Abstract

This work describes the results obtained when applying an econometric model containing simultaneous equations that describes the world market for hazelnuts and pays particular attention to the respective contributions of Turkish and Italian producers. The model includes three equations. The first equation describes Turkish hazelnut exports, while the second describes the influence of these exports on the international price of hazelnuts. This first section of the model was developed dedicating particular attention to the role played by the system of public subsidies introduced by the Turkish Government in the last 20 years. In this proposal, particular attention was paid to the role of market interventions by the organization Fiskobirlik. These appear to have exerted a considerable influence upon the price of Turkish hazelnuts and consequently also on international prices. The third equation describes the impact of changes in international hazelnut prices on the market price for this product in Italy. This last relationship was particularly modelled to investigate the variables influencing the price of 'Tonda Gentile Romana'; the most widespread hazelnut cultivar in the Viterbo production region. The model was also used for forecasting purposes. It made it possible to estimate the possible impact of different scenarios upon prices and exports. One of the scenarios was based on the hypothesis that Turkish policy for reducing the area of hazelnut cultivation would prove successful.