



2018 seep

Annual Conference

Collaboration for Impact

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Recent Changes in African Agriculture:

| Drivers, Obstacles and Outcomes.

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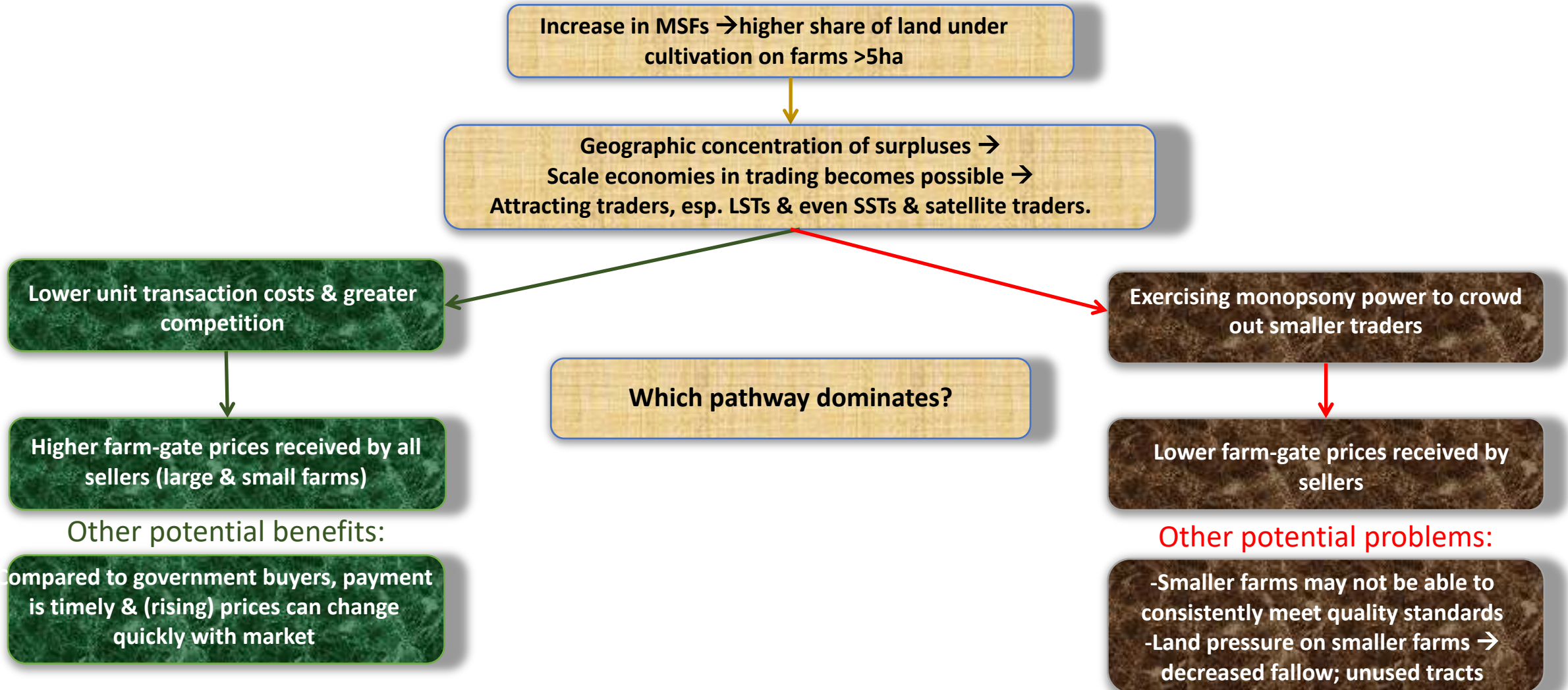


- **Africa in 2018 looks different than the 90's – Why?**
 - Population growth ↑
 - Urbanization ↑
 - Education (esp. secondary and university) ↑
 - Changing diets
 - Food prices ↑
- **Opportunities seized (?)**
 - 4.6% real agricultural growth per annum 2000-2016 (double the 90's)
 - 35% real per capita GDP increase 2000-2014
 - Second fastest growing regional economy (after Asia)
- **But don't forget Africa is a continent – change is not universal and not always positive**

The biggest changes that affect the smallest farmers

- **Changing land dynamics**
 - Vast majority of rural Africans still smallholders, BUT
 - Rapid increases in “medium” sized farms (5-100 ha)
- **Changing output markets**
 - Smallholder maize sales to “large traders” more than doubled in some areas
 - Trader market is “co-evolving” with medium-scale farm expansion
- **What does this mean for smaller farmers?**

Potential benefits and problems for small farmers



How the evidence stacks up | The case of Zambia

- **Rise of Medium-scale farms associated with greater likelihood that smaller farms:**
 - Sell maize
 - Sell to private traders
 - Sell to large-scale traders
- **Mean sales to large-scale *and* small-scale (satellite) traders increases**
- **Large-scale trader prices are about 4.5% higher, all else equal**
 - This and other evidence suggests competition
- **On balance, changes in agricultural markets seem good for even small *commercialized* farms**

- **In Agricultural Markets**
 - **What helps**
 - Rules-based (predicable) trade policy
 - Ensuring competitive markets
 - Provision of public “goods”
 - Price transparency & balanced information
 - Infrastructure
 - **What doesn't**
 - Ad hoc trade policy
 - Price manipulation through government buyers

- **On the farm – Ag productivity growth starts the engine**
 - **What helps**
 - Research and bi-directional learning through extension
 - Infrastructure
 - **What doesn't**
 - Input subsidies (at least not as they are usually implemented)
 - Poorly regulated input markets (non-existent or unenforced quality standards, e.g.)

Thank you!



For more information and background literature, please visit:
<https://www.afpconsulting-burke.com/seep-background-literature>