Abstract

This study examines the impact of agriculture-specific and economywide institutional reform in Russia and Ukraine on the productivity and efficiency of agricultural production. Production in the agricultural sector in Russia and Ukraine has fallen since reforms began in 1992. The decline is to a certain extent an inevitable result of reform as input and output prices realign to world prices. However, some of the decline is due to incomplete agriculture-specific and economywide institutional reform. Russia and Ukraine have the potential to increase grain exports significantly if reforms are implemented: the most likely scenario projects that wheat and barley exports from Russia and Ukraine could double from current projections, reaching 21 million metric tons by 2011.

Keywords: Russia, Ukraine, reform, productivity, efficiency.

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