Abstract

From a historical perspective, this paper discusses models for determining the prices of agro-food goods at Venezuela and their consequences. If the formation of real prices of agricultural raw materials and food away from forecasts of perfect markets due to the nature of agro-food markets and agricultural policies, as in other countries of the world, the Venezuelan case there be added the effects of the oil boom and political reforms that have been made since the arrival of President Hugo Chavez to power in February 1999. For the purposes of this article the analysis considers two stages: first of all, the previous to the new National Constitution of 1999 and, in particularly, to the 2002 “Coup d’État”; and, secondly, for the events since then to the present day, period in which the Government has been introducing gradual but clear change towards a model of Socialist orientation of the functioning of the economy, including agro-food markets. As a result, it has been a move away from free markets and a remarkable increasing of the degree of intervention of the Government in the food chain, notably in retail prices and food distribution. Main results of this process allow advance that Venezuela has moved away from the food production and food security objectives as a priority from the Government itself.

Keywords

price formation, socialist reforms, price control, agricultural policies, Venezuela