
Event Report

African Economic Forum Panel: Green Revolution? “Mobilizing Africa’s Agricultural Resources”

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The sixth annual African Economic Forum (AEF), “From Assets to Action—Unmasking Africa’s Diverse Resources in a Challenging Era,” was held on March 28–29, 2009, to foster a public discussion to highlight opportunities and challenges and explore insights and strategies for Africa. This year, AEF—the largest Africa-focused event at Columbia University—was hosted jointly by the SIPA Pan-African Network (SPAN) at the School of International and Public Affairs, the African Business Club (ABC) at Columbia Business School and the African Law Students Association (ALSA) at Columbia Law School. In the panel “Mobilizing Africa’s Agricultural Resources,” researchers and practitioners discussed strategies to transform agriculture as the engine of development in Africa. The panel was moderated by David Browning, head of the global coffee practice at TechnoServe, and featured Christopher Aluah, agricultural coordinator/farming for the Youth Harvest Foundation Ghana (YHFG); Gary Toenniessen, PhD, managing director at the Rockefeller Foundation; Ibrahima Camara, rural development specialist at USAID Guinea; and Regina Birner, PhD, senior research fellow in the development strategy and governance division at the International Food Policy Research Institute (IFPRI). (For more on the 2009 African Economic Forum, visit <http://sipa.columbia.edu/aef>.)

Over the past decade, the international development community focused on infrastructure, health and education as the solution to poverty. For the first time since the 1980s, agriculture has been placed firmly at the forefront of the global development agenda. The World Bank’s *World Development Report 2008: Agriculture for Development* called for greater investment in agriculture in developing countries. It highlighted agriculture’s potential for reducing poverty,

ensuring food security, providing environmental services and functioning as an engine of growth, all of which are extremely relevant to the challenges Africa faces today.

Shifting attention to agriculture is “fitting” for Africa, according to Gary Toenniessen of the Rockefeller Foundation. Africa already has an agrarian economy, with 60 to 90 percent of the population being small-scale farmers, and about 30 to 50 percent of GDP comes from agriculture. The potential of agriculture for Africa is further supported by the examples of the economic triumph in Asia with the Asian Tigers (i.e., Hong Kong, South Korea, Singapore and Taiwan) successfully pursuing agricultural development first before moving on to more manufacturing-focused development. The Rockefeller Foundation focuses on “market-led technology adoption” in its work on agriculture, highlighting three main components: the introduction of yield enhancement, an increase in soil fertility and the development of the output market. These programs follow the premise that the development of technology must be market-led to increase productivity and profitability for farmers. Mr. Toenniessen also emphasized the importance of supporting local African scientists and research institutions.

The president of the World Bank, Robert Zoellick, emphasized local food production to reduce reliance on imports at his first address at the African Union summit. Youth Harvest Foundation Ghana (YHFG) is just one example of locally conducted initiatives in many parts of the continent. The foundation works toward the vision of self-sufficient youth in healthy communities in the Upper East Region in Ghana. According to Christopher Aluah, YHFG’s Sunuga (“Peanut”) Project aims to create ecologically and financially sustainable farming communities and support education. In 2006, about 300 farmers joined the project through a farmer’s cooperative. Unrelated to the project, but something that had a strong effect on its outcome, was climate change. Most of the farmers lost their harvest as a result of major floods that swept through West and Central Africa in 2007. Despite its initial challenges, the Sunuga Project successfully managed to achieve quality control and eliminate agrochemical contamination through training and best practices.

African leadership plays a key role in driving agriculture, according to Ibrahima Camara of USAID, who shared his experiences in Guinea, where 24 percent of GDP comes from agriculture. The initiatives currently supported by USAID in Guinea include the Sustainable Tree Crops Program and promotion of exports through the African Growth Opportunity Act (AGOA). Leadership plays a critical role in many facets of agricultural development in Africa: political will, eradication of corruption, land-tenure enforcement and public-land management, and political stability.

Current conditions are ripe for development, according to Regina Birner of the International Food Policy Research Institute (IFPRI), who said, “Now is the chance for Africa to develop agriculture.” She stressed stable macroeconomic condition that now exists in many countries in Africa. Most countries have eliminated taxes on agriculture, which previously resulted in limited growth of the sector. Several multiparty elections in the continent also have important implications for rural areas: small-scale farmers can organize and gain negotiation power more easily. As a result, a number of new independent-farmer organizations have flourished throughout the continent. As mentioned earlier, there is increasing commitment from African governments—target spending on agriculture of 10 percent of the national budget, 6 per cent growth target—as well as from the international donor community.

There are, however, still many challenges that Africa faces in agricultural development. Mr. Toenniessen raised as one of the key issues the low productivity of small-scale farmers. With a productivity level of about a quarter of the world average, Africa is not able to fully use its assets—land and labor. On the other hand, Ms. Birner talked about the difficulties with government supporting agriculture. Institutional economists often describe agriculture as “transaction intensive” because it requires daily interventions throughout the country, it cannot be standardized and government intervention can become cumbersome. However, this presents an opportunity for the private sector. Private companies can choose to enter in different parts of the country and fill the gap by investing in a wide variety of sectors, such as logistics, technology and trade.

Agriculture faces many challenges on the ground, as explained from personal experience by both Mr. Aluah and Mr. Camara. YHFG’s Sunuga Project was adversely affected by climate change. Unstable and extreme weather conditions resulted in huge operating losses for small-scale farmers in 2007. In addition, trade barriers, such as tariffs and health regulations, make it difficult for small-scale farmers to expand operations and export to Western nations, thus limiting their growth opportunity. Mr. Camara pointed out a number of challenges in Guinea, including insufficient technical knowledge and skills, lack of appropriate and sustainable financial incentives, ineffective agricultural production and marketing programs, inadequate infrastructure and weak organizational skills among farmers.

A theme throughout the discussion was that existing challenges in agriculture suggest room for significant improvement: with the right solution, starting from the base can lead to a robust expansion in Africa, followed by further impact on people’s income level and well-being. Some exciting solutions are already being implemented, according to Ms. Birner. Cellular-phone technology has introduced or increased access to trading and market information for small-scale

farmers. Agricultural technology, such as the New Rice for Africa (NERICA) variety, helps farmers improve their yield. Farmers are also banding together through organizations—for example, a group of independent coffee farmers in Ethiopia are able to access the high-volume coffee market. Finally, agricultural finance products, such as index-based agriculture-insurance products, still in the development stages, have the potential to mitigate the risks from bad weather conditions and to smooth farmers’ income. Challenges for agricultural development in Africa remain, but solutions are being found. Perhaps the green revolution in Africa may be realized in the not-too-distant future.

SAWA NAKAGAWA MBA/MIA '09

Columbia Business School

Columbia University School of International and Public Affairs