



## **Inception Workshop on Political Settlements and Inclusive Growth Project**

**Partnership for African Social and Governance Research (PASGR)**

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## Executive Summary

This report summarises the proceedings of the inception and methodological workshops that Partnership for African Social and Governance Research (PASGR) organised on the research project: 'Political economy and political settlements analysis of employment creation in agriculture and agro-processing schemes in the context of inclusive growth in Africa'. The workshop brought together 23 researchers and policy actors from the three study countries (Ethiopia, Nigeria and Kenya), experts/reference group members, the principal investigator, PASGR staff and participants from organizations that support research. The key objective of the workshop was to build consensus on the analytical issues that would be central to the study, the methodological approach, the case studies that each country would focus on, the policy relevance of the study from the perspective of the country policy actors, and key project deliverables.

Based on the presentations by the principal investigator of the study and other resource persons, including reference group and country policy actors, there was a consensus that the trope 'Africa is rising' has not been accompanied by adequate job creation in the way that would make growth inclusive. Women in particular have been severely affected by the current growth spurt, relegating majority to vulnerable employment in the informal sector. There was clear understanding from the presentations that available literature is replete with technocratic and economic reasons on why the current economic growth has not promoted wage employment. By drawing participants attention to the institutional, economic, and political struggles which have shaped contemporary African states and growth issues, the political settlements approach promises not only to provide a more nuanced explanation, but also provide the policy insights necessary for overcoming non-inclusive growth and untransformed economies. Investigating whether the political settlements approach can deliver on these important promises was an important objective of the workshop. The ensued discussions during the workshop provided a better understanding to the researchers on how the study could proceed with empirical work.

By looking at a range of economic, political and policy circumstances in their respective countries, the study findings are expected to provide new insights into the blockages of employment creation in agriculture and agro-processing industries and what can be done to enable the sectors increase productivity and employment creation. The research project, which is an initiative of PASGR with support from DFID and IDRC is likely to roll to other countries depending on the outcome of the three studies.

The discussions that followed the presentations on: (i) the concept of 'political settlements' and different typologies<sup>1</sup>, (ii) inclusive growth models ('market-led and 'equity-led models) for achieving inclusiveness; and (iii) historical as well as current contributions of the agriculture and agro-processing sectors to Africa's economic growth helped to refine the conceptual entry of the study. There were discussions also on economic structures of African countries that create strong incentives for emergence of patron-client networks and domination of personalised politics. The discussions on patron-client relations reinforced the value that political settlement analysis brings to the study. The workshop agreed that understanding how political settlements actually work as analytical tool will be to focus the analysis on how power is distributed among various groups. For example how resources and power are distributed between the dominant and other groups at the national and sub-national levels and how that translates into sectors that dominant and minority groups participate. Another example will be to examine a situation whereby a group of smallholder farmers or economic class outside the government has

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<sup>1</sup> The workshop discussed both David Booth and Mushtaq Khan typologies of political settlements.

successfully resisted a decision by the state to favour a particular dominant coalition (i.e. influential bureaucrats and political party members) with regard to access to resources. Such analysis requires proper knowledge of the context of the country and the sector under focus in order to successfully map various actors and how they exercise power. The discussion also underscored the need to explore how gender issues play out in such struggles and eventual outcome with respect to the distribution of resources in sectors that women dominate. Given the competing typologies of political settlements as conceptualized by both Khan and Booth, the principal investigator suggested that all the teams start by adopting any of the Khan's typologies before digressing to what they think is relevant to their context.

While it was agreed that political settlement is an important analytical lens for explaining persistent patterns of behaviour in the economy and political systems, it can only be brought to bear when there is something specific to be explained and/or a policy problem that needs to be addressed. The researchers were cautioned that the starting point for the study should not be 'political settlements' but policy and programmatic problems on wage employment creation schemes in agriculture and agro-processing. There is need to avoid conceptual bias towards political settlements as the main explanatory variable for 'jobless growth'. There could be other possible factors that may as well explain the prevailing situation. One way of addressing this possible bias is to start by looking for other possible alternative explanation, which may not be necessarily related to political settlements, and then eventually narrows down the possible influence of prevailing political settlements.

It was also suggested that the study should illuminate the conditions under which employment-intensive development take place. Testing the value of political settlements could be mentioned but it should be at the end of a list of objectives, well after generating some relevant new data and thinking about policy and action options that might work in the context.

### *Country Presentations*

During the second day of the workshop, the three teams from the three study countries took turns to present their research outline based on the initial draft framework paper and ensued discussions. Each country presentation covered the following issues: political economy background, economic growth pattern since 1960 to date, employment situation, agriculture and agro-processing sectors, proposed cases to study, methodology and data needs, engagement with policy actors, and research output. All the teams acknowledged the problem of unemployment in their countries of focus despite impressive economic growth recorded in the last ten years.

#### *i. Ethiopia*

The Ethiopian team identified five cases comprising of three agro processing firms and two commercial farming. Floriculture industry was selected because it is among the fastest expanding industry in the country, employing thousands of people, particularly women. The project sites include the rift valley area (Zeway area for the floriculture), Bako area for one commercial cereal farming; Burayu area for one food processing firm; and one leather or textile firm located in Addis Ababa; and a winery located in Eastern Showa. The team was advised to limit the number of cases to three.

#### *ii. Kenya*

The Kenyan study will focus on sugar and horticulture sectors. The following reasons were given for choosing the sugar industries: One, problems in the sugar industry affect many sectors of the productive economy of Kenya. Two, sugarcane growing areas are mainly dominated by opposition political party over a period of time thus politics is perhaps a key explanatory variable

for the sector's poor performance compared to other cash crops such as coffee. Three, there is a lot of politics in the growing of sugarcane and importation of sugar in Kenya. Lastly, there is a sense or anecdotal evidence that sugarcane barons are funding terrorist activities in the country. The choice of horticulture as a second case was because of the following: it is the second major export commodity after tea; the sector is labour intensive hence a good case for employment creation scheme; there is massive government patronage/involvements in the sector; and lastly it is linked to the global value chain.

### *Nigeria*

The Nigerian study will focus on rice and cotton production. The team justified the selection of both rice production and rice milling factory on the following grounds: One, Nigeria spends N360bn on importation of rice annually; Two, there is huge potential for domestic production and demand, hence avenue for youth employment. Lastly, in the context of several policy declarations on rice, it would be interesting to investigate the effect on employment creation of that sector. The team justified the selection of cotton (ginneries and textile factories) on the following grounds: one, cotton has huge potential for robust value chain development and employment creation; ginneries and textile factories currently employ large number of young people and especially women; and in recent times the government has focused a number of policies and programmes on the cotton industry.

Each team was advised to pay attention to the following:

- Comparison within and across cases/sectors;
- Selection of not more than three cases for in-depth analysis given the time frame of the study.
- Overarching research questions: a) under what conditions do ruling elites or coalition support a particular wage employment promoting scheme in Agriculture and/or agro-processing sectors? b) To what extent does contestation over -- and access to -- rents associated with natural resources (government/donor revenues; or special discretionary favors) crowd out entrepreneurial interest in, labor-intensive export oriented agriculture and manufacturing sectors? c) To what extent has agricultural development in the country been focused around supporting productivity gains among small farmers, versus providing support for extensive, capital-intensive commercial agriculture? And to what extent is this as a consequence of the political weakness of small farmers? d) How is success or failure of a particular wage employment scheme in agriculture or agro-processing manufacturing industries related to the nature of the political settlement in a country and sector to be determined, and what policy implications can be drawn? e) How do different political settlements on employment schemes enhance or constrain gender equity and gender inclusive outcomes?

In order to ensure policy uptake, the three teams indicated that they will rely on various approaches that is stakeholders' forum, regular consultation with country policy actors throughout the research period, policy briefs, and opinion pieces in the mainstream daily newspaper in addition to talking to influential individuals in strategic positions in their respective countries. Policy actors present also recommended that PASGR should allocate substantial resources towards policy uptake.

It was concluded that the study's final report would be published in high quality academic outlets. As a result, research teams are expected to pay attention to quality in line with PASGR's core principles. Finally, members of the research teams were called upon to pay attention to project schedules as outline in their contracts.

## **1. Introduction**

This report summarises the proceedings of the inception and methodological workshop on the research project: 'political economy and political settlements analyses of employment creation in agriculture and agro-processing in the context of inclusive growth in Africa'. The objective of the workshop was to build consensus on conceptual and analytical issues central to the study to be conducted in Kenya, Ethiopia and Nigeria by a team of researchers from the three countries. The research project, which is an initiative by the Partnership for African Social and Governance Research (PASGR) with support from DFID and IDRC, seeks to examine the why and how of the constraints to employment in agriculture and agro processing sectors in the context of Africa's recent 'jobless growth' and the extent to which the concepts of 'political economy and political settlements' could provide new knowledge to inform public policy. The workshop participants were 23 in total drawn from four countries namely Kenya, Ethiopia, Nigeria and United Kingdom. They comprised researchers, policy actors from the three countries where the study will be undertaken, reference group members, the principal investigator, PASGR staff and participants from organizations that support research. See Participant list in Annex2 more information.

This report is divided into eight sections including this introduction. Section two summarises the opening remarks by PASGR's Executive Director. Section three contextualises the debate on inclusive growth and political settlements while section four examines the different models of inclusive growth as articulated by different schools of thought. Section five discusses the role of agriculture and agro-processing as a response to inclusive growth through the lens of political settlements. Section six provides direction on how the study will move from the general research framework to country specific research questions and possible hypothesis. Section seven is a summary of presentations by individual country research teams and issues emerging thereof. Section eight explores strategies for policy uptake in the four countries while the last section focuses on closing remarks and the way forward.

## **2. Welcome and Opening Remarks by Prof. Tade Akin Aina, Executive Director, PASGR**

The workshop kicked off with a welcome address and a short introduction. While welcoming participants to Nairobi and in particular to the workshop venue-Boma Hotel, Tade informed the participants that PASGR chose Boma Hotel as the venue for the workshop because it is owned by a non-profit and mission driven organisation (Kenya Red Cross Society); an organization that shares similar philosophy with PASGR. PASGR as an independent, not for profit, pan African institution was established to address the continent's public policy issues through cutting edge research, collaborative higher education and capacity building programmes. PASGR works in partnership with universities, research institutions and policy actors across the continent to realise the organisation's mandate. PASGR's three core programmes are Higher Education, Policy Outreach and Training; and Research. He further pointed out the two broad thematic research themes that the Board of Trustees has approved for the organization in the next 4years. The themes are (i) Varieties of governance and inclusive development and (ii) Urban governance and turning African cities around'. PASGR's approach to research as described by Tade is problem oriented, emphasizing excellence and methodological rigour.

"We emphasise rigour, excellence, research integrity to enhance policy uptake. It is this dual mandate (i.e. excellent applied research and capacity building for public policy), which makes the organisation's approach stand out in comparison to other institutions in the region. ...We try to integrate policy actors in various stages of our research in order

to enrich the kind of research questions we ask...Part of the way forward includes a different kind of methodological approach-that is, building policy communities. We believe that development problems required a community of practice and thought" (Tade Aina).

Participants were informed that the main aim of the inception workshop was to bring together both members of the research teams and reference group to discuss and agree on conceptual and methodological issues that require clarity before serious project work begins. Such an endeavor, he stated, requires serious engagement between both the academics and policy actors. He concluded by pointing out that PASGR looked forward to a fruitful engagement during the two days.

After the opening remarks, PASGR's research director provided a short background of the research project and noted that PASGR conceptualised the study against the background of the kind of economic growth that the African continent has witnessed in the last 10 years. He further introduced the Principal Investigator of the study, Prof. Raufu Mustapha.

### **3. Inclusive Growth and Political Settlements in Context (By Principal Investigator: Prof. Abdul Raufu Mustapha, University of Oxford)**

The principal investigator outlined six issues that underpin the study (see annex 4). He argues that the current growth in Africa over the past decade is impressive but it is yet to benefit majority of the people. The dictum 'Africa is rising' has not been accompanied by adequate job creation in the way that would make growth inclusive. Women in particular have been severely affected, relegating majority to vulnerable employment in the informal sector. Current economic literature provides a number of reasons why growth has not promoted employment but from the perspective of governance, perhaps political economy and political settlements analysis could help to provide new knowledge on two sectors that have the potential to contribute substantially to job creation but have not.

It is on that basis that PASGR chose to support case studies in three African countries with different political economy context to help understand 'jobless growth'. By looking at a range of economic, political and policy circumstances in their respective countries, the study findings are expected to provide insights into the blockages of employment creation in agriculture and agro-processing industries and what can be done to enable the sectors increase productivity and employment creation.

While the choice of agriculture as the sector of focus will play a key role in understanding policies on inclusive growth and in particular employment creation, the choice of political settlements as the main conceptual framework is meant to interrogate how political and economic configuration influence inclusive growth (i.e. either promoting or undermining it) and more so to explore its possible link with distribution and exercise of power among various societal actors.

### **4. Inclusion on whose terms? Market led and Equity Led Paradigms of Inclusive Growth (By Dr. Kate Meagher, London School of Economics).**

A key component of the workshop was to debate the concept of inclusive growth and how it relates to the study in the three countries.

#### **4.1 Market -Led versus Equity Led Models of Inclusive Growth**



Kate started her presentation on inclusive growth with a brief overview of growth and employment in Africa based on the empirical evidence. She reiterated that even though the continent's GDP has been growing at an average rate of 5% since 2004 as a result of increase in foreign direct investment (with growth rate expected to double in the next ten years), the benefits have not trickled down to the poor. About 47% of the population in Sub-Saharan Africa (SSA) is still poor. Moreover, studies show higher cases of youth unemployment, high number of working population (70%) involved in vulnerable employment, high population growth and fertility rates. Such a situation, in her view, points to high risks like the Arab spring if employment opportunities do not improve, hence the need to search for solutions. The term 'inclusive growth' which was the central focus of her presentation is a response to jobless growth.

Kate pointed out that whereas the concept of inclusive growth has been used to galvanise a consensus among variety of development actors towards developing models that can offer a wider distribution of benefits, a closer look at the emerging policy recommendations reveals differences on its usage. Two distinctive models on inclusive growth have emerged in the contemporary policy discourse, which can be described as either 'market', or 'equity' led inclusive growth. The section, which follows, explores these debates in detail.

#### a) Market- Led Model of Inclusive growth

The 'Market' led model of inclusion promoted mainly by the World Bank (WB), International Monetary Fund (IMF), the United Nations (UN), Donor and business communities among others implies greater incorporation of the poor and marginalised into global market. The key question with regard to the debate is whether emerging concerns for inclusion is to address inequality and unemployment or to shore up legitimacy of market-led growth? Or is it a new buzzword? As a result, a clear understanding of the models of inclusion is critical because of the following:

1. Each has development and distributive implications.
2. Each has different consequences for the nature of employment created with respect to quality verses quantity.
3. Each model implies different strategies on how to engage with political settlements to promote employment (i.e. cliental versus democratic visions).

Kate argues that 'Market'- led approaches to social inclusion are based on the appreciations that markets alone cannot facilitate the sustainable modes of economic growth. Strong growth is not necessarily inclusive hence need for greater participation in employment, shifts in macro-economic policy and the role of political arrangements in supporting employment growth processes. That market led model is resistant to discussions of redistribution and instead directs significant focus on the importance of adequate access to employment. It, thus, encourages going beyond the 'growth-redistribution dichotomy'. Attention is instead focused on including the poor as agents or growth/development, as producers, consumers and entrepreneurs rather than passive recipients of charity and social assistance. The poor in this case should be viewed as part of the solutions to the various development challenges facing societies<sup>2</sup> instead of looking at them as the problem.

In this context, therefore, the issue of redistribution is replaced with structural transformation by seeking to achieve greater equity by changing processes through which growth takes place. The focus is on the redistribution of opportunities through the growth process instead of

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<sup>2</sup> De Haan, Arjan, and Sukhadeo Thorat (2013:11) "Inclusive Growth: More than Safety Nets" in *SIG WORKING PAPER 2013/1* IDRC; WB/OECD 2012:9)

redistributing the growth outcome. This can be achieved through structural transformation. According to this school of thought, redistribution of resources through employment can be realised much better through the market but not the state; because business is key in employment opportunities, entrepreneurship and improved access to global markets for the poor. This can be further achieved through greater financial inclusion, incorporation into global value chains and corporate engagement with markets at the bottom of the pyramid. More direct linkages between global firms and informal workers and consumers in developing country agricultural sector is seen to offer the poor new opportunities for jobs and affordable access to quality goods and services.

The objective of the market led model is to reduce barriers to participation of poor workers and consumers in labour, commodity, and financial markets. Poverty and inequality are viewed as a product of inadequate inclusion in markets rather than as a result of inequalities in the way markets functions<sup>3</sup>.

A notable critique of this approach to inclusion is that it tends to concentrate on improving the quantity rather than the quality of jobs and to foster incorporation of the poor and excluded into markets without any consideration of the need to protect them from the power and extractive tendencies of the market. Moreover, discussion of job quality within this school of thought also identifies forced child labour as unacceptable forms of work, while informal employment is seen as a gateway to improve outcomes and a leg-up out of poverty.<sup>4</sup> In other words, it underscores the role of informal employment as instrumental in realising inclusion, which cannot only be realised through formal employment. Market-led model of inclusion thus glorifies informal employment somehow.

Lastly, a market-led approach to inclusive growth involves a notable shift in macro-economic policy. It, particularly, underscores the continued adherence to neo-liberal macro-economic policies, greater deregulation of labour markets to ensure flexibility on the part of the employers while at the same time creating room for minimal social protection for the poorest. With respect to political settlements, the paper argues that market led models have moved away from exclusive emphasis on good governance policies imposed from above to the greater appreciation of the role of informal institutions in promoting development. It underscores the role of elite pacts as key in buying- off resistance; emphasizes clientelist relations to control non-elites. It equally has the tendency to ignore role of international actors in shaping policy space.

#### b) Equity-Led Model of Inclusion Growth

'Equity' led model of inclusive growth is espoused by structuralist perspectives in international development associated with organisations such as United Nations Research Institute for Social Development (UNRISD) and International Labour Organisation (ILO) among others. They understand inclusion to mean greater incorporation of the poor in the benefits of growth. Contrary to market led models of inclusion, 'equity'–led models seek to overcome structural inequality rather than to legitimise the on-going market reforms. Proponents of this school of thought hold the view that inclusive growth needs to alter the way markets function rather than attempting to overcome obstacles to the greater extension of free markets. They, instead, focus on the quality as well as the quantity of jobs as a way of redistributing the gains to the poor in

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<sup>3</sup> Banks, Nicola and David Hulme (2014) "New Development alternatives or business as usual with a new face? The Transformative potential of new actor and alliances in development". *Third World Quarterly* 35(1): 181-95

addition to adopting macro-economic policies that create synergies between macro-economic stability and public investment in universal social policy and infrastructure.

It grounds its economic policy framework on social pacts based on agreed visions of equitable development between elites, the private sectors, and non-elites<sup>5</sup>. Equity-led models of redistribution also focus on employment as a mechanism of redistributing the benefits of development given that labour, in their view, is the main asset of the poor. It, however, does not emphasise the role of the informal sector as key in employment since they do not in most cases offer quality jobs. It is for this reason that equity led model emphasizes promotion of inclusion by improving the quality as well as the quantity of employment.

In equity-led models, the kind of economic transformation that expands high value employment and improved incomes for the poor requires fundamental changes in macro-economic policy. This involves moving beyond tinkering with labour markets to reforming monetary and physical policies in ways that foster economic transformation and public investment in the infrastructure and social services. The basis of this observation is that labour market usually has severe limitations as a mechanism for improving employment generation and poverty alleviation. Instead, they are viewed as part of the broader economic systems, thus policy makers require focusing on social policies to address issues of poverty and misdistribution of income.

Instead of concentrating on labour markets, equity-led models emphasise the need for change in monetary and fiscal policy as key mechanisms for creating a conducive economic environment for inclusive growth. To this end, macroeconomic policy is equally essential for addressing certain constraints to improve employment. An alternative monetary policy framework is essential for expanding domestic markets, maintaining a competitive exchange rate, and improving access to credit on affordable terms. Fiscal policies need to be oriented to support greater public investment<sup>6</sup>. Expansionary monetary policy and fiscal policy are as a result instrumental in promoting structural transformation.

The equity-led model takes note of the following three points with respect to political arrangements in order to realise inclusive growth:

- (i) Need for social pacts that builds shared interests;
- (ii) Inclusion of non-elites for example civil society and popular occupational groups and;
- (iii) Recognises and challenges the role of international actors in shaping bargains.

The presentation concluded by stressing the following three points. One, the need to consider how and in whose interest labour markets and employment policies are being made to work. Two, whether expanding informal employment promote inclusion or ongoing inequality and vulnerability? Lastly, that political settlements lens offers a perspective of how to facilitate effective inclusion and job creation.

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<sup>5</sup> Bangura, Yusuf (2010) *Combating Poverty and Inequality: Structural Change, Social Policy and Politics*, United Nations Publications, Geneva; United Nations Research Institute for Social Development (2010) *Combating Poverty and Inequality: Structural Change, Social Policy and Politics*, United Nations Publications, Geneva

<sup>6</sup> United Nations Research Institute for Social Development (2010) *Combating Poverty and Inequality: Structural Change, Social Policy and Politics*, United Nations Publications, Geneva Pg. 55.

#### 4.2 Issues which emerged from the plenary discussion on the concept of inclusive growth

The following are some of the key observations that were pointed out with regards to the presentation on inclusive growth. While appreciating the paper's approach to understanding the concept of inclusive growth, it was noted that the two models might not be mutually exclusive in the real sense. Instead, there are possibilities of overlap so there is need to include other models for instance 'access to resource model' which can be instrumental in improving productivity of those involved in the informal sector who in most cases lack resources to improve their productivity and eventually link them to global value chains.

A related observation was the challenge of identifying what is desirable and what is not given that there are instances whereby both models have worked as a hybrid. A case in point is Ethiopia whereby the Country's macroeconomic policies are geared towards market led models of inclusive growth seeking to integrate the country's domestic industries in the global markets/value chains; while at the same time its political engagements are driven by 'equity-led model' as evident in the government's redistributive policies.

Differentiating what is desirable from what is workable is critical in determining the proper application of political settlements as an analytical framework for the study. It was argued that the fact that people engage in multiple activities to diversify their livelihoods should be a major concern because it may as well challenge the dominant discourse around the two models and likely to have far reaching implications for the study. The following are some of the questions raised in light of these observations: what do researchers actually need to pay attention to? Are these diversifications of growth or survival strategies?

Kate's response to these concerns was that whereas the two models may or may not be present, the only way out is by examining what prevails in a particular country context. Moreover, the models may as well be instrumental in teasing out the trajectories and not necessarily on what is on the ground. She further noted that even though the 'market led model' has been gaining prominence in the post 2015 agenda, it may not necessarily lead to inclusive growth.

There was also a general concern among participants on how informal sector economies function and their role in employment creation in the context of inclusive growth. Should societies seek ways of making informal sector economy formal, since a very large segment of the SSA economy is highly informalised compared to the rest of the world?<sup>7</sup>

Understanding of what constitutes informal sector and the role it plays in the local economy and in particular in economic growth and provision of individual livelihoods is necessary. The concern was that even though the paper raises interesting issues with respect to the informal and formal sectors of the economy, it seems to begin from what is bad about the informal sector, which may not be necessarily the case. There are many people in the informal sector by choice who are comfortably making their living in it. In the same breath, a good number of

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<sup>7</sup>Analysis by the World Bank for example shows that the sector contributes about 38% of GDP in Sub-Saharan African, which should be a matter of concern because it implies exclusion of the majority of citizens in the continents from prosperity.

people in the formal employment are also increasingly engaging in other activities in the informal sector to improve their livelihoods.

In response to some of the comments on informal sector, the discussion led to the need to appreciate macro situations which in most cases compel people to leave the formal sector for the informal one and what it means to productivity? There are likelihoods of such moves creating more problems of productivity instead of addressing it. There are instances whereby some formal employers chose to wind up formal employments in their firms only to end up tapping the same labour informally at a much cheaper cost. It was also discussed that informal sectors are manifestation of dysfunctional formal sectors which in most cases fail to generate decent and dignified jobs and employment opportunities.

Another notable observation was that group and not individuals should be the unit of analysis when it comes to employment and inclusive growth. Analysis, which focuses on individuals, makes it difficult to capture how power relations play out. Group approach, instead, allows for social aggregation, which is important in assessing social processes.

The discussion was concluded by acknowledging that whereas both models of inclusive growth may provide useful insights into understanding what is happening in many African economies, politics is an important variable in this analysis. That is; politics and in particular the nature of the prevailing political settlements plays significant role(s) in any society. It is against this backdrop that the section, which follows, explores the relevance of political settlements as the study's main analytical lens.

## **5. Agriculture and agro-processing as response to inclusive growth through the lens of political settlements (Prof. Abdul Raufu Mustapha, University of Oxford)**

This section highlights the following thematic or key issues that emerged during the discussions:

- Agriculture and African development,
- Political settlements as analytical framework,
- Different typologies of political settlements.

### 5.1 Agriculture and African Development

The choice of agriculture as the main sector of focus in the study is because it has played a significant role in the transformation of the continent in relation to other sectors of the economy. Despite this, its role and how it is understood has left different intellectual and policy legacies. Different scholars have used different lenses to understand the sector's performance across the continent. They include historical institutionalism<sup>8</sup>, economic anthropology<sup>9</sup>, political economy<sup>10</sup>, rational choice theory<sup>11</sup> and accumulation by dispossession<sup>12</sup> among others.

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Polly, Hill and Gareth, Austin (1997) *Migrant Cocoa-farmers of Southern Ghana: A Study in Rural Capitalism* (Classics in African Anthropology). James Currey.

<sup>9</sup> Paul Clough (2014) *Morality and Economic Growth in Rural West Africa. Indigenous Accumulation in Hausaland*. Berghahn Books.

<sup>10</sup> Bjorn Beckman (1978) *Organising the Farmers: Cocoa Politics and National Development in Ghana*. Uppsala: Scandinavian Institute of African Studies, 1976. Pp. 299,

<sup>11</sup> Robert Bates (1981) *Markets and States in Tropical Africa*. Berkley: University of California Press

<sup>12</sup> Mustapha R. A (2011) Nigerian Democracy and Prospects for the 2011 Elections. *Transcript*. London: Chatham House.

Similarly, different leaders across the continent have in the past relied on different approaches to transform their countries through agricultural development but with mixed outcomes. Nkrumah's regime in Ghana, which preferred to tax farmers and organise them at the same time is a case in point. Between 2004 and 2012, African economies grew by an estimated annual rate of about 6% with a minimal increase of the labour force per year (about 0.4%) thus excluding millions of men and women from employment. Consequently, one of the questions that one might ask based on this is: what role can Agriculture play in African employment and structural transformation and how can that process be studied?

The role of the state in Agriculture should not be ignored going by experiences from South East Asia, which shows that political support plays a significant role in generating agricultural growth. The role of the state is, for example, necessary in promoting innovation and eventually inclusive growth. This is because the state is in a better position to provide some services for example extension services to ordinary farmers, which private sectors would not do without providing state support. Despite this, most of the policies in agriculture in African since 1980s have been geared towards limiting the role of the state in favour of private sector.

To this end he posed the following questions: Is agriculture still relevant in the study of African growth and structural transformation? Can we re-engage the state in promoting inclusive growth in agriculture and under what circumstances? To what extent is political settlements a relevant framework for understanding these issues across the continent given the fundamental structural problems such as rent seeking which characterizes the way African government conduct their affairs?

Due to the inevitability of rent seeking in African state affairs, the most important issue is how can the state allocates or distributes rents to different groups in the society in a manner that leads to productivity. Equally important is how to control rent seeking within the society or rather how it plays out among various groups within the society. Whereas the state can decide to allocate or distribute rent to one particular group at the expense of the other, there are possibilities that marginalised group can also choose to resist allocations which in their view are not equitable thus ensuring equity in the society or inclusivity.

Since the effectiveness within which African states distribute rent is critical in realising inclusive growth, the next question is how power is conceptualized in relation to political settlements. Unlike the conceptualisation of power in the mainstream political science literature as a zero sum game, it is better to look at it as relational, that is, power to as opposed to power over. This line of thought further underscores significant role of the state in facilitating social transformation/inclusive growth through appropriate distribution of resources in the agricultural sector instead of leaving production in this sector solely to market forces.

## 5.2 What is political settlement?

One of the biggest challenges is how to apply the political settlements as analytical framework in a way that is different from political economy approach. This session was meant to build consensus on the conceptual definitions of political settlements and its application in order to enhance comparison across the three case studies. The PI took the participants through a working definition of the term. Citing Khan, he defined political settlements as a 'combination of power and institutions that is mutually compatible and also sustainable in terms of economic and political viability'<sup>13</sup>.

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<sup>13</sup>Khan, M.H (2010) "Political Settlements and Governance of Growth-Enhancing Institutions." London: Economic Department, School of Oriental and African Studies, University of London. Pg.4.

The decision to interrogate the response of agriculture and agro-processing to inclusive growth through the lens of political settlements is because economic structures of developing countries create strong incentives for emergence of patron-client networks and the domination of the personalised politics. Accumulation and productivity growth and capitalist transformation necessarily take place in the context of political clientelism. The process involves shifting of resources among sectors of economy, geographical areas, and groups in society and by response shifts general opposition. The distribution of power outside and within the ruling coalition determines the political cost of certain policies, as well as the effectiveness of implementing them given the resistance or support from which they receive from powerful groups in society.

The underlying assumption is that informal institutions such as clientelism are key in distribution of resources that maintains political stability even where formal institutions are out of alignment with the underlying distribution of power. As a result, analysis of political settlements as conceptual frame should begin with identification and classification of societies on the basis of their dominant institutions -both formal and informal and the underlying distribution of power within and between them. This is necessary given that it is these institutions, which shape social interaction while also determining the flow of resources to different groups and individuals in society. Power in the context of political settlement is understood to imply the process through which individuals and groups are able to assert or maintain claims of ownership of property and income flows. This kind of power is expressed through direct violence or threat of it, through ideas, sociological and institutional hierarchies, and traditional authority as well as through access to economic resources.

Political settlements differ from the developmental state literature as the explanation of policy success or failure in the selective deployment of rent and constitution of new property rights thus not only focus on the state. The basis of his observation is that whereas the state may adopt formal policies of rent creation, the effectiveness of these policies will be shaped by the distributions of power within and outside the formal institution that manage these rents. To this end, he posed the following questions for reflections: a) Can political settlements approach generates an alternative explanation for the agrarian trajectory of African states? b) And what are the policy implications of such alternative perspective? Can political settlements as a conceptual framework help understand development outcomes on the continent?

The general view was that David Booth's approach gives credence to the possibilities of using political settlements as a conceptual framework to interrogate how development policies perform in especially in the agricultural sector on the continent. Booth argument is that development regimes in Africa are characterized by three things: One, policy content that focuses on raising productivity in peasant agriculture as an essential first step. Two, sound policies based on an iterative, problem solving type of policy process. Lastly, a political settlement or elite bargain that allows a national leadership to focus on things beyond winning the next short-term political struggle. It thus necessarily follows that developmental regime 'incorporates a testable hypothesis about the causal connections between sound policy choices, policy-process quality and political settlements.

Going by these observations, the research agenda on agrarian development-and inclusive growth should as well pay attention to three key points identified by David Booth: economic policy content, the policy making approach based on problem-driven iterative adaptation and lastly, the prevailing political settlements. A developmental regime, concerned with socio-economic transformation and job-creation would actively promote and support a productivity

revolution in agriculture and /or pursuing a deliberate 'industrial policy' with a view to building capabilities and acquiring new comparative advantage for exploitation within regional or global block.

### 5.3 Typologies of political settlement

Eight different typologies of political settlements were identified. On the one hand are four typologies by Khan categorised as development coalition, authoritarian coalition, dominant party and competitive clientelism. On the other hand are other typologies which David Booth categorises as neo-patrimonialism clientelism, elite coordinated clientelism, elite coordinated state building and lastly, neo-patrimonialism and state- building. The section, which follows briefly, explores each of them.

#### a) Khan's typologies of political settlements

**Developmental coalition:** Here the ruling coalition faces little contestation from excluded groups. This gives the ruling government the confidence to have a long time horizon to align its interests with long-term development. In addition, the superior power means that the ruling coalition has effective implementation capabilities. Provided that there are pressures on the leadership to be developmental, such features have potential to promote productive employment schemes or inclusive growth-supporting policies and programmes. Khan calls this type of political settlement 'potential developmental coalition'.

**Authoritarian coalition:** In this configuration, excluded organisations are strong and the ruling coalition has to survive by limiting the capabilities of the excluded in some way. Thus formal or informal arrangements are likely to be used to restrict political activity outside the ruling coalition. Authoritarianism is difficult to sustain for long unless there are special factors, such as natural resource rents or military support that bolsters the exclusion capabilities of the ruling coalition. The second characteristic of the authoritarian coalition is that lower-level organisations are relatively weak, which gives higher levels relatively high implementation capabilities. Compared to a developmental coalition, the enforcement capabilities of authoritarian coalitions are relatively good, but time horizons are likely to be poorer given the vulnerability of the leadership.

**Dominant party:** In this political settlement, excluded political organisations are weak. This is because either all or most of the powerful factions have been included within the dominant party, or else excluded factions are too fragmented to pose an effective threat. The characteristic feature that distinguishes the dominant party from authoritarian arrangements is that it does not have to use administrative or military power to the same extent to exclude others, and indeed could win formal, contested elections. The dominant party enjoys a longer time horizon as a result, its implementation capabilities are weaker when compared with developmental coalitions but often also relative to authoritarian coalitions. Like authoritarianism, the dominant party also faces a structural dilemma. If it includes all the powerful organisations within it, it can remove threats from outside. Rents will be spread more thinly and dissatisfaction is likely to result in blocked implementation.

**Competitive clientelism:** The ruling coalition is formed by political entrepreneurs, who seek to bring together enough political organizations within their coalition to be able to rule at the lowest price for themselves. The excluded are technically free to organize, restructure and entice factions that are currently included in the ruling coalition to leave and join them in an attempt to form a new coalition. Given the relative power of the excluded, the expectation is that coalitions will cycle in and out of power.



## b) David Booth's typologies of political settlements

**Neo-patrimonial clientelism:** '... intra-elite relations based on sharing of the spoils of state office ... and elite/follower relations based on group loyalties and distribution of private and club goods as clientelism. ... while it may well be that politics is particularly competitive in settlements of this type, it is the nature rather than the intensity of the competition that sets it apart as a solution to the problem of violence. It is also this aspect that generates the feature that is potentially relevant to differences in economic performance, namely short time-horizons ... and under-provision of public goods. ... examples of neo-patrimonial clientelism, the Indian subcontinent after the 1980s and Thailand in the 1980s and 1990s ... present-day Ghana, Kenya, Nigeria, South Africa, Uganda and the Philippines'.

**Elite-coordinated clientelism & Elite-coordinated state building:** a 'situation where the most prominent political organisation is the result of a purposive coordination of otherwise fragmented elite interests, around some form of state- or nation-building project. ... The distinction to be made in the vertical dimension is between those cases of this elite coordination where the principal mode of legitimation and enforcement of the settlement with subaltern groups remains clientelistic (elite-coordinated clientelism) and those where the settlement is based on rule-enforcement and public goods provision (elite-coordinated state-building': e.g. Rwanda and Ethiopia?).

**Neopatrimonial state-building:** 'Here the elite do not achieve purposive coordination around a common project and cannot overcome its fragmentation. Instead, the settlement relies on a sharing out of the spoils of office among the fragments. However, this does not entail a mainly clientelistic approach to ruling the country and obtaining the adherence of non-elites. Rather, there are serious efforts to lay down and enforce rules that are generally applicable and to provide public goods, including infrastructure investments and accessible services. ... This type of settlement is not common. It calls for a distinct ability to impose a rule-based and service-oriented style of governance in a context where intra-elite relations are all about allocating rents, patronage-style. ... this type is illustrated best on the African continent by Malawi, Kenya and Côte d'Ivoire under their first post-independence leaders, Kamuzu Banda, Jomo Kenyatta and Houphouët-Boigny ...'.

### 5.4 Application of political settlement as analytical framework

What is the main difference between Khan's and Booth's typologies and which one is more appropriate as analytical lens for the study? One of the key observations which emerged as a result of second part of the question is that different countries may have unique experiences hence may not be tied to a particular typology. Nevertheless, it will be important for country researchers to start from a similar point before they digress. This will be helpful in terms of comparison of the study findings and making policy recommendations possible. Furthermore, the principal investigator noted that using different models at the initial stage of the project could also lead to unnecessary confusion.

Borrowing from her research experience in Tanzania, Dr. Hazel Gray<sup>14</sup> identified the following factors as key in understanding how political settlements work as analytical framework. One, focusing on how power is distributed among various groups within and outside national and sub-

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<sup>14</sup> See comments by David Booth (5.5) and Dr. Hazel Gray (5.6) on the framework paper for more information on the application of political settlements as a conceptual frame

national levels of the state. In particular looking at struggles between these groups (i.e. dominant groups and other groups outside the state either at the national or sub-national levels) has shaped distribution of resources by the state in a particular sector.

A case in point is a situation whereby a group of smallholder farmers or economic class outside the government has successfully resisted a decision by the state to favour a particular dominant coalition (i.e. influential bureaucrats and political party members) with regard to access to resources. Hazel reiterated that such analysis requires proper knowledge of the context of the country and the sector under focus in order to successfully map various actors and how they exercise power. There is also need to go beyond the usual notion of elites as a blunt category but instead to deconstruct them so as to understand the sub-categories in relation to distribution of power. The discussion also underscored the need to explore how gender issues play out in such struggles and eventual outcome with respect to the distribution of resources.

Whereas some arrangements seek to forge inclusive politics through elite pacts, they do not always lead to inclusive growth. Instead, they end up favouring elites in most cases at the expense of other groups hence the need to focus on issues of struggles<sup>15</sup> between groups within and outside the government.

To this end, the principal investigator suggested that all the teams start by adopting any of the Khan's typologies before digressing to what they think is relevant to their context. He further noted the need to take note of the following in order to build a sound analytical framework besides country context:

- The institutions such as political, bureaucratic, economic and civil society organisations.
- Typologies of political settlements.
- Development outcomes (i.e. failure or success of development, inclusion and exclusion of women, youth and poor).
- The need to come up with relevant specific question taking into consideration countries' contexts.

#### 5.5 Comments by David Booth on the Framework Paper (A reference Group Member)

David Booth submitted written comments on the framework paper and joined the workshop via Skype from Indonesia to discuss the framework paper. His overall observation was that there seems to be an inbuilt conceptual bias in the paper towards political settlements as the main explanatory variable of lack of inclusive growth on the continent, yet there are other possible factors that could as well explain the prevailing situation. One way of addressing this possible bias is to start by looking for other possible alternative explanation, which may not be necessarily, related to political settlements, then eventually narrows down the possible influence of prevailing political settlements.

Political settlement is an important tool for explaining persistent patterns of behaviour in the economy and political systems. It can also be a helpful way of summarising key features of the context when considering policies or actions that aim to influence behaviour for the better. However, it can only be brought to bear when there is something specific to be explained and/or a policy problem that needs to be addressed. It cannot be a starting point.

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<sup>15</sup> One of the participant (Tade) underscored the need to operationalise the term political struggle to enhance a better understanding given the notion is often antagonistic

The draft framework paper was extremely heavy on theory and concepts and very light on the empirical work on the employment creation initiatives. While the research will in a certain sense 'test' the strengths and weaknesses of these analytical tools, it is only likely to do that to the extent that: the programme generates some new data on i) the success/failure of some interesting employment generating initiatives and ii) the proximate and intermediate causes of these successes/failures (e.g., respectively, the extent of coordination of the different elements of the scheme; and the nature of the relevant policy processes). Unless this is done, and done well, it will not be clear whether there is a gap in the explanation that needs to be filled and whether Political Settlements analysis can fill it. The diagnosis needs to be built up in layers, and the final steps are probably the easiest.

The proposed stakeholder workshops could be helpful in identifying schemes with the right features (big potential employment impact, sustainability etc.).

### Suggestions

- The studies should illuminate the conditions under which employment-intensive development takes place. Testing the value of PS analysis could be mentioned but it should be at the end of a list of objectives, well after generating some relevant new data and thinking about policy and action options that might work in the context.
- The research must also be concerned about matters even further down the hypothesised chain of causation, such as whether the selected initiatives are actually providing employment and why/why not (the immediate explanation may be about policy and may not).
- If the Booth typology of settlements is used, it should be made clear that this is an alternative to Khan. It is probably not necessary to decide at this stage which one is used, but at some stage the researchers will need consistent guidance on this.

### 5.6. Comments on the Framework Paper by Dr. Hazel Gray (LSE) reference group member

The overall observation by Dr. Hazel Gray on the framework paper was that it makes an important and timely contribution to the emerging field of study on inclusive growth and political settlements in Africa. As much as the concept emerged from the mid-1990s with the work of Mushtaq Khan, its application and development to Africa is relatively new. Consequently, there is a need for an open and iterative process of exchange between empirical evidence generated by the project and the development of a political settlements theory. In this way, the general theoretical framework of political settlements should be adapted as it comes to reflect the specificities of African experiences. Further, there has been very little systematic research on political settlements and gender, so the project will be breaking new ground in this area.

#### a) Political economy and political settlements

Whereas the inception report proposes to use both political economy and political settlements in undertaking research, it is important to note that even though both concepts share certain things in common for example questions of power and institutions, a political settlements approach has a distinct set of assumptions about power and the institution that may not necessarily be compatible with political economy approaches.

A number of political economy approaches examine the role of institutions and power, however in these theories, power is important because it is assumed to drive institutional change

towards or away from a particular set of formal institutions that are identified as being necessary for growth and stability. A political settlements approach offers something quite different from this by focusing on the nature and structure of power beyond institutions but also by offering a different set of explanations about the processes that link politics to economic development. These differences are rooted in a perspective that places development within particular structural features of late capitalist transition. The research can draw on the tension between these different approaches to examine inclusive growth schemes. This requires country researchers to be familiar with political settlement theory and its underlying assumptions.

#### b) Inclusive growth and inclusive politics within political settlements research

One of the most important contributions that a political settlements approach can offer to research on inclusive growth is that it provides a much more open way of understanding the relationship between politics and economics. The draft framework paper provides a very good definition of inclusive growth as growth that provides high levels of employment, rising wages and a say for citizens in the orientation of the growth process.

In some of the political settlements literature, inclusive politics is assumed to be critical for ensuring inclusive growth. However this assumption needs further interrogation particularly with regards to how coalitions are built. There are a number of different ways that inclusive politics is defined in the literature. An intuitive understanding of inclusive politics would be a form of politics that allows many people to participate and have voice within the political system. The definition of inclusive politics within much of the political settlements literature is different from this and refers more narrowly to elite inclusion. This view is associated with work on elite pacts and with Douglass North's latest work.

The logic of the argument is that inclusive elite political settlements are needed in order to achieve stability and stability is needed in order to achieve inclusive growth. The risk with this approach is that political stability is taken to be a sufficient condition for inclusive growth. The question of maintaining political order though inclusion is, of course, important but we need to ask another set of questions about the nature of the political settlement in order to understand the relationship between elite inclusion and economic outcomes. In particular we need to know the position of different elites within the economy as suggested by the framework. However, another caveat is that the inclusion of important business elites within a political settlement will not necessarily drive inclusive growth either.

This is because while the alignment of economic and political interests within a political settlement may help to support processes of accumulation by business groups, a more rapid pace of accumulation does not necessarily entail a more inclusive growth process. Accumulation can occur through many different economic processes. Whether a growth process is inclusive depends on the qualitative characteristics of accumulation, in particular where accumulation is associated with rising productivity and where in turn this productivity is translated into both higher wages and more employment opportunities. Political settlements can best contribute to understanding inclusive growth through a nuanced investigation into the groups that make up a political settlement and their relationship to economic production. This is particularly relevant for thinking about the conditions under which ruling coalitions will be supportive of productive sectors.

#### b) Typologies

The draft framework presents a number of different typologies of political settlements, each with strengths and weaknesses. The Khan typology has the advantage of being parsimonious and has been quite widely used within the existing research on political settlements. The typology presented from Booth makes some interesting insights particularly around the question of legitimacy. Booth integrates the concept of neopatrimonialism into the political settlements approach. The question of legitimacy that the typology from Booth on page 8/9 raises is important but I think the way that it is framed risks falling back into the neopatrimonial assumptions around the personalization of power that misses the underlying structural drivers of clientelism. I would not link the question of legitimacy to patrimonialism but it is interesting to think about the role of political commitment, ideas and identity within the political settlements framework. I also think Booth's typology focuses somewhat narrowly on the role of public good provision and the state. Public goods are necessary for many reasons but they may not be the major or even the most important constraint on inclusive growth or the success of employment generation schemes in agriculture.

I strongly agree with the proposal in the draft framework. The research should start with the specifics of existing policies and the constraints on their implementation and then move up to questions of quality of policy process and finally the question of the character of the political settlement. This will allow the typology to be shaped by the new empirics and understanding emerging from this project. A note of caution is that the existing typologies are still heavily influenced by the evidence distilled from the East Asian experience. There should be room for a critical rethink about how to typologize political settlements on the basis of African experiences.

#### c) Researching political settlements and the distribution of power

Conventional political economy looks at the structure of institutions to explain outcomes and policy success. In contrast, researching political settlements requires a detailed analysis of the distribution of power within and outside institutions. To understand who has power, we need to examine struggles over resource flows and property rights. This requires very detailed local knowledge. The draft framework sets out a very clear research agenda around policy adoption and political settlements but in answering question 5 and 6 in particular the studies will have to move beyond the question of policy formulation to look more specifically at micro level implementation. The policy process at the macro level may not throw much light on the question of the actual success and failure of particular projects. In this context, a detailed study of the distribution of power and contests over resource flows generated by employment generation schemes at the local level will be critical for answering the question of feasibility of different schemes. Question 6 on the implication of employment schemes for gender equity and gender inclusive outcomes may pose particular challenges for the researchers. As I already mentioned, this is quite a new research frontier within political settlements and will require some innovative thinking about how to integrate gendered power relations into the understanding of the wider distribution of power.

#### 5.7 Concluding Remarks by the Principal Investigator

The PI concluded the session by indicating that research teams should put the following into consideration in choosing a typology. One, the context or internal country dynamics for example the kind of both formal and informal institution, organisation for instance civil society organisations and how they affect distribution of power in relation to the agricultural sector. The prevailing situation in the agricultural sector which is the main area of focus and in particular if there are possibilities of prevailing political settlements which are crop specific? Are there some specific outcomes (i.e. employment creation) in the agricultural sectors in the four countries, which can be directly related to the kind of prevailing political settlement (i.e. distribution of

power) in these countries? Is the whole system based on inclusion or exclusion? Lastly, both teams should start from a common position before they digress to frameworks, which are specific to their context in order to compare the study findings.

## 6. From General Framework to Country Specific Research

This section summarizes key points, which the principal investigator highlighted with regard to research focus, methodology and analytical approaches, data needs and analyses. Having explored the role and status of the agricultural sector in African development and possible relevance of political settlement as a conceptual frame, the PI proceeded to identify the following as some of the possible questions and corresponding hypothesis which research teams could reflect on.

Table 6.1: Summary of overarching research questions and hypothesis

<b>Specific research questions proposed by the Principal Investigator</b>	<b>Hypothesis proposed by the Principal Investigator</b>
a) How were different political settlements arrived at within a country and a sector?	a) Ruling coalition or elites will support productive wage employment schemes when they perceive that will enable them continue to stay in power.
b) Under what conditions do ruling elites or coalition support a particular wage employment promoting scheme in Agriculture and/or agro-processing sectors?	b) Promoting productive wage employment would demand targeted investments, policies and programmes that in the short term only benefit entrepreneurs in a certain industry. Their political allegiance to the ruling government is imperative.
c) To what extent does contestation over -- and access to -- rents associated with natural resources (government/donor revenues; or special discretionary favors) crowd out entrepreneurial interest in, labor-intensive export oriented agriculture and manufacturing sectors?	c) Ruling elites build coalitions and seek to win elections. Coalitions are often maintained through patronage and by maintaining clientelist relations.
d) To what extent has agricultural development in the country been focused around supporting productivity gains among small farmers, versus providing support for extensive, capital-intensive commercial agriculture? And to what extent is this as a consequence of the political weakness of small farmers?	d) Promoting productive wage employment schemes is a long-term undertaking of which results cannot be ascertained immediately. Looking for short-term gain, this condition does not offer adequate incentives for ruling elites to take initiatives or provide sustained support to employment schemes.
e) How is success or failure of a particular wage employment scheme in agriculture or agro-processing manufacturing industries related to the nature of the political settlement in a country and sector to be determined, and what policy implications can be drawn?	e) Ruling coalition will implement supportive policies and strategies for a productive sector depending on the actors in that industry and the interest and strength of those actors in relation with the ruling coalition.
f) How do different political settlements on employment schemes enhance or constrain gender equity and gender inclusive outcomes?	f) To be successful in building productive employment in a clientelist environment, political support may be needed.

The key point was that research teams should feel free to come up with their own unique yet comparable specific research questions while at the same time taking the following factors into consideration:

- The national economy and the role of agriculture sector (political economy);
- Wider agricultural policies (political economy and political analysis);
- Job creation programmes in agriculture and agro-processing sector (which requires process tracing and policy analyses)
- Political settlements as a lens (which entails political analyses)
- The nature of inclusion and exclusion (social analyses)
- Overall policy outcomes and concerns (public policy).

The section below identifies some of the guiding questions and issues, which require attention under each of the six areas.

a) National economy and the role of agricultural sector (1)

Research teams were urged to pay attention to the following specific issues under the role of agriculture in the national economy: the position of agriculture within the various national economies; the country's level of dependence on agriculture compared to other sectors of economy- is the agricultural sector in the three cases export oriented or geared towards domestic food security? The kind of agro-climatic and historical processes that have shaped the agrarian system, the demographic and climatic change pressures on the agricultural system, whether the country contain complementary or conflicting agrarian systems, who are the main actors in the agrarian system? What are relationships of these actors to the state and other sources of power within the society? What levels of technological and financial support does the agricultural system enjoy? What are the connections between the agricultural system and the system of public finance and domestic and international trade?

b) The National economy and the role of the agricultural sector (2)

The teams are to further consider the following with respect to national economy and the role of agricultural sector: the need to go for public data from various statistical bureau of the state and the data sets of various international agencies, the need to consider using case studies which are bound in various educational and national research institutions. Since the evidence for discussion on the agricultural sector is either inadequate or of dubious quality, it is important to pay attention to the following concerns with respects to data: availability, reliability and possible contradictions. The PI also noted that exploration of the place of agriculture in the wider context of the national economy is not the project's main focus. It only serves to frame the main research effort on inclusive growth and political settlement. Nevertheless, the sign posting of the contributions of the agricultural sector to the national economy, its main actors, the distribution of resources within it and some of the key challenges are instrumental in setting the proper context of the main research inquiry. The signposting, however, must be done in a clear, precise, and parsimonious way, so that it does not cloud out, or even become confused with, the study's main objective.

c) Wider agricultural policies

The PI pointed out the following as some of the key concerns with respects to wider agricultural policies: the kind of policies that have been adopted in the three study countries for the past 10-15 years, their primary objectives, the main drivers, their nature, the extent to which they have been either inclusive or exclusive, the primary beneficiaries, the groups that have borne their

costs, the kind of interplay of domestic and external forces in the policy process and lastly, their scope of learning and correction.

d) Job Creation Programmes in Agriculture and Agro-processing

It was recommended that the teams consider choosing any four inter-connected policies on growth and employment creation in agriculture and agro-processing. They should preferably choose policies that connect agriculture and agro-processing through a value chain. Some of the possible examples include but not limited to tomato growing and puree manufacturing, cassava cultivation and starch production or rice production and rice milling among others. Other factors that should be considered in selecting job creation programmes in agriculture and agro-processing are the main actors and beneficiaries, the stated objectives and what have been the outcomes, the contribution of the programmes to job-creation and the extent to which these projects are sustainable.

e) Political settlement as analytical lens

The following are some of the issues to be considered when using political settlements lens: what regimes/Presidents initiated, supported, or thwarted the chosen policies, the reason why they acted in the way they did, the kind of wider social and political forces who were involved in or concerned about the policies. The scope these groups had for self-organisation, the extent to which various social and political groups behind or opposed to these groups were effective, the way the activities of these groups affected the outcomes of these policies and lastly, whether these policies lead to inclusion, vulnerable employment, or the dispossession of identifiable groups.

f) The Nature of Inclusion/Exclusion

Some of the issues to require interrogation with regard to inclusion and exclusion include the following: the wider ramifications of the chosen policies for farmers, herders, traders and industrialists; the kind of roles vulnerable groups women and youth play within the chosen policies; their implications for trade unions, community groups, traders and artisans; whether there are trade policy implications of the policies; what do such policies mean for the nature of work; who benefits and who bears the costs; the policy implications for state authority and legitimacy.

g) Overall policy Outcomes and Concerns

The research teams will also seek answers to the following questions as a guide to choosing policies for detailed study.

- The kind of lessons, which particular policies stand to provide with respect to job creation and inclusion, addressing vulnerable employment, improving capacity of the state among others.
- The kind of platforms, which are available to interested stakeholders in representing their interests and concerns about the policies.
- The kind of lessons that can be learned about these policies with respect to inclusive growth;
- How the policies and programmes compared to others known to researchers.



## 7. Country Presentations and Emerging Issues

This section highlights presentations by the research teams and key issues which emerged during the plenary discussion. The presentations mainly covered: employment situation, the agriculture and agro processing sectors, specific projects case study analysis, methodology and data needs, engagement with policy actors and research output.

### 7.1 Presentation by the Ethiopian Team (Assefa Admassie, Kasshun Berhanu and Mesfin G. Michael)

#### a) Employment Creation in Agro processing and Commercial Farms in Ethiopia

The team noted that the positive economic growth over the past few years did not lead to a major economic transformation and creation of productive employment. The majority of the Ethiopian labour force still works in the least productive agriculture sector. Even the small increase in wage employment has primarily occurred in the expanding services sector. As a result, the mobility of workers from a low productivity sector to a higher productivity manufacturing sector had been either very slow or not happening yet.

The key challenge is, therefore, how Ethiopia could translate rapid economic growth into inclusive growth to create better employment opportunities for all. This requires identifying the underlying factors that limit job creation for productive employment and designing policies for economic transformation and inclusive employment policies.

Employment in manufacturing is highly concentrated in a few sub- sectors and the share in each sub-sector remained more or less stagnant over time. The food and beverage, textile and non-metallic minerals were the major employers accounting for about 33.1, 12.06 and 10.7 percent, respectively during the first two growth and transformation plan (GTP) implementation years. The increase in employment in food and beverage is mainly due to the surge in the sugar, soft drinks and mineral waters subsectors. Other sectors have either experienced reduction in or no change in employment.

The establishment of commercial farms in Ethiopia can be traced to the imperial era. However, the numbers of state farms have declined overtime due to privatisation. One of the reasons for encouraging large-scale commercial farms is to create employment opportunities for the local people. The Ethiopian government had a strong expectation that the expansion of large-scale farms would create huge employment opportunity for the local people as well as migrants.

According to the proposals, about 86% of the farms would employ both permanent and temporary workers while the remaining would employ either of the two and the mean potential employment generation is about 7 persons per hectare. However, many doubt whether the employment contributions of the large-scale farms outweigh the potential adverse effects (e.g. environmental degradation and social disorder due to displacement).

Despite this, performance of commercial farms to date in terms of production, employment and development of land has been disappointing. Not more than 20% of land leased is currently farmed and only 1% of investors hold 10,000 ha and above. The expected increase in production and supply of food crops, industrial raw materials and export commodities were not realized. As shown by many studies, the contribution to employment, technology transfer,

capital accumulation and efficient land use is negligible. This situation led the federal government to declare a moratorium on further land leases in 2011.

Gender discrimination in employment remains a critical development challenge to policy makers in Ethiopia. As result, creating jobs for men and women in the country has been one of the focal points of the country's successive development programs including the PASDEP) and the GTP.

It is against this background that the study aims at generating evidence on the main constraints on employment creation schemes in the agriculture and agro processing schemes as well as the gender dimensions in employment using political economy and political settlement approaches.

#### c) Case selection and justification

The team plan to identify five cases comprising three agro processing firms and two commercial farms from different parts of the country.

Since the floriculture industry is expanding fast and it is employing several people, particularly women, one such farm will be identified from the rift valley area (Zeway area). In addition, one commercial farm will be identified from a cereal growing area of the country (Bako which is a maize growing area).

The team also indicated their intention to include one food processing, one beverage and one leather or textile firm in our analysis. They pointed out a winery located in Eastern Showa, a food processing firm located west of Addis Ababa in Burayu area and either leather or a textile firm located in and around Addis Ababa will be identified for the study.

#### d) Methodology and data needs

The team indicated that they will rely on mainly on qualitative research approaches involving various stakeholders' forums and Key Informant Interviews.

*Stakeholder forums:* In order to generate the necessary information on constraints and opportunities from these firms and farms, the team plans to organize a stakeholders' forum in each identified area in which different interest groups will be represented. They intend to bring together people from the firm management, employees, district agriculture bureau officials, district trade and industry experts, private sector operators, farmers' representatives, if possible as well as civil society actors.

*Secondary data:* the team will look for secondary data from each study unit as well as from various federal level organizations such as the Ministries.

*Key informant interviews:* the team intends to conduct several key informant interviews involving key government officials from the sector ministries, private sector operators, and other stakeholders.

#### e) Issues which emerged from the presentation by the Ethiopian team

The following are the key issues which emerged from the team's presentation.

The background information had a lot of information which is good but may not be quite useful at this stage of the study. It was also pointed out that the political analysis should mainly speak to the political settlement literature focusing on issues such as distribution of power among various groups in society while at the same time paying attention to the various typologies in the framework paper.

The number of cases (5) which the team presented was high given that time frame within which the study is expected to be completed. The limited time will not allow for a detailed study of all the proposed cases. Furthermore, there was the need for clear logic of case selection. The team was advised to focus on at least three cases in order to be able to carry out a detailed analysis which may not be achieved with the proposed five cases.

Both textile and winery industries in Ethiopia are currently playing key roles in the employment creation in the country hence worth considering for case selection. The analysis would focus the quality of job creation, the of the two industries in industrialization and creating linkage with the global value chain.

Focusing on floriculture as a possible case would also be interesting because of its linkages with the prevailing political settlements in the country. Its choice would also be instrumental in understanding how it is linked to the service industry and in particular with the SME promotion. This is in contrast to the winery which has mainly a vertical linkages hence may not show much linkage with the political settlements.

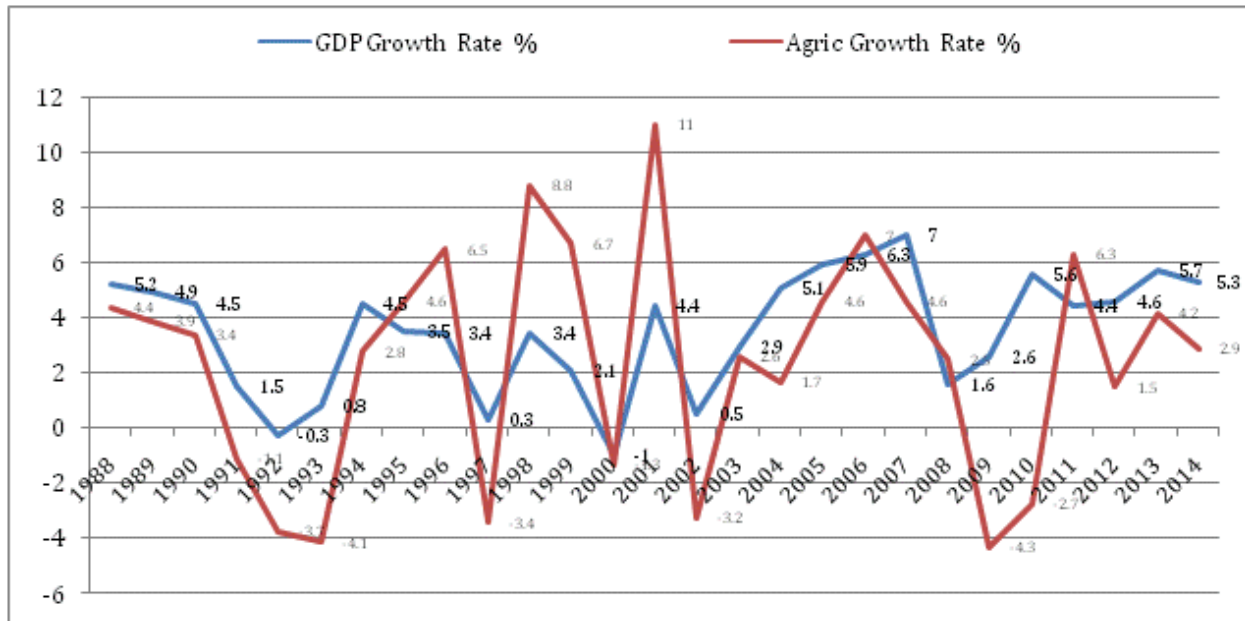
It was further suggested that the team should consider cases of success and failure while selecting cases in order to enhance comparison. The principal investigator particularly pointed out the possibility of considering textile, wheat and a food processing as possible cases for study.

## 7.2 Presentation by the Kenyan team (Prof. Winnie Mitullah, Dr. Joshua Kivuva and Dr. Paul Kamau)

### a) Background Information on Employment in Agriculture and Agro-processing firms

Agriculture has always occupied a central position in economic growth and employment creation in Kenya since independence. Agriculture remains one of the country's main foreign exchange earners and contributes 24% to its GDP. Whereas the country's economy has been growing since 2002 when a new regime took over power from KANU which had ruled the country for 24 years, High levels of poverty and unemployment especially among the youth are still high. Available data shows that majority of Kenyans rely on the informal sector as the main source of their livelihood. A detailed analysis of data for the last 26 years show that growth in the agriculture sector has not been stable as shown in the table below for various reasons; key among them is the prevailing political environment in the country.

Diagramme: 7.1 Performance of the Agricultural sector (1988-2014)



Sources: various documents (1988-2014)

As a result, the sector has not been able to create employment as would be expected. Overall, the team observed that wage employment policies in agriculture and agroprocessing are same as those in general economy.

#### b) Case selection and justification

Kenyan team proposed to study two cases namely the sugar and horticulture. The decision to focus on the sugar sector is mainly because of the following reasons. One, problems in the sugar sector are cross-cutting hence affect majority of citizens. Two, sugarcane growing areas are mainly dominated by opposition political party over a period of time thus politics is perhaps the main explanatory variable with respect to the sectors poor performance compared to other cash crops such as coffee. Three, there is a lot of politics in sugarcane growing and importation. Lastly, there is a sense that sugarcane barons are funding terrorist activities in the country.

The choice of horticulture as a second case was because of the following: it is an export leader after tea. The sector is labour intensive hence a good case for employment creation scheme, there is massive government involvements in the sect. It is also linked to the global value chain.

#### f) Specific research questions

The team proposed to explore the following specific research questions in order to address the study's central concern:

- What ails Kenya's agricultural sector?
- What are the challenges facing agricultural policies in Kenya?
- Why does the government intervene in some agricultural products and not all, when it wants to? Maize in Uasin Gishu is addressed while Sugar (Kisumu) and Cotton are neglected in spite of cries by farmers?
- Agricultural policies and their effects on wage employment? Which policies have been made specific to particular products? Why some polices do not get government support

at all? Effort to increase budget allocation to 10% (Maputo Declaration) has not achieved much?

- What leads to rent seeking in the agriculture sector? What are the main sites of rent seeking? What are the motivations for giving rent seeking? Who gives rent?
- What ails large scale irrigation projects in Kenya (Galana, Ahero, Garsen, etc.)?
- What is the view about political settlement and productive wages in Kenya?

#### g) Methodology and Data Needs

The teams proposed to rely on the following approaches in order undertake the study:

*Desk Review:* the team intends to begin by undertaking comprehensive desktop review of various documents so as to get information on political regimes, performance and employment in agriculture as well as agro-processing sectors in Kenya. Key documents which the team intends to review include but not limited to long term development policies, development plans and statistical abstracts. The intention is to link different regimes to performance in these two identified sectors. This exercise is expected to yield both qualitative and quantitative information that shall be used in the analysis.

*Interviews with Key Informants:* the researchers shall then hold consultations or key informant interviews with diverse knowledge and experience in political settlements. The approach for selecting the key informant interviews shall be through snowballing and referrals.

#### h) Comments and suggestions on the team's presentation

Need to apply the political settlements literature properly, the typologies and operationalisation since regime changes are not necessarily political settlements. The team also need to deconstruct terms such as inclusiveness and sustainable development. They should focus on inclusive development instead of sustainable development which appears on their research outline.

The team should consider interrogating how devolution which is a new political dispensation affects the crops selected for actual study. How does current resource allocation affect the sector at the local level?

The team was urged to consider cowpeas and macadamia as possible cases for study given that the nature of political settlement that characterise their production. A case in point is how dominant coalition has affected the production and sale of macadamia in the global market. In both cases smallholder have suffered due to the role of dominant coalition who hardly observes the rules of the game. The team should also consider fish industry as possible cases for selection due to the stringent European Union measures. The team should also start thinking of the sites of the crops. Problems affecting macadamia, cowpeas and sugar production in Kenya request a critical analysis of issues of institutions and governance structures and institutions at different levels in order to unpack the dynamics at play. The team should equally explore how gender issue play out.

The team should take note of the complexity in the sugar sector. The sector is somehow complicated given the internal dynamics. For example rent from sugar is not from locally produced but importers. There is a coalition of sugar barons who import the produce cheaply at the expense of local producers who are not able to resist them due to the power which they wield. It was also suggested that the team should consider the linkage between ICT and horticulture.

### 7.3 Presentation by the Nigerian Team (Dr. Aremu Fatai Ayinde and Dr. Patrick Vandi Kwaghe)

#### a) Background Information

Nigeria moved from a diversified economy with robust agricultural sector at independence in 1960 to 'mono-cultural' economy heavily dependent on oil export. The team intends to explore in detail the vulnerabilities that result from such economic condition and the various regimes which ruled Nigeria during each epoch.

Time series data shows that between 1960-2013, Nigeria's economic growth was modest at an average of 3.8 per cent. In the 1960s, the economic growth rate was actually less than long-run average with a growth rate of 2.4 per cent mainly a consequence of the civil war (1967-1970). The oil boom that followed rejuvenated the economy at an average rate of 4.8 per cent. The oil glut and global crash of the oil market reversed the growth rate to 2.3 per cent in the 1980s. The rate was around 1.5 per cent in the 1990s.

2000-2009 was a unique decade for Nigeria with an average growth rate of 9.0 per cent mainly due to rise in crude oil prices, wholesale and retail trade, agriculture and ICT. Since 2010, the growth rate has been around

Does Nigeria need inclusive growth policy? Why? Basically, economic growth has not resulted in poverty reduction, improved income distribution and reduced unemployment. Poverty headcount ratio increased from 54.05 per cent in 1986 to 69.03 per cent in 2010. The Gini Coefficient rose from 38.68 per cent to 42.95 per cent in the same period. Aggregate unemployment rose from 13.1 per cent in 2000 to 24.2 per cent in 2012 (higher among youth and women).

#### b) Case Selection and Justification

The team proposed to study four cases

Cases one and two: Rice production and Rice Milling Factory. They pointed the following reasons as the basis for selecting these first two cases: Nigeria spends N360bn on rice import annually; per capita consumption of rice increased from 3kg in 1960s to 34kg in 2000; there is huge potential for domestic production (Fadama land, farm labour, etc) and demand that could support inclusive growth and employment generation in agriculture and agro-processing especially for youth and women. Lastly, in the context of several policy declarations and documents on rice, it would be interesting to investigate the effect on inclusive growth and employment creation taking into cognizance the political settlements.

Cases 3 and 4: Agriculture: Cotton and Agro-processing: Ginneries and textile factories

The team pointed out the following reasons for choosing these two cases: Cotton has huge potential for robust value chain development, massive land acreage for Cotton cultivation, agro-processing into Lint, Fuzz, Cotton Seed oil and Cotton seed cake for livestock feeds; cotton has huge potential for industrial integration to generate inclusive growth and employment generation; ginneries and Textile factories employed large number of youth and women in Nigeria; and lastly, there is policy focus on Cotton needs investigation.

c) Specific research questions

The team proposed to explore the following specific research questions:

- How do we explain the policy content and processes of Rice production in the context of political settlement analysis? (Process Tracing)
- How do we explain the rise and fall of Cotton production and textile industries using political settlement analysis? (Process Tracing)
- In what ways can the political settlements and constellation of interests be re-aligned to allow for improved production and employment generation in the two policy domains? (Causal)

d) Methodology

Overall, the team intends to rely on mixed methods (both qualitative and quantitative research designs) comparative case study approach (case diversities) to undertake the study.

*Data collection techniques:* In-depth interviews and FGDs with ( Rice and Cotton Farmers, their associations, owners and operators of Rice Mills across the Rice Producing clusters across the country (North East, North Central, South East and South West), researchers, bureaucrats, among others.

-Surveys (to be determined)

*Data analysis:* The transcripts of the in-depth interview and -FGDs would be coded, categories formed and analyzed qualitatively to identify the forms of political settlements that underpin the policies in the selected cases and how it affects the overall subject of inclusivity in employment creation and value chain development.

The team intends to use regression analysis to identify key causal factors that affect employment generation in a particular case study over a period.

e) Comments and suggestions on the team's presentation

The team should be cautious with their definition of political settlements. It does not necessarily mean regime change. Instead, they should track institutions which lead to changes in the distribution of power. However, there is need to track political changes overtime to see how they have shaped agricultural policies overtime.

The team's proposed data sources seem to be quite general. Furthermore, regression may not be quite useful given the nature of the issues under focus. The team should consider undertaking in-depth analysis for example by talking to farmers and other stakeholders. It was agreed that it is up to the team to decide to use survey along other data collection techniques. Nevertheless, use of survey should only be used after conducting FGDs and in-depth interviews.

Whereas the choice of cases is interesting, the process should factor in issues of success and failure while selecting cases. It was suggested that they should reconsider cotton because it seems to have lost the battle of integration in the global value chain and perhaps consider

livestock in the North given the existing political arrangement between the Northern and Southern parts of the country. Rice seems to provide an interesting case to study given the struggle between those who want to import on the one hand and those who want to produce on the other and get linked to the global value chain, hence the possibility of political settlement coming out. Despite this, there are some participants who argued that focusing on the cotton industry which is already losing out will be instrumental in the marginalization of members of the IBO community.

#### 7.4 Summary of issues that emerged from the teams' presentations

The following issues were pointed out at the end of the three presentations:

- a) Each team would consider limiting the length of the background information on political regimes and economic growth. The bulk of the information will however be useful at a later stage of the research.
- b) Most of the background information presented leans towards political economy and little on political settlements yet it is the study's main analytical lens. The study would start by interrogating issues of political economy before narrowing down to political settlements. It was also noted that even though there are different typologies of political settlements articulated by Khan and David Booth, it is advisable that each team begins by using Khan's approach before digressing to other typologies which they consider appropriate. This is to enable comparison across the three teams.
- c) Specific questions captured in the draft framework paper are not binding thus each country research team is free to decide on the nature of and number of specific research questions which in their view are relevant to their research context. Each team is expected to integrate gender issue within their frameworks and subsequent enquires
- d) The selection of case studies should take the following into consideration among others: the need to enhance comparison within and across cases, methodological rigour and possibilities of political settlements, which are sector specific. They were also urged to begin thinking of crops sites
- e) Finally, it was suggested that each team would consider settling on two to three cases due to time frame. To this end, the Ethiopian team was called upon to consider reducing the number of cases from five to three.

### **8. Policy Engagement and Processes**

This session meant to explore effective ways of ensuring that the study's findings move into serious policy uptake in the three countries. The session started with a brief input from policy actors from each of the three countries as summarised below:

#### 8.1. Ethiopia

There were two policy actors from Ethiopia namely Mr. Amhed Nuru who is the Director of Policy and Program, Study Monitoring and Evaluation, Ministry of Industry; and Mr. Teddesse Gena who is the President of the Oromia Chamber of Commerce and Sectoral Association. Both of them were in agreement that the study was quite in line with issues which the current regime is paying attention to. They in particular indicated that the Ethiopian Government is paying keen attention to its textile industry and its linkage to the global value chain to enhance its productivity. They assured the country's research team of their support. They indicated that



they will be available and willing to facilitate meetings between the research team and relevant stakeholders within the government and private sector. The team indicated that they plan to engage relevant policy actors during the entire period of the study.

## 8.2. Nigeria

Policy actor from Nigeria was Prof. Mohammed Magaji who is the Director of Capacity Strengthening Agriculture and Research Council. He underscored the significance of the study in Nigeria, indicating that the selection of the two crops (Cotton and Rice) for case studies was a win-win situation for both out-going and incoming governments in Nigeria. Both governments are keen on initiatives which seek to improve productivity of both crops. He also assured the research team of his support with regard to policy uptake. The team also reiterated their intention to engage various policy actors at different stages of the study.

## 8.3. Kenya

Policy actors from Kenya were Mr. Kenneth Ayuko (Deputy Director, Policy Research and Regulations, Ministry of Agriculture, Livestock and Fisheries; and Mr. Gem Argwings-Kodhek (former government employee in the agricultural sector, a farmer and private sector player). It was clear from the discussions that unlike Ethiopian and Nigerian, the Kenyan team would have to come up with innovative strategies to ensure effective policy uptake. Experiences shared by Kenyan policy actors show that traditional approaches to policy engagement such as policy briefs, stakeholder workshops and retreats (i.e. with members of parliament for example in plush hotels in Mombasa or Naivasha for example) among others are no longer very effective. He cited instances whereby Kenyan Members of Parliament (MPs) fail to attend crucial retreats or workshop sessions intended to influence policies through legislation despite huge resources which organisers of such initiatives spend on them (to fly MPs to Mombasa, book them in luxurious hotels besides paying them hefty per diems, etc.). In most cases some of the MPs end up leaving such retreats prematurely to attend to personal matters.

Participants made the following suggestions for consideration as possible ways of ensuring effective policy uptake in Kenya. One, the team should try to involve key stakeholders in the study's initial stages as a way of securing their interests in the project instead of waiting to engage them towards the end.

Two, the team should also think of publishing key research findings in the mainstream daily newspapers because articles or opinion pieces in their view seem to attract more attention from policy makers than academic journals and policy briefs.

Another Kenyan policy actor also suggested that the Kenyan team should equally consider sharing their findings with the members of the Kenya Private Sector Alliance (KEPSA) that routinely meet with senior government officials to discuss serious policy issues for implementation under Public-Private Sector round table which the President chairs. He noted that this forum is more effective than any other. He compared its efficacy to the defunct National Social and Economic Council in the previous Coalition Government under the former President Kibaki and Prime Minister Raila Odinga.

They also suggested a website to popularise the project. One of them reiterated that PASGR should allocate substantial amount of resources towards policy uptake. Besides, the organisation should work on its profile as a way of ensuring its legitimacy among key policy actors. He pointed out that government officials are always keen on issues such as

organisation's mandate, mission and source (s) of funding and other support agencies or partners. They concluded by assuring the Kenyan research team and PASGR's leadership that they will be available to assist whenever they are in a position to ensure successful uptake of the study findings.

The Kenyan team indicated that they intend to engage relevant policy actors both at the County and National governments as part of the effort to enhance policy uptake.

### **9. Closing Remarks and the Way Forward by Nicholas Awortwi**

It was concluded that the study's final report would be published in high quality academic outlets. As a result, research teams are expected to pay attention to quality in line with PASGR's core principles. The PI will provide intellectual leadership while the reference group and anonymous peer reviewers will check the overall quality output of the study. To monitor the research process, all teams are expected to copy PASGR in their communication with the Principal Investigator. Research teams are expected to submit their revised research outlines of 8 pages demonstrating viability of their respective researches to PASGR by 15 May. They are also expected to submit draft literature review to principal investigator by 15 June. The principal investigator will also revise the project's framework paper and share the revised version with the respective research teams by end of May. The principal investigator finally indicated that he will be available for any consultation by team members. He also pointed out the possibility of attending a meeting between respective research teams and policy actors in their countries subject to his availability. Finally, members of the research teams were called upon to pay attention to project schedules as outline in annex 3.

## Annex1: Workshop Agenda



### FINAL AGENDA

## POLITICAL ECONOMY AND SETTLEMENTS ANALYSES OF EMPLOYMENT CREATION IN AGRICULTURE & AGRO-PROCESSING IN THE CONTEXT OF INCLUSIVE GROWTH IN AFRICA

APRIL 29-30, 2015, BOMA HOTEL, NAIROBI, KENYA

### DAY 1: Wednesday Apr 29, 2015

08.30 - 08.50 Registration

***Chair: Nicholas Awortwi, PASGR***

09.00 - 09.30 Welcome & Opening Remarks – Tade Aina (Executive Director, PASGR)

09.30 -10.10 Employment Creation in Agriculture and Agro processing in the Context of Inclusive Growth in Africa: Political Economy and Settlements Analyses (Raufu Mustapha, Oxford University)

10.10 -11.10 Comments from the reference group - David Booth to join via Skype from Indonesia Comments from other participants

*11.10 -11.30 Health Break*

11.30- 12.00 Inclusion on whose terms? Market-led and equity-led paradigms of inclusive growth (Kate Meagher, London School of Economics)

12.00- 12.45 Plenary Discussion

*12.45 – 14:00 Lunch*

14.00 – 14.40 The Project: Research Questions, Methodology & Analytical Approach, Data Needs & Analysis, Policy Engagement and Publication Process (Raufu Mustapha, Oxford University)

14.40 – 15.40 Comments from the reference group & other participants

*15.40 -16.00 Health Break*

16.00 – 17.00 Country Specific Policy Discussions and Processes: Information sharing by policy practitioners from:

- Nigeria - Mohammed Magaji
- Kenya - Kenneth Ayuko
- Ethiopia - Teddesse Gena/ Ahmed Nuru

17.00 -17.30 Setting the stage for country presentations (Nicholas Awortwi and Raufu Mustapha)

18.00-19:30 *Reception*

**DAY 2: Thursday April 30, 2015**

***Chair: Darlison Kaija, PASGR***

09.00 - 09.40 Country Case Study: Kenya

09.40 - 10.40 Comments from the reference group, policy actors & other participants

10.40 -11.00 *Health Break*

11.00 - 11.40 Country Case Study: Ethiopia

11.40 - 12.40 Comments from the reference group, policy actors & other participants

12.40 - 14.00 *Lunch*

14.00 - 14.40 Country Case Study: Nigeria

14.40 - 15.40 Comments from the reference group, policy actors & other participants

15.40 -16:00 *Health Break*

16.00 - 16.45 Plenary discussion: Tapping into the policy discussions and processes to maximize uptake of the study

16.45 -17.00 Way Forward

17.00 – 17:45 Project Management Interactive session (One-on-one with research teams - 15 minutes per team)

- Kenya
- Ethiopia
- Nigeria

## Annex2: List of Workshop Participants

	Name	Job Title	Organization	Country/City
1.	Prof. Abdul Raufu Mustapha	Associate Professor	Associate Professor of African Politics Queen Elizabeth House, University of Oxford  3 Mansfield Road, Oxford OX1 3TB,,United Kingdom	Oxford, United Kingdom
2.	Dr. Admassie Assefa	Executive Director	Ethiopian Economic Association/Ethiopian Economic Policy Research Institutes P. O. Box 34282, Addis Ababa, Ethiopia	Addis Ababa, Ethiopia
3.	Dr. Aremu Fatai Ayinde	Senior Research Fellow/Head	Dr. Aremu Fatai Ayinde  Social-Political Unit, National Institute for Legislative Studies  National Assembly	Abuja, Nigeria
4.	Prof. Kassahun Berhanu Alemu	Professor	Department of Political Science and International Relations,  College of Social Sciences  Addis Ababa University, Ethiopia	Addis Ababa, Ethiopia
5.	Dr. Patrick Vandi Kwaghe	Senior Lecturer	Dr. Patrick Vandi Kwaghe Department of Agricultural Economics and Extension University of Maiduguri Maiduguri, Nigeria	Nigeria
6.	Prof. Winnie Mitullah	Director	Institute for Development Studies, University of Nairobi  P.O. Box 30197, Nairobi, Kenya.  Cell phone: 254722870722/254772 114655	Nairobi, Kenya
7.	Dr. Joshua Kivuva	Senior Lecturer	Department of Political Science and Public Administration  University of Nairobi  P.O. Box 30197, 00100, Nairobi, Kenya	Nairobi, Kenya

	<b>Name</b>	<b>Job Title</b>	<b>Organization</b>	<b>Country/City</b>
8.	Dr. Paul Kamau	Lecturer	Institute for Development Studies University of Nairobi P.O. Box 30197-00100, GPO, Nairobi, Kenya	Nairobi, Kenya
9.	Dr. Hazel Gray	LSE Fellow	Department of International Development  The London School of Economics and Political Science	United Kingdom
10	Mr. Gem Agwins- Kodhek		P.O. Box 47147-0100  Nairobi, Kenya	Nairobi, Kenya
11	Mr. Teddesse Gena	President of the Oromia Chamber.	President of the Oromia Chamber of Commerce and Sectoral Association  P.O. Box 41826-11729, Addis Ababa, Ethiopia	Addis Ababa, Ethiopia
12	Mr. Ahmed Nuru	Director	Policy and program Study Monitoring and Evaluation  Ministry of Industry	Addis Ababa, Ethiopia
13	Prof. Mohammed Magaji	Director	Capacity Strengthening  Agriculture and Research Council of Nigeria	Nigeria
14	Mr. Kenneth Ayuko	Deputy Director	Policy Research and Regulations,  Ministry of Agriculture Livestock and Fisheries  P.O. Box 34188-00100  Nairobi, Kenya	Nairobi, Kenya
15	Mr. Ivan Tumuhimbise	Program Officer	Ford Foundation	Nairobi, Kenya

	<b>Name</b>	<b>Job Title</b>	<b>Organization</b>	<b>Country/City</b>
16	Dr. Kate Meagher	Senior Lecturer	London School of Economics and Political Science	Nairobi, Kenya
17	Prof. Karuti Kanyinga	Associate Professor	Institute for Development Studies University of Nairobi Nairobi, Kenya	Nairobi, Kenya
18	Mr. Erik Oluoch Manga	PhD Student	Institute for Development Studies University of Nairobi, Kenya	Nairobi, Kenya
19	Prof. Tade Akin Aina	Executive Director	PASGR	Nairobi, Kenya
20	Dr. Nicholas Awortwi	Director of Research	PASGR	Nairobi, Kenya
21	Dr. Darlison Kaija	Programme Coordinator, Research Programme	PASGR	Nairobi, Kenya
22	Ms. Pamellah Lidaywa	Programme Assistant, Research Programme	PASGR	Nairobi, Kenya
23	Ms. Nyambura Irungu	Programme Assistant, PDT Programme	PASGR	Nairobi, Kenya

### Annex 3. Summary of Project Work Plan and Deadlines

<b>No.</b>	<b>Work Plans</b>	<b>Project Deadlines</b>
1	Revised Country Project Outline (8pages)	May 15
2	Submission of Draft Literature Review	June 15
3	Development of Field Instruments	July 15
4	Data Collection, Analysis and Write up	Sept 30
5	Submission of Draft Report	Oct 1
6	Project Review Workshop	Oct 15-16
7	Revision of Country Reports	Dec 15
8	Submission of Final Reports	March 15, 2016
9	Extraction of Chapter for Edited Manuscript	April 30, 2016
10	Development of Policy Briefs	March-April, 2016



**Annex 4: Presentation guidelines provided to country researchers by the Principal Investigator (Prof. Raufu Mustapha)**

a) The challenge of Jobless Growth & Vulnerable Employment

‘Over the past 10 years, sub-Saharan Africa (SSA) grew by 5 percent per year, and, at this rate, the continent may double the size of its economy before 2030. Sadly, this rapid rate of growth has not benefited the largest share of the population. In October last year, survey data from the Afrobarometer collected across 34 African countries already pointed out that there was little change in poverty at the grassroots level after a decade of growth. Now, the ILO data show that SSA has the highest rate of vulnerable employment in the world (77.4 percent in 2013). Vulnerable employment is defined as unpaid family workers and own-account workers as a percentage of total employment’. (Brookings Institute, 2014)

b) Country Case Studies but Common Continental concerns

We have chosen 3 countries – Ethiopia, Kenya, Nigeria – to study the processes through which agriculture and agro-processing may address this challenge of inclusive growth & vulnerability.

We hope that these countries will cover a range of economic, political, and policy circumstances

c) Agriculture, Politics, & Development Strategies

Role of Agriculture in Development Strategy	Role of Agriculture Interest Groups in Political System	
	<b>A</b> <b>Powerful Agriculture Groups</b>	<b>B</b> <b>Weak Agriculture Groups</b>
<b>C</b> <b>Agriculture-Centered Development Strategy</b>	Cote d'Ivoire Kenya	Tanzania
<b>D</b> <b>Non-Agriculture Centered Development Strategy</b>	Ethiopia	Nigeria

d) Four Overarching Presentations

We will have 4 overarching presentations to set the stage for the country studies:

- **Kate Meagher** on Africa’s growth patterns and challenges of Inclusive Growth & Vulnerable employment;
- **Abdul Raufu Mustapha** on Agric. & Agro-processing as responses to Inclusive growth through the lens of political settlements;
- **Abdul Raufu Mustapha** on framing the relevant research questions;

- **Nicholas Awortwi** on managing the research process.

e) Research Key Components

Our research has three key components:

- to investigate how policies in the agricultural and agro-processing sectors can be used to generate employment and inclusive growth in African economies;
- to investigate whether/how political economy and political settlement approaches can give us a better understanding of the processes involved;
- to explore how stakeholders from public and private sector fora can facilitate both the process of our research, and the potential uptake of the results and findings.

f) Country Case Studies

Each country team will also make presentations on their research plans, focusing on:

- The employment situation;
- The agric. & agro-processing sectors;
- Specific Projects chosen for study;
- Methodology & data needs;
- Engagement with policy actors;
- Research Output

**Annex 5: Final Framework paper**