

# Asian Lessons & Agricultural Transformation in Rwanda

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# In the beginning – 1960s

- At the time of independence for most SSA countries, GDP per capita in SSA was higher than that in SEA countries
- The one story one cannot avoid each time the two regions feature in discussions
- By late 1970s Southeast Asia overtook SSA
- Propelling SEA were transformations in agriculture

# Reversal of fortunes

- Late 1970s: SEA overtakes SSA
- Agriculture the motor behind SEA's rapid advances
- In Africa, ambitions to industrialise lead to neglect of agriculture

# Contrasting concepts of Development

Southeast Asia	Sub-saharan Africa
Incremental (but potentially rapid)	Transformative
Poor people become richer	Poor countries mimic rich ones (technologies, goods, industries, rights, institutions)
Growth	Modernisation
Productivity	Education
inclusive	Elitist
Oriented toward undesired starting point of development: mass poverty	Oriented toward desired end point of development: industrial or post-industrial modernity

# Key driver of SEA approach

- Existential threat to existing regimes: Rural uprisings/insurgencies by mobilised, communist-led peasantries
- “If stomachs are full, people do not turn to communism” – Deputy PM of Thailand, 1966
- Poverty eradication via agricultural transformation as a counter-insurgency instrument & key to regime survival
- Note top-down delivery – neither democratic nor informed by notions of ‘good governance’ – problem-solving approach
- Focus on smallholder farmers

# Communism as a stimulus for developmentalism

- Malayan Emergency 1948-1960
- Indonesian Communist Party contends strongly for power by (mostly) nonviolent means, 1955-1965
- Thailand: armed communist insurgency, 1959-1983

# Rwanda post-1994: The beginning

- RPF seizes power after armed conflict & genocide
- Inherits a resentful, fearful and potentially rebellious population – high potential for continued instability
- Agriculture devastated by 4-year war.
- Continued insurgency, Congo wars (limited resources) and donor focus on social sectors deprive agric. of much-needed attention

# However...

- New leadership oriented towards following African 'modal pattern': leapfrogging agriculture and pursuing development of a service- and industry-based economy
- “Move beyond past delusions of viable, subsistence-based agriculture” - GoR
- Initial 10% growth rate of first few years plummets to 07% by 2007 – famine, shock, wake-up call : rural immiseration key to political instability in Rwanda historically

# Post-2007 re-orientation

- PK goes to Malawi to learn from Mutharika
- Post-Malawi cabinet meeting: “no more famine” – Food security key
- DPM to discuss re-orientation
- Adoption of Crop Intensification Programme: land titling & land-use consolidation, mono cropping, regional specialisation, stepped-up fertiliser, pesticide & improved seed use
- Top-down delivery in problem-solving, elite-determined style
- Focus on smallholder farmers – and professionalisation of agriculture (market-, not subsistence-oriented – key role for private sector sought)

# Where we are at...

- 5% annual growth rate underpinned by strong growth in the production of staple foods: rice, wheat, cassava, maize, Irish potatoes, beans, soybean – eg cereal production: 320000 MT (2004/5) to 600000 MT (2009/10)
- Land-use consolidation, extension, irrigation, input provision (subsidisation) key contributors: inorganic fertiliser use – 14000 MT (2006) to 44000 MT (2010)
- Poverty: 56.9% below poverty line (2006); 44.9% (2011). Extreme poverty: 37% (2006), 24.1% (2011)

# Challenges

- Post-harvest handling: limited storage facilities, high losses
- Financing – low access levels for most Rwandans – steep learning curve for banks and MFIs
- Marketing : coops key (900 in 2005, 4000 in 2011), but weak & inexperienced, need for investment in roads, mkt info systems, etc.
- Input distribution
- Extension – limited state capacity & weak/inexperienced private sector : only 34% farmers satisfied

# Lessons – for the policy & development communities

- Incentives for investment in agriculture are not necessarily created by democratisation – and bottom-up pressures (from the public or pressure groups)
- Key to shaping policy in agriculture – as in other sectors – is “local politics” and its implications for regime survival.
- The role outsiders or foreign influence can play depends on context – context-sensitive, problem-solving approach superior to “one template fits all”.