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Les causes de la croissance économique erratique des pays exportateurs des produits primaires : une approche théorique

The causes of erratic economic growth in primary commodity exporting countries : a theoretical approach

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Abstract : Trade between nations is an important lever for promoting people's well-being. The aim of this article is to show that countries exporting raw materials and importing manufactured goods cannot achieve economic take-off. The methodology consisted in clarifying consumption, investment and government spending on local and imported goods, based on effective demand. Countries exporting raw materials and importing finished goods often have a negative Keynesian multiplier, and will not experience the sustained economic growth needed to achieve economic take-off. Their balance of payments is always in deficit, and the process of economic development is uneven. To reverse this situation, they need to process their primary products locally, where they have comparative advantages, and export their finished products.

Key word: trade, effective demand, private and public investment, Keynesian multiplier.
JEL CODE : $B_{22}E_{12}F_{41}$

RESUME : Les échanges entre les nations constituent un important levier de promotion du bien-être des peuples. L'objectif de cet article est de montrer que les pays exportateurs des matières premières et importateurs des biens manufacturiers ne pourront connaitre de décollage économique. La méthodologie a consisté à expliciter les consommations, les investissements et les dépenses gouvernementales en biens locaux et importés à partir de la demande effective. Les pays exportateurs de matières premières et importateurs des biens finis ont le multiplicateur keynésien souvent négatif et ne connaitront point de croissance économique soutenue pour accéder au décollage économique. La balance des paiements est toujours déficitaire et le processus de développement économique est en dents de scie. Pour inverser cette situation, ils doivent transformer sur place les produits primaires dont ils disposent des avantages comparatifs et exporter désormais leurs produits finis.

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Mot clés : échanges, demande effective, investissement privé et public, multiplicateur keynésien.
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1. Introduction

Community life began with the genesis of mankind. As man's development progressed, he made work an inescapable duty of society. From the research that accompanied this human flourishing, the classics equated society with the economy (Adam, 1776). It produces goods and services for its own development and survival. With development, diverse societies exchange these goods with one another. Further on, the classics affirm that the division of labor and, above all, the specialization of society's members, in turn increases exchanges and contributes to greater well-being. Karl Marx's Critique of Political Economy (1850) made these various societal evolutions more explicit. Keynes (1936) introduced the notion of gross domestic product to measure the economic activity of a community or country over the course of the year.

An economic indicator for measuring a country's wealth production, gross domestic product (GDP) measures the value of all goods and services produced in a country over the course of a year, net of intermediate consumption. GDP is measured on the basis of value added supplied by companies and government accounts (Malassis 1973 ; Samuelson 1988). It is made up of a market gross domestic product, which includes traded goods and services, and a non-market gross domestic product, which includes services provided by public and private administrations free of charge or virtually free of charge. It is a synthetic quantity characterizing a country's economic activity obtained by combining various national accounting items. It represents the final result of the production activity of the country's resident producer units, irrespective of their nationality. The variation in real GDP from one year to another measures the country's economic growth rate. Conversely, a fall in real GDP reflects a decline in the economy, a recession.

All communities, whatever their stage of development, produce goods and services to meet their needs and exchange with others. Although African communities were not organized into states before colonization, economic activities flourished and trade, notably in salt and cola, took place between Sahelian communities and those in humid Africa; these were feudal states (Ki-Zerbo, 1972, 1991). Until the 16th century, before Western penetration, Africans clothed themselves, built their homes, travelled, made their defensive tools and so on. Thus, before Western penetration, each kingdom, each community entity had its own gross domestic production (Marx, 1850). With Western penetration in Africa since the 16th century, the process of production and accumulation has taken a different turn in Africa. Accumulation no longer takes place, and production, far from being exchanged between African communities, is traded with the colonizing countries, since the production of the new states born of this colonization is carried out more to satisfy the needs of the colonizer than to satisfy their own needs, and food shortages are the immediate result. Today, trade is such that countries producing raw materials export them in order to import the finished goods resulting from their transformation. This exclusivity is taking a worrying turn for the development of these raw material exporting countries.

It's as if these countries exporting raw materials don't know how to transform them, as if there weren't people capable of setting up factories to process them on site, or that their

derivatives don't exist, or that these countries can't ensure their transformation. Yet these transformations, which are the starting points for the development of value chains, are still carried out by human power in the various regions of these countries. And the products of these factories are well appreciated by other communities and could therefore serve humanity. Their industrialization is rarely considered in development policies of those countries.

Normally, whatever the political regime, increasing gross domestic production is a prime objective of those in power, through the optimal use of available resources. This production is primarily aimed at covering the nation's needs, and the surplus is distributed to the rest of the world. In this case, the underlying objective accompanying GDP growth is full employment. This concept, poorly appreciated and confused only with the employment of all available manpower, is broader and includes, in addition to this, the maximum use of other available resources such as land, capital, soil and subsoil resources, etc. So, when banks are over-liquid and won't grant credit on the pretext that activities are risky, there is no full employment. When over 80% of arable land is uncultivated because of farming techniques, there is under-employment of resources. To corroborate all this, once other resources are untapped or unused, we speak of underemployment and unemployment is rife. This is mainly due to economic policies that are not aimed at satisfying domestic demand, but rather that of external countries. As a result, although these countries are reservoirs of deposits of all kinds, they have no factories and are not inventing equipment to process them locally. Similarly, in the agricultural sector, only industrial crops are prioritized to supply the raw materials needed by the industries of the colonizing countries, especially as the financing of this agriculture is dependent on external credit. Under these conditions, is the economic take-off of raw material exporting countries possible ? And under what conditions ?

There is also a widespread belief that the industrial development of these countries is a replication of that of developed countries. No, the industrial development of these nations must start from the promotion of derivatives of goods that their communities have been crafting for ages, to bring new products to mankind. What's more, the classical economists Smith (1776) and Ricardo (1817) showed that exchange between communities is highly beneficial, enabling those who participate in exchange to enjoy a higher level of well-being than they would without exchange. To achieve this, each community must specialize in the production of goods for which it has a comparative advantage.

These authors have shown that trade is better that autarky. In an autarkic economy, all the goods consumed come from one's own efforts, initiatives and creative genius. Goods may or may not be expensive, and the population accepts them as such. But when it comes to trade, far from having a permanent surplus in the balance of trade, as the mercantilists emphasized, the classics showed that trade is beneficial to the participants in the exchange, and that the balance may be in deficit from time to time.

Neoclassical economists showed that comparative advantage is initially natural, and is reinforced and perpetuated by experience, the acquisition of knowledge and the development of value chains (for a long time called commodity chains) (Mason, 1939). But this theory did not say that some communities will be importers of finished goods and exporters of raw materials, while others will import raw materials and export finished goods. It did not say that

we need peripheries and centers (Samir, 1973). Rather, it calls for competition, and for each community to provide humanity with what it produces most cheaply. Otherwise, it calls for the cross-fertilization of finished products and by-products derived from the knowledge and practices of different communities. So, does exchange based on importers of raw materials on the one hand and their exporters on the other contribute to the betterment of humanity as described by the classics, or does it destroy part of this well-being ? Who are the winners and losers in such an exchange ?

2. Methodological approch

This article was inspired by the composition of goods consumed in developing countries, most of which are importers of manufactured goods and exporters of primary products. This raises the question of whether the exclusive export of primary products and the import of manufactured goods augurs well for the economic development of these countries. In other words, as Samir (1970) points out, will the so-called peripheral countries know economic development? To answer this question, we drew inspiration from the fundamental equilibrium in macroeconomics.

2.1.Analysis model

Our starting point is the fundamental macroeconomic equilibrium, which states that effective demand in an open economy is given by :

$$Y = C + I + G + X - M \quad (1)$$

With :

C, domestic consumption

I, private investment

G, government spending

X, exports and

M, imports

In the case of countries exporting primary products, C is not totally produced at national level. It can be written as follows

$$C = C_l + C_m \quad (2)$$

where C_l represents local goods consumed and C_m represents imported goods consumed.

Private and public investments are more often foreign-produced $I_m$and G_m and a small proportion is locally produced I_l and G_l. Public investment.

Let's write that I and G are of the form :

$$I = I_l + I_m \quad (3)$$

$$G = G_l + G_m \quad (4)$$

But theoretically

$$C = C_0 + cY_d \quad (5)$$

Where C_0 is autonomous consumption,

c is the marginal propensity to consume and

Y_d is disposable income,

$Y_d = Y - T$ Assuming that taxation is an affine function of income, we have :

$T = T_0 + tY$ where t is tax pressure (6)

$$Y_d = Y - T_0 - tY \quad (7)$$

Furthermore, assuming that investment, public spending and imports are endogenous, i.e. a function of income, we can write that

$$I = I_0 + zY \quad (8)$$

$$G = G_0 + gY \quad (9)$$

$$X = X_0 + xY \quad (10)$$

z, g, and x are respectively the marginal propensities to invest in private, public and export. They are all between 0 and $(0 \leq r \leq 1)1$ with $r = z, g, and\ x$

Thus, the value of M is none other than

$$M = C_m + I_m + G_m \quad (11)$$

Replacing (2) to (11) in (1), we find

$$\boldsymbol{Y} = \frac{\boldsymbol{C_{l0} - c_l T_0 + I_{l0} + G_{l0} + X_0 - (C_{m0} + I_{m0} + G_{m0 - c_m T_0})}}{\boldsymbol{1 + [c_m(1-t) + z_m + g_m] - [x + c_l(1-t) + z_l + g_l]}} \quad (12)$$

There are two values for the Keynesian multiplier k, depending on whether investment, public spending and autonomous consumption are made up of local and/or imported goods

$$k_l = \frac{1}{1 + (c_m(1-t) + z_m + g_m) - [x + c_l(1-t) + z_l + g_l]} \quad (13)$$

$$k_m = \frac{-1}{1 + (c_m(1-t) + z_m + g_m) - [x + c_l(1-t) + z_l + g_l]} \quad (14)$$

These two opposing multipliers raise a number of questions. Firstly, they have to be positive to be favorable to economic growth. Their analysis will determine the conditions under which they are favorable to the development of commodity-exporting countries.

2.2. Brief discussion of this result

The first discussion is that this denominator must exist. Otherwise

$$1 - x \neq (z_l - z_m) + (g_l - g_m) + (1 - t)(c_l - c_m) \quad (15)$$

The proportion of national production not exported must be different from the sum of the differences between the marginal propensities to invest in local and imported products in the private and public sectors, plus the product of the share of disposable income multiplied by the difference between the marginal propensities to consume local and imported goods. In other words

$$c_l - c_m \neq \frac{1-x+(z_m-z_l)+(g_m-g_l)}{1-t} \quad (16)$$

In the event of a tie, there's no economy

3. Results and discussions

3.1. Impact of stimulus policies on the equilibrium income of commodity-exporting countries

The effective demand equation of macroeconomic equilibrium is based on the fact that consumer goods and investments are the fruit of each nation's labor. But in the context of these countries, the various items such as private and public investment and consumption are largely products of the outside world. Thus, the expression of the equilibrium income value shows how these economies are mortgaged and cannot develop as rapidly as claimed. What's more, a large proportion of private and public investment is not local to these countries.

The equilibrium income value shows a numerator and denominator that can be negative or positive. There are four possible cases. The numerator and denominator have the same sign or opposite signs. In all cases, for a franc invested to spearhead the economy, both multipliers must be positive. But first, let's look at the case where the numerator is zero.

A zero numerator means that the injection of millions into the economy does not increase nor decrease the value of GNP. So, given the structure of the economies of these countries, the injection of millions or billions into the economy cannot contribute to increasing the value of national production. In other words, we have:

$$C_{l0} - c_l T_0 + I_{l0} + G_{l0} + X_0 - (C_{m0} + I_{m0} + G_{m0} - c_m T_0) = 0 \quad (17)$$

$$X_0 = (C_{m0} + I_{m0} + G_{m0}) - (C_{l0} + I_{l0} + G_{l0}) + T_0(c_m - c_l) \quad (18)$$

Thus, incompressible exports must be equal to the difference between incompressible imported absorptions net of incompressible local absorptions plus the incompressible tax multiplied by the difference between the marginal propensities to consume imported and local goods. If the two marginal propensities to consume are equal, or the autonomous tax pressure is zero, then incompressible exports are equal to the difference between incompressible imported and local absorptions. In the case where the marginal propensity to consume local goods is greater than that of imported goods, the third term is negative and further reduces the difference between incompressible imported absorptions and incompressible local absorptions. If incompressible import absorptions are greater than both terms, exports are positive. Table 1 presents the different cases of the sign of minimum exports, and shows how incompressible exports of primary goods exporting countries fluctuate each year.

Table 1 : Signs of incompressible exports according to marginal propensities to consume local and imported goods and the importance of local absorptions and incompressible imports.

	$T_0(c_m - c_l)$	Absorptions locales	Incompressible imports	X_0
$c_l = c_m$	Null term	High	Low	Negatives
		Low	High	Positives
$T_0 = 0$	Null term	High	Low	Negatives
	Null term	Low	High	Positives
$c_l > c_m$	Negative	High	Low	Negative
	Negative	Low	High	Depends on 3rd term
	Negative	High	High	Depends on 3rd term
	Negative	Low	Low	Depends on 3rd term
$c_l < c_m$	Positive	Low	High	Positives
	Positive	Low	Low	Depends on 3rd term
	Positive	High	Low	Positives
	Positive	High	High	Depends on 3rd term

Source : author's design, 2022.

After discussing the sign of the numerator, let's examine the conditions under which the Keynesian multiplier is positive.

- **First case : numerator and denominator are positive.**

A positive numerator means that incompressible exports are greater than the difference between incompressible local and imported absorptions, plus the product of the difference between marginal propensities to consume local and imported goods, multiplied by the initial tax. Otherwise we have :

$$X_0 > (C_{m0} + I_{m0} + G_{m0}) - (C_{l0} + I_{l0} + G_{l0}) + T_0(c_l - c_m) \quad (19)$$

This equation raises the question of the marginal propensity to consume local and imported goods. The higher the marginal propensity to consume imported goods, the more of the taxes that should benefit the country flow back outwards through the consumption of these imported goods.

To ensure that the incompressible exports of countries exporting primary products are always greater than the difference between the absorption of imported and local goods, plus the product of the initial tax multiplied by the difference between the marginal propensity to consume local and imported goods, local products must be better valorized by promoting their value chains. However, these exports are made up of primary goods, i.e. those products which, according to Colomb et al. (2013), are experiencing a deterioration in their terms of trade. Otherwise, it would be illusory to think of their better valuation.

Only by promoting the potential by-products of these local products can they be enhanced. These by-products will have to be promoted by setting up primary product processing

industries. This will require further research, not only into suitable equipment, but also and above all into packaging and marketing.

At the same time, this result means that we must avoid importing goods for which we can gain a comparative advantage through experience, as this advantage is already naturally acquired. The diversification of primary product exports is blocked by the deterioration in the terms of trade, which causes the prices of these products to fall in real terms (Colomb et al., 2013). Moreover, it generates unemployment and accentuates the underdevelopment and disarticulation of sectors of the economy.

The positive denominator means that

$$1 + (c_m(1-t) + z_m + g_m) - [x + c_l(1-t) + z_l + g_l] > 0, \quad (20)$$

$$x - 1 < (c_m - c_l)(1-t) + (z_m - z_l) + (g_m - g_l) \quad (21)$$

The marginal propensity to export reduced by one unit must be less than the sum of the product of the difference between the marginal propensities to consume imported and local goods and the share of disposable income, plus the differences between the marginal propensities to invest in imported and local goods of the private and public sectors. Otherwise, the difference between the marginal propensities to consume imported and local goods must be greater than the ratio of the marginal propensity to export minus one unit plus the differences between the marginal propensities to invest in local and imported goods of the private and public sectors over the share of disposable income; i.e.

$$c_m - c_l > \frac{x-1+z_l-z_m+g_l-g_m}{1-t} \quad (22)$$

In practice, in the public sector, for a given year, the marginal propensity to invest in local goods is lower than that in imported goods, so the difference $(g_l - g_m)$ is negative. In the private sector, investment can be precarious (i.e. in local goods) or definitive (here, we have a combination of imported and local goods). This means that the difference in marginal propensities to invest in the private sector $(z_l - z_m)$ can be negative or positive, depending on the area of activity. As the denominator (1-t) is positive, it is difficult to determine the sign of the difference between the marginal propensity to consume imported and local goods.

- **Seconde case : the numerator is positive and the denominator is negative**

$$X_0 > (C_{m0} + I_{m0} + G_{m0}) - (C_{l0} + I_{l0} + G_{l0}) + T_0(c_l - c_m)$$

Autonomous exports must be greater than the difference between incompressible absorptions of imported goods net of local ones, plus the product of the initial tax by the difference between marginal propensities to consume local and imported goods. This condition, where the income-independent export is greater than this quantity, is seen as utopian, since exports only concern primary goods, whereas incompressible imports are finished products.

The negative denominator means

$1 + (c_m(1-t) + z_m + g_m) - [x + c_l(1-t) + z_l + g_l] < 0$, soit

$$c_m - c_l < \frac{(x-1)+(z_l-z_m)+(g_l-g_m)}{1-t} \quad (23)$$

The denominator (1-t) is positive. To make the denominator of equation (12) negative, the sum of the marginal propensities to invest of the private and public sectors plus the marginal propensity to export minus unity must be negative. The sum of the differences in marginal propensities to invest can be negative if the marginal propensities to invest in local goods are lower than those in imported goods. This is currently the case in these commodity-exporting economies, where practically all capital goods are imported, and even infrastructure is built largely with imported goods. They have no capital goods industry ; pre-colonial metallurgy is dead and buried.

And the current trend in primary goods exporting economies is that the marginal propensity to consume imported goods is higher than that of local goods, ($c_m - c_l$<0) hence the permanent state of recession in these economies. Thus, the injection of a monetary unit into the economy will result in a fall in the value of Y, and the economy will enter recession. This recession has become chronic and structural in primary export countries, where GDP per capita is falling year on year (UNDP, 2022).

If both conditions (22) and (23) are met, then the Keynesian multiplier is negative. Any investment effort by the country exporting the raw materials does not benefit it at all.

- **Third case : the numerator is negative and the denominator is positive**

A negative numerator means

$$C_{l0} + I_{l0} + G_{l0} + X_0 - (C_{m0} + I_{m0} + G_{m0}) + T_0(c_l - c_m) < 0 \quad (24)$$

$$X_0 < (C_{m0} + I_{m0} + G_{m0}) - (C_{l0} + I_{l0} + G_{l0}) + T_0(c_l - c_m) \quad (25)$$

As export products are primary products, the value of incompressible exports does not compensate for the difference between the value of incompressible imported goods absorbed, net of local goods absorbed, plus the initial tax multiplied by the difference between marginal propensities to consume imported and local goods.

This is the case in most commodity-exporting countries, where the balance of payments is permanently in deficit. As exports are essentially primary goods, this relationship is experienced every year in almost all primary goods exporting countries. This situation augurs no development unless it is reversed. This reversal can only be achieved by exporting the most highly-paid goods.

The positive denominator returns to the first case, i.e. condition (22).

$$c_m - c_l > \frac{(x-1)+(z_l-z_m)+(g_l-g_m)}{1-t}$$

Similarly, if ($c_m - c_l$) satisfies this condition, the numerator being negative, the expected rise in Y is a fall. In other words, in its diffusion, the Keynesian multiplier due to investments made by the government or the private sector, far from contributing to an increase in income, reduces the latter through imports of foreign goods. The country stagnates in recession. All economic stimulus policies result in recession. These policies only benefit Western countries,

from which manufactured goods are imported. This means that, with the balance of payments in deficit, a greater proportion of income is spent on imported goods. The expected increase in equilibrium income escapes the country's economic machinery through the growing need to import goods for consumption and investment. And the recession that was supposed to be ephemeral becomes structural and chronic, as primary product exporting countries have been experiencing for over forty (40) years. Thus, what was once called a conjuncture has become structural. The result is the exponential growth of these countries' debts.

- **Fourth case : both numerator and denominator are negative**

The negative numerator amounts to

$$X_0 < (C_{m0} + I_{m0} + G_{m0}) - (C_{l0} + I_{l0} + G_{l0}) + T_0(c_l - c_m) \quad (26)$$

And the negative denominator is

$$c_m - c_l < \frac{(x-1)+(z_l-z_m)+(g_l-g_m)}{1-t} \quad (23)$$

The first condition means that initial exports are inferior to imported incompressible absorptions net of local ones plus initial taxes multiplied by the difference in marginal propensities to consume local and imported goods (i.e., a permanent balance of payments deficit). Condition (23) means that the difference in the marginal propensities to consume imported and local goods is less than the ratio of the sum of the marginal propensity to export minus unity plus the differences in the marginal propensities to invest in local and imported goods of the private and public sectors to the share of income not taxed. Thus the ratio of the numerator and denominator is positive, despite the negative sign of the two elements.

In such an economy, we think that the economy is growing (the ratio being positive) thanks to the affluence enjoyed by certain sections of the population, but in reality, this is just an illusion, and the country is sinking under the weight of debt. This situation, which is that of a precarious life, paves the way for the misery of future generations and does not augur a better tomorrow. The country lives at the expense of foreign production, so it no longer has an economy of its own. It is merely an extension of the economies of the countries from which it imports the goods it consumes and invests. It no longer controls anything, unemployment is on the rise, and macroeconomic indicators are in the red. The countries exporting primary goods are then an extension of the economies of the countries whose goods they consume.

3.2. Keynesian multipliers for commodity-exporting countries

This section examines how the two Keynesian multipliers that result from solving the general equilibrium model of commodity-exporting economies will vary. In other words, how will the multipliers vary if the marginal propensities to consume and invest vary?

- **Effect of variation in marginal propensities to consume and invest in local products**

Variations here concern the marginal propensity to consume local goods, the marginal propensity to export and the marginal propensities to invest using local goods by both the private sector and public authorities.

Variation in the marginal propensity to consume local goods.

Here, we seek to determine how the Keynesian multiplier will vary following a change in the marginal propensity to consume local goods.

We will then have :

$$k'_{cl} = \frac{t-1}{[1+[c_m(1-t)+z_m+g_m]-[x+c_l(1-t)+z_l+g_l]]^2} \quad (27)$$

t being between 0 and 1, the numerator is negative and denominator positive. A policy that increases the share of income going to local goods propels the economy at an decreasing rate.

Variation in the marginal propensity of public authorities to invest in local goods

Public authorities invest using local goods and services. We then examine how the Keynesian multiplier will vary following an increase in the share of government spending on local goods in terms of investment.

$$k'_{gl} = k'_{zl} = \frac{-1}{[1+[c_m(1-t)+z_m+g_m]-[x+c_l(1-t)+z_l+g_l]]^2} \quad (28)$$

So when public authorities increase the share of investment in local goods, the multiplier increases. The economy gets a boost.

Variation in the marginal propensity to invest in local goods by the private sector

$$k'_{zl} = \frac{1}{[1+[c_m(1-t)+z_m+g_m]-[x+c_l(1-t)+z_l+g_l]]^2} \quad (29)$$

Like the multiplier for public-sector investment in local goods, a change in the marginal propensity to invest in local goods by the private sector boosts the economy at an increasing rate.

- **Effects of changes in the marginal propensities to consume and invest in imported products**

Multipliers in relation to imported goods are negative here, according to relation (14)

Variation in marginal propensities to consume imported goods

$$k'_{cm} = \frac{t-1}{[1+[c_m(1-t)+z_m+g_m]-[x+c_l(1-t)+z_l+g_l]]^2} \quad (30)$$

Since $t < 1, k'_{cm} < 0$. Under these conditions, the multiplier will spread through the economy at a decreasing rate. Depending on the value of t, a non-negligible proportion of income will be used to purchase imported goods. For t close to zero, the share will be high, and vice versa. The consumption of imported goods inexorably leads the economy into recession with a negative rate (0<t<1). This means that lower tax rates are of greater benefit to countries producing imported goods, as a large proportion of national income will be used to pay for imported foodstuffs.

Variation in marginal propensities to invest in imported goods by private and public sectors

Since the two marginal propensities to invest with imported goods from the public and private sectors have the same coefficients in the k_m denominator, since we're looking for the effect of variation in these propensities on the multiplier, calculating just one is sufficient.

$$k'_{zm} = k'_{gm} = \frac{-1}{[1+[c_m(1-t)+z_m+g_m]-[x+c_l(1-t)+z_l+g_l]]^2} \quad (31)$$

The Keynesian multiplier of marginal propensities to invest in imported goods is negative. What's more, their derivatives are all negative. In other words, when investments are in imported goods only, the economy regresses at decreasing rates, and the slope of this drag into recession is high. It is these policies that keep the economies of commodity-exporting countries in the doldrums and in a precarious economic situation. These very expensive investments (machines or buildings) are sometimes inappropriate and require very costly adaptations. Their upkeep and maintenance, over time, are sometimes prohibitive. We need to turn our backs on these policies by encouraging local research and adopting investments in local goods and innovations. Only the promotion of research and the application of discoveries focused on local goods and adapted to Africa's diverse production and transformation processes will enable us to emerge from this morass.

Moreover, although economic policies in African countries differed in the 60s, 70s and even 80s, common features were everywhere to be found : extensive state intervention in the organization of agriculture and in price setting, the establishment of a strong public sector, and the orientation of industrialization towards the domestic market, thanks to a high level of protection (Jacquemot and Raffinot, 1993).

Agriculture is extroverted, both in terms of financing and products. This bad policy of the 60s and 70s still persists in some countries, mortgaging the growth of their economies.

This economic dependence is fostered by the promotion of family farming, which seeks to obey the economic policies laid down by their governments ; for if these farms were profit-seeking as agricultural enterprises, certain cash crops would not be cultivated because they were unprofitable. What's more, this ageing agriculture has been running out of steam since the late 1990s, and is becoming increasingly unable to meet the needs of its galloping population, which is becoming more and more concentrated in the cities. Only the structural transformation of the agricultural sector into an entrepreneurial enterprise that produces to meet the needs of the market can provide a way out of this scourge. Limiting uncontrolled state intervention and enabling these enterprises to take off will influence a new form of consumption and investment in these primary product exporting countries. Only investment and consumption of local goods can reverse this economic dependence, where primary product exporting states have no economy of their own, but are extensions of the economies of developed countries. In this case, trade only improves the well-being of countries exporting manufactured goods.

- **Effects of changes in autonomous taxes and/or tax burden**

Normally, lowering the tax burden stimulates the economy by increasing consumption. We examine how this variation in tax pressure affects the Keynesian multiplier. Calculations show that the variation in autonomous taxes or in the tax burden gives the same expression

$$k'_{To} = k'_t = \frac{c_m - c_l}{[\mathbf{1}+[\boldsymbol{c_m}(\mathbf{1}-\boldsymbol{t})+\boldsymbol{z_m}+\boldsymbol{g_m}]-[\boldsymbol{x}+\boldsymbol{c_l}(\mathbf{1}-\boldsymbol{t})+\boldsymbol{z_l}+\boldsymbol{g_l}]]^2} \quad (32)$$

In this case, everything depends on the marginal propensities to consume imported and local goods. If the marginal propensity to consume imported goods is higher than that of local goods, the multiplier of autonomous taxes will spread at an increasing rate. But this growth could be virtual, as the drop in tax pressure does not increase consumption of local goods, but rather encourages consumption of foreign goods ($c_m > c_l$). As a result, the economy cannot emerge. If, on the other hand, the marginal propensity to consume imported goods is lower than the marginal propensity to consume local goods, the multiplier will be transmitted to the economy at a decreasing rate. The drop in pressure will induce economic growth at a decreasing rate, but consumption will be more of local goods than of imported goods. However, this is hardly the case in today's economies. Although it is favorable to economic growth at decreasing rates, reducing fiscal pressure or taxes does not cancel out consumption of imported goods. In any case, tax reduction policies in countries exporting primary goods largely benefit only the economies exporting imported goods.

4. Conclusion

As the classics have pointed out, trade should raise the level of well-being of the populations involved in trade. But when trade aims to crush the economies of some to the benefit of others, where only the exporters of finished goods dominate the market and the others are the permanent consumers, trade becomes harmful and transforms the consumer territories of manufactured products into slaves of the exporting economies of finished goods. Not only will these consumer territories remain with trade deficits, but they will only experience economic development if they consume enough of their own goods, or transform them so that these products increase in value. This development of raw material derivatives will be based on their natural comparative advantages. These countries will need to be flexible in their policies to protect domestic agents, and will also need to develop their industries, focusing on research and the promotion of companies to process the primary products in which they abound. This article calls on us to determine the marginal propensities to consume and invest for these commodity-exporting countries, so that we can encourage policies to reverse these trends.

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