Two Worlds in Agricultural Policy Making in Africa? Case Studies from Ghana, Uganda and Senegal

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University of Hohenheim
Contested agricultural policy questions

- Renewed interest in agriculture: African governments & donors
  - Maputo Declaration (2003) - Comprehensive Africa Agriculture Development Program (CAADP)
  - Food price crisis of 2008 as a major driving force

- Agreement on the need to promote agricultural development in Africa

- Disagreement
  - What does it take to achieve this goal?
  - Which policy instruments are appropriate?
  - Debates: Input subsidies, state-focused instruments versus market-oriented policies

- Knowledge gap: Which way to promote agricultural development?
Contested government support programs

- Ghana
  - Block farming program
  - AMSEC (Agric. mechanization program)
  - Fertilizer input subsidy program
  - National buffer stock program

- Senegal: PRODAM

- Uganda
  - Operation Wealth Creation (OWC)
Advocacy Coalition Framework

Type of political system

Coalition A
* Interests
* Resources
* Beliefs

Coalition B
* Interests
* Resources
* Beliefs

Policy formulation

Implementation

Policy impact

Source: Adapted Jenkins-Smith & Sabatier (1994:181) and Birner et. al. (2011:22)
Policy choices: Role of policy beliefs

- **Policy belief systems** defined as
  - including “value priorities, perceptions of important relationships, perceptions of world states (including the magnitude of the problem), perceptions of the efficacy of policy instruments, etc.” (Sabatier, 1988: 132).

- **Focus on beliefs and values**: Strong tradition in political sciences (e.g., Goldstein & Keohane, 1993, Schlager, 1995, but rather neglected in economic theories of policy-making

- **Overall aim of the research**
  - Contribute to a deeper understanding of the debate on agricultural policy choices
    - highlighting role of policy beliefs in addition to self-interest in explaining agricultural policy choices
Research Design and Data Collection

- Qualitative Comparative Case Study
  - Ghana, Uganda, Senegal

- Informed by Grounded Theory (Glaser & Strauss, 1965)

- Selection of respondents based on stakeholder mapping

- Interviews to elicit views and beliefs
  - Open questions without prompting
  - What do you think are the major problems facing the agricultural sector in your country?
  - What do you think are the main policy instruments that are suitable to address these problems? Why
## Stakeholder interviews

<table>
<thead>
<tr>
<th>Stakeholder organizations</th>
<th>Ghana</th>
<th>Uganda</th>
<th>Senegal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government agencies (Agriculture policy unit, extension &amp; finance)</td>
<td>7</td>
<td>7</td>
<td>6</td>
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<tr>
<td>Academic (Agriculture, Agricultural Economics &amp; Political science)</td>
<td>3</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Think tanks (Research)</td>
<td>1</td>
<td>2</td>
<td>5</td>
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<tr>
<td>Donor agencies &amp; IFI&lt;sup&gt;a&lt;/sup&gt;</td>
<td>5</td>
<td>6</td>
<td>4</td>
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<tr>
<td>Non-governmental Organization</td>
<td>4</td>
<td>4</td>
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<tr>
<td>Political party representatives &amp; Parliamentarians</td>
<td>5</td>
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<tr>
<td>Interest groups (Civil society Organization)</td>
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<td>5</td>
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<tr>
<td>Farmers (small &amp; large scale)</td>
<td>2</td>
<td>3</td>
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<tr>
<td>Traditional authorities</td>
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<tr>
<td>Local government</td>
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<tr>
<td><strong>Total (99 in-depth interviews)</strong></td>
<td>33</td>
<td>34</td>
<td>32</td>
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</tbody>
</table>

<sup>a</sup>International Financial Institutions
Analytical Approach

Quantitative analysis

- Transform qualitative data
- PCA & cluster analysis
- Policy coalitions & beliefs

Qualitative analysis

- In-depth Interviews
- Coding of transcripts
- Policy themes
Findings

- **Agreement**: Low productivity of agriculture as main problem
- **Different policy themes** identified

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<tr>
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<tr>
<td>Input subsidy &amp; appropriate technology</td>
<td>Market price support &amp; storage</td>
<td>Depleting soil fertility</td>
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<tr>
<td>Quality of agricultural inputs</td>
<td>Appropriate technology</td>
<td>Market access</td>
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<td>Market price support &amp; storage</td>
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<td>Agricultural credit</td>
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<tr>
<td>Youth involvement in agriculture</td>
<td>Inadequate land policies</td>
<td>Limited value addition</td>
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<tr>
<td>Rainfall dependent farming &amp; crop insurance</td>
<td>Input subsidies</td>
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<tr>
<td><strong>Cluster distribution (%)</strong></td>
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<td><strong>70</strong></td>
<td><strong>30</strong></td>
<td><strong>74</strong></td>
<td><strong>26</strong></td>
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Divergent policy beliefs about mechanization

Domestic coalition beliefs

[The youth prefers jobs outside agriculture, which offer] …“better jobs than the drudgery that the youth go to face when they go into farming, because farming in Ghana is still largely dependent on hoe & cutlasses, so it is a lot of drudgery involved, so it is not attractive.”

(Interview with former Member of Ghana Parliament, Accra, September 10, 2012)

Donor coalition beliefs

“The tractors have a political image, because they are big, when they say we have brought in tractors, when they say we have brought in 1000 tractors, you can make a big political statement of it.”

(Interview with Development consultant and academic, September 11, 2012)
## Contested agricultural policy
### Domestic versus donor discourses

| Framing of the main problem | **Domestic policy coalition**  
Public sector centered | **Donor-led coalition**  
Private sector centered |
<table>
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| Views on input subsidies | Important to transform agriculture | Subsidies not sustainable, kill private sector initiatives |

| Views on appropriate technology (mechanization) | Important to modernize agriculture to attract the youth | Should be achieved by the private sector |

| Positive Self-image | Capable of understanding domestic problems and determining the best policy option for the local economy | Capable of bringing external experience and superior knowledge to provide evidence based policy options |

| Negative Other-image | They come with policies that create dependency | They lack capacity, they do not have any figures to show |
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One objective but divergent policy beliefs

- Divergent policy beliefs between domestic coalition and donor coalitions
  - What does it take to develop small-holder agriculture?

- Domestic policy beliefs
  - Transforming smallholder agriculture requires public intervention to provide modern subsidized inputs.
  - Providing physical access to modern inputs is indispensable for moving small-holders out of their current “hoe and cutlass” nature of farming

- Donor coalition beliefs
  - Interventions are market distorting and crowd-out private sector; need to provide incentive for private sector

- Beliefs translated into programs and projects
  - Parallel policy processes
    - Ghana: CAADP vs. policy process on block farming
Change in land and labor productivity by region 1961-2013

Source: Pardey (2015)
Bridging “domestic world” and “donor world”

- Move from “two worlds” to decision-making based on mutual understanding and consensus
  - Challenge of donors: Acknowledging priorities of domestic policy makers – overcoming ideological barriers
  - Challenge of domestic policy makers: Acknowledging the governance challenges of their preferred policy instruments

- Promoting policy-oriented learning
  - Evidence-based research on policy options that can bridge the gap – reaching agreement on mutually accepted research methods
    - Examples: Targeting of subsidies, use of ICT to improve program implementation
    - Partners to involve: Universities, IFPRI, FAO, and National Agricultural Research
“Until we understand why our society adopts its policies, we will be poorly equipped to give useful advice on how to change those policies. “

Stigler (1975, p.ix) Nobel Prize in Economics, 1982

Thank You!
PEBAP project team

- Felix Asante, University of Ghana
- Ousmane Badiane, IFPRI, Washington DC
- Samuel Benin, IFPRI, Washington DC
- Regina Birner, University of Hohenheim, Germany
- Sadibou Cheickh Fall, ISRA, Senegal
- Christian Henning, University of Kiel, Germany
- Michael Johnson, IFPRI, Washington DC
- Patience Rwamigisa, Makerere and MAAIF, Uganda
Policy choices: Self-interest explanations

- Quantitative and qualitative literature
  - Bates (1981): Government’s incentive to stay in power
  - Van de Walle (2001): Neo-patrimonial state
  - Jayne et al. (2002): Incentive dilemma – role of donors
  - Swinnen (1994): Political support function

- Less successful in overcoming the contested debates
  - Focus on only rational choice assumption or self-interest

- Recent studies
  - Henning and Struve (2007): Legislative bargaining
  - Olper (2010), Dutt & Mitra (2010): Role of ideology
    - Left wing, centre, and right wing ideologies

- Empirical research on role of agricultural policy belief is limited
Agricultural policy choices in developing countries (Nominal Rate of Assistance (NRA))

Removing subsidies

Import-competing products (e.g., maize, beans, rice)

Exportables (e.g., coffee, cocoa)

“Overshooting” agricultural policies

Removing taxation

NRA = ((Pd - Pw)/Pw) * 100
Pd = domestic market price
Pw = world market price

Source: Anderson (2009:22)
Promoting Participatory and Evidence-Based Agricultural Policy Processes in Africa (PEBAP)

Collaborative research project
Ghana - Uganda - Senegal