

CONSOLIDATION AND ACCELERATED DEVELOPMENT
OF AFRICAN AGRICULTURE: What Agendas for Action?

By Reginald Herbold Green

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Our own reality - however fine and
attractive the reality of others may
be - can only be transformed by
detailed knowledge of it, by our own
efforts by our own sacrifices.

- Amilcar Cabral

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...Fragments of our lost kingdom...
Here the stone images
Are raised, here they receive
The supplication of a deadman's hand
Under the twinkle of a fading star.

T. S. Eliot, 'The Hollow Men'

We asked for bread
And they chucked a stone at us.

Senior African economic analyst
on AD

Economic growth implies using...scarce resources more efficiently....policy making inevitable has to embody wider political constraints and objectives...the record of poor growth...suggests that inadequate attention has been given to policies to increase the efficiency of resource use and that action to correct this situation is urgently called for.

AD, p.24

People...must be able to control their own activities within the framework of their communities. At present the best intentioned governments - my own included - too readily move from a conviction of the need for rural development into acting as if the people had no ideas of their own. This is quite wrong...people do know what their basic needs are...if they have sufficient freedom they can be relied upon to determine their own priorities for development.

- President J. K. Nyerere

What Common Ground?

The Accelerated Development Report's² agricultural vision, analysis and prescriptions are subject to wide disagreement. The Bank seems to have resiled from them by reinterpretation in respect to whether: AD is a complete programme (or is necessary but not sufficient), self sufficiency in food should have high priority (now unambiguous yes), primary export growth led

recovery is a general solution (growing gloom) and resource efficient import substitution is as good as export promotion (now yes).³

However, AD is a serious document relating to a serious problem or set of problems. Therefore it is useful first to review the main points of the Report which are fairly clearly valid with notes as to the limitations of the common ground.

First, there is a crisis in growth of agricultural production in Sub-Saharan Africa as a whole and a majority of its countries. The Annex data and tables (pages 46-50) demonstrate this and (by gross discrepancies of 'data' on the same country) how bad the data are and - as AD fails to note - that there are wide divergences from country to country. AD's treatment of 1970-79 as a whole is somewhat obscurantist. Absolutely, relative to their own 1960's record and relative to Third World averages, growth of GDP in Africa was very poor over 1970-73, disastrously bad over 1974-75 and better than in any previous four year period (6% average real GDP growth or over 3% per capita) over 1976-79. The same intradecadal diversity seems to apply in respect to food production but not in respect to industrial and export crop production. Certainly, however, on average the 1979-83 record both for food and export crop production has been one of near stagnation and of per capita decline.

Second, a substantial part of the problem relates to external factors (a point even truer over 1979-83). The Bank cites (Chapter 3, pages 48-9) wars and civil strife, droughts and poor distribution of rainfall, extension of cultivation into marginal and drought prone areas.⁴ Most observers would add external terms of trade which, when passed on to producers, create an incentive to shift to other crops. While the Bank sees the terms of trade evolution as positive to 1978⁵, this does not square with what national data exist. The unfortunate historically export crop concentration in products with low price and income elasticities of demand is a related factor.

Third, increase in total agricultural output - say to 3.5% food and 4% industrial export crops or 3.8% overall⁶ - is crucial. Who is to produce is less agreed - the Bank reverts to the late colonial "progressive farmer" emphasis⁷ (i.e. better off small-holders in high productivity zones) and totally drops distribution (and therefore actual hunger of real people) off the Agenda.

Fourth, incentives - price (including exchange rates which are foreign exchange prices) and non-price - are crucial. In AD's agricultural chapter⁸ - perhaps because they are easier to discuss in general terms - agricultural prices are stressed with much less attention to accessibility of purchasers, promptness of payment, availability of "incentive goods" and none to basic services. The resultant approach is so narrowly sectoral and economic as to be arguably counterproductive.

Fifth, peasant participation in decision-taking and policy design is cited as a key goal usually in the context of privatisation. There is little evidence of, or orientation toward, surveying or learning from peasant opinion. The apparent vehicle for participation is the free market, mediated by Platonic guardians. In this AD is in tradition of international African governmental and most academic analyses and proposals.

Sixth, a range of significant and remediable public policy inefficiencies exist. Some are inconsistencies within strategies, e.g. pricing on the basis of ecological zone suitability without reference to location.⁹ Others are uses of scarce resources beyond the levels necessary to carry out intended purposes, e.g. marketing, or in ways unlikely to produce results, e.g. research and extension. If priorities diverge then "inefficiency" may depend on the viewer's perception of the targets sought, e.g. uniform farm gate pricing has a positive distributional and marketed output effect, an uncertain effect on total cost of any given quantity fob market and a negative effect on total transport and (usually) foreign exchange cost per tonne.¹⁰

Seventh, more data are needed. The existing data are so weak one neither knows where one is nor where one is going.¹¹ This results in use of those data which seem least unreliable to particular analysts - a process tending to confirm initial premises and/or normative preferences.¹² Without better data it is hard to set priorities and almost impossible to monitor performance.

Eighth, more knowledge is needed. Packages of technical knowledge/field tests/physical inputs/extension adequate to raise real output per worker rarely exist with delivery systems often equally as weak.¹³ This has been stressed by the Bank¹⁴, Montague Yudelman (its chief agricultural advisor on Africa) and M. Lipton¹⁵ as the main barrier to restored agricultural growth. In respect both to data collection and interpretation capacity and to research development and application international and intraregional cooperation can be particularly valuable so that the very limited articulation of these topics in the Agenda is regrettable.

Ninth, it is critical to set clear priorities and concentrate resources on them (and therefore to exclude non-priority items). However, to the extent that AD has clear priorities (which is debatable), these are not necessarily correct for all countries. Granted that a single agenda for all countries with uniform priorities would not be appropriate, AD could still present a more structured set of items likely to figure in some or many priority packages and of their interactions. It has a distinct tendency to list everything separately and without clear indications as to under what circumstances and in relation to what other measures any one policy or programme would be a true

priority.

And So To Implement?

The real, and wider apparent, breadth of common ground does not mean that one can move directly from AD to implementation. The Report's methodology is to take general premises, illustrate them by (positive and negative) examples and overall data tables (which do not correlate well with the hypotheses with the partial exception of WDR 83's price distortion 'index'¹⁶), and then make sweeping prescriptions plus a long list of policy ideas. This is neither rigorous nor helpful in drawing up a priority list for any one country. Indeed President Clausen's 'Foreword'¹⁷ presents the Report as suggestions and insights from which to build and choose, but the overall tone is to use Agenda as a direct guide to uniform, immediate action with minatory warnings that "non performers" (i.e. performance on another Agenda) will receive less resources. There is substantial uncommon ground.

- a. The Report concentrates on upper income small-holders¹⁸, suggests large schemes, large commercial farmers and large plantations may be needed too and praises Malawi which on policy grounds (steadily falling real smallholder prices, high de facto tax on peasant export crop sales, heavy subsidies to plantations) hardly seems to fit;¹⁹
- b. there have not been uniform policies or responses to agricultural crises - which leads to some doubt as to the nature of causal impact of policies (indeed as to whether they really do have as deep and general an impact on output as either proponents or opponents argue);²⁰
- c. AD appears - the chapter has radical internal contradictions - to argue for shifting from food to export crop production because the terms of trade of the latter will move favourably over 1981-85. With growing food deficits and the terms of trade moving negatively this appears to be a recipe for accelerated starvation;²¹
- d. some of the proposals seem impossible, e.g. raising real grower prices in a context of falling real national command over resources (physical output growth adjusted for terms of trade swings) and/or implausible, e.g. maintaining domestic purchasing power for products when their global purchasing power declines (e.g. coffee 1976/77 - 1980/81 fell 75% in real global purchasing power);
- e. others are based on highly contentious empirical claims or ones which seem dated (e.g. food prices since 1978 seem to have risen faster than the cost of living and a fortiori than wages and salaries in most African countries; not an impression the reader of Agenda is likely to get);
- f. the virtual dropping of consideration of distribution, basic services and women from the Agenda raises a number of problems. It is unlikely to allow hunger to be overcome even if output is raised;²² education - health - water are arguably key investments in labour force quality, strength

and availability; with 50% of agricultural labour done by women and specialisation by task and crop, to treat women as "invisible" or in common with male peasants is otiose from the narrowest productionist viewpoint.²³

The problem that arises if one accepts these gaps, doubts, areas of criticism is twofold. First, one cannot proceed easily from this Agenda to action in any real country at any specific time. Second the strategy boils down to the 1930-1950 colonial mise en valeur policy (with slightly more public services, slightly higher levels of technology and slightly more emphasis on peasant and distinctly less on settler farmers) plus a doubling of real aid. That is not likely to work:

- a. the stability (social and political) of many of the states would be threatened and - as Ghana, Zaire, Chad and Uganda demonstrate - disorder is not production efficient;
- b. the lack of (cutback in) investment in health, pure water and education looks suspect even on productionist grounds;
- c. the distinctly sombre terms of trade and volume projections for Africa's main exports do not assume the sharp increase in African exports AD posits. As the total African share in most cases is above the price elasticity, if all African producing economies increase output rapidly then their total foreign earnings will decline, i.e. the World Bank has reverted to a fallacy of composition²⁴ evident two decades ago in its initial country studies;
- d. the prospects of doubled real aid - which the Bank (in AD and especially in subsequent WDRs) sees as vital to make the policies proposed possible - seem to be nil. The Bank will be hardpressed to keep 6 structural adjustment and 6 sectoral loan programmes going in Africa; if it had AD modelled SAP's for another 10 countries it could not fund them.²⁵

Picking the Agenda apart, even if necessary, is not sufficient if ones concerns are applied. The African food and export crises are real - even more real and general than in 1980/81 with the economies of Ivory Coast and Malawi (AD's stars) reeling under falling agricultural exports and in precarious external debt positions²⁶ while a long arc of countries from the Sahel areas to the Horn and down to Lesotho have had devastatingly bad harvests in at least two of the past three years. UNICEF's 1983 State of the World's Children Report²⁷ paints an appalling picture of nutrition and health service trends.

That the Bank's attempts to correlate public expenditure²⁸, price distortion, official crop prices, etc. with agricultural or overall growth have rather low explanatory power and that a remarkable diversity of policies have had more similarity in unsuccess, raises more questions than it answers. Is the Bank too moderate - African governments and, a fortiori the Bank, paid far more attention to food policy and devoted far more resources toward food production in the 1970s (and especially from the

mid-1970s) than in the 1960s but results are markedly worse! Perhaps both governments and the Bank should totally abandon both investment and policy? Or are events almost totally independent of policy, i.e. is there a gross overestimate of how strong the impact of agricultural policy is? It is odd to say low official grower prices lead to wholesale parallel marketing and reduce output or that crop movement restrictions are serious deterrents to food production and that the whole of a 400,000 tonne peasant paddy crop is parallel milled and marketed, much of it over several hundred miles.²⁹ If low official prices lead to parallel markets and wholesale evasion of controls then, at least for food crops, it is unlikely they actually reduce production or bias resource allocation significantly. Ineffectual and marginally wasteful, but hardly a key causal factor. For industrial and export crops - with less opportunity for parallel markets or more for cross border smuggling - the negative production implications are likely to be greater while the allocation implications are a shift to food production. As the latter has historically been favoured relative to domestic food in terms of infrastructure, service, credit and input provision that bias may in some contexts offset the previous one, on balance reducing market imperfections.

What African states cannot do is to expect external windfalls to reverse the present situation. A negative result of the remarkable success many SSA states had in using temporary import cuts centred on consumption plus bridging finance to ride out 1974-75 and then return to fairly rapid growth with relative internal and external balance in 1976-79 is that many have attempted to repeat that strategy from 1979 onward. These attempts have, in the event, proven nearly uniformly disastrous even though the 1979-81 OECD-Bank-Fund projections of "strong upturn in eighteen months" made them ex ante appear perfectly sensible. The WDR 83³⁰ projections (on the middle case) for low income SSA are grim - domestic savings slightly over one half investment and under 9%, even with trebled nominal aid and borrowing flows an increase of GDP of 3.3% over 1985-95 (about 2.75% over 1978-95) vs 3.1% for population or effective stagnation of real output per capita (and a decline for 1978-95).

What Is To Be Done: Some Building Blocks

AD, whatever its limitations, is a good starting list of problems and pressure points: price incentives, marketing-transport-storage, research-extension-inputs, basic services, distribution, the role of external agencies.

Incentives are important. The debate lies on which are critical and cost effective. Even quite firm market mechanism advocates³¹ doubt that higher grower prices are the most critical component, AD correctly defines³² an "incentive structure" as "all those aspects of the farmer's environment which affect his willingness to produce and sell".

Prices for domestic food are rising more than Cost of Living or Wages in most African countries.³³ Export taxes and public (but not private) marketing enterprise profits are largely matters of historic memory (Uganda is a major exception).³⁴ Price incentives and urban/rural differentials are moving in the right direction. Food deficits and overvalued currencies have meant that relative prices have continued to shift in favour of food. Overall this is good market economics - the past patterns have been export crop biased and the real world price of most African agricultural exports has fallen sharply. At a broad level relative prices (which are more effective in changing crop makeup than overall agricultural prices are in raising or lowering total output) are moving rationally from market logic and for food self sufficiency. However, many particular crop relative prices to growers (whether publicly or privately marketed) remain distinctly odd.

Exchange rates are relevant in respect to intracrop price relativities. Overvalued rates normally give rise to a bias against export crops (unless the Treasury heavily subsidises purchasing bodies which creates another set of problems) and exacerbate the international terms of trade squeeze on producers. One of the stronger cases for exchange rate adjustment is to maintain freedom of manoeuvre in respect to relative grower prices (whether official or not) without increasing the strain on already weak budgets via massive producer (and/or consumer) subsidies or holding export/industrial crop prices so low in domestic currency terms as to cripple industry and export earnings.

What cannot be done is to raise real peasant income per unit in the context of declining national command over resources. One already has large overlaps of rural and urban poverty³⁵ and in extreme cases peasant household consuming power above the minimum wage.³⁶

Other Incentives and Their Importance

Other price incentives may be more critical and lower cost:

- a. access to buyers - i.e. availability of purchasers (public or private) at nearby places at frequent, known times;
- b. prompt effective payment - i.e. cash on delivery or after a brief, known delay not in chits or after long delays;
- c. availability of incentive goods, i.e. basic manufactured goods on which peasant household wish to expend the bulk of cash income whose absence renders any price "nominal".³⁷

Not often stressed as the primary problems, these incentives are noted as absent in case study after study, newspaper article after article, peasant complaint after complaint.

A final incentive price issue concerns uniform farmgate prices and ecological suitability linked prices - the first a Bank ex-favourite now anathema to it³⁸ and the latter a current enthusiasm. The former on A. Smith "vent for surplus" lines raises outlying area grower prices at the expense of the Ricardian rent of closer in ones. It often - e.g. Malawi, Tanzania - brings new areas within the market and raises output. It may raise or lower total grower price plus transport cost for any volume of marketed output, but raises transport cost. Ecological suitability prices are "overkill" in market terms. If a region really has conditions leading to above average output and below average cost for a crop a higher than average price is unlikely to be needed to get it grown there.

Marketing, Transport, Storage - Availability and Cost

Marketing is critical to increased, useable output as are transport and storage. The greatest weakness is - non-availability of buyers either because of weak buying bodies (public or private) or because transport or storage gaps make buying futile.

Marketing weaknesses are case specific on the solution side but general from the peasant optic as high transport costs (real fuel, vehicle, spares cost increases, worsening of roads, oligopoly profits), overstuffed public procurement bodies, high private marketer surpluses, etc. all reduce the real farmgate price.

It is not clear that the grower's share of farmgate price is uniformly higher under private (or public) procurement. In Tanzania the share of consumer price received by growers of potatoes and bananas (two privately marketed staples) is lower than for wheat and maize (public). However, the private rice trade can (and does) outbid the public even when selling rice to consumers at about the same price which suggests that it does pay a higher share of final consumer price to producers.

What does seem fairly generally desirable - especially in respect to food - is the desirability of multiple channels and decentralisation probably including varied mixes of public, co-op and private buyers.

Transport problems are availability and cost. In many cases reducing the latter requires rehabilitating railways, improving condition of roads, and restoring competition by building lorry fleets overall and ensuring that a substantial share are rurally owned (by individuals or village co-ops or rural oriented enterprises). At present the risk of breakdown on poor rural tracks combined with vehicle shortages for main road traffic lead to excess profits and to private hauliers simply not taking rural business. The latter can only be broken in the short run by rural based or public sector fleets. The endemic problem of the latter is that they get bad business and fail to organize

backhaul traffic (e.g. a food company carries grain down and nothing back up and a manufacturing company goods up and nothing back down).⁴⁰

Storage is critical. Buyers and transporters cannot buy or move crops if there is nowhere to put them. If food rots because of lack of storage it fills no stomachs. Articulated storage system can even out peaks and allow orderly outflow of produce and inflow of inputs saving on total vehicles and empty backhauls and also reduce quite mad back and forth haulage of the same grain.

Storage does not feature prominently in the Agenda. With a range of 2% to 15-20% in annual grain losses in off farm storage there would seem to be major savings to be had. Losses before buying because of absence of village level storage and costs of cross hauls because grain is first moved to centralized stores are often high. If village level storage is adequate, vehicles needed at the seasonal peak are reduced while inputs can be produced and moved into the village stores on an annual cycle thus cutting out a chaotic pre-planting rush. The key is often ensuring that the primary (e.g. village) tier of godowns, pits or sheds receiving pride of place.⁴¹

Inputs - Physical, Services, Knowledge

Physical inputs (e.g. seed, fertilizer, implements), services (e.g. extension) and knowledge (e.g. statistics and research) are all in poor supply in Africa.⁴²

- a. data on total output, yields per hectare, patterns of cultivation, etc. are bad. Framing policy, let alone testing its results, is an exercise in hope and faith more than in analysis and empirical observation;
- b. research is often yet to be done or, if done, has not been field tested in the micro-ecological conditions of the country, for economic viability or under the conditions facing peasant users;
- c. extension, therefore, has very little to extend and much of that little peasant farmers would be very foolish to accept;⁴³
- d. inputs are unavailable or inappropriate partly because tested data needs is often missing (or wrong) and the articulation from research to production (e.g. seeds, improved hand and animal drawn implements) is often lacking.

Breaking this vicious circle will take time - the research and testing must probably start five years before major payoffs (a reason to start now and for donors, e.g. EEC, IDA, with long time horizons to give it priority). However progress on data, on improving extension to educate properly in what is known/tested (and nothing else), to learn from and generalize best existing

peasant techniques, and to break bottlenecks in producing known/tested seed and implements (plus fertilizers, pesticides, etc. where these are cost efficient import substitutes) can and should produce at least some short term and substantial medium term results.

However, more - even along the priority lines indicated - is not enough. Resources now devoted to research and extension do not seem to be cost efficient, e.g. 50,000 extension personnel in Tanzania and research-extension-input subsidies of 5% of agricultural sector output are (with few exceptions) arguably the lowest cost/benefit public sector spending. The exact nature of the problems - in general and in any one case - need careful examination. Organisational restructuring is usually a device for evading the hard questions not solving the problems.⁴⁴

Basic Services: Knowledge, Strength, Time

The case for health - education - drinking water is fivefold:

- a. they are basic human needs to which most peasant households give high priority;
- b. their presence is an incentive to remain on the farm and their absence an incentive to urban migration;
- c. education is needed to increase productivity including use of written materials in extension work and primary⁴⁵ and technical education usually has a high rate of return;
- d. health (preventative, simple curative, health - pre-natal - nutrition - sanitation education) is a prerequisite to working hard and effectively;
- e. easy accessibility of potable water - quite apart from health considerations relating to waterborn diseases - frees substantial amounts of women's and girls time with clear implications for peak season crop work labour availability, maternal and child health, female⁴⁶ school attendance, welfare of female headed households.

To the extent AD is saying that without more production of goods basic service provision cannot be sustained, or extended, and that expansion of basic services requires increased imports and, therefore, increased exports it is making a valid point often overlooked. But to the extent it assumes that they are not incentives and production inputs, it has fallen into an economysticism so narrow as to be counter productive.

Distribution: Is Trickle Up Efficient? For What?

The Agenda does not overtly discuss distribution - a telling shift from a decade of stress on "absolute poverty eradication" and "redistribution with growth". It is basically concerned only with short term production increases (which no one would deny are a priority), overlooking the fact that - especially in poor

countries - who produces how determines who gets how much why. Participation in production is the only safe base for participation in distribution and decision taking.

While the AD Report does not discuss distribution, its Agenda has an implicit philosophy about it. That outlook is not "trickle down" but "trickle up":

- a. resources are to go to ecologically and infrastructurally favoured zones and to progressive (read richer) peasants;
- b. basic services are to be de-emphasized - certainly not pushed toward universal access;
- c. remaining services are to be on a fee basis - limiting them to the favoured peasant sub-group;
- d. real wages and informal sector incomes for those spending largely on food are to be reduced with the greatest impact on low wage/informal sector people;
- e. the service cuts and selection principle for peasants to back will intensify excess labour burdens and differential lack of access for women as household heads, producers, mothers, bearers of wood and water.

This is "redistribution with growth" revisited - and reversed.⁴⁷

Whether this approach is consistent with development depends on one's definition. For the majority of the people of SSA over the short run (and in the not very long run the poor of Africa are dead and Keynes' dictum against ignoring short run costs⁴⁸ applies forcibly) clearly no. That poses problems as to whether the Agenda is consistent with medium and long term growth enhancement. First, throwing away the bulk of Africa's plentiful resource, rural labour, may not be efficient. Second, lack of access to basic services will worsen mental and physical capacity of many workers. Third, African states do not have the force to operate productionist police states.

Excluding peasants who are in ecologically unfavoured or low infrastructure zones and lowering poor urban real income levels is hardly consistent with maximum growth in food production or sales. Rural hunger in Africa is largely in poor peasant households and can only be met by making it possible for them to produce more. Urban food demand (at prices encouraging production) will be compressed by cutting real incomes of the poor.⁴⁹ A much more serious, complex and specific context centred approach is needed to work out production/distribution policies to cut food imports, reduce incidence of severe malnutrition and of hunger and build up markets for foods.⁵⁰

Concentration on larger, better off, best land peasants may not maximise production even in the short run. Kenya and Malawi evidence suggests that peasants are more scarce resource efficient producers on average and for most crops than large farmers or plantations. It does not show that among peasants larger ones are more efficient - if anything au contraire: One

exception is marginal/sub-marginal rainfall zones for which substantial resource allocation can be justified only on the principle that human lives matter.⁵¹ Therefore, even on short term production boosting grounds which AD's peasant focus upholds, its "neo-kulak" preference is empirically dubious. The same type of argument applies in respect to women, e.g. if there has been discriminatory lack of access for women farmers to inputs, advice, marketing, etc. then enhanced access should have high incremental production pay-off.

African Agriculture, Aid Agencies, Expertise and Outcomes

African agriculture has had more advice given - and taken - from outside than any other region's agriculture or any other sector in Africa. For example over 1975-80 in Tanzania virtually all price decisions, policy on research and extension, crop targeting, storage policy, supervision and overseeing of agricultural parastatals and more was delegated to an autonomous, basically expatriate staffed agency (the Marketing Development Bureau) which viewed itself as responsible to its source of funds not to Tanzania.⁵² The citizen (and Tanzania hired expatriate) policy and planning cadres of the Ministry were run down and demoralized, the interministerial technical committee on grower prices was abolished, the Treasury financial supervision of agricultural parastatals was blocked. This is perhaps an especially dramatic case of centralized, non-responsible, parallel administration (condemned by AD⁵³), but not unique; large scale rural development projects have been de facto external financier controlled throughout Africa ever since the colonial conquest and independence has been marked by surprisingly high continuity and surprisingly little change. Several World Bank ex post rural development project evaluations identify almost total lack of local involvement in design or analysis as a normal characteristic and one usually associated with severe subsequent implementation and operation problems.

Several weaknesses have been endemic in these foreign finance - personnel - advice packages (many firmly criticized in AD⁵⁴):

- a. low emphasis on smallholder agriculture and food production (notably production to improve peasant nutrition);
- b. inconsistent, rapidly changing price policy advice based on models and fashions more than analysis and incentives;
- c. a rigidly bureaucratic, technocratic structure unable to communicate with, much less learn from, peasants and often marginalizing existing local expertise;
- d. creation of multiple agency-linked projects fragmenting national approaches to the sector or specific crops;
- e. failure to integrate marketing-transport storage into sector strategy and practice plus viewing health-education-water as optional extras not part of any integral agricultural/rural development nexus;⁵⁵
- f. creation of parallel agencies responsible (if to anybody)

only to external suppliers of finance - personnel - advice, adept at building local power monopolies and fighting to avoid being integrated into, or accountable to, governmental or political processes;

- g. a tendency to centralize all aspects of agriculture (to keep it in expert, technical hands) even when smaller, more decentralized units accountable to peasants within a clear policy frame looked better ex ante (and ex post);⁵⁶
- h. a high proportion of bad advice (related to failure to build up and test local analytical and data bases⁵⁷ versus "off the shelf" or "home base" guesstimates).

The MDB in Tanzania is an example. It achieved odder cross-price ratios than domestic price setting; dropped crop targeting; exercised 'oversight' over parastatals so generally they turned from overall profit to \$ 100 million a year losses largely without its knowing it - leading to continuing⁵⁸ problems of past losses, phasing out maize meal subsidies, and restoring internal and external control over parastatals; mishandled storage policy so that excess grain losses (rotted, deteriorated and sold as poultry feed, dumped abroad at prices often below farm to loading costs) were 600,000 tonnes over 1976-79; blocked decentralisation and double channeling of grain marketing for two years.

AD advice for "more of the same" is not convincing.

The Bank does learn by experience. The 1983 and 1984 follow-ups to AD (including the contribution to this symposium by Messrs Please and Amoaka), and the evolution of its structural adjustment programme thinking demonstrate this fact. However, while the shifts in emphasis and priorities and toward contextuality and diversity are marked they are somewhat unclear because they are regularly expressed as restatements of past positions even when they are - on closer examination - radical revisions or departures. Since AD the Bank has upgraded emphasis on food production, radically revised its views on what can be achieved by primary agricultural export expansion, come to see efficient export promotion and efficient import substitution as complementary not alternative. These are not minor changes and do represent a severe implicit critique of much of AD and of its proposals as at least partially erroneous. However, they are expressed as reaffirming what AD meant (a view one of its principal authors Elliot Berg finds as startling as does the present critic). Failure to admit error openly is counterproductive. It hampers evaluation and learning and reduces credibility to recipients aware of how much of criticism directed at them flows from having accepted the critic's previous advice.

The point is not to blame aid agencies - there is little profit in pinning tales on donkeys (even if plenty of both exist domestically and externally in respect to SSA agriculture!). But

Africans have, on balance, been worse off from following external agricultural sector advice; they should approach new external prescriptions with much greater scepticism and selectivity. Unfortunately AD recommends precisely the reverse. In all candour, it is necessary to say that agriculture is the Bank's least successful sector in Africa. This might suggest that the Bank should adopt a much lower profile and defer to IFAD (which seems to have a better record and clearer priorities) as the lead agency in agriculture while building on its comparative advantage in other sectors.

Steps Toward Consolidation: Some Notes

The immediate requirement in a majority of SSA agricultural sectors is not development but consolidation, i.e. halting decay and disintegration. This has several implications:

- a. unless they fill gaps or are essential to proceed after consolidation new projects are dispensable whereas maintenance and operation of core existing productive capacity, infrastructure and services are essential;⁶¹
- b. both food and export/industrial crop production must be raised because there are both food and external account imbalances;
- c. because massive additional resources are not available, prioritisation, reallocation and waste reduction are critical;
- d. given the degree of imbalance and how badly price mechanisms function under such conditions, some "rationing" of resources will be needed to back up market management via pricing;
- e. availability of buyers, transport, storage, - needs more attention relative to prices and probably offers the greatest potential for short run output increases;
- f. restoring availability of incentive goods and inputs and government fiscal bases by recovery in manufacturing output is urgent;
- g. programmes should be contextual, i.e. relative priorities and weights need to differ over time and space within one country let alone for SSA as a whole;
- h. building better data⁶² and more careful, specific, less concealed ideological analysis are critical;
- i. personnel and institutional capacity scarce resources (in both private and public sectors) should not be frittered away on low priority uses, whether fruit marketing boards or centralized rural household water billing.

More detailed elements relevant to many cases have been discussed in the thematic clusters above. A detailed "Consolidation Agenda for Agriculture in SSA" would exceed space available and be inconsistent with the contextuality and "learn from the actual local peasants" premises of this evaluation.

From Consolidation To Renewed Development

Consolidation is necessary but inadequate. It requires sacrifices which will only be accepted if they lead not only to a halt in decline but to clawing back past losses and ultimately to new gains.⁶³

Because it has a longer time frame and starts from a stable base, development offers more options than consolidation. The need for prioritisation and using resources efficiently in terms of moving toward them remains. Total additional resources per person for all uses will remain painfully small except in a handful of less unfavoured economies.

Probable entries on a priority list are of diverse character as some are goals and some necessary, broad means:

- a. maintenance and expansion of earned import capacity per capita - in whatever exports have relatively low present scarce resource cost, relatively good volume and price prospects and potential for linkages (including fiscal, investible surplus and training);
- b. acting on ECA's maxim "Unless sound and efficient import-substitution policies are implemented and exports diversified in terms both of products and markets, the projected historical growth of GDP might not materialize";⁶⁴
- c. using price managed markets⁶⁵ and operating enterprises as management tools with "rationing" limited to a few key items, e.g. foreign exchange, credit;⁶⁶
- d. centering production strategies on absorbing personpower productively (including adjusting to its developing quality as access to education and health increase);⁶⁷
- e. achieving self sufficiency (unless hopelessly cost inefficient) in basic food;
- f. achieving universal access to basic services including education, health, pure water, relevant production advice (e.g. agricultural extension);
- g. building integrated (nationally or regionally) industrial sectors linked to agriculture as output users, suppliers of "incentive goods" and providers of inputs;
- h. more participation by peasants and other workers (in production, decision taking) for production and stability plus normative reasons;
- i. building up a data, knowledge and analysis base and production capacity relevant to efficient deployment of resources to move toward the previous goals;
- j. reducing dependence on, and being much more critical and selective in the use of, external personnel and knowledge - especially in respect to agriculture.

These priorities⁶⁸ are broadly similar to the Lagos Plan of Action⁶⁹ and the Kenya Society for International Development

conference.⁷⁰ Whether they are consistent with those of the Agenda is a rather different question.

Post AD Bank thinking and practice in some respects seems to be evolving in parallel directions to those set out above. Unfortunately, IMF prescriptions and practice are not - which makes an IMF demand cutting one year standby quite unsuitable to achieving a 2 to 3 year supply stabilisation based consolidation or a 5 to 7 year structural adjustment to renewed development. This poses a paradox for the Bank because it requires agreement on a Fund programme as a precondition to a structural adjustment programme but increasingly sees actual Fund proposals - and the terms of their lending - as incompatible with medium term restoration of balance through alteration and restoration of output.

Notes

1. Reg Green is a Professorial Fellow at the Institute of Development Studies (Sussex) as well as a part time consultant to the government of Tanzania, the World Council of Churches, SWAPO, the Southern African Development Coordination Conference and various international agencies and a Trustee of the International Center for Law in Development. The analysis and views of this paper, however, are his personal responsibility and are not necessarily those of Tanzania, SADCC, etc.
2. World Bank, 1981.
3. e.g. Amoaka and Please, 1983.
4. For Kenya alone, I. Livingstone in "Choices for Rural and Urban Development" in Ndegwa et al (forthcoming) estimates migration of 200,000 persons to unsuitable land over the 1970's.
5. Bank, 1981, p.18-21.
6. ibid, p.122.
7. ibid, p.52.
8. ibid, ps. 45-80.
9. Technical assistance personnel supplied by the Bank introduced this approach in Tanzania in 1981. For maize, there is a positive correlation between distance from a main market and farm gate price!
10. In this case the Bank has swung from opposition in the late 1960's to energetic promotion in the mid-1970's to savage criticism in the 1980's.
11. e.g for Tanzania there are 1970-80 agricultural growth series from 1.5% to 3.5% a year. See also Lipton, 1983.
12. Compare Wallace, 1980 and Bank, 1981, p.53 on World Bank projects in Northern Nigeria and Green, 1982 and World Bank, 1981, p. 45 on external causes of crises and market and public sector weaknesses.
13. World Bank, 1981, pp. 69-76.
14. World Bank, 1982, passim.
15. Lipton, 1983.
16. World Bank, 1981, pp. 57-63. Unfortunately the indices rest on subjective judgements as to degree of distortion. At

least two low distortion cases - Kenya and Malawi - seem to be grossly understated. Scatter around the 'trend' line is still high.

17. World Bank, 1981, p.v.
18. ibid, pp. 50-52.
19. See Livingstone (forthcoming) op cit. The Bank has, in fact, reversed its views on Malawian policy.
20. e.g. in Tanzania there is no evidence villageisation has had any macro effect on agricultural growth. 1973-74 was before moves and was weather hit. 1975-1978 was after moves but its record four year agricultural growth related to four good weather years in a row; 1979-1983 has seen a similarly unprecedented run of droughts and/or 'split' rains.
21. The Bank has since resiled from the apparent negativism on food self sufficiency and re-estimated terms of trade projections.
22. See de Gaspar, et al, 1982, World Hunger for a fuller exposition.
23. See Allison and Green "Stagnation and Decay in Sub-Saharan Africa" in Allison and Green, 1983, p. 9 and Allison in Ndegwa et al (forthcoming) for a fuller argument.
24. In these the Bank tended to evaluate the prospects of each country's existing primary exports as poor and advise diversification into those of other countries. Sensible for one country if nobody else acted, overall the results could only be counterproductive.
25. Apparently the Bank expects not more than a third to a half of its SSA mememrbs will produce acceptable SAP's and that by radically reducing loans and credits to other countries it can get by. The problem is not Bank money but IDA funding levels.
26. Background papers to "External Debt Problems of African Economies in the 1980's", African Center for Monetary Studies/Central Bank of Tunisia, September 1983. On the face of it the Ivory Coast already has a true (including short term and commercial arrears) debt service/export ratio over 40% (and rising) and a decline in earned import capacity with exports almost stagnant since 1979 in quantity terms.
27. UNICEF, 1983. (Also Africa chapter in special issue of World Development, March, 1984).
28. For a detailed challenge see C. Colclough "Are African

Governments as unproductive as the Accelerated Development Report implies?" in Allison and Green (1983) and P. Ndegwa "Accelerated Development in Sub-Saharan Africa: A Review Article" in Nedgwa et al (forthcoming).

29. Tanzania illustrates both of these apparently cross cancelling criticisms but is hardly unique.
30. World Bank, 1983, p. 38.
31. e.g. Lipton, 1983, op cit. who goes rather further than the present author would.
32. World Bank, 1981, pp. 53-5.
33. How good a proxy for changes in peasant (farmgate) prices this is , is less clear because most food is marketed through small, opaque private channels. If, of course, they are raising their share of final price this suggests that so far as the peasant goes they are much of a muchness with the less efficient public marketing authorities.
34. Uganda here illustrates the ambiguities of necessity. Its 97.5% devaluations have reduced the grower share in coffee export proceeds and bolstered coffee surplus extraction. It is hard to see how else Uganda could have raised revenue domestically.
35. Livingstone, op cit argues this for both Kenya and Tanzania. E. Ochieng's data (also in Ndegwa et al forthcoming) strongly suggest the same for Uganda.
36. Tanzania 1983-84. Based on ILO, 1982. The data show near equality in 1981 and subsequent wage, COL and grower price evolution in favour of peasant producers vis a vis wage earners. Consuming power treats household provisioning (food, shelter) goods at urban retail prices.
37. They also constitute the bulk of the domestic manufacturing sector and, often, a major portion of the tax base. Restoring levels of production and of rural availability is central to raising incentives and reducing fiscal imbalance. Thus their underemphasis in many (not all) Bank SAP and Programme Loans is a serious failure to grasp a critical agriculture/industry linkage.
38. Bank, 1981, pp. 66-7.
39. ibid. pp. 64-9 is similar but has a clear, non-empirical bias against public enterprises. (On what records the author has seen in 24 years in Africa co-ops might be a better candidate for resource waste/cost maximisation, but there are notable exceptions)..

40. This pattern makes efficiency (usually low anyhow) hard to compare with private hauliers who "pick the eyes out of" the business and - because they are transporters first not product oriented enterprises with vehicles - snap up all the backhaul business on imbalanced routes.
41. This requires attention to rot and rat protection on small decentralized stores; in most cases, practical techniques are known.
42. For fuller discussion see, e.g. Lipton, op cit.
43. e.g. in the Kigoma Integrated Rural Development Project the technical experts "knew" peasants "should" grow cotton. Knowledge of the history of cotton in Tanzania warned that they would almost certainly not do so even though why was unclear. The experts intervened in a Tanzanian debate (one school saw no reason why the peasants should not grow food to eat and sell) to have "enforced" cotton cultivation and input distribution. The former made extension personnel suspect and the latter created a debt burden phoney to the peasant but real to the Rural Development Bank. Now when extension advice is needed it is not sought and TRDB is unwilling to extend credit because of arrears on the unwanted cotton inputs.
44. The attempt to have a simple and tidy system on an organisation chart may be part of the problem. Centralized extension in a decentralised administration and rural development context seems unlikely to be sound, though centralized training and research appear critical. Similarly for some crops specialists may be needed, but for mixed crop areas the bulk of the work must be done by generalists to achieve plausible peasant/extension contact.
45. Bank 1982, 1983 passim and 1981, Chapter 6, which is evidently by another hand than the main policy chapters.
46. See e.g. Allison and Green, op cit, loc cit and Allison in Ndegwa et al (forthcoming).
47. In all fairness there must be grave doubt that the Bank - or the committee producing the final version of AD - ever analysed the distributional aspects.
48. "this long run is a misleading guide to current affairs. In the long run we are all dead." (A Tract on Monetary Reform, MacMillan, London, p. 65). This is a general criticism of all "turnpike" and Mahalanobis models pushed to long term growth maximisation conclusions.
49. Livingstone, op cit, argues convincingly that downward manipulated wages and peasant prices in Malawi have artificially depressed effective demand and substantially

hampered development.

50. See de Gaspar et al, op cit for much fuller exposition.
51. e.g. Livingstone, op cit.
52. One may query the wisdom of starting on this route and the sanity of persisting in it. The point at present is how ready even the most nationalist and self confident of African states have been to allow massive external policy and programming power in agriculture.
53. World Bank, 1981, p. 132.
54. ibid. Chapter 9, Passim.
55. The Bank in the mid and late 1970's was in some cases an honourable exception (as IFAD is now). Indeed, in two of its integrated rural development projects in Tanzania (Mwanza and Kigoma) the infrastructure and basic services components were outstanding successes while agricultural output increases were either in totally undesigned crops (Kigoma food and coffee, Mwanza cassava) or very low (Mwanza). The reason for the latter is clear - there were next to no tested significant output packages in either case and the main targeted crops in Kigoma were less rewarding to peasant growers than maize and beans.
56. World Bank, 1981, Chapter 9 is critical of this - again without noting the key role of external agencies, not least the Bank, in causing and sustaining it.
57. Where apparent data bases exist closer study often reveals they are built on thin air. e.g. in Tanzania in the late 1970's MDB produced a detailed costing of coffee at Sh.16 per kilogramme (labour time at Sh.20 per day) which was widely believed. In 1981/82 a large Tanzanian grower said that at Sh.10 per kilo and Sh.30 per day for labour he made a profit of 33% of sales implying a cost of Sh.6.67.
58. Until 1979 the government believed maize/sembe was at breakeven which a reading of summary sections of MDB reports did little to dispel. In fact a 50% subsidy was being covered by hidden de facto commercial bank subsidies.
59. For a fuller - more critical - review of MDB and associated agricultural sector "aid" to Tanzania, see Payer, 1983.
60. For a fuller presentation of the author's views, see "African Economies In The Mid-1980's: Naught For Your Comfort" in J. Carlsson, 1983 and for an African perspective see "Synthesis and Synopsis" in Ndegwa et al, 1983.
61. This is quite consistent with AD.

62. An open preference is not a problem; it is concealed ideological preferences masquerading as empirical truth that are harmful.
63. The long run may be frighteningly distant. If over 1978-83 physical output has stagnated, population risen 15-17½%, and terms of trade losses risen to 15% of 1978 "national purchasing power" then as 1984 opens per capita command over real resources is 32½-35% below 1978. This is not atypical of many SSA economies. Assuming an average rate of output growth of 6% (vs World Bank 1983 projection of 3.3% on average), 3% population growth, no further worsening of the terms of trade it would be past 1990 before 1978 levels were fully recovered.
64. ECA, 1983, para 116. The Bank 1983a now agrees despite AD's call for "external" orientation.
65. Including the exchange rate.
66. This suggested route is somewhat less interventionist at micro level and somewhat more market oriented than that followed by South Korea or Taiwan or Brazil. The reason is not ideological but relates to the scarcity of competent analysts, administrators and managers in Africa; a scarcity which suggests the need to economise on the number of micro interventionist decisions to be analysed, evaluated, taken, implemented and reviewed.
67. This is at macro level - it does not mean labour intensive amonia-urea plants any more than 10,000 hectare mechanized farms.
68. For a more detailed agenda see Green, op cit in Carlsson, 1983.
69. OAU, 1981.
70. Ndegwa, et al, 1983.

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