The Political Economy of Agricultural Extension Policy in Ethiopia: economic growth and political control

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The Paper Addresses …

1. The high levels of investment in extension: what motivates these?

2. The inefficiency of investment in extension: root causes

3. Lessons for reform of extension elsewhere

<table>
<thead>
<tr>
<th>Year</th>
<th>SSA FEWs</th>
<th>Ethiopia FEWs</th>
<th>Ethiopia Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>150,000 (source: Sasakawa)</td>
<td>15,000</td>
<td>10%</td>
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<tr>
<td>2010</td>
<td>180,000?</td>
<td>45,000</td>
<td>25%?</td>
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<tr>
<td>2015?</td>
<td>195,000?</td>
<td>60,000?</td>
<td>30%?</td>
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Ethiopian Agricultural Policy Context

• Smallholder agricultural development central to national growth strategy
  o Unambiguously 1995-2005 (ADLI)
  o Large farm investment scaled up since 2005

• Agricultural share of budget has exceeded 10% for past decade, i.e. even before Maputo 2003

• Extension / credit + PSNP, rather than fertiliser subsidy; land certification
  o Serious about agricultural growth
Evolution of Extension Policy

- Extension prominent under Imperial and Derg regimes
  - Package approach
  - Undermined by tenure insecurity, agricultural taxation
- SG-2000 demonstrations 1993-95
- Participatory Demonstration and Training Extension System (PADETES) 1995
- Agricultural Technical and Vocational Education and Training colleges (ATVETs) 2004 + Farmer Training Centres
  - focal point of extension support in every kebele
- Approach to BMGF 2009
Political Context

• Neglect of agriculture contributed to overthrow of both Imperial and Derg regimes
  - Rural populations willing to support armed insurgency groups

• Narrow “core” support base of EPRDF
  - Tigray 5% of population; split after war/peace with Eritrea

• Multiple internal and external threats
  - Ogaden NLF, Oromo LF; Eritrea, Somalia

• 2005 election “surprise”
  - Redoubled efforts on growth and political control
Extension Performs the Twin Roles of …

- Stimulating agricultural growth
  - Dercon et.al. (2008)

- Establishing political control

➤ These two roles are in tension
  - Political control imperative reduces the efficiency of investment in extension
  - Top-down vs responsive, adaptive, local information
Market Liberalisation and the Role of Donors

- Support from World Bank, SG-2000, IFAD
  - But also major investment from GoE’s own resources

- GoE dictates terms
  - Extension policy is `the one policy we can't do anything about'

- Agribusiness Forum 1997, then complete reversal on commercial participation in key input markets
  - Non-EPRDF companies squeezed out of “liberalised” fertiliser market
  - Similar story on seed (Dawit Alemu 2010)
  - No concessions to Bill Gates
The Political Control Function of DAs

• “Our writ runs in every village.” (Meles 2012)

• State structures (kebele Council and Cabinet) are dominated by EPRDF

• DAs are (informally) selected for their political loyalty

• DAs give priority to farmers loyal to EPRDF in their allocation of seeds, fertilisers and credit
  o Similar claims for microfinance, food aid
  o Drive to capture rural elites post-2005 (Lefort 2012)

• Opposition party complaints of DA interference during 2005 elections
Political Incentives for Investment in Extension

• “Autocratic” regimes under multiple threats have incentives to invest in agricultural growth, including public goods
  o Establish legitimacy / undermine opposition sympathies
  o Can afford to adopt MR perspective

• … but may also be reluctant to allow pluralistic extension systems

• Governments with weaker incentives to invest in agricultural growth may allow donor experimentation

• … but no commitment to learn or scale up?