



How African Agriculture is under-rated due to narrow notions of evidence

When economists and policy makers in developing countries talk about evidence, in most cases they mean numbers or statistics. For instance in African countries, statistics dominate the language used to describe fiscal policies and budgets in monetary terms. Factors like contribution to GDP, production outputs per hectare and export earnings are all about figures. However, in real life, evidence goes beyond figures or statistics. If developing countries swallow this notion of evidence hook line and sinker, they completely undervalue their economies.



Towards a broader notion of evidence

A broader and meaningful notion of evidence can emerge from answering the following questions:

- To what extent is information, knowledge and skills shared in the agriculture sector considered evidence and how is such evidence accounted for?
- What are the drivers of knowledge sharing and skills development in agriculture and rural development? Who are the actors?
- How do we account for soft skills that are passed from generation to generation?
- How do we value knowledge and skills in agriculture markets that have sustained African agricultural sectors for decades, enabling farmers, traders and other actors to send their children to school? How do we correctly account for the contribution of such knowledge to academic education?

In African agriculture, the evidence default is to look at production statistics and productivity only. There is lack of evidence on employment creation along the value chain, covering activities like production, logistics, marketing, processing and others. Agriculture's contribution to employment creation in related

industries like input providers and equipment manufacturers is barely captured as useful evidence. Yet without diverse evidence, it is impossible to properly lure investment into the agricultural sector.

Harnessing the power of social evidence

Beyond statistics, it is important to gather evidence of how trust and relationships are built as collateral, how business networks are forged and how all this sustains the whole agricultural sector. Without strong relationships and trust we end up with actors working in isolation and silos, making it difficult to make a collective difference together. Imagine what can happen if there are no relationships between farmers and traders, between informal markets and formal companies.

There should be tools and processes for assessing the value of such resources and hidden factors. Evidence on how the agricultural sector copes with shocks like floods and other unforeseen circumstances is fundamental. Such evidence can be gleaned from how value chain actors and institutions like markets cope with challenges like climate change. Critical insights include how markets and households cope with floods and drought, before emergency activities like food aid are introduced. Ideally, households and communities should be empowered to come up with quick decisions that feed into coping mechanisms before external support comes. That means, reliable evidence should be available and properly consolidated. Households in a community may not be vulnerable to the same challenges at the same time.

Also important is the extent to which enough evidence of an agricultural sector's coping strategies is available. Without such evidence, there is a danger of either over-rating or under-rating the entire sector's capacity to cope with challenges. It is possible for more than 70% of the coping strategies to be available within a particular community. Figuring that ahead of time will ensure interventions address underlying issues of which drought may just be one of the symptoms. To what extent does food aid address underlying socio-cultural and environmental issues that prevent germination of permanent solutions?

Importance of questioning conventional practices

How much evidence is there to prove that by pursuing monoculture in crops like tobacco, cocoa, coffee or cotton, African countries are not weakening their farming communities to achieve food security and nutrition? It is easy to measure tobacco's contribution to GDP in terms of export receipt figures but also easy to calculate the crop's opportunity cost at household and national levels. The entry point into this issue can be finding out what could have been achieved by putting the same land to other uses such as producing nutritious food so that countries producing tobacco won't have to use tobacco income to import food or medicine. What are the environmental and opportunity costs associated with cutting down trees to grow and burn tobacco versus putting the same land to alternative uses?

Do we have enough evidence of how our climate mitigation strategies are responding to climate change? If most causes of climate change are not in the agricultural sector but due to industrialization and other external factors, what is the point of subjecting farmers to climate smart agricultural initiatives that do not address the root causes? Farmers may do everything right but suffer from floods caused by factors beyond their control. Due to lack of evidence, we may be very far from developing tools that can address the effects of climate change.

To what extent do we have evidence that technologies such as ICTs are addressing real issues? What if technology may even be distorting markets and destroying established value chains. For instance, use of mobile phones may be destroying trust between farmers and traders, built over generations by promoting side-marketing since opportunistic buyers are easy to access through mobile phones? To what extent can we say agricultural tools coming from outside are increasing agricultural productivity? Those tools may even be leading to more losses through mismatching equipment capacity and the capacity of farmers.

Developing appropriate evidence indicators

Indicators that try to address the above issues can be developed through participatory approaches involving diverse knowledge actors. Working with value chain actors, it is possible to identify indicators that can track the value of trust in agribusiness. Local people can then be trained to use those indicators to embed trust in the entire agricultural ecosystem. It is by gathering evidence from the grassroots and diverse actors that we can be able to see whether we are over-rating or under-rating, over-positioning or under-position agriculture in the whole economy. A combination of qualitative and quantitative evidence can inform policy makers in terms of gaps that need policy intervention as well as opportunities for investors and development partners.

Investment is not just about dollars and cents (money). It can be on the economic or social side. Some communities may just need someone to facilitate knowledge sharing in ways that enable them to fully exploit available resources. It may not be about Foreign Direct Investment (FDI) but Local Direct Investment (LDI) in the form of local knowledge and ambitions for progress. Most African rural communities cope with challenges because they do not think in terms of money. They just exchange local commodities whose value has been locally agreed upon. That is why rural communities continue to thrive although there isn't a lot of money in circulation. People can provide labour in exchange for agricultural commodities and that minimizes the need for cash. To a greater extent, rural communities have found ways of not being slaves of dollars and cents. They have realized that, as merely a means of exchange, money should not control the game. However, building resilient models based on these realities requires robust evidence.

Who says evidence should be gathered and processed by formal institutions?

In Africa, there is a wrong notion that evidence should be collected and processed by formal institutions in order to be considered reliable. Unfortunately, besides being constrained by disciplinary methods of gathering and processing evidence, such institutions tend to gather evidence in an ad hoc on and off manner. As a result there is no smooth evidence flows. Even in countries that boast of high literacy, communities are not being capacitated to collect and process their evidence longitudinally. That way they can be able to enrich their own evidence and see opportunities for generating solutions. Data and evidence should be for the community not for formal external institutions who can keep it out of context. Communities should be capacitated in evidence gathering, processing and utilization. In the absence of a culture of building local evidence bases, financial institutions continue to rely on Finscope Surveys conducted more than five years ago when the situation has completely changed.

If communities are capacitated to handle evidence by inculcating an evidence and communication way of doing things, collective evidence from each community can easily be consolidated at national level to inform national policy. This will avoid numerous cases of partial policies where an agricultural policy may not speak well to the industrial policy due to lack of reliable evidence in crafting those separate policies. If women are responsible for more than 60% of agricultural labour, how much would that be translated to actual payment assuming they are formal industrial employees? It is important to clearly evaluate their contribution. To measure the contribution of women in agricultural markets, it is important to look at commodities they handle in the market and translate that into GDP terms. Focusing on formal export figures may not give the total picture. How much do women traders contribute to the amount of food that passes through African informal markets?

Pitfalls of ignoring opportunity costs

The most unfortunate thing is that economic planners in developing countries have not been able to develop appropriate formulae for determining opportunity costs relevant to their contexts. By ignoring

this issue, they continue either over-rating or under-rating the value of different agricultural commodities and other resources. Such formulae would make it possible for value chain actors to answer questions like: How else would the land put to cotton be used? If such land is left fallow and used as pastures, how many beef cattle would be produced in two years? Comparing income from cotton and beef would give farmers their opportunity cost. It does not help to continue looking at straight markets without factoring in opportunity costs. Due to lack of alternative evidence every farmer is compelled to produce common commodities like maize. If enough evidence is available to the effect that a certain number of farmers are going to produce maize, farmers would focus on other crops in which they have competitive advantage. That would prevent maize gluts. Since that evidence is either lacking or ignored, most African farmers continue to suffer from perennial gluts and shortages.

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