Megatrends and the Future of African Food Systems

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Lulama N. Traub, Felix K. Yeboah, Ferdinand Meyer, and T. S. Jayne
Main Argument

• Most “megatrends” shaping the future of AFS are less certain and are neither irreversible nor inevitable
  – dependent on the time path of other trends
  – **Policy** can influence future trajectory of some trends
Objectives

• Investigate the “mega-trends” shaping African Food System (AFS)
• Consider how policy can influence the trends

• Recognizing
  – variation across countries
  – The trends we highlight are not the only ones
Objectives

Potential impact on food system

Potential for influence via policy
Trend #1: Youth Bulge/ Labor Force Expansion

Age pyramid: rural SSA, 2015

Source: UN Pop Council, 2013
Trend #2
Growth in non-farm employment

• Growth in non-farm employment < number of people entering labor force ➔ rising importance of “viable” agriculture
Trend #3: Concentration of landholdings

• Changing farm structure
  – Meteoric rise of medium-scale farms (5-20 ha)
  – Urban-based HHs own between 10-30% of national agricultural landholdings (DHS data)

• Gini coefficient of land distribution rising rapidly (Jayne et al. 2015)

• Rapid concentration of land ➔ increasing land scarcity for smallholders farmers
Trend #4
Widespread Soil Degradation

• Extent of degradation
  – 65% of arable land
  – 30% of grazing land
  – 20% of forests

• Smallholders most negatively affected
Trend #5
Urbanization and “rising” middle class

• Urbanization and rising per capita incomes in urban areas ➔ diet transformation and modernization of food system (Tschirley et al. 2015)

• Extent of urbanization and income growth debatable (Potts 2012)

• Urbanization and income growth are responsive to public actions affecting returns to labor
Trend #6
Food Demand Outstripping Production

High-Value Commodity Production and Consumption Change (2011/13 to 2023)

- Beef
- Poultry
- Dairy
- Sugar
- Vegetable Oil

Cereal Production and Consumption Change (2011/13 to 2023)

- Coarse Grains
- Rice
- Wheat

Source: FAO Trade and Markets Division
Trend # 7
Volatile food prices

Global food and cereal price indices, 1994-2012

Source: FAOSTAT
Classification of Trends

Potential impact on food system

Potential for influence via policy

High

Moderate

Low

Volatile food prices

Soil degradation

Concentration of landholdings

Urbanization and rising middle class

Growth in non-farm employment

Food demand outstripping production

Youth bulge

Low

Potential for influence via policy
Four plausible future scenarios

- **Scenario 1**: Latifundia
- **Scenario 2**: Africa rises
- **Scenario 3**: Slow and steady wins the race
- **Scenario 4**: Stagnation

- Rise in global food prices
- Skewed urban income growth
- Constant or declining global food prices
- Broad-based urban income growth
Summary

• Don’t accept all these trends as inevitable
  – some trends are highly uncertain, and dependent on the time path of other trends
  – Policy can influence future trajectory of some trends

• Agriculture will remain an important/dominant source of employment for the expanding labor force at least in the next few decades
Main Conclusions

• Need to consider how land policies are affecting the potential for inclusive development and poverty reduction in future

• Re-double investments in sustainable forms of agricultural productivity growth
  – to re-capture the burgeoning urban markets for local farmers
  – To generate growth multipliers /employment in non-farm economy

• Consider agricultural, poverty reduction and employment objectives in coordinated manner
Innovation Lab for Food Security Policy