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# DIVORCED FROM REALITY 77

In one of the most important policy fields in development cooperation, rural development, German NGOs are not maintaining a convincing discourse, our author claims. Why the African continent isn't benefiting from Western criticism of prosperity.

#### By Ingo Melchers

ombating poverty and supporting agricultural development deserve a high status in German development cooperation. In addition to the construction industry, it is above all agriculture that holds the potential to get millions of young, unskilled people into productive employment as quickly as possible. The case of Algeria shows that this does not go without saying. There, eleven generals - known as "Barons" - control the imports of everything that the Algerians need. Local production of food would undermine the Barons' business model. To them, "politics" means defending their monopolies and privileges. In contrast, forward-looking and politically responsible politics in Africa means strengthening the political and economic actors committed to the goal of economic development with a broad impact - businesses that invest, civil society organisations which stand up against despotism and for the rule of law, politicians and parties that seek to create an environment conducive to employment. Sustainable impacts are achieved – provided that the local producers raise their productivity.

### THE PRIVATE SECTOR - AN IMPORTANT PARTNER

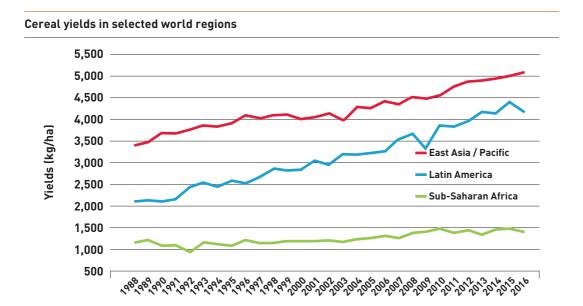
However, it is not the governments on their own – let alone development cooperation – that are capable of mastering this task of the century. Hundreds of thousands of small, medium and large enterprises are called on here to grasp new opportunities, try out business models holding good prospects, introduce innovations - in a nutshell, to take risks and create jobs. The obvious consequence for development cooperation is to seek collaboration with businesses in Africa, but also from Europe, that are eager to invest in Africa and develop its future. Correspondingly, it is the practice of rural development performed by the German Federal Ministry for Economic Cooperation and Development (BMZ) to support innovative approaches and actors with broad participation. The result is that the promotion of agricultural value chains can show impressive figures. Together with strong partners from governments, businesses, science and civil society, alone in the supply chains of cotton, cashew, rice and cocoa, development cooperation has succeeded in creating 850,000 jobs (fulltime equivalents).

Development cooperation practice by no means seeks to transfer money to businesses, as some may suspect, but to develop and implement those projects together with them that are worthy of support from a development angle. Such an approach reaches out to and builds capacities among far more farms, suppliers, providers of services or manufacturers than would be possible by relying solely on development cooperation. Thus the latter's impact is multiplied. Without any doubt, the private sector is of crucial importance to Africa's rural economy making progress of its own accord, to substituting imports and to creating good employment. Why is collaboration between development cooperation and the private sector so strongly rejected by influential NGOs and church relief organisations in Germany?

An "Argumentarium" presented by Misereor provides initial clues. Here, many illustrations and items worthy of note are provided regarding the significance of diversity in dietary habits. However, the prime objective is a critique of corporations and in particular so-called "industrial agriculture". Given the partly negative impacts of European agricultural policy, with very intensive farming in Germany, such criticism falls on open ears in relevant circles among the German public. High levels of groundwater pollution with nitrates e.g. in the northwest of Lower Saxony are rightly criticised. But are these and other points of criticism of a Western European affluent society suited as a pattern to analyse or provide a context of justification for German development cooperation seeking to improve economic and social prospects in rural areas of Africa?

### "INDUSTRIAL AGRICULTURE" VERSUS "AGROECOLOGY"?

The term "agroecology" has met with a wide range of different interpretations, perceptions and moral values. The concept is not clearly de-



Source: the author's own compilation based on World Bank data.

fined or verifiable with straightforward criteria, as is e.g. required for certification in "organic farming". Whereas many somehow understand "agroecology" as a synonym for "holistic", "locationally suitable farming" or "sustainable agriculture", to German NGOs and church relief organisations, the concept tends to describe the ideal notion of local and solidary "agrarian culture" which, however, ignores interests, costs or prices – and above all contrasts sharply with what is criticised most of all: "industrial agriculture".

This does not represent any instructions for a political analysis, and it is not recognisable what the role of agriculture can play in medium-term economic development. In particular, the use of externally procured inputs such as seed, fertiliser or machines is criticised. Neither should farmers make themselves dependent on banks, it is argued. Whereas German farmers very easily find access to seed, fertiliser and financial services (depositing money, savings, loans) in local agricultural trade and service facilities, this only applies to a very limited degree for their African colleagues. Experience from many rural development projects in Africa shows that those enjoying access to fertiliser will, as a rule, use it. Not only does certified seed enable higher yields, it also guarantees high germination rates and healthy growth, while such properties are more rarely available in bartered or farm-saved seed. This is probably also the reason why most European farmers buy seed rather than bartering it locally. Does this make the European farmers more dependent than those in Burkina Faso?

One aspect that is usually missing in this discussion relates to soil fertility. Agricultural land in Africa often has low levels of nutrients. If it is

not fertilised – in whatever manner – it becomes subject to leaching. Usually, sufficient amounts of organic fertiliser are not available, also because crop farming and animal husbandry are often not practised on the same farm and are frequently even performed by different ethnic groups. Without fertiliser use permanent farming means "soil mining", overexploiting the soil – with the lack of fertiliser leading to an albeit destructive practice. It is quite wrong to idealise such practice.

The World Bank states that fertiliser consumption in sub-Saharan Africa rose between 2003 and 2016 – by more than 50 per cent in some countries. However, this development had started out from such a low level that by 2016, an average of a mere 16.2 kg of fertiliser was being spread per hectare (compared to Germany's 200 kg/ha). In countries with relative political stability and economic dynamics, the values were partly higher (38 kg in Kenya, 22 kg in Ghana). Is this what should be condemned as "industrial agriculture"?

In simple terms, no African area state is attaining the fertiliser intensity levels that are widespread in Europe. The situation is similar regarding the use of enhanced seed. Moreover, anyone familiar with African agriculture will accept that innovative practices are needed to develop small-holder-appropriate mechanisation. For just like their peers elsewhere, young Africans are geared more to the smartphone than to the hoe. Jobs that only promise hard physical labour and poor and uncertain pay are not attractive anywhere in the world. People do not choose them in Africa as an option, either, but at best endure them for lack of options. Raising the productivity of

African agriculture is the way to increase rural income. Otherwise, young people in particular will vote with their feet.

#### WHAT ABOUT PRODUCTIVITY?

And as a result, what is the state of productivity in Africa's agriculture? Quite obviously, there are considerable differences. In some countries and project regions, agriculture has seen positive developments over the last few years. However, summing up the situation across the entire regions south of the Sahara, results have been sobering. Whereas yields have risen continuously throughout all other world regions, sub-Saharan Africa as a whole has seen development stay significantly below the average (see Diagram on page 19).

We can read on the Bread for the World website: "What is crucial is not that agricultural production is increased at all accounts, but that food and the means of production to produce it are available where they are really needed." Whatever this is meant to imply, the reason for poor agricultural production is always poor policies to the detriment of the poor in particular. The consequences are high costs for the people, the environment and society: soil-leaching, low income for African farmers and high food prices for African consumers. It is problematic for NGOs to virtually play down the situation that African agriculture is in and do so as if there is no need for modernisation or structural change.

Disdain for increases in productivity also appears to be questionable given the current global developments of stocks, production and consumption of cereals. In April 2019, the United Nations Food and Agriculture Organization (FAO) published its latest and rather worrying estimate. For the first time in many years, annual production figures are falling below the level of consumption – against the background of declining stocks. While this is not immediately presenting problems because the warehouses are still relatively full, it is obvious that further growth of the world population is going to keep the pressure on quantities and prices.

Scepticism towards externally procured inputs has to be viewed critically from a very different angle, as well. For agriculture can only turn into a job machine through the integration of various sectors. The demand among farms for semi-manufactured products, machines and services creates additional good jobs in the rural regions. And by supplying sufficient quantities of high-value agricultural produce, jobs

in the trade, processing, transport and quality-control sectors are created and innovations are encouraged. Via such mutual coupling of sectors and business linkages, an integrated and dynamically growing agricultural and food sector develops. Agriculture not integrated in this cycle stays poor. It does not create any productive employment – neither in the field nor in the upstream and downstream sectors.

## WESTERN LIFESTYLES ARE NOT COMBATING HUNGER IN AFRICA

Of course calling for a different agricultural policy and more sustainable dietary habits in Germany and Europe is legitimate and as such more than comprehensible. But the German agricultural and food sector is suffering from problems very different from those in Africa. Seeking to prescribe the same recipes for both situations is bound to meet with failure. Only the African farmers themselves can decide how land should be used and which crops need to be grown. Whether rice, maize or sorghum is consumed can only be decided by the African consumers. And finally, it is not up to development cooperation but lies with the responsibility of democratically legitimised governments to decide which promotional tools are to be applied and with which actors cooperation is to be sought. Some NGO publications

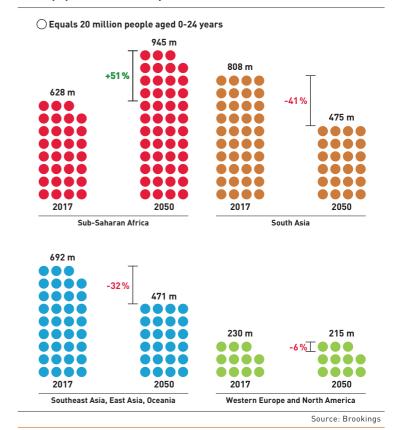
focusing not so much on concrete practice in projects but on the discourse over agriculture and on cooperation with the business sector are very biased and formulated in an all too absolutistic language. Sometimes, they lack respect for an autonomous opinion and decision-making in Africa.

### NO POLITICAL ANALYSIS

Perhaps the most critical item regarding the large number of discourse papers produced by NGOs and church relief organisations is the lack of a country-specific political analysis of the political actors, the real

options for action, the strategies or inconsistencies. Which actors, which concrete political alliances can government or non-governmental development cooperation directly or indirectly support in order to promote a broad-based, socially inclusive and responsible rural transformation rather than restricting efforts to niches? No issue. The empirically well-documented link between investment, economic growth and productive employment to combat hunger and poverty is widely ignored. Nigeria, for example, has been debating the "right" economic policy approach for years. The issue in this country is hardly that of good or bad, but of the complex management of competing risks. There are modernisation-friendly actors among the investors, farmers, agricultural merchants, NGOs, service providers and politicians. They are opting for a dynamically growing agriculture and food sector with its enormous employment effects. They are faced with a politically well-integrated phalanx of food importers and the representatives of the old oil industry who have set their sights on importing food to supply the urban population - and to secure their privileges. And it is precisely here that church relief organisations and NGOs are campaigning again and again, and quite generally, against development cooperation working together with partners in the business sector, which really can be referred to as an "unholy alliance". This effectively puts some NGOs and church relief or-

#### Youth population trends up to 2050



ganisations in the field of rural development on the wrong side politically – on the side of an old elite that displays no interest in eradicating poverty. It is this old elite that supplies feed for the religious fanatics. In Africa, new transformative leadership ranks are currently being formed that deserve broad alliances – also in Germany.

Venro is the legitimate federation of development cooperation and humanitarian relief in Germany. The Venro website says only little about agricultural development in Africa. The federation refrains from presenting any position of its own on a central development issue. Thus Venro leaves the maintaining of a discourse to a small NGO working group that presents some of its tendentious publications all too confidently as "the German NGO view". This does not reflect the views of African rural youth, African agricultural policy or African civil society.

### DEVELOPMENT COOPERATION AND SECURITY POLICY

Openly contradicting the US administration, Germany's Federal Chancellor Angela Merkel argued at the Munich Security Conference on the 16<sup>th</sup> February 2019 that for Germany, both the military and development cooperation belong to a holistic understanding of security policy. In Germany, this is anything but an exaggerated party-political position. On the contrary, a very broad majority of the population are probably of the same opinion.

According to Brookings/Mariama Sow, sub-Saharan Africa is the only region in which the youth population is set to rise further up to 2050 - both in absolute terms and in percentages (see Diagram). One key task and responsibility of African leadership over the next 20 years is to develop structural transformation politically in a form that enables the potentially explosive forces resulting from the rural exodus, unemployment and ethnic or religious tension to be steered into civil and productive channels. Raising income levels for millions of unskilled young people could be the most important element in this context. All in all, there is a powerful rationale in terms of humanitarian, economic, civilisational as well as security policy justification for more productive agriculture. Promoting agriculture and the food industry may not be the only prerequisite in this context, but it is certainly an important one and ought to be part of a medium-term strategic wager. Here, development cooperation must not be overestimated: the real debates on economic and social policies

#### THE FUTURE OF AGRICULTURE LIES WITH THE SMALL-SCALE FARMING!

According to the Center for Development Cooperation (ZEF), based in Bonn/Germany, there are a current approximately 570 million smallholdings world-wide. There is a tendency for the average size of farms to rise in economically more developed countries and to fall in poor countries, especially in sub-Saharan Africa, which appears to indicate that employment alternatives outside the agricultural sector are hard to come by. But even with the unrealistic assumption of an extremely high emigration rate of five per cent a year, ZEF maintains that it would take 45 years to evolve from an average farm size of one hectare to ten hectares. An emigration rate of one to two per cent a year seems to be far more realistic for Africa.

So, everything suggests that in 50 years' time, the vast majority of Africa's farms will still be smallholdings. Hence the African governments' agricultural, economic and social policies as well as businesses in the upstream and downstream sectors are well advised to arrange for this and orient their practice on treating smallholder farms and their producer cooperatives as business partners. Highly mechanised farming covering large areas will continue to be an exception, both in Asia and in Africa. Family farms with their flexible labour force are more resilient in times of crisis, and in normal periods, they are better positioned to adapt to changing conditions and grasp opportunities. Compared to large-area farming, the family farm, provided that it can rely on both traditional and new technologies, will remain competitive. Karl Kautsky already predicted the death of the smallholder in 1899. He was wrong about this. Smallholders are there to stay over coming generations.

are taking place in the countries themselves. Nevertheless, there is no reason to omit agricultural development in particular from such an overarching logic of development cooperation, for it can indeed contribute to economic and social modernisation and is in fact already doing so. Thus, it ought to be appreciated that this requires a strategic and practical move towards working together with business in order to remain relevant in this policy field and achieve tangible impacts.

### MAJOR INFLUENCE = A MAJOR RESPONSIBILITY

Summing up, it has to be said that, unlike many NGOs in other European countries, regarding combating hunger/agriculture, German civil society has reached a dead end both analytically and politically. In substance, its positions represent an unintentional, albeit disturbing alliance with privileges and monopolies, with an authoritarian past and structural poverty that rural African youth want to leave behind once and for all.

In the thematic field of rural development, church relief organisations and NGOs have a considerable influence on politics and the formation of public opinion. This ought to be reflected by greater realism and, above all, political responsibility for what they write and demand. It is the rural economy of poverty, devoid of technology as well as prospects, that is driving millions of young people into the cities. The characteristic style of many NGOs that displays hostility towards business and

technology may somehow seem to be leftwing and critical. But it really boils down to ahistorical and apolitical structural conservatism that is at odds with the burgeoning middle classes and youth striving for modest affluence and employment. More efforts ought to be made in analysing the contradictory political actors and power relationships in Africa's individual countries. Just like in every other democracy, the object is not that of asserting idealistic concepts of minorities but organising and negotiating majorities. It is there, and not in Germany, that the conflicts are resolved that set the course for the future.

And while the accent is on more sustainability and quality in Germany, Africa is facing dramatic changes: rapid urbanisation, rural transformation, technological progress and the increasingly important role of business in rural areas. Given Africa's demographic development, according to the African Development Bank, food imports are to rise to 110 billion dollars a year by 2025 - unless African agriculture can respond more dynamically to growing demand. Otherwise, millions and millions of jobs will not be created. What is really at stake is much more than merely a certain type of agriculture. Any poetry of the future for real rural Africa requires in the very first place responsible policies for prosperity and peace.

The positions put forward here are private opinions.

For references and further reading, see online version of this article at: www.rural21.com