

"International institutions, free trade and peasants in developing countries: What interactions, what mechanisms and what consequences? The Algerian paradigm"

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The liberalization of international trade should increase wealth of everything and everyone and had to bring prosperity worldwide. J. Stiglitz (Nobel memorial prize in economic sciences in 2001) says that if trade liberalization was conducted fairly and if it was accompanied by measures and appropriate policies, it can actively stimulate development. Populations of the developed world as well as those of the developing world are supposed to win. Today, if free trade has not functioned properly, it is partly because trade agreements concluded were neither free nor fair. They were asymmetrical. They opened the markets of developing countries to products of advanced industrial countries without full reciprocity. A large number of subtle but effective trade barriers, remained in place, putting developing countries at a disadvantage said Stiglitz.

This unbalanced system of international exchange (including the agricultural), required (under the auspices of international institutions, IMF, World Bank and WTO) lower protection and suppression duties. This situation caused a decline in budgetary revenues and revenues of the States, meaning a reduction in development costs, infrastructure, investment and protection of farmers ... etc.

This imbalance including from a dualism of differential treatment between developing countries and developed countries. For years, farmers in the South are suffering from injustice and merciless rules of international trade. This trade reminds J.Y. Cafantan based on "*an imposture*" entitles the richest states to put pressure on developing countries to open their borders while closing their markets to products from developing countries under the pretext that these countries no have not sufficiently opened their borders. The former head of the World Trade Organization said that while trade liberalization had not fully kept its promises, it is largely the fault of developing countries that do not open their advantage markets to free trade to globalize faster.

Yet, developing countries have been the first to liberalize trade and open their borders to exports from developed countries. Most have followed exactly the instructions from donors and international institutions during the implementation of structural adjustment programs (agricultural liberalization, removal of subsidies, the abandonment of protective measures, the disengagement of the State are the key measures of fiscal policy changes advocated by the IMF under the structural adjustment policies has seen a large number of indebted countries since the 1980's).

They opened their domestic markets beyond the implication from trade commitments made to WTO, making their farmers the brunt of the prevailing system in the world. Both the IMF and World Bank crowded with indebted countries to impose a free trade. As was the case in Algeria which is still protected at one time, declining coverage was a condition to the granting of new loans by these institutions.

The persistence of global trade in this global trading system under the current rules of the WTO, seriously damages the interests of developing countries and their farmers. The WTO international law, says Stiglitz, is "*an imperfect rule of law*". They are set by bargaining, especially between poor and rich countries, and the interest of rich countries prevails in general.

Continuing the international trade liberalization along this path can only strengthen the mechanisms of impoverishment of the majority of farmers around the world, rural exodus and urban poverty. Rules based on free trade have made the food that is an essential element of human life, a fundamental right that all human beings should have access in time and space like any other commodity subject to the free market.

Years after the creation of the WTO, liberalization of international trade that would increase the wealth of all nations and bring a global economic prosperity has not kept its promises. Inequality has persisted between states and within the same nations. Reality does not conform to expectations. Worse, these inequalities have widened.

Under the aegis of the IMF and following its recommendations, the Algerian agriculture is seen to lack the financial resources and equipment which remains a major obstacle to the work of farmers. In Algeria like in developing countries, shock therapy distressed by the IMF has only complicated the situations of farmers. Since the changes made in the Algerian economy and the Government's use of SAP (Structural Adjustment Plan) in 1994, the farmers' situation kept deteriorating.

Our paper, try to illustrate the consequences of the IMF intervention for the Algerian agriculture in the past and what are the impacts to the Algerian accession in WTO for the agricultural sector in general? What will be the impact on small Algerians farmers in particular? Necessarily, it will not be very different from what happened in similar situations, where small farmers borne the brunt of their accession to the WTO.