



The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

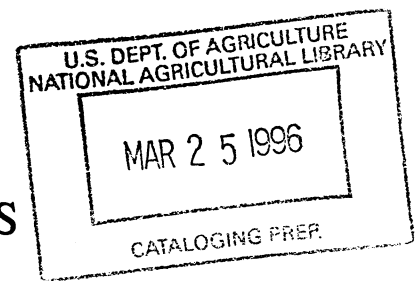
AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.



DEVELOPING COUNTRIES
AND
INTERNATIONAL AGRICULTURAL TRADE

A Conference Sponsored by S-224 Regional Research Project

Quality Hotel of Arlington
Arlington, Virginia
April 8-9, 1991

Fred J. Ruppel
Program Coordinator

Stanley M. Fletcher
S-224 Chair

Received By. /
Indexing Branch

AGRICULTURAL TRADE AND STRUCTURAL ADJUSTMENT IN LESS DEVELOPED COUNTRIES

E. Wesley F. Peterson
University of Nebraska

The structural adjustment programs (SAPs) undertaken by many less developed countries (LDCs) have typically emphasized the elimination of price distortions. For the economists of the IMF, World Bank, and other donor agencies, prices are considered to be "distorted" if they differ from the world price. Bringing domestic markets into greater harmony with the world market has been central to most SAPs, thus placing trade and trade policy at the heart of these reforms. The first part of this paper describes the origin of SAPs and profiles their main characteristics. The second part details the expected effects of these policy reforms with particular emphasis on agricultural trade and provides some preliminary evidence concerning their actual impact on LDC economies. This evidence suggests that trade policy and exchange rate reform engender fairly sluggish responses in LDCs and may make these countries more vulnerable to world market instability. Policy implications of this analysis are discussed in the conclusion.