

# Governance of food distribution and its impact in maintaining economic stability in Algiers

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**Abstract**—In order to respond to the widespread social complaint the beginning of 2011 against the growing prices of basic foodstuffs, the Algerian government has decided to bring regulations that controls the price of oil and sugar, in addition to those already existing (milk, bread, flour, etc.). The decision to institutionalize the subsidize of certain foodstuffs as an elementary single policy response of the state, contains a number of risks: untargeted device: this subsidy benefits both rich and poor alike; emergence of smuggling: leakage of subsidized products to neighboring countries and detrimental to the national economy: the state in 2012 had spent nearly 300 billion dinars (a little over \$ 3 billion) for these grants.

The easy solution adopted by the State to manage these social frictions by inadequate measures will inevitably lead to the rapid exhaustion of the financial upturn enjoyed by Algeria, and this at the expense of the future generations to come. It is clear that in a different context, where this financial windfall did not exist, it will cause serious problems for the country and weaken further the relationship governing-governed.

Beyond this non-productive policy for the national economy, it would have been crucial for the government to identify the major actors around the distribution of wide consumption products in Algeria, to determine their economic impact and raise urban freight from its lethargy to improve the quality of life in cities.

The important feature that we give to this activity is not accidental, since the Governor of the Bank of Algeria declares in the monetary and financial reports that: "Inflation in Algeria is more endogenous, related to malfunctions of persistent domestic markets of these goods where price formation depends on dominant position or speculation, "which means that the current functioning of domestic markets is the main cause of the dramatic increase in inflation.

**Keywords**- Governance, inflation, trade, distribution, quality of life and movement.

## I. INTRODUCTION

Like other economic sectors, the distribution in Algeria was marked since independence by major upheavals that followed the economic life of the country. These changes, combined with a total lack of statistics on flows and quantities of goods transported, have made relations between the various actors in this activity so opaque that public intervention may jeopardize the supply of our cities.

To this end, this paper addresses three issues closely linked: the first one is devoted to the retrospective study of

food distribution in Algeria. The second concerns the study of peculiarities that takes Algiers as a business in the food sector and its vulnerability to natural disasters. Finally, the third point will be devoted to the analysis of inflation on the purchasing power of households.

The expected results of this work will enable us to distinguish clearly the predominance of the wilaya of Algiers to the rest of the country. Therefore it's up to the public authorities to address the vulnerability of space and risks disaster on the country's future.

The division of the territory of the wilaya (department) of Algiers, into areas was done in accordance to the macro mesh adopted in the PDAU (Master Plan of Urban Planning and Development) and that in order to organize the transport, ensure good spatial coverage of transport demand current and future, to offer an alternative to the use of private vehicles by the introduction of an efficient public transport system , etc.

This mesh is composed of fourteen zones representing the 57 municipalities of Algiers. For practical reasons, we have grouped some areas in order to achieve territorial continuity and equitable distribution of the population of the province of Algiers by study area and by cutting the wilaya of Algiers according to a network of heavy axis.



Figure 1. Structuring the space of Algiers in area (zone).

## II. CHRONOLOGY OF THE EVOLUTION OF FOOD DISTRIBUTION IN ALGERIA

A retrospective analysis of the evolution of food distribution in Algeria, traces the various stages that have marked this activity, from the pre-colonial period to the present day.

### A. Colonial period

The colonial period was marked in large cities by the presence of large areas as department stores located in the very city center. At these stores (Monoprix, galleries of France, the Globe), a wide range of products ranging from food to furniture through textiles are offered to consumers.

At the level of neighborhoods, was the corner grocery stores that offered microscopic sales. These stores operated in small areas. They were controlled by members of the same family who often lived in adjoining rooms at the store. As for the rural population, it was merely traditional commerce (mobile Weekly Souk) where consumers had to supply for the week.

French presence in our country has monopolized the business of distribution of basic necessities for its citizens, thus leaving the conquered with a small part of the market composed of small businesses.

Supermarkets took the form of department stores located in city centers, on three or four floors at the city of Oran, Algiers, Constantine and Annaba, etc., Under the brands: Monoprix, Galeries de France, etc.

These stores offered a wide assortment ranging from food to furniture and textile fabric. In 1958, the service sector accounted for 47% of gross domestic production (including 445 billion), against 27% for industry and 26% for agriculture [10]

At the wilaya of Algiers, the Market Hall treated annually more than 281,000 tons of cargo and allowed traffic of 600 vehicles / hour and the daily processing of 1,200 tones of cargo. In addition to this important market, there were five other markets namely: Bab-El-Oued, Rue de la Lyre (DebihCherif), Agha, Plateau Saulière (Barnave) and Belcourt.

However, there were also outdoor markets, consisted of barracks (souks) operating in the Arab neighborhoods of Algiers and particularly Bab-Azoun which was hosted by Souk El Kebir, Souk Kherratin (turners), Souk esSemmarin (marréchaux farriers), Souk RahbaEr (grain market), etc.

### B. Algerian food control by the state

The commercial activity in Algeria has undergone many changes that followed the same path as the country's liberation from the stranglehold of settlers on the distribution market to the monopoly of the Algerian state.

#### B.1. Some major features of the structural change of supply after independence

The aftermath of independence was marked by a period of disruption of trade due to the mass exodus of

Europeans who have monopolized the whole chain of food. Faced with this situation, an urgent response was made by the State which was set up in July 1962 from organizations of direct intervention in the import, trading, export and distribution of food products.

Among the most important in the field related to basic necessities, we name the following organizations:

- OAIC (Inter-professional Algerian Office of Cereals) established in July 1962, responsible for the importation and marketing of wheat, barley, corn and supervision of all domestic production of grain;
- ONACO (National Office of Marketing) was established in December 1962, whose task was to ensure the supply of processing units, private wholesalers and retailers of basic foodstuffs (coffee, butter, tea, peanuts, spices, etc..) to regulate prices, through budgetary assistance from the State;
- OFLA (Fruits and vegetables Office of Algeria), with a mission of the marketing, both within and outside the country, of agricultural production from self managed lands in order to compete with the monopoly of private agents.
- In the perspective of ensuring the control of the food supply and to avoid monopoly of some private wholesalers who controlled the food market, the state created the CARG (Purchasing Professional Group) in 1964. Its mission was to develop forecasts of imports, control purchases, to ensure the proper management and allocation of quotas among the six members BOIMEX (wood), GITEXAL (textile raw materials), GAIRLAC (milk and dairy products) GADIT (textile and related products), GICP (leather and skins) GIAP (shoes);
- SEMPAC (National Society of semolina, pasta and couscous), established in 1965, responsible to supply the population through food grain retailers at the same price in all outlets nationwide, through the network of 1400 wholesalers and 3000 intermediaries.

In July 1962, the wholesalers played an important role in the distribution. They contributed effectively to the promotion of goods from producers as they could create shortages or raise prices in conjunction with producers. Although they do not have their own network, wholesalers, retailers were delivered choosing products that interested them.

The charter of 1976 marked a decisive step in organizing the distribution of food. It was thus adopted the principle of nationalization of wholesale trade, considering the large private sector as a parasite intervention between the production sector and the consumer.

Of course, the expected changes should match in the scope of this principle, to overall economic productive attributed to sectors namely [7]:

- National coverage, reduction of earlier regional imbalances, satisfaction of basic social needs;
- Control of consumption evolution;
- Efficiency in the organization of circuits;
- Rational use of existing resources and infrastructure;

- Elimination of social groups controlling the wholesale markets to replace the dominant logic of profit, by a logic assigning to the commercial sphere a social function.

As for retail, the charter was considered as the essential link between the wholesaler (socialist enterprise) and consumers whose branching would reach the entire population and make available the products they needed. Private ownership of this activity has not been questioned, but requires state support for this component through department stores to harmonize prices, to fight against speculation and counter shortages.

Concerning his place in society, the population employed in the industry was in 1977, according to the Ministry of Commerce, 190,000 people, or 9% of the national workforce. In 1984, this figure had almost doubled to 350,000 occupied.

### B.2. First steps towards the great distribution:

The first steps of an earlier chain of great distribution, were the MPS (Socialists pilot stores) created by the current government in 1963 to deal with speculation on basic food products. This operation was soon abandoned in 1964 because these stores did not even have their own logistics.

In 1967, there was the creation of SNNGA (National Society of Algerian new galleries) to develop the national economy instruments for public intervention in the distribution of food products. This public company had 27 units spread across the major cities of the North.

Faced with the lack of investment in infrastructure business, the boundaries of distribution channels and multiple operators in the same vocation, the State, as a solution, advocated streamlining the infrastructure management and distribution channels. Thus, it was decided in the four-year plan (1974-1977), increasing the capacity of the business by funding 21 stores and 25 supermarkets. However, territorial disparity existed in the implementation of these stores, significantly disadvantaging rural areas [9]. Addition to the problem related to the installation, the infrastructure lacked a standardized architecture. Low means have been put in place to achieve this ambitious program, knowing that the first supermarkets were received in 1980.

Characterized with the slow implementation of the infrastructure has prompted the government to the establishment in 1981 of another form stores namely Souk El Fellah whose operation of departure was not accompanied by significant infrastructure. Indeed, this operation required only the redevelopment of old sheds or wineries that helped build an infrastructure composed of 37 units financed by OFLA funds. In addition, another program was launched for the rapid completion of 21 additional stores built with steelwork.

The major criticisms that have been made to these types of stores were the supply difficulties and their long distances from the city, providing a major handicap for households with no vehicle. However, following the multiple interventions, the national market for the distribution has

undergone a profound transformation whose effects were negative. They are listed below in a comprehensive manner:

- Social level, the market has evolved as a dynamic of profit, loss of markets for certain products of wide consumption has led to an explosion in the demand and price fluctuations;
- Economic level, the lack of control of economic operators on the commercial sphere has led to a market disruption (mismatch between supply and demand in terms of quantity and quality, stock, waste, etc.).

To cope with the shortage of products at retail, while they were available at grocery stores at higher prices, the government decided in 1983 the fragmentation of SNNGA in 12 EDG (56 units with an area of 482 777 m<sup>2</sup>) with a regional scope and Souk El Fellah (58 units with an area of 613 287 m<sup>2</sup>) which were enterprises of the wilaya.

This restructuring has certainly increased sales of Ex. SNNGA which rose from 5.4 billion DA in 1982 to 6.3 billion DA in 1983, an increase of nearly 17% and the Souk El Fellah, with 3 billion DA in 1982 to 3.7 billion DA in 1983, an increase of 23%.

But it has not completely ruled out the main factors that led to the restructuring, that is the availability of products and eccentricity of stores with regards to the place of residence, non-equitable distribution of stores and sales depots in geographical area of the country, the absence of a dynamic selling illustrated by a fixed tariff policy and higher operating and investment costs : 10% of the 688 retail stores, at national level, the ONACO , SNNGA, and SEMPAC SOGEDIA has been established in Algiers representing 38% of the stores and depots North Central Region.

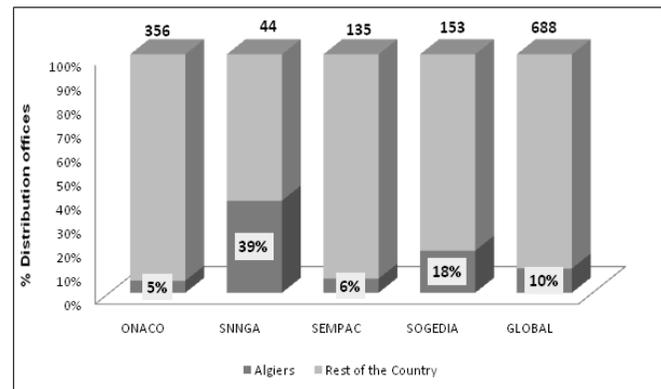


Figure. 2. Distribution offices by territorial groups in Algeria, 1978 [9].

Taking advantage of the change of political system in 1989 and the advent of the market economy, the opening of this activity to competition gave the “ coup de grace ” to businesses and public agencies working in this field. All the actions taken by the government (fiscal consolidation, cancellation of tax record, easing tax provision of lines of credit, etc..) to maintain its stranglehold on the retail sector and meet the expectations of the population in terms of product availability, and affordable prices were unsuccessful. In November 1997, the National Council of State Holdings

(NPP) finally dissolved 1,040 units and antennas EDG (326) and Souk El Fellah (714).

Today, the state is completely absent in the field of distribution, controlled exclusively by importers, producers, wholesalers and retailers. A timid action has been taken by the Ministry of Commerce under the decree of 12 May 2009 laying down the conditions and arrangements for implementation and development of commercial spaces for the exercise of commercial activities in order to organize the implementation of commercial spaces and management of wholesale markets.

### III. CURRENT STATUS OF DISTRIBUTION, THE OVERWEIGHT OF ALGIERS

In the absence of a major economic rationality and improved competitiveness of national productive sectors, supported by foreign trade control, the organization of the food market in Algeria is practically governed by a logic assigning the commercial sphere to profit at the expense of quality and public health [3].

The number and geographic location of sources of supply and distribution of food products vary significantly from one to another wilaya. We reported only the major players in the distribution business, four in number, namely: producers, importers, wholesalers and retailers.

#### A. INDUSTRIAL

National food industrial potential consists of 9033 companies, and comparing this potential between Algiers and the rest of the country are as follows (Figure 3):

- Less than 5% of the number of units specialized in food production, and sugar refining, yeast production, canning fruits and vegetables;
- Between 5 and 10% of companies engaged in activities related to: oil mill and oil refinery, chocolate, pasta making, biscuit and diet products and confectionery;
- More than 10% of companies which are specialized in milling, dairy, brewing coffee and tea, mineral water and soft drinks.

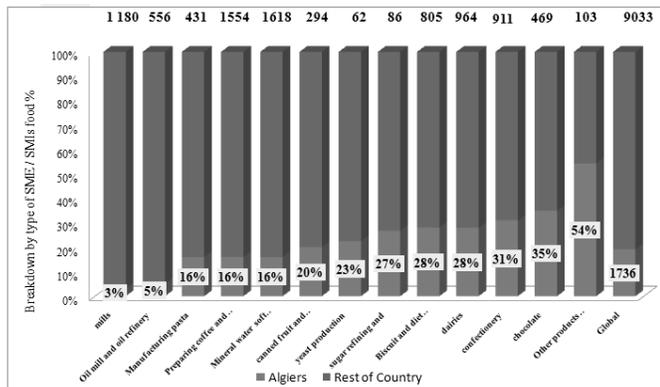


Figure 3. Breakdown by territorial unit by type of SME / SMIs food, 2009 [3] [8].

#### B. IMPORTERS

The food industry has experienced during the 1980s an important development. Consumption of the population was largely provided from the transformation of general consumer goods: cereals, milk, oil and sugar.

However, faced with low agricultural productivity, and to meet the growing needs of industrial raw materials, import became a palliative malfunction national agri-food sector, giving rise to a large number (7131) of importers.

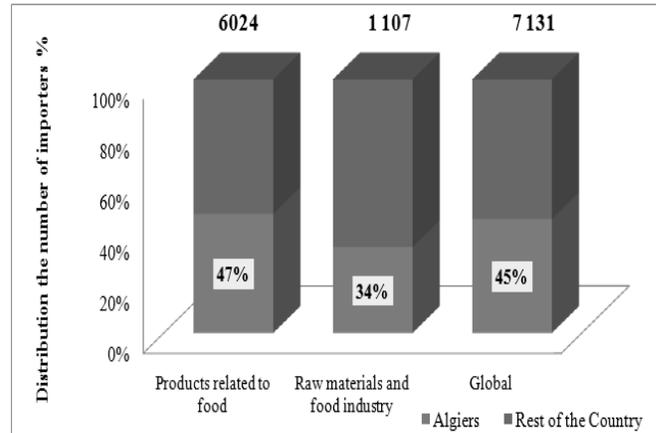


Figure 4. Distribution by territorial unit the number of importers, 2009 [3] [8].

From the figure above, we have identified two categories of importers: 6024 Importers of Food products and 1017 importers of raw materials and products of the food industry. 85% of these importers are located in the north of the country, while the Highlands and the South did have respectively 12% and 3% (Fig. 4).

What characterizes this distribution, is the number of importers engaged in Algiers, which represent 45% of domestic importers, or almost four times the number of importers in the Highlands. It is evident that effective management of the supply function is not so easy given the large number of stakeholders on the one hand and the availability of other imported products (raw materials and finished products).

#### C. WHOLESALERS

The vertical distribution activities can be very realistic assumption that the unequal distribution upstream (Industries and importers) can only be confirmed by the geographical location of wholesalers. Indeed, among the 23,724 practicing wholesalers nationwide, 70% of them work in the north of the country, against 21% in the Highlands and 11% in the South.

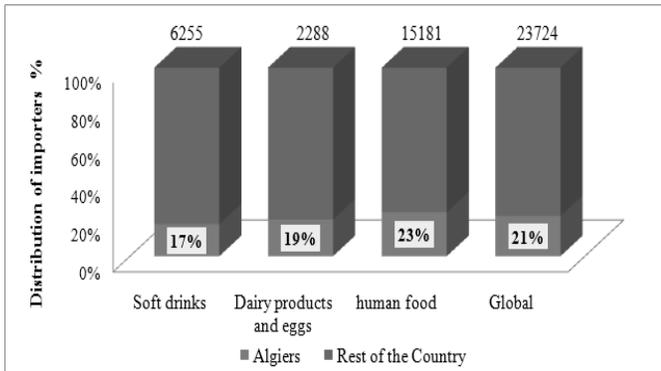


Figure 5. Distribution of importers by territorial unit, 2009 [3] [8].

In comparison with the Nord Center, we found that the number of wholesalers engaged in Algiers represents more than 50% of all wholesalers. In addition, one of the fundamentals to remember in the table below, is the number of large wholesalers engaged in Algiers, which accounts to more than one-fifth of national wholesalers (5051). 70% of them distribute food, against 21% in soft drinks, and 9% in dairy products and eggs.

The wholesale business of food products is present at the whole of the province of Algiers, with a strong presence in the area 5 (25%), followed by zone 6 (24%) and zone 3 (17%). The rest of the wholesalers (34%) are distributed in zones 1, 2 and 3. More than 70% of wholesalers operating at Algiers specialize in food (Fig. 6).

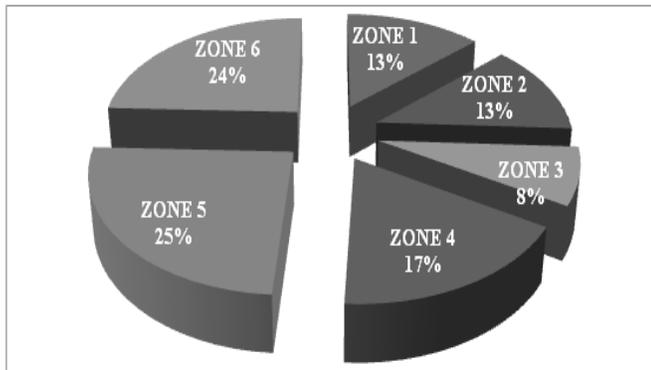


Figure 6. Distribution of food wholesalers in Algiers area, 2009 [3].

There is a radical change in the wilaya of Algiers in terms of known locations of wholesale markets. Indeed during the 70s, the first type focuses more than 80% in the lower Casbah near the port [4] corresponding to zone 3. While currently the wholesale business of food products in this area 3 represents only 8%.

This situation is explained by the fact that the spatial ease at the early years of independence soon gave way, in the mid 70s, to a multiforme concentration (housing, economic activities, state bodies and diplomatic facilities educational academic, health and other) which has made Algiers an intramural city on the verge of suffocation ... this has prompted some structuring activities such as wholesale trade to relocate elsewhere on the outskirts of Algiers. We are

witnessing the fission of the center ... going even against urban planning strategies implemented by the government .... The POG (General Orientation Program) in 1975 proposed the creation of secondary centers around the city of Algiers, Bab Ezzouar among others ....in fact the situation has changed since the otherwise wholesale ..... elected residence, against all odds in areas normally intended for habitation: Kouba, El Biar, Bouzaréah, Birkhadem, Dar El Beida, Hydra and DelyBrahim [2].

The process of transformation configurations within metropolitan areas fit in both continuity and rupture with regards to previous periods in the history of urban development. There is some continuity because changes, whatever they are, are necessarily based on a particularly strong historical center, main area of concentration of population and economic activities [5]. The break is essentially the nature of urban growth, particularly the development of the periphery [12]. Previously defined mainly as a non-center, which now seems to be the place of poles development or alternative centers which may ultimately compete and therefore threaten the dominance of the historical center.

Changes within metropolitan locations appear deep and quite widely common to all developed countries, even though the forms and intensity vary. They result in a growing urban sprawl, that is to say an extension of territory locations, and in parallel a transformation of amono centric structure, on the existence of a historical center overlooking its periphery, in favor of the emergence of metropolitan forms. It develops peripheral poles as privileged areas of corporate concentration, contrasting with areas less fortunate.

The configuration of the transport routes seems to play a major role in the localization and development of these clusters. Culmination of these changes, the role of the historic center is likely to increase, slow down or even decline [6].

#### D. RETAIL

The number of retail is estimated at 141,243, distributed at the rate of 67% in the North against 32% in the rest of the country (see Table 5). In addition, the number of grocery stores with an area less than 120 m2 represents 98% of the total number of retailers.

In 2009, the wilaya of Algiers, 11,030 shops exercising the activity of distribution of products intended for human consumption, less than one tenth of the national total. At the Nord Center, a quarter of stores (grocery) is located in Algiers. The activity distribution of essential commodities occurs at Algiers in almost 98% of the stores of less than 120 m2.

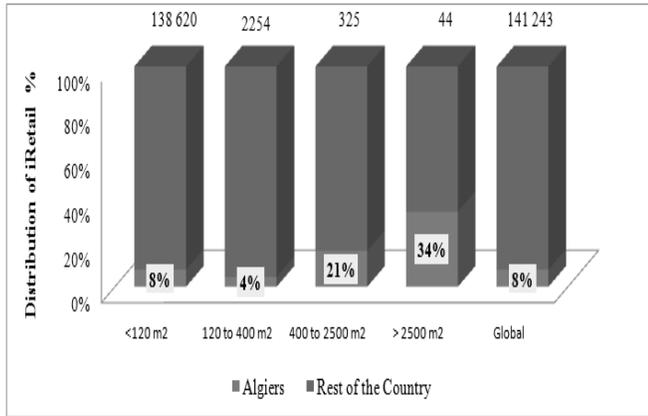


Figure 7. Distribution by territorial unit of retails by type of retail store, 2009 [3] [8].

The sale of general consumer goods is one of the fastest growing activities in Algeria. Since 1997 until 2009, this service has grown steadily (Fig. 8), with a trend rate of about 12.2% between 1997 and 2008, the equivalent of 13 time evolution of the population of the province of Algiers during the same period.

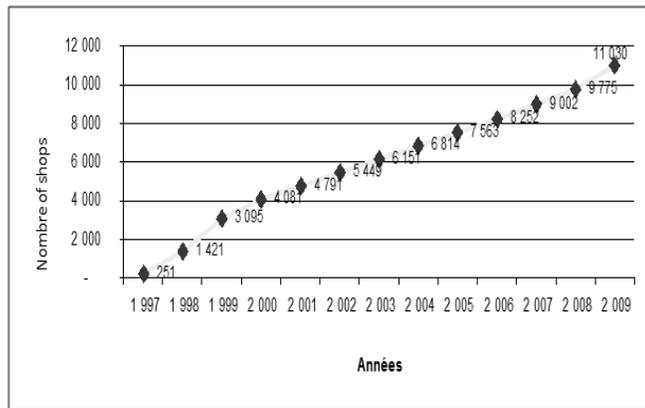


Figure 8. Evolution of the number of grocery stores in Algiers from 1997 to 2009 [3] [8].

Distribution of general consumer goods to the customer is through retailers, they are more present in the wilaya of Algiers in zones 1 and 5. Over 95% of these stores have areas less than 120 m2. However, a timid presence of supermarkets is shown on all areas.

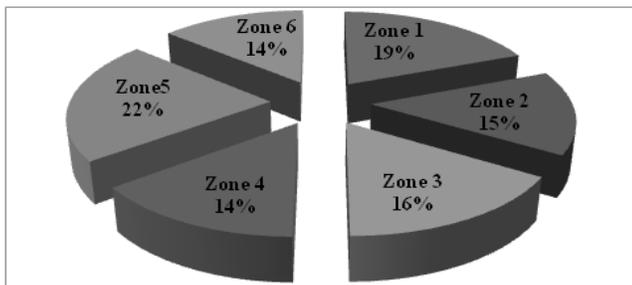


Figure 9. Distribution by region and type of food stores in Algiers, 2009[3].

#### IV. CONSEQUENCES OF THE LACK OF CONTROL

Before entering the heart of the matter, it is interesting to mention a few highlights of the evolution of the Algerian economy during the period 1986-1998 in relation to the policies of the IMF.

Since 1986, the energy crisis that saw the collapse of the price of a barrel of oil, the Algerian economy is experiencing a deep economic recession. The sudden deterioration of the economic and financial situation after the crisis has plunged the country into a crisis of unprecedented external payment that reveals both the fragility of the Algerian economy too dependent on the oil sector and bad economic policy choices.

To eliminate this crisis, the government decides in 1987 a set of measures to reform the completely social and economic system which we now blame the centralized administrative and its management have resulted in economic inefficiency. Thus, the reforms take on the appearance of a liberal economy with the development of new legislation (Law on prices, Currency Act, etc.), Access to foreign trade, banks, etc. [3].

The implementation of IMF austerity plan led, in 1998, the Algerian government to restore financial balances (balance of payments balanced, deficit absorbed, controlled inflation). Socially no solution could be found. In fact, the living conditions of the population were deteriorated further accentuating the economic and social crisis with the consequent emergence and development of the informal economy.

Price developments in the private sector, the devaluation of the dinar and the abandonment of the system of wage indexation on the price level have severely affected the purchasing power of households. Thus, despite the availability of some products subsidized by the state, the prices on the shelves are experiencing a steady rise.

Seeking social peace, a fair balance, quite precarious, unable to protect the population of the constraints of economic conditions was found currently consisting of the establishment of grants for the following commodities: semolina durum wheat, pasteurized milk bag, bread flour, bread. Although ensuring price stability on certain products this choice does not, however involve other general consumer goods also important representative of a growing family expenditures.

The evolution of prices of consumable goods was developed by the ONS on the basis of 1989. This index consists of 260 items represented by 732 varieties selected on the basis of criteria such as the annual expenditure, the frequency of the expense and the product's usefulness. The evolution of the consumption index has influenced the food sector than all other sectors.

Thus, during the same period from 1990 to 2008 (see graph 2), the index of industrial food sector has increased from 108 in 1989 to 1118 in 2008, while for all activities, it rose from 118 to 677, indicating that the prices of food production increased 11.2 times those of foodstuffs and 7.7 times in 18 years [9].

As for inflation, it is a loss of purchasing power of the national currency, which is manifested by the increase in prices of all goods and services. The most common method of presenting numerical inflation is the price index for consumption. In general, "The index of consumer prices is a measure of inflation." It enables to estimate, between two periods, the average change in prices of products consumed by households. This is a summary measure of the evolution of commodity prices, constant quality.

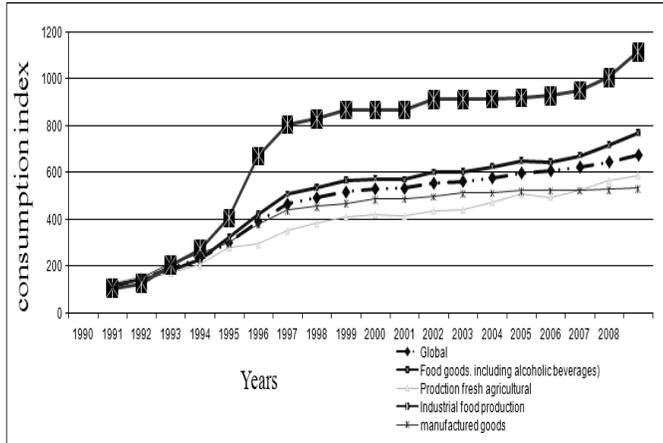


Figure 10. Evolution of the consumption index 1990-2008 (base year: 1989) [11].

It appears from the graph below that during the period 1990 to 1996, the annual change in the index of consumption reached peaks of more than 30 and 40% especially for fresh produce and food products (Fig. 11)

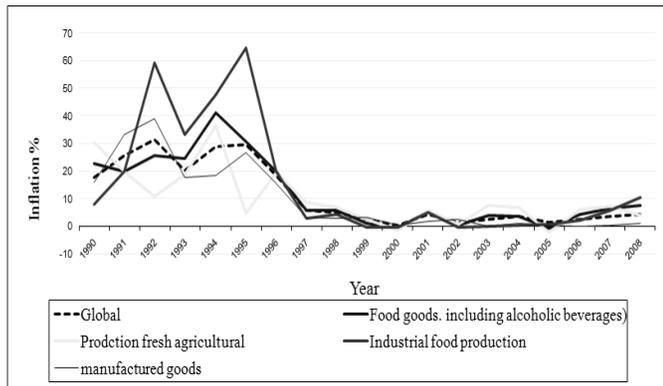


Figure 11. Annual change in inflation between 1990 and 2008 [11].

During the past four years (2005 to 2008), inflation affected almost everything with regard to food. Indeed, consumer products experienced a surge almost constant since that time, with inflation reaching sometimes more than 7%, while headline inflation hardly exceeds 4.5%.

The annual rate of inflation fell from nearly 32% in 1992 to over 4% in 2008. However, reading graphs 28 and 29, the average inflation rate has reached more than 4% in 2007 and 2008 and less than 3% in 2006; this is explained by the rise in prices of consumer goods.

They have recorded an increase of more than 7% with nearly 11% for industrial food products during the year 2008. The government has found a way to blame this phenomenon of inflation rising prices of commodities.

In fact, our economy is rammed by a crisis. Some economists justify this situation by:

- International considerations: the explanation cannot be justified, because we are the only country in the Maghreb to be shaken by the crisis, in addition to a downward movement of products or raw material does not conduct an explicit reduction prices for consumers;
- Monetary causes: excessive injection of money due to the wage increase of non-productive sectors where the economy cannot support this excessive money not followed by production of goods and services;
- Increasing demand: increasing needs of food items has not been considered according to domestic production therefore leading systematically to imports.

The bill for food imports in Algeria is very heavy. Estimated to be less than a billion dollars during the 1970s, it rose to \$ 2 billion in the 1980s, and then to 3.5 billion dollars on the eve of the year 2000 to 4.5 billion dollars these last years.

The period 1992 to 2006 saw the bill for food imports rising from 47 billion dinars in 1992 to 276 billion DA in 2006 (Fig. 12). Increasing prices of food which constitute the basis of our consumer society like wheat, starch, oil, sugar, etc..affected the purchasing power. This increase in prices on the market is essentially "due to a phenomenon of doubling imported inflation" Indeed the food we eat is largely imported and their prices rose on the international market.

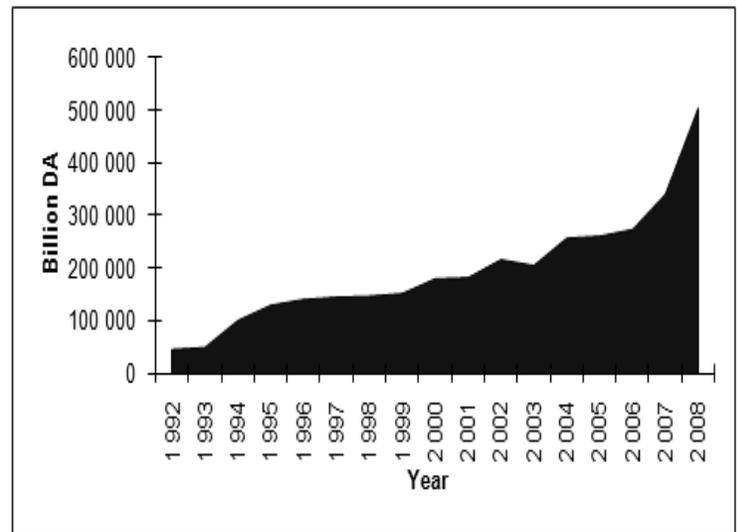


Figure 12. Evolution of the value of imports of raw materials and finished products between 1992 and 2006 [11].

Knowing that we pay our imports (raw materials and finished products) mainly in Euro, while this currency fluctuation is resulting in higher prices on the local market.

Therefore, the recovery of commodity prices on the world market leads necessarily to imported inflation and no action was operative for the purpose of dealing with it.

The Bank of Algeria in his note on financial and monetary trends in the first half of 2009 notes: "While the global trend is the sharp deceleration in inflation or negative inflation in the United States and in the Euro area the evolution of prices in Algeria brought about a new challenge of high endogenous inflation, especially as the first half of 2009 was characterized by a monetary contraction"[1].

Thus, "inflation is endogenous and is no longer generated in significant proportions, by the increase of agricultural imports as in 2007 and 2008, imported inflation tapering considerably."

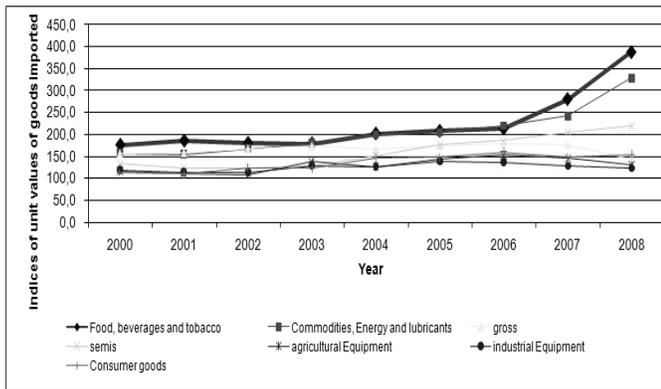


Figure 12. Annual indices of unit values of goods imported by use group (base year: 1994) [11].

The assumption that inflation is imported has been dismissed by this note by the fact that the main economic partners of our country is experiencing deflation since 2009 (1.3% United State, 0.5% Euro Zone 0 4% France 2.3% Japan 0.8% China).

Thus, lack of a real market regulation and a serious cost control production and imports of commodities, the latitude is left to distribution actors to impose unjustified pricing practices. So that our country has become a country with high inflation.

## V. CONCLUSION

In terms of general principles, the distribution policy implementation is currently regarded as the necessary outcome of the prior action. Indeed, no rigorous approach appears to have been undertaken for the definition of a food policy, including the establishment of means of control in this area.

This is the result of a design, in our opinion, fairly limited in terms of dynamic development of the market, considered essential to the transformation and upgrading of national productive branches (transition from an economy administered by state with an economy regulated by the market).

It is quite logical to assume that the market distribution was determined by the configuration of the

branches, which are shaped by the relations of dependency needs of consumers. This conception seems to us far from the reality of the current market players, whose dependency relationship is more oriented vis-à-vis foreign players than the national productive potential, itself developed from imported raw materials.

Therefore, in the absence of a major economic rationality and improved competitiveness of national productive sectors, supported by foreign trade control, the organization of the food market is practically governed by a logic assigning the commercial sphere logic profit at the expense of quality and public health.

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