

**HARMONIZING AFRICAN REGIONAL AGRICULTURAL SECTOR  
POLICIES: LESSONS LEARNED AND THE WAY FORWARD**

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This abstract is being submitted for consideration for the completed paper to be presented during the Conference, “Sectoral Policies to Strengthen Regional Integration” to be held in June 2011 in Malabo, Equatorial Guinea.

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## **Abstract**

African agriculture is generally viewed as the new frontier for technological innovation and diffusion such as occurred with the Asian Green Revolution decades ago. Additionally, because of land availability, African countries have the opportunity of modernizing their economies by recognizing agriculture as a knowledge-based entrepreneurial activity. As Juma (2011) argues, smart investments in agriculture will have multiplier effects in many sectors of the economy and help spread prosperity. According to the author, it is important to boost support for agricultural research as part of a larger agenda to promote innovation, invest in enabling infrastructure, build human capacity, stimulate entrepreneurship and improve the governance of innovation. To these, we add that African countries must also be viewed as potential destinations for outsourcing<sup>1</sup> agricultural products along the sector's value chain. Unfortunately, the sector currently faces many challenges that have brought it to a crossroads.

First, although agriculture is a major means of food and revenue generation in Africa, it has received relatively few investments in the past 50 years. Between 1980 and 2005, the World Bank was the largest lender to African agriculture. However, African governments, facing fiscal austerity measures stemming from the World Bank's and IMF's sponsored Structural Adjustment Programs (SAPs) in the 1980s, trimmed down significantly their budgets allocated to agriculture. Second, for those African countries that launched programs of reform to improve agricultural output in the 1970s and 1980s

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<sup>1</sup> Outsourcing is defined as the provision of a service or the production of various components of a good in a different country that are finally used or assembled into its final use in another location (Feenstra and Taylor, 2011).

(such as Kenya, Nigeria and Zimbabwe), the reforms were episodic and funding was not sustained. Many countries, such as Zimbabwe, have since experienced erosion of agricultural production. However, Kenya launched the Strategy for Revitalising Agriculture (SRA) in 2004 that called for, among other things, fundamental sector policy changes, legal and regulatory reforms to achieve food and nutritional security and to facilitate a shift from subsistence to market oriented production (Republic of Kenya, 2004). Third, African countries have become too dependent on external food aid, and many governments appear not to realize the urgency of deepening their agriculture sector investment. Moreover, persistent food shortages are being compounded by threats arising from climate change.

According to the Food and Agriculture Organization of the United Nations (FAO, 2004), although Africa has the largest agricultural area per capita in the developing world, yet it has the lowest irrigated area of about 3.7 percent, and fertilizer consumption of 12.6 kg/ha/arable land; much lower than the developing country average of 109 kg/ha/arable land. Additionally, only a quarter of the land in the total crop area is planted with modern crop varieties; although Asia adopted such modern varieties in the 1960s during the Green Revolution. Therefore, cereal yields for African farmers have stagnated since the 1970s and stand at about one-third of those in South Asia (World Bank, 2008). Without a doubt, Africa has been standing in the need of a new vision for agricultural sector innovation to, at the minimum, ensure food security, feed its people and transform the region from poverty and hunger. Can African governments provide political leadership and garner the necessary institutional reforms (including the overhaul of

existing laws, systems of incentives, etc.) to promote regional investment and diffusion of new and appropriate technologies into the agricultural economy?

It was against this background that the New Partnership for African Development (NEPAD) proposed action steps in the 2002 Comprehensive Africa Agricultural Development Programme (CAADP), aimed to achieve at least 6 percent agriculture sector growth by the year 2015 for all countries by improving agricultural investments up to \$251 billion. The CAADP<sup>2</sup> is an agriculture-led development scheme aimed at cutting hunger, reducing poverty (about 70 percent of which exists in rural areas where subsistence farming is mainly undertaken by illiterate women), generating economic growth, reducing the burden of food imports, and opening avenues for the expansion of agricultural exports. The CAADP has delineated four action steps to: (i) increase food supply, reduce hunger, and improve responses to food emergency crises; (ii) improve agriculture research, technology dissemination and adoption; (iii) extend the area under sustainable land management and reliable water control systems; and (iv) to improve rural infrastructure and trade related capacities for market access.

Three major opportunities can help transform African agriculture for economic growth (see Juma, 2011; p. xiv)<sup>3</sup>. First, global advances in science, technology, and engineering offer Africa new tools to promote sustainable agriculture. Second, ongoing efforts at creating regionally integrated markets will provide incentives for agricultural production and trade. Third, a new generation of African leaders must help to focus

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<sup>2</sup>The CAADP is conceived as a strategy to create regional value chains by linking agriculture to other sectors of the economy. The value chain is a continuum of forward and backward linkages among agribusiness, agro-processing activities (including ethanol and other industrial processes), and soil management by using technology to develop high-yielding seed varieties, and fertilizer production and dissemination.

<sup>3</sup> Juma's book is a product of the Agricultural Innovation in Africa (AIA) project funded by the Bill and Melinda Gates Foundation. It provides policy-relevant information on how to align science, technology, and engineering missions with regional agricultural development goals.

long-term economic transformation of the continent by seeking to incorporate agricultural sector rejuvenation.

Furthermore, we recognize that African agricultural sector development has lagged the rest of the world. This is partly because of the low levels of agricultural sector investment already discussed. Given emerging regional communities and imperatives for regional trade realignments, growing the sector would require inter alia streamlining national and regional agricultural policies in a coherent and systematic manner. For example, a coordinated effort must be made to encourage the youth to take up studies in science, technology, and engineering education; to provide the necessary resources to establish and strengthen regional agricultural research institutions, to promote and support those institutions to engage in agricultural research and innovation, and to align science and technology transfer strategies through effective north-south cooperation with regional agricultural sector development efforts.

The goal of this paper is to review the multiplicity of challenges facing African agriculture, conduct comparative analyses of effective recent national agricultural policies, report results of certain case analyses of agricultural sector investment, outsourcing and political risks, and offer recommendations in the way forward to achieve harmonized regional agricultural development policies.