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AGRICULTURAL RESTRUCTURING
IN
SOUTHERN AFRICA

**Papers presented at an
International Symposium
held at Swakopmund, Namibia**

24-27 July, 1990

Edited by

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**International Association of Agricultural Economists
in association with
Association of Agricultural Economists in Namibia
(AGRECONA)**

First published in 1992 by the Association of Agricultural Economists of Namibia

P.O. Box 21554, Windhoek, Namibia.

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Printed in Namibia by Windhoek Printers & Publishers (Pty) Ltd,
P.O. Box 1707, Windhoek, Namibia.

Distributed by the Association of Agricultural Economists of Namibia,
P.O. Box 21554, Windhoek, Namibia.

ISBN 99916/30/10/4

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PREFACE/ACKNOWLEDGEMENTS

For several decades, the International Association of Agricultural Economists (IAAE) has been active in Africa. Most of the countries on the continent are represented by IAAE members. The Association held the XVIIth International Conference of Agricultural Economists in Nairobi (Kenya) in 1976. In July 1990 the IAAE organised another important meeting, an Interconference Symposium in Africa. On this occasion, 120 agricultural economists representing 28 countries from all five continents, including all the countries in Southern Africa, gathered in Swakopmund, Namibia, to discuss the problems of agricultural development in Southern Africa and future prospects for Namibia's agriculture. This book provides an account of this important event.

The Southern African subcontinent is at present in the midst of fundamental political and economic restructuring. Mozambique started its transformation in the late 1980s. Namibia went through a turbulent time in 1989 and 1990. Political changes have accelerated in South Africa and Angola. The agricultural economy of the region is also characterised by deep-rooted changes far exceeding the scope of reforms of earlier years. No doubt a need for agricultural policy guidelines exists, especially with reference to the situation after independence, the dismantling of apartheid and the settling of major internal political contradictions in all the countries in Southern Africa.

AGRECONA, the Association of Agricultural Economists in Namibia, felt that they could contribute to the development of the region's agriculture by exposing agricultural economists and representatives of the governments to current new schools of thought and providing a forum for open debate and discussion. After consulting with the IAAE Executive Committee, it was agreed to organise an IAAE Interconference Symposium during July 1990 on "Agricultural restructuring in Southern Africa".

Interconference symposia form a regular part of the activities of the IAAE. The symposia provide opportunities to focus on problems of specific regions or on narrower areas of the discipline to promote agricultural economics in less developed regions and to have in-depth discussions on specific problems between triennial conferences. The importance of events in Southern Africa, the need to strengthen agricultural economics in the region and to facilitate the first interaction among agricultural economists of the region well justified the selection of Namibia as a venue for the Interconference Symposium. The Namibia Symposium ended on Friday, July 27, 1991 after four days of intensive discussions based on ten plenary and sixty contributed papers. The Namibian Minister of Agriculture, Fisheries, Water and Rural Development, Mr Gert Hanekom, opened the Symposium. Professor Csaba Csáki, President-elect of the IAAE, delivered the opening address. The Deputy Minister of Lands, Resettlement and Rehabilitation of Namibia, Dr Marcus Shivute, was an active participant in the proceedings. On the final day a broader group representing organised agriculture, statutory boards, government, financial institutions and political parties participated in the discussions.

On the first day of the Symposium speakers addressed the critical issues facing the agricultural sectors of the respective countries in Southern Africa. This was followed by two days of intensive discussion on ten subthemes, including macroeconomic linkages, technology adoption, production promotion, manpower and human resource development and the land issue.

A final session on the prospects for regional cooperation set the stage for a panel discussion aimed at extracting the lessons for Namibia from the ten plenary and sixty contributed papers. The panel, chaired by Prof. Carl Eicher (MSU, USA) consisted of

Preface/acknowledgements

Professors Mandivamba Rukuni (Dean of Agriculture, University of Zimbabwe), Jerry Eckert (Colorado State University) and Csaba Csáki (Rector of the Budapest University of Economic Sciences and President-elect of the IAAE), Mr Luther Sibisi (Development Bank of Southern Africa) and Mr Howard Sigwele of the Ministry of Agriculture in Botswana.

Organising the Namibian Symposium was an extensive undertaking involving many people from the region and the IAAE. The current members of the IAAE are grateful to their colleagues for their hard work which ensured the success of the event. First of all, the efforts, reliability and organisational capabilities of the AGRECONA Organising Committee, Diethelm Metzger (chairman), Bernd Rothkegel, André Botes, and Helmke Sartorius von Bach, are gratefully acknowledged. Several other members of AGRECONA also made a considerable contribution to ensure that the Symposium ran smoothly.

We also want to thank the consultants to the AGRECONA Organising Committee, Dr Nick Vink, Dr Johan van Rooyen and Prof. Johan van Zyl, for their advice, initiative, encouragement and continuous support. They spared no effort in assisting the local organisers during the organisational period of ten months. A word of appreciation is also directed to Dr Kunasingham and Prof. T Fényes who advised AGRECONA on various occasions.

On behalf of the IAAE, AGRECONA and all the beneficiaries of the Symposium and this book, we wish to thank the Development Bank of Southern Africa for their generous support with the publication of this book. The Standard Bank of Namibia and Windhoek Printers were major financial sponsors of the Symposium, while the Ministry of Agriculture, Water and Rural Development of Namibia supplied fax and telephone facilities during the organisational phase.

This volume was edited in two stages. First, papers were revised by authors and fifty papers were selected by the editors for publication. The relevance to Southern Africa, academic standard and context as well as the technical quality of papers were used as criteria for selection. The second phase included the structuring of the papers, as well as the substantive and technical editing of individual papers.

Most of the editing was done by Diethelm Metzger and Johan van Zyl. Special thanks are due to Prof Van Zyl for his major role in the preparation of this book. Prof Theodor Dams also made a significant contribution regarding the substantive editing.

*Csaba Csáki
President of IAAE
October, 1991*

EDITORS' INTRODUCTION

The first half of the 1980s were critical years for agriculture in the sub-Saharan and Southern African regions. In 1983 and 1984, sub-Saharan Africa experienced the worst famine in history. During 1984, almost half of Africa's developing countries suffered abnormal food shortages. It was estimated that at least 30 million people out of the total population of some 240 million in those countries were subject to famine and malnutrition¹. Although problems in the southern part of Africa are somewhat less severe, the major challenge of future agricultural development is the same for the whole region: to improve nutrition for the fast-growing population without further destruction of local ecological systems. To be able to cope with this task, a fundamental change is required in the way agriculture is approached in the respective countries. The special FAO study of Africa submitted to the 1986 African Regional Conference concluded that a significant acceleration in production from the disastrous levels of the past is possible if appropriate policy reforms were implemented and priority was given to the allocation of resources to agriculture.

The countries of Southern Africa, including South Africa, have a favourable natural endowment for agricultural production, but face many problems. This book provides a comprehensive set of references to understand and study the problems of agricultural development in Southern Africa. Each contribution is more or less self-contained and papers are grouped according to major subject areas. These areas include papers discussing actual problems of the region and papers providing international perspectives and summaries of general developments.

The first part of the book presents six important and informative papers describing the agricultural economy: past trends and present problems in Zimbabwe, Mozambique, Zambia, Botswana, Lesotho and South Africa. The authors formulate conclusions for Namibia and lessons for the whole region. These papers could be loosely described as case-studies drawn from various countries, covering not only actual problems, but also providing historical references. They establish an excellent framework and point of departure for the papers on more specific subjects.

In the main section of the book, papers covering the various components and aspects of ongoing agricultural reforms and development in general are presented. The theories, methodologies, and approaches to various aspects of agricultural development are illustrated by a great variety of actual examples from countries all over the world. All the papers attempt to present solutions to the agricultural problems of the region, with special reference to Namibia. A multitude of concrete proposals and ideas that can be directly applied on both macro- and microeconomic levels, are presented.

The seven papers dealing with international and macroeconomic linkages place the problems of Namibia and Southern Africa in an international framework. The specific problems of economic cooperation in Southern Africa are discussed by Otto, Van Rooyen, Vink and Adu-Nyako. This part of the book presents a good overview of perspectives on international trade and aid in agriculture.

The next section of the book includes papers on the subject of institutions and public choice theory. Schmid and Hagedorn's theoretical papers complement the three papers presenting actual examples of policy development in the region.

¹ Source: N. Alexandratos (ed.) *World Agriculture toward 2000*. FAO, Rome, Belhaven Press, London, 1988

Editors' introduction

A large selection of papers on technology adoption and production promotion in agriculture appears in the next part of the book. Once again, actual cases are emphasised in papers by Grisley & Shamambo, Sartorius von Bach, Metzger & Rothkegel and May & T'Jonk. Von Blanckenburg evaluates recent efforts for improving the transfer of agricultural technology in Africa and Kizito presents a multi-period linear programming framework for analysing dairy development projects.

Three papers in the next section deal with training and education in agriculture in the region. However, several other papers in other sections of the book also discuss the human resource component of agricultural reforms, such as the five papers following this section. Project design can obviously not be discussed without taking account of a country's human resources, i.e. the farmers themselves. Here Snodgrass, Eicher & Rukuni and Rohrbach's papers present very interesting examples of the implementation of farmers' support programmes in the region.

The section on land use and land ownership comprises the most controversial issue of agricultural reform in Southern Africa. Watts and Jackson & Lyster discuss the actual experiences of Zambia and Mozambique, while De Klerk and Fényes list and evaluate future options for South Africa. Readers may find this section of the book thought-provoking and outward-looking.

The remainder of Part III of the book is devoted to some general agricultural policy issues such as environmental protection, efficiency, equity and food security. Again, most of the papers address these issues in a concrete regional context. Söderbaum and Dams's papers deal with general aspects of human resources in agriculture. Whiteside discusses the effects of AIDS on the region's agriculture, while Morgan gives interesting information on women producers in Namibia.

Part IV of the book presents a summary of the panel discussion held on the last day, as well as some overall conclusions written by Metzger and Van Zyl. It is quite clear that the creation of a more efficient, and at the same time more equitable and sustainable agriculture in Southern Africa is a difficult and complex task. This book intends to make a modest contribution to the success of that task.

Parts V and VI of the book contain abstracts of the papers presented at the symposium which were not published fully and a list of authors, respectively.

October, 1991

*C Csáki
Th Dams
D Metzger
J van Zyl*

I

INTRODUCTION