

PART 6

MAJOR AGRICULTURAL REGIONS IN TRANSITION

China, India and Africa account for over 50% of the world's population. They also contain by far the largest numbers and proportions of the world's poorest people. Over half the populations of Africa and India are still rural, while China has crossed the urban > rural threshold with 58% of its people living in urban areas. Smallholder agriculture overwhelmingly predominates, with each having hundreds of millions of small farms. Enormous strides in poverty reduction have been made in China and it has essentially eliminated chronic hunger. India has also made great progress in poverty reduction, although there are still large pockets of hunger reflected by high incidence of child stunting. Africa, by contrast, has made disappointing progress in reducing poverty and hunger. These two scourges remain very much near the top of the agenda of those interested in African development.

Despite progress, the food security status of each remains a critical concern. Africa and parts of India still require major breakthroughs in productivity in some of their most populous areas. China presents a different challenge. While it is now food secure, it is increasing its food imports. Given the size of its population and its ability to enter the global food markets and pay essentially any price, what would be the consequences of a major and sudden drop in locally produced food in China? By bidding up the price of food on global markets China could essentially force smaller and less wealthy buyers out of the market, pushing previously food secure countries into food insecurity. It could be argued that if China is food insecure then the world is food insecure.

Chapter 24 gives a good overview of the 'Green Revolution' from an African perspective. It poses the question: 'why has African Agriculture not enjoyed its own Green Revolution?'. Chapters 22 and 23 on China and India, respectively, go a long way to answering that question and describe in some detail the evolution of policies since the 1950s. What is striking is that governments in both very large countries, which enjoyed enormous success in growing their agricultural productivity, showed sustained commitments to agricultural growth through aggressive policies. More important than this continued attention to

agriculture was their ability to see where policies were not working as expected, and where new technologies or knowledge demanded policy adjustments. Over the last few years there has been a number of major initiatives launched for improving African agriculture. A significant change over past efforts is a clear understanding that private investment, entrepreneurship and elimination of opportunities for corruption are key components of successful policy initiatives.

The chapters explore in some detail the policy frameworks, and how they evolved, for each of these regions. China and India have had very serious policy initiatives over many decades to transform their societies. They have the advantage of being single countries compared with the over 50 countries in Africa. Single party centralised governance in China facilitates policy development and adoption, while the somewhat more decentralised multi-party, federal governance model in India theoretically allows for more adaptability. That notwithstanding, the Indian national government has had a long history of very strong interventions in agriculture and rural development. Africa's regional associations have had some success in multi-country agricultural and trade policies, but overall national sovereignty is paramount. International finance institutions, development banks, international organisations and official development assistance still hold significant sway over agricultural and development policy in Africa.

Chapter 22 describes the China approach as largely focusing on economic growth, with urban areas benefitting disproportionately. This is a compelling story of how long-term vision, adherence to long-term objectives, carefully constructed policies and the ability to make adjustments can completely transform a country in ways that were seemingly impossible – at least to an outsider. While there has been undeniable success, it has come at a cost and some of the policies that were implemented may be seen as draconian. Rural populations did not share equally in the incredible economic growth that China has enjoyed over the last 35 years or so. Furthermore, a focus only on production resulted in little regard for the impacts that excessive input use could have on the environment. Chapter 22 shows how the policies in its most recent 5-Year Plan better meet rural needs. It will take several more decades to fully appreciate how the longer term costs, in terms of the environment and demographics, balance with the short-term very rapid gains in economic growth.

Chapter 23 presents a detailed description of Indian Government commitment to overcoming poverty and food security dating from its independence in 1947. The focus was almost exclusively on improving the lot of rural population that made up a very large proportion of the population at independence. Today, still some 65% of the population live in rural areas. Given its mixed economy, national policies concentrated on subsidies and direct state intervention in a large number of areas supporting agriculture. In addition, large investments in rural infrastructure, especially roads and electricity, were intended to promote rural economic development and agriculture. A major challenge has been to remove subsidies in a sometimes hyper-political environment. Recent shifts to direct payments to the poorest segments are designed in part to streamline the cumbersome subsidy approach. Like in China, it will likely be a generation before the full impact of recent changes, including monetary policy, can be appreciated.

Although the challenges are enormous for Africa, the evolution of rice cultivation in the region gives reason for hope. The comparison between Asian and African rice culture in the context of development theory suggest that, given the right policy environments, Africa can become a major supplier, rather than consumer, in the world rice markets. The major investments in agriculture by the African Development Bank provide reason to believe this will be the case.