a series of prices like the indicative price, the intervention price and the threshold price.

4. Previous Studies

Many studies have been conducted so far from the early steps of Greece in the EU in order to find out if this integration has been beneficiary for her in terms of external trade, economic growth and development. Nowadays, with the implementation of the Agenda 2000, the liberalization of trade, the integration of the CEEC's, there's an urgent need to find out if Greece has a comparative advantage in the production of agricultural products and a significant change in her external trade. Is she still a net receiver from the EU? Many previous studies have been already conducted in order to give an answer to the above questions that need to be mentioned beforehand.

Christou and Sarris, 1980, stated that the farmers in Greece would be affected negatively after the implementation of CAP and the balance of agricultural trade would collapse after the full integration of Greece in the EEC. They used a partial equilibrium model to prove their analysis and their results were derived from the below thought: There would be an increase in the price of the agricultural products which would lead to an increase in the supply following a decrease in the demand and hence imports domestically so the balance of the trade wouldn't be improved.

Baltas, 1997, argued with the above thought since he stated that the consumers enjoyed stability in the prices and abundance in supplies. Nevertheless, they had to pay a large amount to the CAP and especially the burden to the poor people was disproportionally allocated which meant that they were the most negatively affected by the CAP. This constituted a failure of the CAP since it was incapable to protect the poorest social categories and it fostered the large farms and the speculators.

Borresch et al., 2005, also performed a qualitative analysis which results were different than those of Christou and Sarris, 1980. As far as the net trade effects were concerned, the demand remained almost stable so with the diminution in the production, the imports rose in comparison to the exports which tended to decline. Net trade was calculated as the difference between the supply and the demand. Despite the welfare losses for the producers all the rest social parts had welfare gains. Those losses in the producer's surplus tended to be larger if the direct coupled payments had the same impact with the direct coupled payments. It could though be compensated by the owner surplus when the farmer was also the owner of a certain land proportion. In general they could see positive welfare effects even though the producer's income was diminished.

More specifically, Borresch et al., 2005, performed a qualitative analysis based on the production structure before the direct payments and afterwards in order to calculate the effects of CAP. The direct payment was translated into an increase in the producer price (producer price= price + effective production payment).

Howarth, 2000, agreed that the households were negatively affected but for another reason. According to him the households were negatively affected since the producer prices were very higher in comparison to the world prices due to the protection measures. The choices of consumers were diminished due to the import regulations and the poor households themselves were in serious trouble as their marginal tend for consumption in food was very high (Stoforos, 2003).

In comparison to Baltas, 1997, Borrell and Hubbard, 2000 stated that the input prices increased due to the support levels.

Mergos, 2000, contrary to Baltas, 1997, stated that relative prices altered so CAP had an impact in trade and investments. The productivity was also negatively affected. The whole economic activity was affected for example employment, inflation and this led to a negative result in the rest of the non-agricultural market since all the employment was occupied by the agricultural sector. Of course it was very difficult to measure all the effects and the level of market intervention (Stoforos, 2003).

Contrariwise, Baltas, 1997, stated that the early CAP in 1950-1960's had many benefits such as stability of prices, supply of agricultural products but the drawbacks were also many.

Firstly, the production increased through the intervention in prices and guarantees in levels that there wasn't enough demand in the market. This created a surplus in many products.

This increase of the output also created a great tendency for the expenditure of price support even though the incomes of the farmers didn't change dramatically. So either the support method was not efficient either there would be a much larger decline in the incomes without the implementation of the CAP.

Furthermore, the protectionism proved to be really costly and as a result it absorbed significant funds that could be used elsewhere.

The support and aid was strongly connected to the production produced so the rhythms became really intensive which ended up being harmful for the environment and the land.

The strong and wealthy producers exploited the guarantees in the prices and started to produce exceedingly large proportions of goods independently of the demand. So they managed to take most of the FEOGA aids even though they weren't the ones who needed in the most. Not to mention that the FEOGA support was mainly absorbed by the northern countries since in the whole history the southern products

(olive oil, cotton, wine, fruit, vegetables etc.) were of less importance than those of the northern countries (milk, sugar, meat etc.). Only after the integration of Spain and Portugal the Mediterranean products commenced to be of higher value for the EU.

The income was transferred from consumers to producers within the EU with the trade liberalization. This could be considered to be a redistribution of income from the consumers of one member-country to the producers of the other.

Lastly, those reductions in the prices of the consumers constituted a big aid for the poorer households. According to Mc Sharry reform we had a redistribution of the support which helped mainly the Mediterranean countries.

Contrarily to the above belief, Stoforos, 2003, tried to make clear that the resources were allocated inefficiently and we had a diminution in total output and income. Ciheam, 2000, also agreed that CAP was wasting resources and it was more favorable for the big farms with huge production while it treated unfairly the Mediterranean products being extremely costly in general.

Lastly, Stoforos, 2003, tried to measure the intervention of CAP using a method called PSE (Producer Subsidy Equivalent) which measured the amount needed to compensate the actual loss that the farmers have into their income after the implementation of a new law or the abolition of an old one. From 1992-1997 PSE decreased but in 1998-1999 it increased.

He used two scenarios, one that had to do with the continuation of current policy and the other that had to do with the trade liberalization. He used a partial equilibrium model to conduct an analysis based on the greek agriculture and the effects of trade liberalization. This model was called APAS Agricultural Policy Analysis Simulator.

According to Stoforos, 2003 trade liberalization meaning an effective reallocation of resources had advantages and disadvantages depending on the side of the market viewed. The production and hence the producer were negatively affected while the demand was increasing (positive effects). Even though the producer surplus was diminished, positive results occurred in the net welfare. All in all, if excess costs were eliminated then the trade liberalization could be beneficial.

He also stated that trade liberalization would lead to a diminution in the income for domestic farmers as the support would be diminished and also producers will be negatively affected due to the subsidies. We should take into account that the producers are also consumers and that the negative surplus created to producers

could be offset by the diminution of the product prices. Stoforos, 2003 strongly believed that every measure should be judged with a social index and that no measure should make a certain group of the society worse off just because it was decided to be implemented no matter what.

Making a welfare analysis Stoforos, 2003 was based on the importance of the world prices which were equalized to the domestic prices. Producers were the negatively affected (surplus) while consumers were positively affected due to better prices. The net welfare was positive and also trade liberalization led to an efficient reallocation of the resources if additional costs due to market imperfections were avoided. In the local markets producers would be discouraged while the demand would increase. So the consumers were benefited in comparison to the farmers whose products were unevenly protected according to the CAP.

All in all studies like that of Josling, 1990 stated that the CAP, the GATT and market liberalization were three factors indissoluble correlated in a way that they would affect global market in the agricultural sector (Baltas, 1997).

5. Hypotheses: How are the reforms of CAP and especially Agenda 2000 supposed to affect Greek production and trade?

The establishment of the Treaty of Rome was the first step towards the free circulation of products and the creation of a common market. Greece was considered to be a member of the European Community from 1981 and participated in the economic and monetary union in 2002.

As mentioned before the main goal was the contraction of the gap between the market prices of the EU and the world. The interventionist policy was applied through subsidies, taxes and refunds. With the Maastricht Treaty the prices of agricultural products were diminished but the balance was achieved through payments and refunds.

According to the CAP and all its reforms the general view was that all the products produced by the EU member countries would be free circulated and preferred to the products produced by the non-EU member countries which would in a way be excluded with means such as custom tariffs and compensative fees.

According the above measures Greece was expected to encounter an increase in the production of agricultural products since the demand from the EU countries would increase and because of the immediate refunds and protection. Increase in the demand would also lead to an increase in exports and a diminution in the negative balance of trade since the EU products would be preferred in comparison to the third non-member countries' products. Common pricing and protection guarantees were also supposed to foster the production in Greece. We should not also forget to mention the Delors package 1 in 1988 which was meant to aid the new structural policy and especially the rural sector in order to bloom.

With the Maastricht Treaty stability in the market was supposed to be achieved with the stabilization of the incomes and the supply of the market. This would have as a result a more just and parito efficient redistribution of welfare and damage which was supposed to foster the production. This minimum price guaranteed to the producers was also supposed to stabilize the market against non predictable factors such as the climate and since the farmers would receive a fair and regular income their production would increase. The Maastricht Treaty also enforced the low price for the consumer in the EU which should mean an increase in the exports and imports of Greece leaving her with a positive net balance in her external trade.

The production was also supposed to improve after the Mac Sharry plan since the producers would no longer be dependent on the volume of their production but would be benefited through compensatory payments. So the poorer farmers would not quit the agriculture meaning that the production would increase such as the economic and social status of those farmers.

After the elimination of all friendly policies and interventionism at the Uruguay round, the game of competitiveness had started. State would no longer interfere in altering the prices and imposing tariffs so the free market was meant to be established. EU products would be preferred within the EU but also this would mean the improvement of their quality in order to be preferred.

With the implementation of the Agenda 2000, the enforcement of the competitiveness was achieved by the prices, the quality, the appearance, the advertisement. Those competitive prices would guarantee reasonable incomes and foster the production and external trade. It would also guarantee the protection of the environment which should mean that the land would be more fertile in order to be cultivated and the production would increase.

One of the most important steps of CAP and mainly the subject of this survey was the Agenda 2000, the newest reform implemented on the agricultural sector. The enlargement achieved by the accession of the CEEC's, namely Cyprus, Czech Republic, Malta, Estonia, Lithuania, Hungary, Poland, Slovenia, Slovakia and Latvia was meant to be significant for the rural sector in the EU. The trade between the EU countries including Greece and the CEEC's was supposed to increase since the demand among them would definitely increase. More specifically, the imports and exports between CEEC's and Greece would increase such as the Greek production in agricultural products in order to be able to cater for needs of new member countries. That would mean a diminution in the negative balance of Greece and an increase in its exports. So, this new accession would benefit Greece in terms of external trade and production. Another aid towards the increase of production would be the fact that the cost of production would diminish but the incomes of the farmers would improve. In that way, the production in Greece would be benefited and this would lead to an increase in the exports.

Definitely, the aid of the EU was supposed to turn to mostly the newly accessed countries but nevertheless, Greece was supposed to have created a structured external trade and a stable production. We should also mention that the production of cotton, olive oil and tobacco was supposed to increase since financial means were granted for those products.

All in all, after all those implementations and aids Greece would be supposed to have a comparative advantage in the production of agricultural products and also to have improved her situation being no longer a net receiver from the EU countries but being able to export more than her imports.

6. Data

The data used stems from the Greek Ministry of Agricultural Development and Food, from the National Statistical Department in Greece (ESYE) and from Eurostat. ESYE's survey in general is based on the agricultural development and also it conducts a yearly survey for every municipality known as the "Yearly Agricultural Statistic". The Ministry, in comparison, gathers all the data and information that have to do with the yearly crops, the production of agricultural products and the actual results via its experts who are consultants in the regional departments. Statistical evidence is extracted also by the database of Eurostat concerning the external trade of Greece with the CEEC's.

More specifically this paper uses firstly the production of agricultural and livestock products within the years 2000-2008 measured in thousand tons from the secretariat of ESYE. The analysis of the production consists of some basic agricultural products which are wheat, tobacco, cotton, oil, fruit and vegetables. In the category of fruit there are included oranges, lemons, mandarins, apples, pears, peaches, apricots and cherries. In the category of vegetables there are included tomatoes, aubergines, onions, cauliflower, cabbages and leeks. This data is used in order to see whether Greece has a comparative advantage in the production of agricultural products and whether her production has increased considerably after the reforms of CAP and especially the enlargement with the accession of the CEEC's.

In addition, the statistical data and chronological sequence of the external trade of Greece for the time period 2000-2004 is derived from the Greek Ministry of Agricultural Development and Food. This data consists of the imports, exports and net balance of Greece with the third non-member countries and with the countries within the EU. For the years 2000-2001 the external trade is calculated in million drachmas and for the rest in Euro. In order for the results to be consistent and to avoid measurement errors the whole external trade is converted in millions of Euro. The net balance is calculated by the difference between imports and exports. The products studied are living animals, meat, fish, milk and eggs, cereal, fruit and vegetables, sugar and honey, coffee, cocoa, tea, drinks, tobacco, leather, seeds, caoutchouc, wood, oils and fat, wheat and corn. The hypothesis behind this study is whether after all the CAP reforms, the implementation of the Agenda 2000 and the liberalization of trade, the imports of Greece towards the EU member countries have increased- such as the production- and whether the economic position of Greece has improved without being anymore a net receiver from the EU. Vice Versa, if the external trade among the non member countries and Greece has declined since the products within the EU country members are supposed to be preferred to the products from the non member countries which are supposed to be excluded.

It's also analyzed the total quantity of external trade in Greece in comparison to the total quantity of external trade in agricultural products in Greece (see tables in Appendix). This data is collected from the Ministry of Agricultural Development and Food and mainly wants to represent the significance of the agricultural sector in the external trade of Greece and her overall economy.

Lastly, the total imports and exports of Greece with the CEEC's before and after their accession in the EU are derived from Eurostat. We have an analysis of each newly integrated country's external trade with Greece, namely of Cyprus, Czech Republic, Malta, Estonia, Lithuania, Hungary, Poland, Slovenia, Slovakia and Latvia. This study is conducted for the years 2000-2008. In that way, we can derive the immediate results of the implementation of Agenda 2000 in the external trade of Greece and her production.

The limitations of the data is that for the years 2000-2004 ESYE's statistical evidence is used and for the years 2004-2008 Eurostat's statistical evidence is used. Eurostat does not categorize the products as ESYE so the exact same things cannot be measured for the two periods 2000-2004 and 2004-2008. Nevertheless, the whole imports and exports in agricultural products are the same in both sources so this problem is surpassed by using the total external trade and not categorizing by products for the years 2004-2008.

Concluding, all the above data is used in order to observe if the external trade of Greece and production has increased or diminished after the implementation of the new wave of CAP, the Agenda 2000 and the enlargement with the integration of the new member countries. It's also used to observe if by making the agriculture more liberalized Greece has gained a comparative advantage in the production of agricultural products and if her production in the years 2000-2008 has increased considerably.

7. Method

The following method has as its main goal to speculate a) if the production of Greece in agricultural products has increased in the years 2000-2008 with the liberalization of trade, with the reforms of CAP and especially with the accession of the CEEC's and if Greece has gained a comparative advantage in the production of rural products, b) if imports, exports and balance of trade among Greece and the third non-member countries have altered after the implementation of the Agenda 2000 and the enlargement with the hypothesis that the net balance should be positive and Greece should no longer be a net receiver from the EU, c) if imports, exports and balance of trade among Greece and the EU countries have altered after the implementation of the Agenda 2000 and the enlargement with the hypothesis that they should have diminished as the products from the non member countries should be excluded from Greece, d) if exports in agricultural products are really so important for the welfare and economic development of Greece and e) how is the external trade of Greece with the CEEC's formulated after their accession to the EU with the hypothesis that the external trade should have increased considerably as those products should be preferred.

In order to find those results there are selected from a big list of agricultural products the below which are considered to be vital for the Greek agriculture: Wheat and Corn, Cereal, Tobacco, Oils and fat, Fruit (1) and Vegetables (2), Milk and Eggs and Meat.

Firstly, it's studied the production of these agricultural products in Greece in 2000-2008 which are calculated in thousands of tons. The mutation of production between the years is also considered to be part of this study.

Afterwards, there are calculated the imports, exports and net balance of trade of each one of the above agricultural products between Greece and the third non-member countries. The measurement is in Euro.

In order to have a more clear result of the picture, there are also studied the total imports, exports and net balance in all agricultural products between Greece and the third non-member countries for the years 2000-2004. This time the agricultural products stem from a larger list which consists of 20 agricultural products cited in the APPENDIX.

Continuing, the study goes through the external trade of Greece with the EU countries for the years 2000-2008. The data expands since there should be analyzed the macroeconomic effects after the enlargement of the EU with the accession of the CEEC's. The currency of measurements is still Euro.

Moving on, the study gathers the total exports of all agricultural products between Greece and the third non-member countries and between Greece and the EU countries for the years 2000-2004. It also gathers the total exports of all non agricultural products between Greece and the third non-member countries and between Greece and the EU countries for the years 2000-2004. The measurement is still in Euro. In that way it tries to show the significance of agricultural products in the Greek external trade both when this has to do with the third non-member countries or with the EU countries.

Lastly, the imports, exports and trade balance between Greece and each one of the CEEC's are studied for all products in the years 2000-2008. In that way the immediate effects of the Agenda 2000 and the enlargement of the EU are visible.

This method studies step by step whether the reforms of CAP, the enlargement of the EU and the macroeconomic development are important as determinants of the changes in the Greek agricultural production and trade. The method tries to revise the hypotheses with the results derived but most of the times those results contradict all the speculations and forecasts as Greece remains a net receiver from the EU and the reforms of CAP with the abolition of the restrictions, intervention and protectionism have actually harmed her in her imports and consequently in her external trade.

(1)Fruit*= oranges, lemons, mandarins, apples, pears, peaches, appricots, cherries

(2)Vegetables*= tomatoes, aubergines, onions, cauliflowers and cabbages, leeks

8. Results

8.1 Production of agricultural products

After the reforms of the CAP and especially the agenda 2000, with the protection of the environment, the stability of the market prices and of the producers' incomes, the financial aid to the poorer farmers independently of their production, the enforcement of competitiveness but with a just redistribution and the enlargement with the accession of the CEEC's, the EU expected the production of her member countries to increase.

She even gave immediate aids for specific products especially to the Mediterranean countries such as Greece. Those products were cotton, olive oil, tobacco but also meat and milk.

Representatively, the table below depicts the production of the basic agricultural products in Greece in the years 2000-2008:

Table No. 1 - Production of agricultural products in 2000-2008. Source ESYE

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Wheat	2.183	2.084	2.076	1.725	2.062	2.044	1.784	1.651	2.102
Tobacco	137	136	127	127	127	124	40	31	28
Cotton	1.260	1.326	1.282	1.091	1.173	1.232	1.031	1.053	912
Oil	426	451	371	504	334	411	387	331	328
Fruit*	2.774	2.668	2.625	1.798	2.228	2.457	2.298	2.243	2.313
Vegetables*	2.659	2.435	2.176	2.301	2.534	2.286	2.078	2.008	1.933

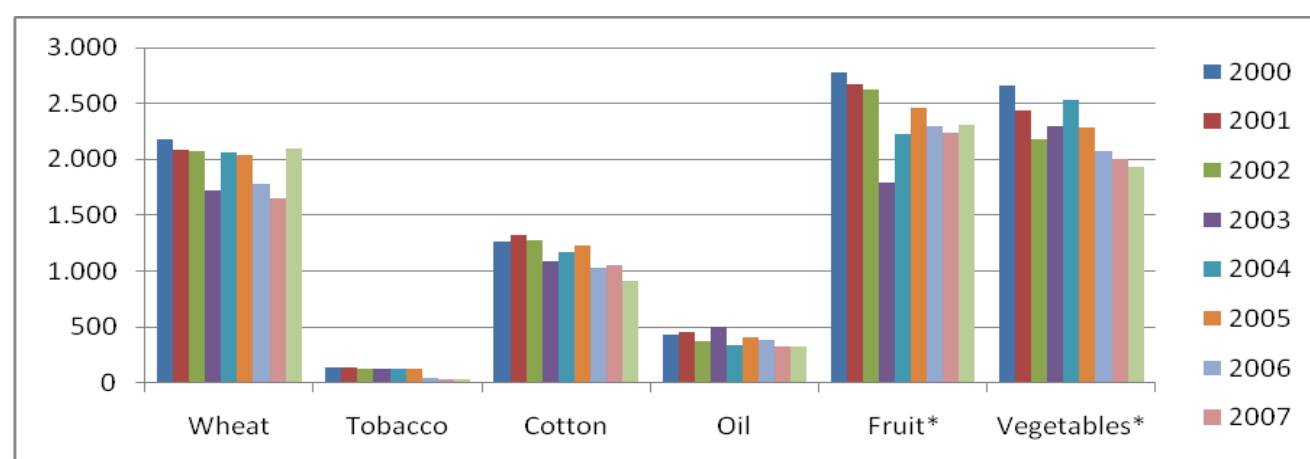


Diagram No. 2 - Production of agricultural products in 2000-2008. Source ESYE

The production of wheat stays stable close to 2000 thousand tons with small escalations if we exclude a big diminution of 351 thousand tons in 2003. The

production from 2000-2004 has diminished by 5, 5%. It continues to diminish in 2006 and 2007 and reaches 2102 thousand tons in 2008. In general it's stable at around 2000 tons. It's visible that its production together with the production of fruit and vegetables is the most significant for Greece.

The **production of tobacco** in comparison diminishes gradually through the years from 137 thousand tons to 28 thousand tons, a diminution representing more than 50%. The result is a bit awkward if we take into consideration the specific aid of EU for this product.

The **production of cotton** meets an increase of 44 thousand tons in 2001 to end up diminishing by 414 thousand tons in 2004. Still the aid of the EU for this specific product did not flourish and Greece does not have a comparative advantage in the production of this product such as in the case of tobacco.

The **production of oil** meets its pick in the years 2000, 2001 and especially in 2003 but diminishes considerably in 2004. This diminution represents 21, 5%. We cannot see a big difference from 2000 to 2008 so, as in the production of tobacco and cotton, still the immediate aid from the EU does not verify her existence.

The **production of fruit** diminishes through the years from 2.774 thousand tons to 2.228 thousand tons. The biggest decrease is in 2003 such as in the production of cotton and wheat when the production hardly reaches the 1.798 thousand tons. It remains stable at around 2.300 thousand tons from 2004-2008 but in general the diminution over the years is visible.

Finally the **production of vegetables** diminishes through the years with some improvement in 2004 as it reaches 2.534 thousand tons. The worst year is in 2002 when the production falls to 2.176 thousand tons, diminution which represents 18, 2%. It gets even worse as the years pass resulting in 1.933 thousand tons in 2008. It's obvious that 2002 and 2003 are the worst periods for the production of most of the agricultural products but also in 2007-2008 the results are not much better.

In general it would be expected for the production to increase after the accession of the CEEC's in the EU and the aid provided to Greece, thing which didn't happen for most of the agricultural products. The total diminution in the production of agricultural products in the years 2000-2008 represents the 19, 3%. We should note here that the aid granted is no longer connected to the production itself but to other factors analyzed in the historical background. This could also be a reason for this diminution apart from the obstacles that Greek farmers have to face.

All in all, the farmers and as a consequence Greece does not have a comparative advantage in the production of agricultural products through the reforms of the CAP and especially after the accession of the CEEC's as it would be expected.

8.2 Balance of trade with the third-non member countries

The imports of agricultural products from the third non-member countries to Greece would be expected to diminish since after the CAP reforms it is pretty clear that the local and domestic products produced in the EU are preferred to the products of the third and non-member countries. The game of competitiveness had started and especially with the accession of the CEEC's the imports with the non member countries would be supposed to decline. Of course the production did not increase dramatically those years and in most of the cases it also declined which should also constitute a reason for the exports and external trade to decline.

The below table depicts the imports of Greece from the third non-member countries for the ages 2000-2004. The study consists again of the 7 basic agricultural products of Greece and the imports are measured in Euro.

Table No. 2 - Imports from third-non member countries in 2000-2004. Source ESYE

	Wheat and Corn	Cereal	Tobacco	Oils and fat	Fruit and vegetables	Milk and eggs	Meat
2000	0	20.111.519	41.573.001	21.534.850	124.161.409	4.818.782	51.242.847
2001	0	60.064.563	53.024.211	35.973.588	158.890.682	10.177.550	54.834.923
2002	23.486	194.998.254	46.239.400	52.699.091	227.558.039	15.181.781	59.489.234
2003	3.325	159.473.120	39.793.183	114.066.197	234.304.568	20.420.661	62.604.454
2004	27.516	141.119.115	52.048.591	58.127.020	288.526.809	21.812.519	60.061.509

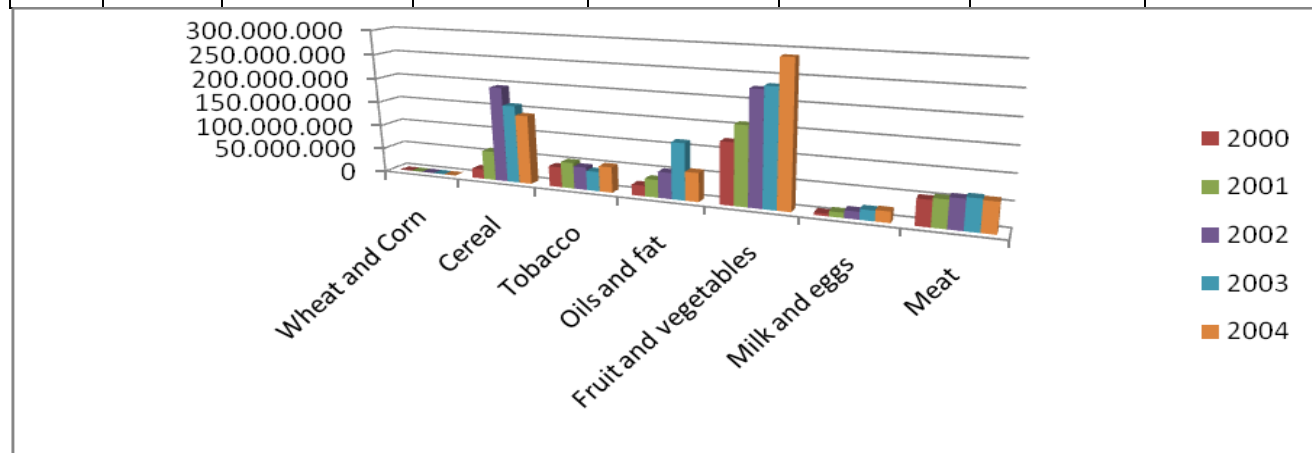


Diagram No. 3 - Imports from third-non member countries in 2000-2004. Source ESYE

The imports in **Wheat and Corn** seem to be nonexistent in the years 2000 and 2001. On the contrary, they reach their pick with 27.516€ in 2004.

The imports in **Cereal** such as the imports in oils and fat and fruit and vegetables seem to increase year by year. Their maximum is 159.473.120€ in 2003. Afterwards, the scale is descending but still kept to high levels.

The imports in **Tobacco** have increased from 2000 till 2004 by 20% even though there was a considerable diminution in 2003 since the imports only reached 39.793.183€. This is also a bit awkward since the production of tobacco should have increased, after the immediate aid from the EU, and the local production should cover the needs of Greece or even if it didn't Greeks should prefer to import the tobacco from the EU member countries.

The imports in **Oils and Fat** have increased considerably by more than 100% especially in 2003 when the total imports reach 114.066.197€. This was not expected since the production of olive oil should have augmented after the immediate aid from the EU and it should be able to cover the needs of the Greek population as Greece is primarily a producer of olive oil.

The imports in **Fruit and Vegetables** increase by more than 100%, and their escalation is increasing year by year. There is no diminution in any of the years. Those products are primarily cultivated in the Greek land and it is oxymoron that the Greeks cannot cater for their needs and they also tend to import those products from the non EU member countries.

The imports in **Milk and Eggs** increase from 4.818.782€ to 21.812.519€ which means that in 2004 Greece imported from third-non member countries nearly four times more Milk and Eggs than it did in 2000. The imports are gradually ascending. The imports in **Meat** also augment steadily but there is not a huge change. They reach 60.061.509€ in 2004. The imports in wheat and corn, milks and eggs and meat are the less in comparison to the imports in fruit and vegetables which occupy the first position.

All in all, we would expect the diminution of the imports from the third-non member countries since the accession of the CEEC's and the reforms of the CAP. This couldn't be further from the truth since the imports in all products have increased. Greece cannot produce the products needed in order to lead her to her autarky and what is even more peculiar is the fact that she increases her imports from the third and non member countries.

Moving on to the survey, the exports to the third and non member countries would be expected to decline with the reforms of the CAP and especially after the integration of the CEEC's and the enlargement. Exports should be targeted mostly to the EU countries and the decline should be visible.

The exports of Greece to the third non-member countries are studied for the years 2000-2004 using the same 7 basic agricultural products and they are depicted in the table below:

Table No. 3 - Exports to third non-member countries in 2000-2004. Source ESYE

	Wheat and Corn	Cereal	Tobacco	Oils and fat	Fruit and vegetables	Milk and eggs	Meat
2000	208.364	66.239.178	313.426.266	43.794.571	461.484.960	29.203.228	20.164.343
2001	516.508	80.830.521	323.776.963	42.905.356	544.683.786	31.008.070	7.835.657
2002	973.842	102.840.035	292.422.662	49.953.433	554.559.909	28.672.116	5.691.099
2003	1.140.143	51.534.083	309.999.597	57.270.319	399.598.543	34.302.109	9.513.849
2004	52.780	43.460.162	259.459.282	54.473.789	310.847.853	38.115.849	10.426.961

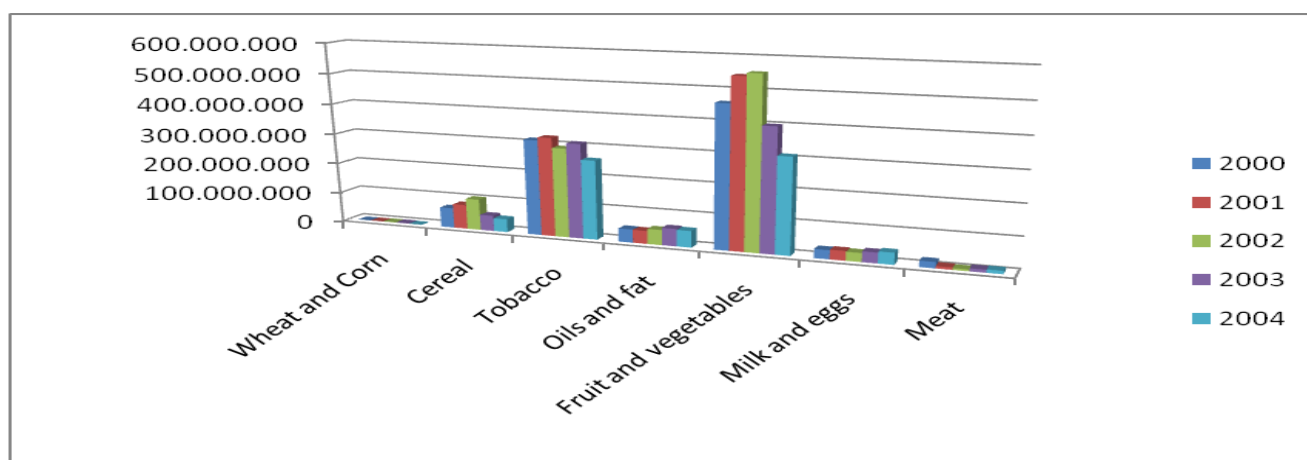


Diagram No. 4 - Exports to third non-member countries in 2000-2004. Source ESYE

The exports in Wheat and Corn seem to increase until 2003 when they reach their pick with 1.140.143€ but fall tremendously in 2004 as they reach only 52.780€, thing which was more or less expected.

The exports in Cereal similarly tend to increase in the years 2000-2001 but diminish in the years 2003-2004. It remains to see if balance is positive or negative to be able to express a point of view.

The exports in **Tobacco** only diminish year by year and the total diminution represents the 17, 2%, thing rather expected on the one hand since the exports should be focused on the member countries, but a bit unexpected, on the other hand, since the production of tobacco should have increased.

The exports in **Oils and Fat** increase year by year steadily and reach 54.473.789€, thing again unexpected since the exports should be focused once more on the member countries.

The exports in **Fruit and Vegetables** increase in the years 2001-2002 but finally diminish in 2003-2004. The size of the exports fluctuates between 544.683.786€ and 310.847.853€. This diminution is visible also in tobacco, oils and fat and cereal so 2004 represents a start point for further diminutions in the exports.

The exports in **Milk and Eggs** increase by 30, 5% and the exports in **Meat** diminish by nearly 50%. The exports in the above products such those in wheat and corn, oils and fat are the least in quantity comparing to the rest of the exports.

All in all, exports in general to third non-member countries seem to decrease which is rather expected since the rest of the EU countries and the newly integrated ones would prefer to import the Greek products in comparison to the third non-member countries. Nevertheless, we could assume that this diminution has not only to do with the accession of the CEEC's but also with the fact that the production has been gradually diminished meaning that the agricultural products produced are not enough to be supplied and exported.

Having seen the imports and exports of Greece with the third non-member countries we can easily derive the balance of trade for the years 2000-2004:

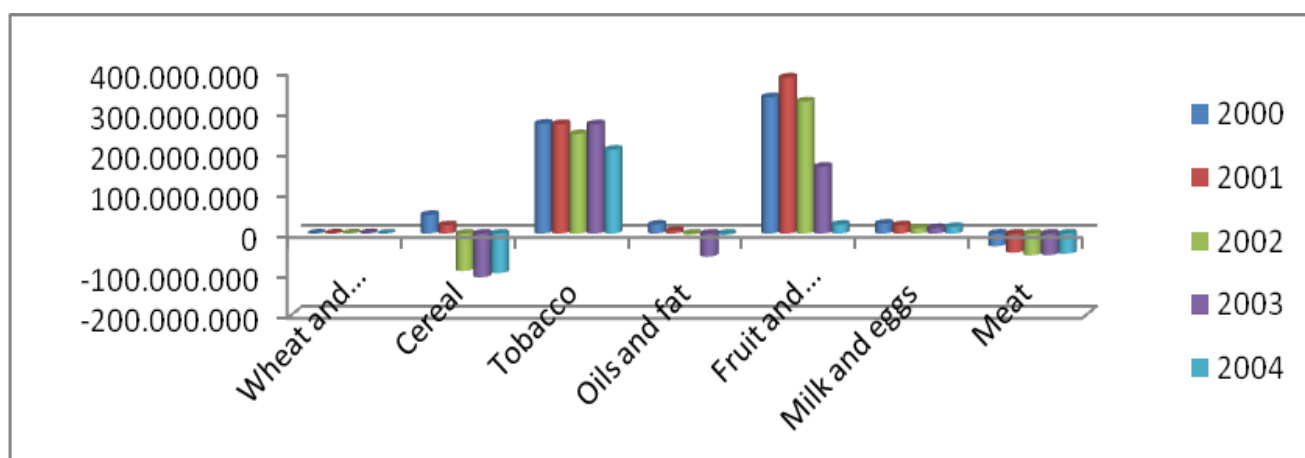


Diagram No. 5 – Balance of trade with third non-member countries from 2000-2004. Source ESYE

It can be easily stated that the balance of trade in wheat and corn, tobacco, fruit and vegetables is positive in comparison to the balance of trade in cereal, oils and fat and meat which is negative. All in all, it appears that Greece has a positive balance with the third non-member countries in terms of external trade in agricultural products. This is a very positive and non expected result since from the hypothesis we would assume the exact opposite outcome. It is visible that after all, the products among the EU member countries are not so much preferred as they should and that the products of the non member countries are not totally excluded. The balance of trade remains positive and it's volume doesn't decrease.

The total imports, exports and balance of trade of Greece with the third non-member countries as far as agricultural products are concerned for the years 2000-2004 are presented below. In the list of agricultural products there are added another 13 (see Appendix p.41), totally 20, in order to be more accurate.

Table No. 4 - Total External Trade of Greece with third non-member countries.

Source ESYE

	Imports	Exports	Balance of trade
2000	923.231.108	1.377.622.891	454.391.783
2001	1.140.683.786	1.501.206.163	360.522.377
2002	1.386.380.711	1.454.738.286	68.357.575
2003	1.459.264.132	1.355.638.901	-103.625.231
2004	1.478.501.650	1.170.770.257	-307.731.393

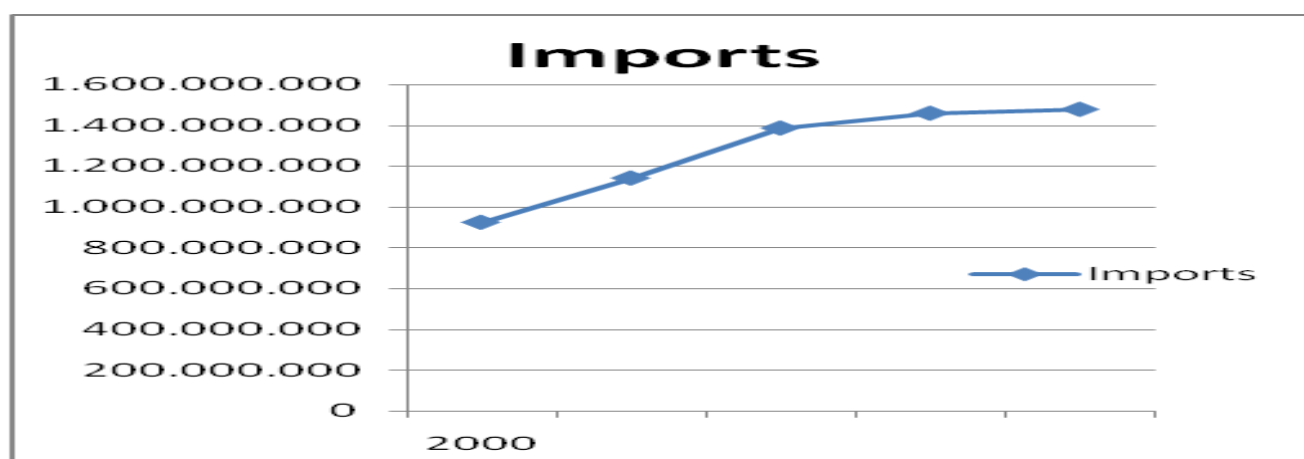


Diagram No. 6 – Imports from third non-member countries in all agricultural products,2000-2004. Source ESYE

The blue dots represent the ages from 2000-2004. The total imports from third non-member countries in agricultural products have risen from 900.000.000€ to 1.400.000.000€ and they tend to steady there contrary to the exports.

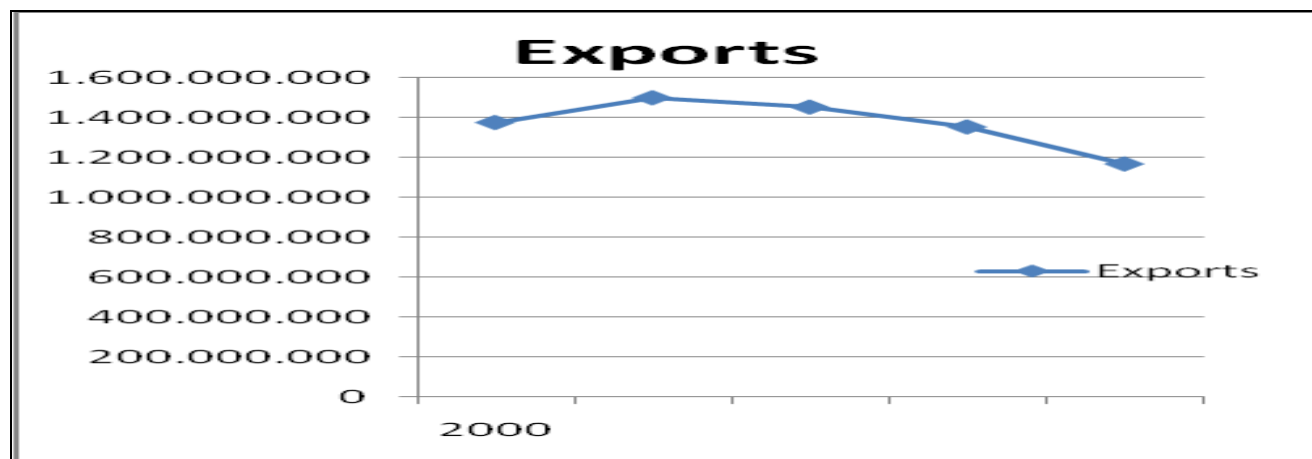


Diagram No. 7 – Exports to third non-member countries in all agricultural products,2000-2004. Source ESYE

As far as the total exports of agricultural products to third non-member countries are concerned, they tend to diminish while the years pass with a pick in 2001 when they reached 1.500.000.000€ approximately. In general, they fluctuate between 1.300.000.000€ and 1.170.000.000€.



Diagram No. 8 – Balance of trade with third non-member countries in all agricultural products, 2000-2004. Source ESYE

Concluding, the balance of trade with the third non-member countries in the years 2000-2004 diminishes considerably as it changes gradually from a positive, 450.000.000€, to a negative, -307.000.000€ approximately.

8.3 Balance of trade within the EU

In comparison to the trade with the third non-member countries, the volume of trade among the EU member countries and Greece would be expected to increase especially after the accession of the CEEC's and the latest reforms of CAP. The Greek products should be preferred by the EU member countries so the exports would be supposed to increase. Also Greece should exclude the imports from the non member countries so her imports from the EU member countries would be also supposed to increase.

In the table depicted below we can see the imports of Greece from the EU countries for the ages 2000-2004. The study consists again of the 7 basic agricultural products of Greece and the imports are measured in Euro.

Table No. 5 - Imports from the EE, 2000-2004. Source ESYE

	Wheat and Corn	Cereal	Tobacco	Oils and fat	Fruit and vegetables	Milk and eggs	Meat
2000	2.497.432	280.495.965	212.660.308	34.206.897	231.207.630	481.746.148	687.234.043
2001	2.785.033	290.632.428	193.922.230	37.813.646	248.622.157	513.972.120	644.871.607
2002	2.806.108	262.503.069	238.980.100	48.731.797	283.486.556	543.928.720	712.970.885
2003	3.136.468	282.733.201	233.782.374	53.432.856	333.594.642	576.954.703	731.398.343
2004	1.923.148	338.591.891	236.952.637	75.416.336	353.244.354	594.016.495	782.365.858

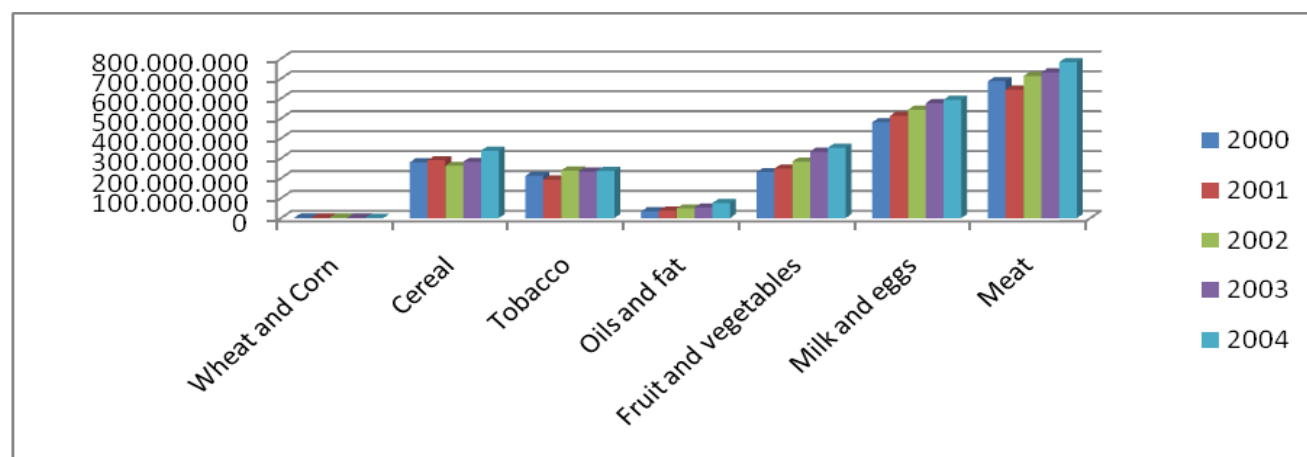


Diagram No. 9 - Imports from the EE, 2000-2004. Source ESYE

The imports in Wheat and Corn seem to diminish by the ages except for a pick in 2003 when they reached 3.136.468€. In general from 2000 to 2004 they diminish by 23% contrary to the predictions in comparison to the imports from the third non-member countries which seem to be non-existent.

The imports in **Cereal** tend to augment except for the year 2002 when we have a diminution of nearly 30.000.000€. The imports in 2004 reach 338.591.891€ in comparison to the imports from the third non-member countries which seem to be the half.

The imports in **Tobacco** increase rather steadily if we exclude the year 2001 when we note a diminution of 8, 8%. This would be rather expected especially after the immediate aid of the EU for that specific product. The same applies to the imports from the third non-member countries even though the volume here is nearly the double.

The imports in **Oil and Fat** increase by 100% or more as exactly the imports from the third non-member countries which is a bit weird since the local production should be able to cover all national needs. Also this can be justified by the diminution in the production of that product.

The imports in **Fruit and Vegetables** increase steadily year by year until they reach 353.244.354€. They increase more than 120.000.000€ from 2000 till 2004. The same occurs to the imports from the third non-member countries which was still rather unpredictable as it shows once again that Greece is unable to cater for her own needs.

The imports in **Milk and Eggs** also increase steadily by nearly 30.000.000€ without a single diminution. The total imports in 2004 reach 594.016.495€. The imports in **Meat** also have increased by the years reaching the level of 782.365.858€ which represent the highest expences for the imports of agricultural products in Greece. The completely opposite occurs to the imports from the third non-member countries as they represent the category with the least imports.

In the table below there are depicted the exports of Greece to the EU countries for the years 2000-2004 concerning the same 7 basic agricultural products.

Table No. 6 - Exports in the EE, 2000-2004. Source ESYE

	Wheat and Corn	Cereal	Tobacco	Oils and fat	Fruit and vegetables	Milk and eggs	Meat
2000	0	55.207.630	91.345.561	210.101.247	611.377.843	89.625.825	5.848.863
2001	0	86.694.057	67.260.455	230.406.456	647.718.269	106.432.869	9.822.450
2002	1	105.921.716	88.222.747	171.333.643	560.663.886	94.007.914	12.124.421
2003	1.010	123.502.363	113.892.800	231.967.582	486.760.121	113.552.246	12.632.831
2004	98	104.046.274	98.056.588	106.204.294	590.864.809	142.849.919	15.402.279

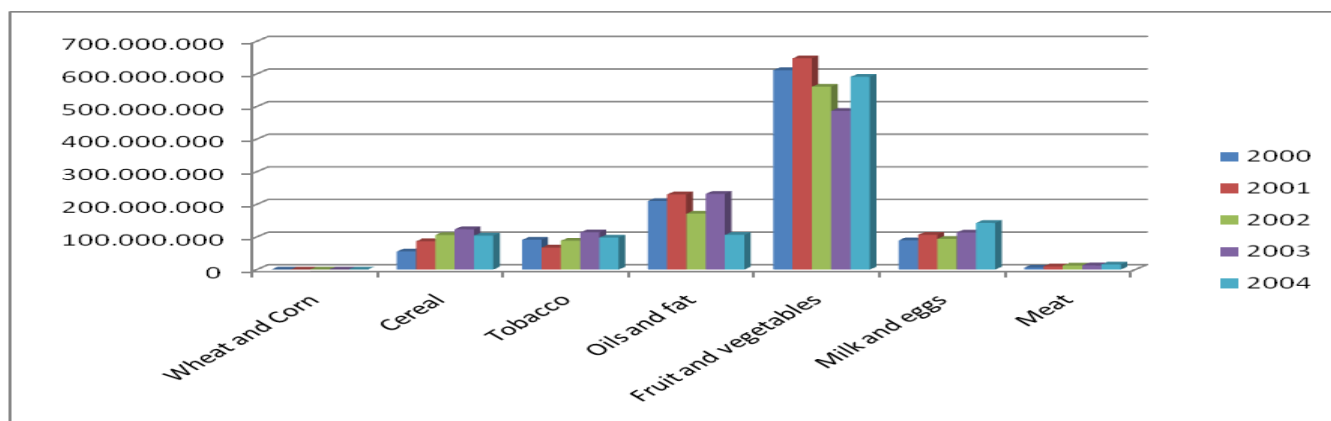


Diagram No. 10 - Exports in the EE, 2000-2004. Source ESYE

The exports in **Wheat and Corn** are so few that cannot represent a measurable variable.

The exports in **Cereal** tend to augment year by year and the total increase represents nearly 100%. They reach 104.046.247€. Those exports do not seem to be very different to those to the third non-member countries.

The exports in **Tobacco** meet a diminution in 2001 by nearly 27% but in general they fluctuate between 90.000.000€ and 110.000.000€. This was rather unpredictable if we assume the immediate aid of the EU for this specific product. Nevertheless, the production of tobacco did not increase considerably in order for the exports to increase. The same applies to the exports to the third non-member countries.

The exports in **Oils and Fat** diminish approximately by 50% in the year 2004. In general they seem to be very unstable for the national economy to be based on them. The imports as we have already seen increase considerably which constitutes a problem for Greece who was supposed to be a primary producer of it. Still, she cannot even cater for her local needs. The opposite happens to the exports to the third non-member countries whose imports in oils and fat increase steadily.

The exports in **Fruit and Vegetables** are the highest in price than the rest of the agricultural products and they reach 237.620.455€ which represents a rather big diminution if we compare it with the 380.170.213€ in 2000 and the 399.096.111€ in 2001. The same applies to the exports to the third non-member countries which tend to be in high levels as we have already seen.

The exports in **Milk and Eggs** increase in general by 60% through the years as it also happens in the case of the exports to the third non-member countries. Their mean is around 110.000.000€. The exports in **Meat** are rather few in comparison to the rest of the agricultural products but they increase through the years by nearly 165%.

From the above imports and exports we derive the balance of the trade of Greece with the EU countries for the years 2000-2004:

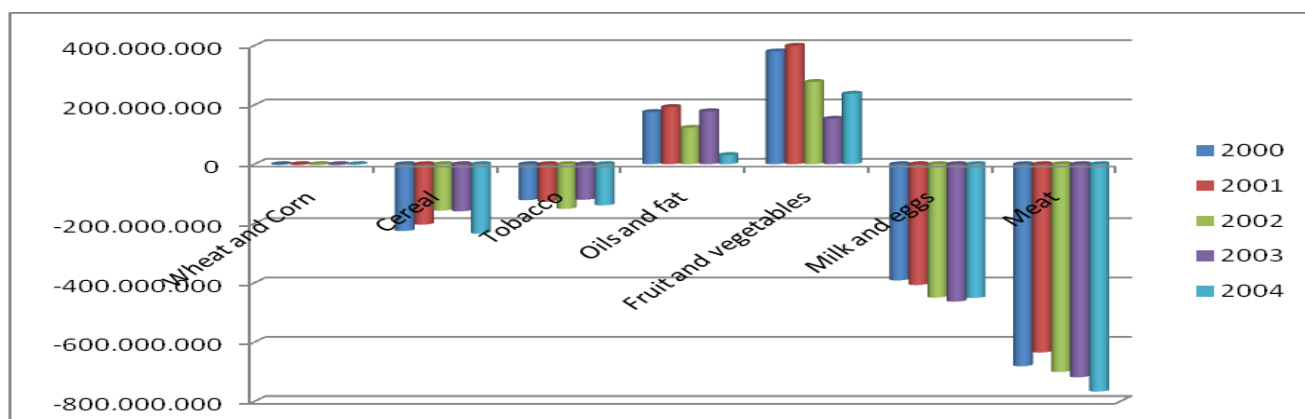


Diagram No. 11 – Balance of trade with the EE countries, 2000-2004. Source ESYE

We can easily see from the diagram above that the balance of trade is negative as far as Cereal, Tobacco, Milk and Eggs and Meat are concerned and positive in Wheat and Corn, Oils and Fat and Fruit and Vegetables. It can also be stated that the deficit is so big that cannot be outweighed by the few agricultural products which maintain a positive balance. All in all, it appears that Greece has a negative balance with the EU countries in terms of external trade in agricultural products. The completely opposite occurred with the third non-member countries which was rather unpredictable. On the contrary, the completely opposite should have happened according to the hypotheses.

The accession of the CEEC's and the additional reform of the CAP did not actually aid Greece to increase her exports, reduce its imports and create a positive balance. The volume of trade has increased but harmfully for Greece.

The total imports, exports and balance of trade of Greece with the EU countries as mentioned before are gathered in the below table. In the list of agricultural products there are added another 13(see appendix page 41), totally 20, in order to have a better measurement.

Table No. 7 - Total External Trade of Greece with EU countries. Source ESYE

	Imports	Exports	Balance
2000	2.984.017.608	1.512.804.109	-1.471.213.500
2001	2.997.878.210	1.604.651.504	-1.393.226.706
2002	3.319.004.001	1.453.707.676	-1.865.296.325
2003	3.447.916.553	1.583.893.662	-1.864.022.891

2004	3.789.365.881	1.628.435.780	-2.160.930.101
2007	5.074.484.107	2.589.223.407	-2.485.260.700
2008	5.280.444.903	2.767.150.418	-2.513.294.485

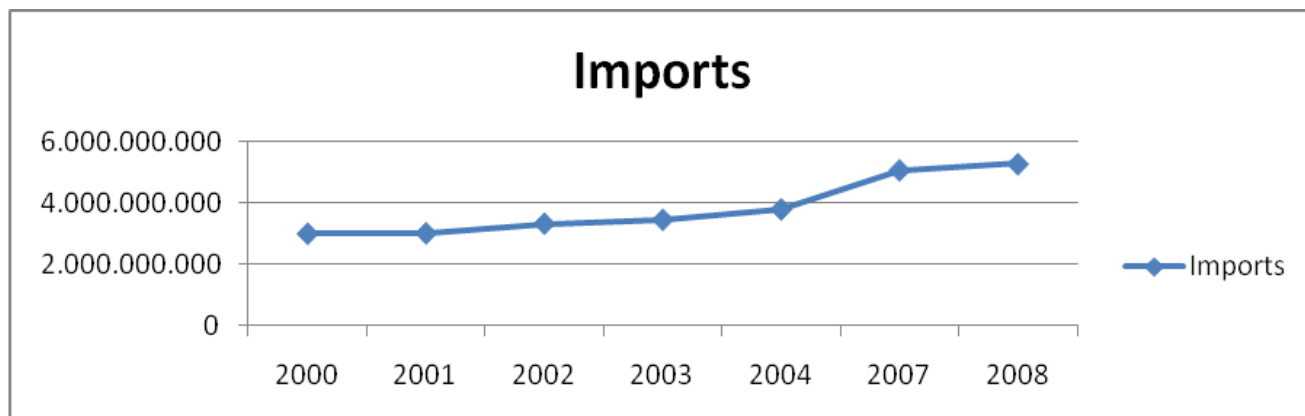


Diagram No. 12 - Imports from EU countries in all agricultural products,2000-2008.

Source ESYE

The blue dots represent the ages from 2000-2008. The total imports from EU countries in agricultural products have increased from 3.000.000.000€ to nearly 5.000.000.000€ and they tend to increase more. This increase was also noticed in the imports from the third non-member countries.

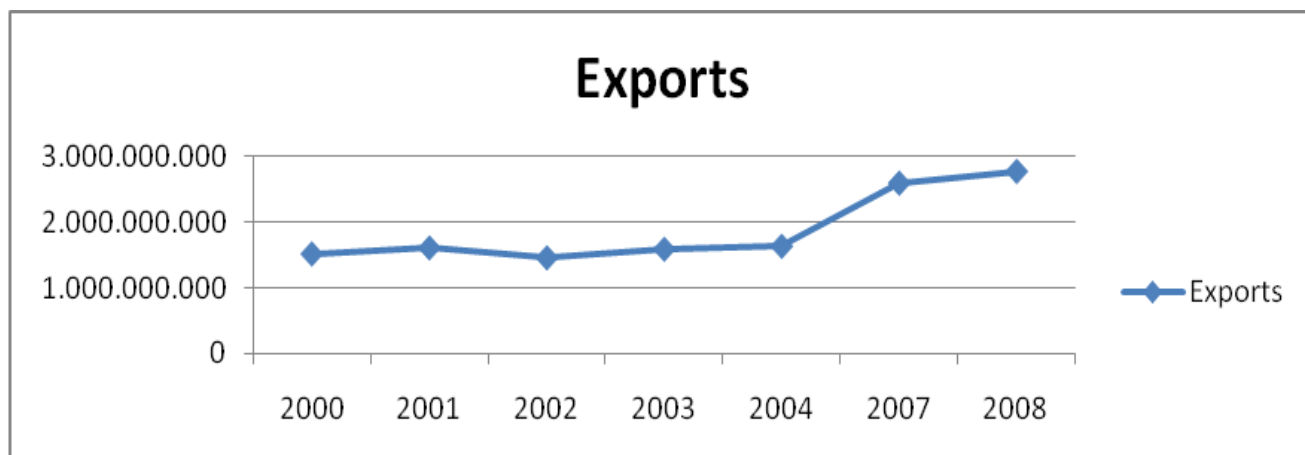


Diagram No. 13 – Exports in EU countries in all agricultural products,2000-2008.

Source ESYE

The exports are far away from being stable since they drop significantly in the age of 2002 by 9, 4%. They fluctuate from 1.500.000.000€ to 1.600.000.000€ for the years 2000-2004 but they are nearly doubled in 2007-2008 when they reach 2.767.150.418€.

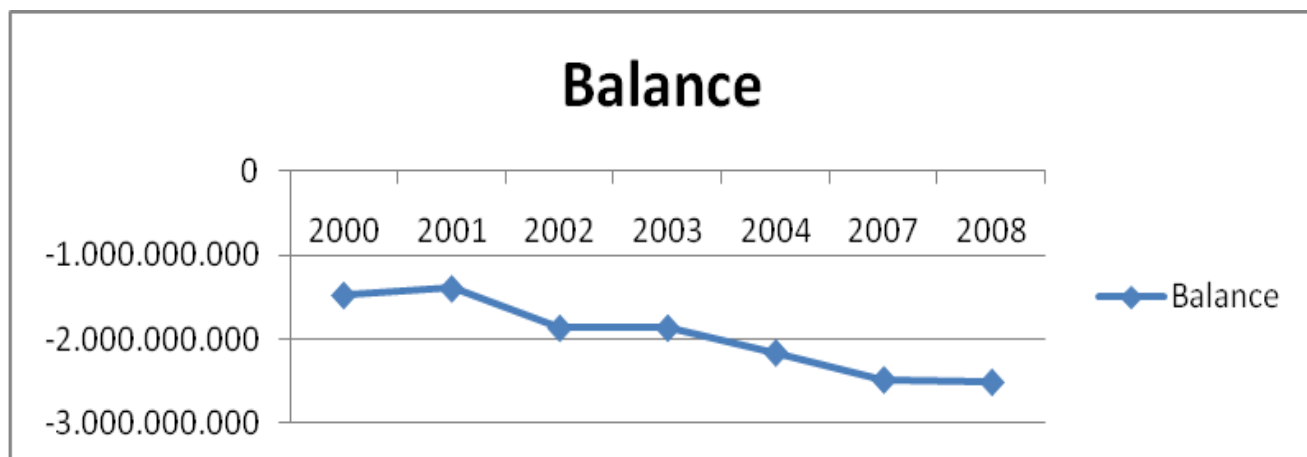


Diagram No. 14 - Balance of trade with EU countries in all agricultural products, 2000-2008. Source ESYE

Concluding, taking into consideration the total imports and exports, the balance of trade with the EU countries in the years 2000-2004 diminishes in general as it changes gradually from a negative, -1.400.000.000€, to a negative, -2.170.000.000€ approximately which is tremendously higher than the relative balance of trade with the third non-member countries. Even if the exports increase the imports increase disproportionately even more so the balance is negative and reaches -2.513.294.485€. This diminution was also noticeable in the exports to the third non-member countries.

The balance is even worse than the one with the third non-member countries and it seems that at least the condition in greek agriculture and national economy has not improved after the implementation of the Agenda 2000.

8.4 Exports of agricultural products and non agricultural products

In order to see whether the agricultural products are significant for the Greek economy we created a figure with the total exports of Greece to the third non-member countries concerning agricultural and non agricultural products. The same figure was created to depict the exports of Greece to the EU member countries concerning agricultural and non agricultural products.

The exports of Greece in agricultural products to the third non-member countries represent the 22% of the total external trade while the exports of Greece in

agricultural products to the EU countries represent the 29% of the total external trade.

It's incontestable that the Greek economy is based on agriculture as far as its exports are concerned and that the improvement of the agricultural problem is vital for the economic development of this nation. Unfortunately, not big changes are remarked through the ages 2000-2004 with the second wave of CAP.

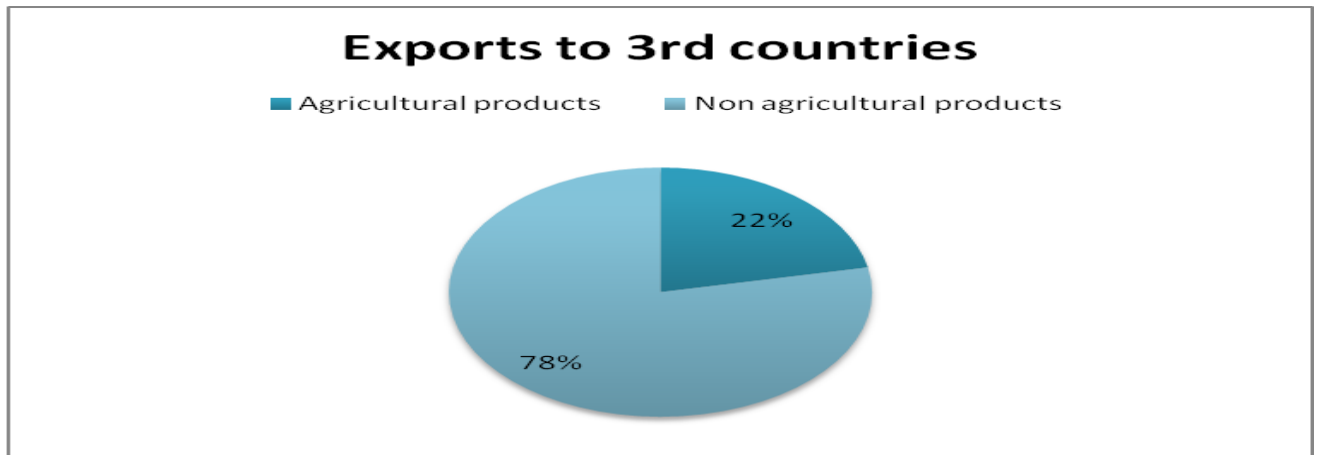


Diagram No. 15 - Exports of agricultural and non agricultural products to third non-member countries, 2000-2004. Source ESYE

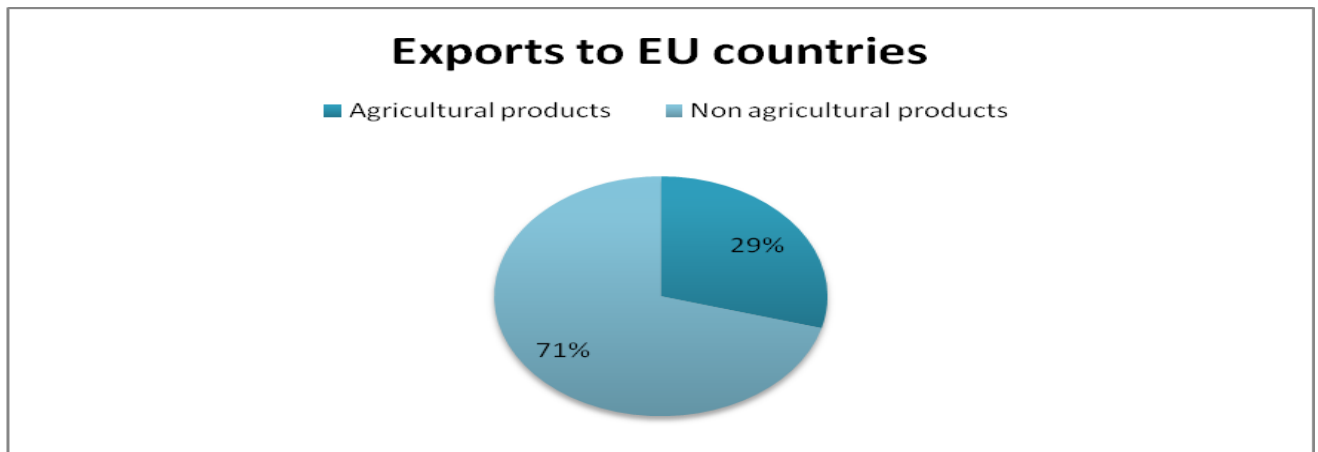


Diagram No. 16 - Exports of agricultural and non agricultural products to EU countries, 2000-2004. Source ESYE

8.5 Imports and Exports with the CEEC's

The enlargement implemented with new reform of CAP, named Agenda 2000, focused on the accession of the CEEC's which were Cyprus, Czech Republic, Malta, Estonia, Lithuania, Hungary, Poland, Slovenia, Slovakia and Latvia.

This enlargement was meant to affiliate those countries in the EU and make it bigger and stronger. Moreover, they would enjoy the privilege of financial aid from the EU in order for their economy and agriculture to bloom.

Their imports and exports towards the EU member countries were supposed to increase and vice versa. All the EU member countries would benefit from this integration since their imports from those countries and mostly their exports were supposed to increase, favoring their external trade.

When we focus on the statistics of imports and exports of Greece with the CEEC's we can easily see that the imports of Greece from those countries have increased after their accession in 2004.

More specifically, it seems that for the year 2008 the main importers for Greece are 20 countries. In them, there are included Hungary and Poland with 111.813.765 € and 97.130.919 € respectively. In addition for the same year the main exporters of Greece are 20 including Czech Republic, Cyprus and Poland with 49.671.250 €, 161.733.832 € and 80.098.316 €.

Main importers	
Germany	951.648.538
Holland	871.329.502
France	755.903.400
Italy	705.610.570
Spain	307.041.289
Belgium	304.259.718
UK	299.874.115
Bulgaria	220.155.663
Denmark	200.984.761
Brazil	190.227.865

Main importers	
Ukraine	159.897.365
USA	141.567.625
Turkey	130.273.326
Argentina	118.558.222
Hungary	111.813.765
Russia	105.906.272
India	98.497.435
Poland	97.130.919
Austria	95.306.203
Roumania	78.759.051

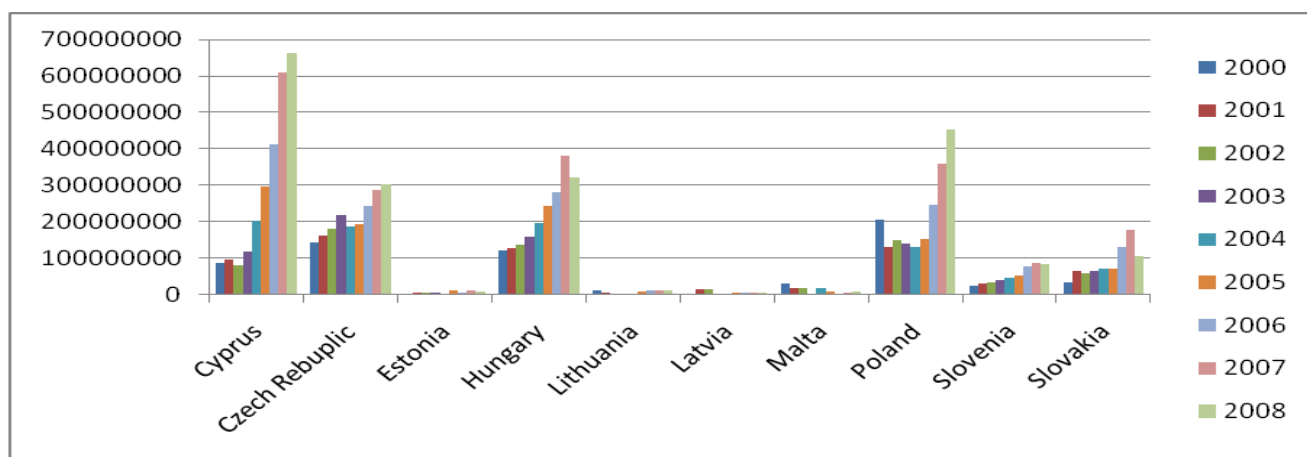


Diagram No. 17 – Imports of Greece from CEECs in all products,2000-2008. Source ESYE

Moving to the exports of Greece from 2000 to 2008 to the CEECs, it can be easily noticed that they tend to increase too with the exception of Malta after their accession to the EU. It can obviously be stated that the exports of Greece mainly focused on Cyprus, Slovenia, Poland and Hungary. The main exporters of Greece are 20 including Czech Republic, Cyprus and Poland with 49.671.250 €, 161.733.832 € and 80.098.316 €.

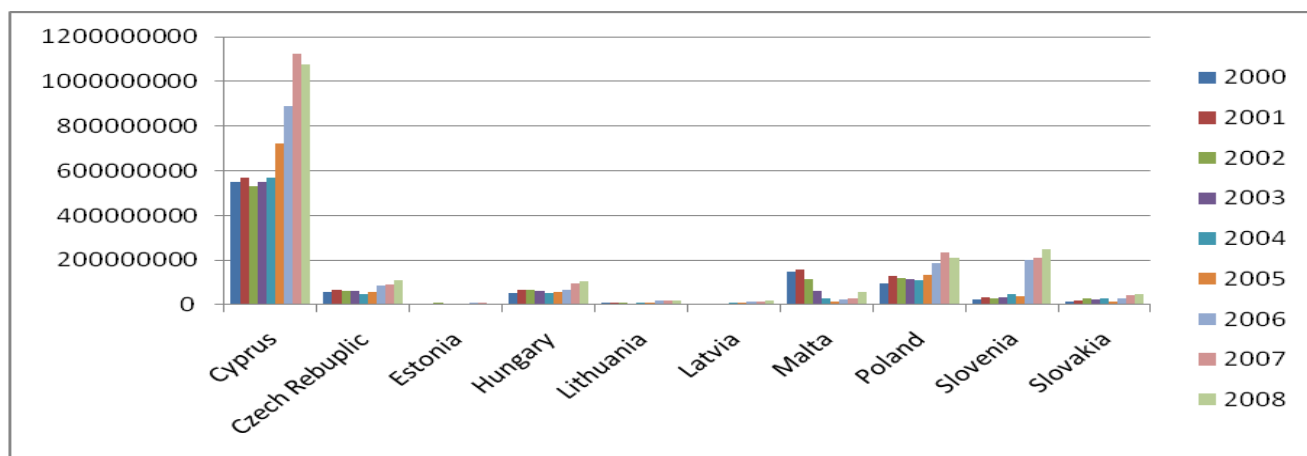


Diagram No. 18 – Exports of Greece from CEECs in all products,2000-2008. Source ESYE

According to the EU policy, this accession would also benefit the member countries and especially Greece as this would be a chance to diminish her negative balance on external trade. The results of the net balance can be viewed below:

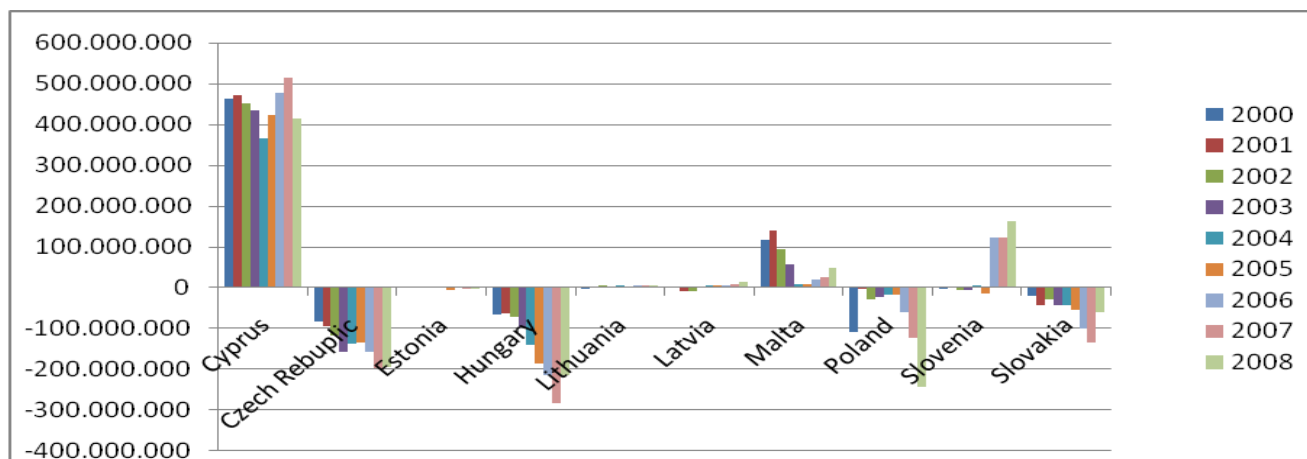


Diagram No. 19 – Net balance of Greece with CEECs in all products,2000-2008.
Source ESYE

So the balance of trade is positive when it comes to Cyprus, Malta and Slovenia but negative with nearly all the rest CEECs. This still constitutes Greece a net receiver from the EU countries and her position considering her external trade is not improved.

It can be easily noted that not only Greece does not have a comparative advantage in the production of agricultural products but also that her imports have increased much more than her exports. Her trade balance is harmed from the import side considerably contrary to the assumptions and forecasts.

9. Discussion

After the implementation of the common market and the effort to narrow the gap between the market prices of the EU and the world, many reforms have been conducted especially to the agricultural sector with the goal to increase the production of the member countries, protect the poorest farmers, increase the volume of trade among the member countries, diminish the negative balance of them and foster their rural sector and as a consequence their economy.

Greece received many packages of aid, Delors I-Delors II, immediate refunds and protection in many of her products such as olive oil, tobacco and cotton. The production was expected to encounter an increase also because it wasn't any longer dependent on the volume but on other factors such as the quality of food, the sustainability, the environmental protection and many other. The cost of production diminished and the incomes of the farmers were stabilized. Especially after the Uruguay round and the implementation of the Agenda 2000, the game of competitiveness had started. The demand for agricultural products with the accession of the CEEC's should increase such as the production of Greece in order to cater for the new member countries' needs. All in all, Greece should have a comparative advantage in the production of agricultural products since CAP reforms made it more liberalized.

The hypotheses cannot be further from the truth and the results confirm it. The production in most of the agricultural products tends to diminish considerably through the years 2000-2008 and it's pretty clear that Greece does not have a comparative advantage in the production of agricultural products after all the reforms of CAP. As we have noticed her imports from third non-member countries and from the EU member countries have also increased considerably which means that her local production does not even cater for her local needs.

The products of the EU member countries were supposed to be preferred and free circulated among the EU while the products of the third non-member countries were supposed to be excluded by means such as tariffs and compensative fees. Especially after the enlargement of the EU with the accession of the CEEC's the above phenomenon would be expected to increase. The exports of Greece to the member countries were supposed to increase in order also to cater for the needs of the newly integrated member countries and their augmenting demand.

The volume of trade with the EU member countries would be also expected to increase in comparison to the volume of trade with the non member countries. All in all, Greece should have a positive balance in terms of the external trade with the

member countries and also with the non member countries or at least the negative balance should diminish.

All the above assumptions were proved to be false by the results. From 2000-2004 the imports from the third and non member countries have increased in most of the agricultural products and the same applies to the exports. All in all, the balance of trade is negative, even though there has been a considerably increase in the exports in some of the main agricultural products such as tobacco, fruit and vegetables, milk and eggs.

On the contrary, the imports from the member countries of the EU in agricultural products tend to increase considerably in comparison to the exports with the exception of the category fruit and vegetables. The imports increase disproportionately to the exports so the balance of external trade is negative and Greece continues to be a net receiver from the EU.

The volume of trade has increased with the CEEC's but still Greece imports more than she exports, thing rather unexpected, so hasn't improved her condition. Her trade balance is harmed from the import side considerably contrary to the assumptions and forecasts.

All in all, Greece after the CAP reforms, the enlargement and the liberalization of trade does not have a comparative advantage in the production of agricultural products and continues to be a net receiver of the EU. Most of all, her imports tend to augment with a tremendous progress in comparison to her exports harming more her international position and the question remains : How have really the CAP reforms and especially the implementation of the Agenda 2000 affected greek production in agricultural products and trade? Was all this beneficial for a small country like Greece or the restrictions, intervention and protectionism would have relieved her from this unpleasant position?

10. Conclusion

Taking into consideration all the evidence above we can come easily to the conclusion that the production of the basic agricultural products has diminished by the years 2000-2008 in Greece independently of the aid granted from the EU, the liberalization of trade, the CAP reforms and the enlargement after the accession of the CEEC's. This cannot necessarily constitute a drawback since after the implementation of the Agenda 2000 the aid allocated to the farmers doesn't have so much anymore to do with the total quantity of production but with other factors such as transparency, quality of food, sustainability, environmental protection, animal welfare etc. Nevertheless, it's clear that Greece does not have a comparative advantage in the production of agricultural products and maybe she's not anymore able to cater even for the local needs since her imports have increased considerably.

The imports in agricultural products from the third non-member countries tend to increase in comparison to the exports which tend to diminish. This augment is much bigger than the respective diminution. The total balance of trade moves from being positive to being negative but still it cannot be compared to the negative balance of trade with the EU countries. Even if the exports of agricultural products in the EU countries increase in general they cannot offset the large augmentation in imports and the balance of trade is and remains even more negative. It seems like the reforms of CAP with the abolition of intervention and other protectionism methods have harmed the exports of Greece and by all means she continues to be a net receiver of the EU. Contrary to this, the exports in agriculture are still vital for the Greek economy as they represent the 29% of the whole exports. The exports to the CEEC's increase after their integration but still the imports increase even more. So the balance of trade tends to worsen in the years 2004-2008.

It can be easily mentioned that the condition of the external trade in Greece in terms of agricultural products hasn't improved after the implementation of the Agenda 2000. The farmers decrease their production and the imports tend to increase disproportionately to the exports which tend to diminish. The Greek economy even though it's based on agriculture and as a consequence on the CAP cannot still develop and is left with a huge deficit. She continues to be a net receiver from the EU and the trade balance of the country has been harmed from the import side considerably (Koukouritakis, 2004).

Of course we shouldn't judge a policy only by the first nine years of its implementation as it needs ages to develop and bring in positive results. Further study should be conducted for a longer period of time in order to be more adequate

and objective. We shouldn't forget the implications of this survey which rest to the fact that we cannot only judge Agenda 2000 for the imports and exports of a country since other national, technical, social, political, cultural and economic reasons factors affect it.

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Appendix

2000 External Trade of Greece with countries outside EE.						
	Imports drachmas	Exports drachmas	Balance drachmas	Imports euro	Exports euro	Balance euro
Agricultural product						
Living animals	12.451	357	-12.094	36,540	1,048	-35,492
Meat	17.461	6.871	-10.590	51,243	20,164	-31,079
Milk and eggs	1.642	9.951	8.309	4,819	29,203	24,384
Fish	43.053	6.103	-36.950	126,348	17,910	-108,437
Cereal	6.853	22.571	15.718	20,112	66,239	46,128
Fruit and vegetable	42.308	157.251	114.943	124,161	461,485	337,324
Sugar and honey	3.258	3.604	346	9,561	10,577	1,015
Coffee, cocoa, tea , spices etc.	29.880	8.407	-21.473	87,689	24,672	-63,017
Provender	21.409	8.321	-13.088	62,829	24,420	-38,409
Food/Consumable	4.890	9.716	4.826	14,351	28,514	14,163
Drinks	7.398	20.216	12.818	21,711	59,328	37,617
Tobacco	14.166	106.800	92.634	41,573	313,426	271,853
Leathers	4.618	2.700	-1.918	13,552	7,924	-5,629
Seeds	35.208	6.074	-29.134	103,325	17,825	-85,500
Gum elastic/caoutc	1.720	6	-1.714	5,048	0,018	-5,030
Wood-cork	50.152	2.251	-47.901	147,181	6,606	-140,575
Vegetal telyry fibre	3.827	80.026	76.199	11,231	234,853	223,621
Agric. Raw materia	6.959	3.206	-3.753	20,423	9,409	-11,014
Oils and fat	7.338	14.923	7.585	21,535	43,795	22,260
Wheat and Corn	0	71	71	0,000	0,208	0,208
Total quantity	4.337.935	2.213.211	-2.124.724	12.730,550	6.495,117	-6.235,434
TQ in agr.product	314.591	469.425	154.834	923,231	1.377,623	454,392

2001 External Trade of Greece with countries outside EE.						
	Imports Drachmas	Exports Drachmas	Balance Drachmas	Imports Euro	Exports Euro	Balance Euro
Agricultural product						
Living animals	15.191	357	-14.834	44,581	1,048	-43,533
Meat	18.685	2.670	-16.015	54,835	7,836	-46,999
Milk and eggs	3.468	10.566	7.098	10,178	31,008	20,831
Fish	51.878	6.316	-45.562	152,247	18,536	-133,711
Cereal	20.467	27.543	7.076	60,065	80,831	20,766
Fruit and vegetable	54.142	185.601	131.459	158,891	544,684	385,793
Sugar and honey	3.002	7.950	4.948	8,810	23,331	14,521
Coffee, cocoa, tea , spices etc.	27.770	12.356	-15.414	81,497	36,261	-45,236
Provender	25.820	8.675	-17.145	75,774	25,459	-50,315
Food/Consumable	5.009	11.438	6.429	14,700	33,567	18,867
Drinks	7.363	22.642	15.279	21,608	66,448	44,839
Tobacco	18.068	110.327	92.259	53,024	323,777	270,753
Leathers	7.654	3.163	-4.491	22,462	9,282	-13,180
Seeds	48.649	4.039	-44.610	142,770	11,853	-130,917
Gum elastic/caoutc	2.123	22	-2.101	6,230	0,065	-6,166
Wood-cork	57.102	2.505	-54.597	167,577	7,351	-160,226
Vegetal telyry fibre	3.769	77.651	73.882	11,061	227,883	216,822
Agric. Raw materia	6.270	2.919	-3.351	18,401	8,566	-9,834
Oils and fat	12.258	14.620	2.362	35,974	42,905	6,932
Wheat and Corn	0	176	176	0,000	0,517	0,517
Total quantity	4.934.007	2.299.034	-2.634.973	14.479,844	6.746,982	-7.732,863
TQ in agr.product	388.688	511.536	122.848	1.140,684	1.501,206	360,522

1999 External Trade of Greece with countries outside EE.						
Agricultural product	Imports drachmas*	Exports drachmas	Balance drachmas	Imports euro	Exports euro	Balance euro
Living animals	10.258	234	-10.024	30,104	0,687	-29,417
Meat	14.609	5.723	-8.886	42,873	16,795	-26,078
Milk and eggs	1.176	7.926	6.750	3,451	23,260	19,809
Fish	40.433	4.480	-35.953	118,659	13,147	-105,511
Cereal	3.846	16.049	12.203	11,287	47,099	35,812
Fruit and vegetable	39.895	105.489	65.594	117,080	309,579	192,499
Sugar and honey	3.237	3.460	223	9,500	10,154	0,654
Coffee, cocoa, tea , spices etc.	27.118	7.287	-19.831	79,583	21,385	-58,198
Provender	10.780	6.499	-4.281	31,636	19,073	-12,563
Food/Consumable	2.976	6.642	3.666	8,734	19,492	10,759
Drinks	6.365	13.832	7.467	18,679	40,593	21,913
Tobacco	12.202	104.988	92.786	35,809	308,109	272,299
Leathers	2.941	473	-2.468	8,631	1,388	-7,243
Seeds	34.151	4.870	-29.281	100,223	14,292	-85,931
Gum elastic/caoutc	1.169	18	-1.151	3,431	0,053	-3,378
Wood-cork	38.561	1.745	-36.816	113,165	5,121	-108,044
Vegetal telary fibre	3.243	73.575	70.332	9,517	215,921	206,404
Agric. Raw materia	0	0	0	0,000	0,000	0,000
Oils and fat	8.064	13.348	5.284	23,665	39,172	15,507
Wheat and Corn	0	2	2	0,000	0,006	0,006
Total quantity	2.887.710	1.550.007	-1.337.703	8.474,571	4.548,810	-3.925,761
TQ in agr.product	261.024	376.640	115.616	766,028	1.105,326	339,299

2002 External Trade of Greece with countries outside EE.			
Agricultural product	Imports in Euro	Exports in Euro	Balance in Euro
Living animals	47.998.405	4.852.562	-43.145.843
Meat	59.489.234	5.691.099	-53.798.135
Milk and eggs	15.181.781	28.672.116	13.490.335
Fish	177.311.717	18.011.115	-159.300.602
Cereal	194.998.254	102.840.035	-92.158.219
Fruit and vegetable	227.558.039	554.559.909	327.001.870
Sugar and honey	8.673.896	16.716.243	8.042.347
Coffee, cocoa, tea , spices etc.	65.272.740	20.252.960	-45.019.780
Provender	86.481.832	29.333.724	-57.148.108
Food/Consumable	15.469.562	37.509.403	22.039.841
Drinks	21.750.084	66.339.812	44.589.728
Tobacco	46.239.400	292.422.662	246.183.262
Leathers	24.736.544	13.259.859	-11.476.685
Seeds	127.405.341	24.630.698	-102.774.643
Gum elastic/caoutc	4.812.579	21.060	-4.791.519
Wood-cork	189.069.481	5.166.915	-183.902.566
Vegetal telary fibre	7.611.213	174.760.762	167.149.549
Agric. Raw materia	13.598.032	8.770.077	-4.827.955
Oils and fat	52.699.091	49.953.433	-2.745.658
Wheat and Corn	23.486	973.842	950.356
Total quantity	15.817.065.897	6.154.603.660	-9.662.462.237
TQ in agr.product	1.386.380.711	1.454.738.286	68.357.575

2003 External Trade of Greece with countries outside EE.			
Agricultural product	Imports in Euro	Exports in Euro	Balance in Euro
Living animals	54.700.244	1.724.581	-52.975.663
Meat	62.604.454	9.513.849	-53.090.605
Milk and eggs	20.420.661	34.302.109	13.881.448
Fish	185.090.420	23.021.521	-162.068.899
Cereal	159.473.120	51.534.083	-107.939.037
Fruit and vegetable	234.304.568	399.598.543	165.293.975
Sugar and honey	18.193.957	19.683.185	1.489.228
Coffee, cocoa, tea, spices etc.	50.375.064	26.588.287	-23.786.777
Provender	96.539.339	21.819.036	-74.720.303
Food/Consumable	15.315.542	42.117.349	26.801.807
Drinks	28.994.319	57.723.855	28.729.536
Tobacco	39.793.183	309.999.597	270.206.414
Leathers	18.476.515	12.925.695	-5.550.820
Seeds	142.960.703	7.638.189	-135.322.514
Gum elastic/caoutchouc	6.129.993	35.103	-6.094.890
Wood-cork	183.559.768	4.601.700	-178.958.068
Vegetal tery fibre	14.057.886	267.194.363	253.136.477
Agric. Raw material	14.204.874	7.207.394	-6.997.480
Oils and fat	114.066.197	57.270.319	-56.795.878
Wheat and Corn	3.325	1.140.143	1.136.818
Total quantity	18.058.030.793	6.277.094.827	-11.780.935.966
TQ in agr.product	1.459.264.132	1.355.638.901	-103.625.231

2004 External Trade of Greece with countries outside EE.			
Agricultural product	Imports in Euro	Exports in Euro	Balance in Euro
Living animals	51.550.170	2.449.946	-49.100.224
Meat	60.061.509	10.426.961	-49.634.548
Milk and eggs	21.812.519	38.115.849	16.303.330
Fish	166.056.177	25.292.096	-140.764.081
Cereal	141.119.115	43.460.162	-97.658.953
Fruit and vegetable	288.526.809	310.847.853	22.321.044
Sugar and honey	49.791.463	9.556.070	-40.235.393
Coffee, cocoa, tea, spices etc.	51.517.328	17.892.819	-33.624.509
Provender	104.718.676	20.623.896	-84.094.780
Food/Consumable	20.702.291	35.930.329	15.228.038
Drinks	25.823.366	46.532.952	20.709.586
Tobacco	52.048.591	259.459.282	207.410.691
Leathers	22.009.941	12.729.191	-9.280.750
Seeds	150.024.355	12.925.240	-137.099.115
Gum elastic/caoutchouc	7.189.535	80.923	-7.108.612
Wood-cork	178.423.916	8.038.198	-170.385.718
Vegetal tery fibre	10.649.277	253.241.343	242.592.066
Agric. Raw material	18.322.076	8.640.578	-9.681.498
Oils and fat	58.127.020	54.473.789	-3.653.231
Wheat and Corn	27.516	52.780	25.264
Total quantity	18.127.153.103	5.771.244.385	-12.355.908.718
TQ in agr.product	1.478.501.650	1.170.770.257	-307.731.393

	1999 External trading with countries within the EE.					
Agricultural product	Imports Drachmas	Exports Drachmas	Balance Drachmas	Imports Euro	Exports Euro	Balance Euro
Living animals	17.208	139	-17.069	50,500	0,408	-50,092
Meat	208.990	2.127	-206.863	613,324	6,242	-607,081
Milk and eggs	151.640	28.811	-122.829	445,018	84,552	-360,467
Fish	45.124	80.563	35.439	132,426	236,428	104,003
Cereal	98.603	26.607	-71.996	289,371	78,084	-211,287
Fruit and vegetable	86.557	212.985	126.428	254,019	625,048	371,029
Sugar and honey	23.042	3.933	-19.109	67,621	11,542	-56,079
Coffee, cocoa, tea , spices etch.	38.110	1.810	-36.300	111,842	5,312	-106,530
Provender	48.153	948	-47.205	141,315	2,782	-138,533
Food/Consumable	59.245	5.148	-54.097	173,866	15,108	-158,759
Drinks	82.644	24.961	-57.683	242,536	73,253	-169,282
Tobacco	68.656	44.896	-23.760	201,485	131,756	-69,729
Leathers	8.711	2.534	-6.177	25,564	7,437	-18,128
Seeds	1.410	6.051	4.641	4,138	17,758	13,620
Gum elastic/caoutc	62	1	-61	0,182	0,003	-0,179
Wood-cork	19.773	970	-18.803	58,028	2,847	-55,181
Vegetal telary fibre	4.693	34.594	29.901	13,773	101,523	87,751
Agric. Raw materia	22.365	0	-22.365	65,635	0,000	-65,635
Oils and fat	16.603	147.293	130.690	48,725	432,261	383,536
Wheat and Corn	777	4	-773	2,280	0,012	-2,269
Total quantity	5.799.348	1.662.356	-4.136.992	17.019,363	4.878,521	-12.140,842
TQ in agr.product	1.002.366	624.375	-377.991	2.941,646	1.832,355	-1.109,291

	2003 External trading with countries within the EE.		
Agricultural product	Imports in Euro	Exports in Euro	Balance in Euro
Living animals	23.095.535	608.478	-22.487.057
Meat	731.398.343	12.632.831	-718.765.512
Milk and eggs	576.954.703	113.552.246	-463.402.457
Fish	145.337.948	258.381.178	113.043.230
Cereal	282.733.201	123.502.363	-159.230.838
Fruit and vegetable	333.594.642	486.760.121	153.165.479
Sugar and honey	45.976.395	12.699.854	-33.276.541
Coffee, cocoa, tea , spices etch.	195.285.126	3.791.132	-191.493.994
Provender	146.716.805	2.528.466	-144.188.339
Food/Consumable	204.175.435	18.653.269	-185.522.166
Drinks	287.244.601	75.279.681	-211.964.920
Tobacco	233.782.374	113.892.800	-119.889.574
Leathers	39.996.992	8.759.657	-31.237.335
Seeds	6.096.828	33.050.750	26.953.922
Gum elastic/caoutc	170.577	386	-170.191
Wood-cork	66.541.552	1.834.771	-64.706.781
Vegetal telary fibre	5.241.243	80.395.146	75.153.903
Agric. Raw materia	67.004.929	5.601.941	-61.402.988
Oils and fat	53.432.856	231.967.582	178.534.726
Wheat and Corn	3.136.468	1.010	-3.135.458
Total quantity	21.661.908.299	5.494.591.376	-16.167.316.923
TQ in agr.product	3.447.916.553	1.583.893.662	-1.864.022.891

	2000 External trading with countries within the EE.					
Agricultural product	Imports in Drachma	Exports in Drachma	Balance in Drachma	Imports in Euro	Exports in Euro	Balance in Euro
Living animals	13.000	48	-12.952	38,151	0,141	-38,010
Meat	234.175	1.993	-232.182	687,234	5,849	-681,385
Milk and eggs	164.155	30.540	-133.615	481,746	89,626	-392,120
Fish	46.662	76.452	29.790	136,939	224,364	87,425
Cereal	95.579	18.812	-76.767	280,496	55,208	-225,288
Fruit and vegetable	78.784	208.327	129.543	231,208	611,378	380,170
Sugar and honey	27.422	3.421	-24.001	80,475	10,040	-70,436
Coffee, cocoa, tea , spices etc.	40.035	2.165	-37.870	117,491	6,354	-111,137
Provender	42.552	747	-41.805	124,877	2,192	-122,685
Food/Consumable	53.216	4.570	-48.646	156,173	13,412	-142,762
Drinks	86.471	21.902	-64.569	253,767	64,276	-189,491
Tobacco	72.464	31.126	-41.338	212,660	91,346	-121,315
Leathers	7.461	4.376	-3.085	21,896	12,842	-9,054
Seeds	1.085	4.547	3.462	3,184	13,344	10,160
Gum elastic/caoutc	117	0	-117	0,343	0,000	-0,343
Wood-cork	15.249	310	-14.939	44,751	0,910	-43,842
Vegetal telary fibre	4.326	31.821	27.495	12,696	93,385	80,690
Agric. Raw materia	21.544	2.739	-18.805	63,225	8,038	-55,187
Oils and fat	11.656	71.592	59.936	34,207	210,101	175,894
Wheat and Corn	851	0	-851	2,497	0,000	-2,497
Total quantity	6.108.017	1.706.925	-4.401.092	17.925,215	5.009,318	-12.915,897
TQ in agr.product	1.016.804	515.488	-501.316	2.984,018	1.512,804	-1.471,213

	2001 External trading with countries within the EE.					
Agricultural product	Imports in Drachma	Exports in Drachma	Balance in drachma	Imports in Euro	Exports in Euro	Balance in Euro
Living animals	11.621	102	-11.519	34,104	0,299	-33,805
Meat	219.740	3.347	-216.393	644,872	9,822	-635,049
Milk and eggs	175.136	36.267	-138.869	513,972	106,433	-407,539
Fish	46.511	76.998	30.487	136,496	225,966	89,470
Cereal	99.033	29.541	-69.492	290,632	86,694	-203,938
Fruit and vegetable	84.718	220.710	135.992	248,622	647,718	399,096
Sugar and honey	13.672	3.290	-10.382	40,123	9,655	-30,468
Coffee, cocoa, tea , spices etc.	37.514	1.990	-35.524	110,092	5,840	-104,252
Provender	49.789	2.074	-47.715	146,116	6,087	-140,029
Food/Consumable	52.587	5.739	-46.848	154,327	16,842	-137,485
Drinks	102.185	19.137	-83.048	299,883	56,161	-243,721
Tobacco	66.079	22.919	-43.160	193,922	67,260	-126,662
Leathers	12.205	7.830	-4.375	35,818	22,979	-12,839
Seeds	1.518	8.298	6.780	4,455	24,352	19,897
Gum elastic/caoutc	90	0	-90	0,264	0,000	-0,264
Wood-cork	12.985	173	-12.812	38,107	0,508	-37,599
Vegetal telary fibre	3.243	27.457	24.214	9,517	80,578	71,061
Agric. Raw materia	19.067	2.402	-16.665	55,956	7,049	-48,907
Oils and fat	12.885	78.511	65.626	37,814	230,406	192,593
Wheat and Corn	949	0	-949	2,785	0,000	-2,785
Total quantity	5.885.683	1.649.799	-4.235.884	17.272,731	4.841,670	-12.431,061
TQ in agr.product	1.021.527	546.785	-474.742	2.997,878	1.604,652	-1.393,227

2002 External trading with countries within the EE.			
	Imports in Euro	Exports in Euro	Balance in Euro
Agricultural products			
Living animals	25.380.903	255.977	-25.124.926
Meat	712.970.885	12.124.421	-700.846.464
Milk and eggs	543.928.720	94.007.914	-449.920.806
Fish	145.850.137	219.545.444	73.695.307
Cereal	262.503.069	105.921.716	-156.581.353
Fruit and vegetable	283.486.556	560.663.886	277.177.330
Sugar and honey	41.267.744	9.875.520	-31.392.224
Coffee, cocoa, tea, spices etc.	149.333.766	5.159.813	-144.173.953
Provender	148.323.073	1.746.425	-146.576.648
Food/Consumables	173.997.651	20.146.547	-153.851.104
Drinks	332.880.377	53.294.894	-279.585.483
Tobacco	238.980.100	88.222.747	-150.757.353
Leathers	25.117.185	12.666.481	-12.450.704
Seeds	6.237.076	33.604.932	27.367.856
Gum elastic/caoutchouc	203.019	0	-203.019
Wood-cork	109.412.288	1.412.025	-108.000.263
Vegetal terylar fibre	5.849.435	57.568.660	51.719.225
Agric. Raw materials	61.744.112	6.156.630	-55.587.482
Oils and fat	48.731.797	171.333.643	122.601.846
Wheat and Corn	2.806.108	1	-2.806.107
Total quantity	17.245.294.576	4.791.011.866	-12.454.282.710
TQ in agr.products	3.319.004.001	1.453.707.676	-1.865.296.325

2004 External trading with countries within the EE.			
	Imports in Euro	Exports in Euro	Balance in Euro
Agricultural products			
Living animals	35.868.953	328.447	-35.540.506
Meat	782.365.858	15.402.279	-766.963.579
Milk and eggs	594.016.495	142.849.919	-451.166.576
Fish	169.166.828	308.199.073	139.032.245
Cereal	338.591.891	104.046.274	-234.545.617
Fruit and vegetable	353.244.354	590.864.809	237.620.455
Sugar and honey	82.237.769	15.830.222	-66.407.547
Coffee, cocoa, tea, spices etc.	196.863.866	9.653.502	-187.210.364
Provender	148.814.598	7.888.283	-140.926.315
Food/Consumables	227.090.320	29.231.918	-197.858.402
Drinks	337.386.045	89.172.112	-248.213.933
Tobacco	236.952.637	98.056.588	-138.896.049
Leathers	41.021.770	3.978.254	-37.043.516
Seeds	2.946.001	34.584.754	31.638.753
Gum elastic/caoutchouc	211.544	0	-211.544
Wood-cork	76.227.746	2.309.018	-73.918.728
Vegetal terylar fibre	2.441.529	62.679.654	60.238.125
Agric. Raw materials	86.578.193	7.156.282	-79.421.911
Oils and fat	75.416.336	106.204.294	30.787.958
Wheat and Corn	1.923.148	98	-1.923.050
Total quantity	24.279.292.569	6.457.283.425	-17.822.009.144
TQ in agr.products	3.789.365.881	1.628.435.780	-2.160.930.101

	Balance of trade with 3rd countries						
	Wheat and Corn	Cereal	Tobacco	Oils and fat	Fruit and vege	Milk and eggs	Meat
2000	208.364	46.127.660	271.853.265	22.259.721	337.323.551	24.384.446	-31.078.503
2001	516.508	20.765.957	270.752.751	6.931.768	385.793.103	20.830.521	-46.999.266
2002	950.356	-92.158.219	246.183.262	-2.745.658	327.001.870	13.490.335	-53.798.135
2003	1.136.818	-107.939.037	270.206.414	-56.795.878	165.293.975	13.881.448	-53.090.605
2004	25.264	-97.658.953	207.410.691	-3.653.231	22.321.044	16.303.330	-49.634.548

	Total exports to EU for agricultural products			Total exports to EU for all products	
2000	1.512,804	1.512.804.109	2000	5.009,318	5.009.317.682
2001	1.604,652	1.604.651.504	2001	4.841,670	4.841.669.846
2002	1.453.707.676	1.453.707.676	2002	4.791.011.866	4.791.011.866
2003	1.583.893.662	1.583.893.662	2003	5.494.591.376	5.494.591.376
2004	1.628.435.780	1.628.435.780	2004	6.457.283.425	6.457.283.425
total		7.783.492.731	total		26.593.874.195

	Balance of trade within EU						
	Wheat and Corn	Cereal	Tobacco	Oils and fat	Fruit and vege	Milk and eggs	Meat
2000	-2.497.432	-225.288.335	-121.314.747	175.894.351	380.170.213	-392.120.323	-681.385.180
2001	-2.785.033	-203.938.371	-126.661.775	192.592.810	399.096.112	-407.539.252	-635.049.156
2002	-2.806.107	-156.581.353	-150.757.353	122.601.846	277.177.330	-449.920.806	-700.846.464
2003	-3.135.458	-159.230.838	-119.889.574	178.534.726	153.165.479	-463.402.457	-718.765.512
2004	-1.923.050	-234.545.617	-138.896.049	30.787.958	237.620.455	-451.166.576	-766.963.579

	Total exports outside EU for agricultural products			Total exports outside EU for all products	
2000	1.377,623	1.377.622.891	2000	6.495,117	6.495.116.654
2001	1.501,206	1.501.206.163	2001	6.746,982	6.746.981.658
2002	1454738286	1.454.738.286	2002	6.154.603.660	6.154.603.660
2003	1355638901	1.355.638.901	2003	6.277.094.827	6.277.094.827
2004	1170770257	1.170.770.257	2004	5.771.244.385	5.771.244.385
total		6.859.976.498	total		31.445.041.185