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# The Politics of Revitalising Agriculture in Kenya

**Colin Poulton and Karuti Kanyinga**

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# Abstract

In March 2004 the Kenyan government set out its radical Strategy for Revitalising Agriculture (SRA). Almost a decade on, remarkably little progress has been made on its priority areas. Beyond bureaucratic resistance to economic reform, we explain the political roots of inertia in the SRA case, encompassing both the political logic of maintaining commodity chain-based state organisations and the impossibility of achieving the necessary collective action for radical reform within a dysfunctional coalition government. Continuation of the historic approach to agricultural development in Kenya is good for regional elites but fails to deliver critical public goods for poorer smallholder producers. We, therefore, consider what political changes might be needed before more radical reforms to Kenyan agricultural policy can be implemented.



Keywords: Kenya, agricultural policy, Strategy for Revitalising Agriculture, public goods, democratisation


# Introduction

Despite relatively well-developed manufacturing, tourism and services sectors, the Kenyan economy remains highly dependent on agriculture as a source both of employment and of foreign exchange. In the first couple of decades after independence, Kenyan agricultural performance was widely regarded as good (World Bank 1994). Although the agricultural sector was taxed, such taxation was not as severe as in some other countries of Africa, due in part to the fact that agricultural interests in the form of the "Kikuyu gentry" were at the heart of early post-independence governments (Bates 1981; Lofchie 1994). Another factor associated with strong agricultural performance was the establishment or maintenance of effective agricultural "institutions" – often state, parastatal or otherwise state-sponsored organisations – that provided services to producers within particular commodity chains. These included coffee cooperatives, Kenya Cooperative Creameries (KCC) in the dairy industry, National Cereals and Produce Board (maize), Kenya Farmers' Association (input supply), Kenya Meat Commission and the smallholder Kenya Tea Development Authority (KTDA). During the Moi presidency, the emphasis within agricultural policy switched from export promotion to food self-sufficiency (Lofchie 1994) and several of these organisations - the management of which became increasingly politicised - were allowed to decline during the 1990s. Overall agricultural performance, and the economy in general, also declined.

When the National Alliance Rainbow Coalition (NARC) government headed by Mwai Kibaki came to power at the end of 2002, there was widespread agreement amongst the Kenyan policy making elite that something had to be done to improve agricultural performance. Agriculture was highlighted as a priority sector within the Economic Recovery Strategy for Wealth and Employment Creation (ERS) produced in April 2003. Work started almost immediately on a sectoral strategy for agriculture, eventually culminating in the Strategy for Revitalising Agriculture (SRA) that was launched by the President in March 2004. The SRA, however, did not just signal the government's intention to "do something about agriculture"; it proposed a radical reform of the role of the state within the sector. Numerous, often overlapping and sometimes redundant pieces of agricultural legislation were to be harmonised into one or a few pieces of framework legislation. The number of state organisations was to be reduced through closure or privatisation, while the mandates of others were to be scaled back and still others could be put into public-private partnerships to increase their efficiency. The overall aim was to refocus the state on the provision of key public goods, such as research and extension (which in theory should benefit all producers), road and irrigation infrastructure, creating greater space for the private sector to expand the services it provided to producers, most notably output marketing, but also input supply and financial services.

As will be discussed in more detail below, this did not happen, despite the priority that the government had attached to agricultural recovery and the support that SRA received from Kenya's international development partners. Radical reform of the state's role in agriculture encountered both bureaucratic and political obstacles, while systemic reforms to ensure more effective provision of national public goods made little headway. Instead, continuing the Kenyan historical tradition, efforts were made to improve the performance of individual state organisations so as to revive specific commodity sectors, for example dairy and beef. Then, in 2010 the SRA – originally intended to run from 2004-2014 – was superseded by the Agricultural Sector Development Strategy 2010-2020 (ASDS). ASDS formally claims to build on and learn from SRA's "success", but in practice it downplays radical reform of the state's role in agriculture in favour of incremental reform of some existing institutions, while recommitting to many of the other actions that SRA was already supposed to have accomplished. Thus, little has changed in the sector. Specifically, the centrality of commodity chain-focused state organisations within Kenyan agricultural development policy remains.

While these organisations are undoubtedly associated with some of the major successes in Kenyan agricultural development, they can also be criticised on several grounds: they tend to perform unevenly over both time and space and, even when they function well, the main beneficiaries are often better-resourced farmers, rather than poor smallholders. Activities of these organisations are unevenly distributed; high potential regions have relatively high concentration of activities by these organisations compared to marginal areas. Thus beneficiaries also are high potential regions of the country. As a result, the agricultural sector's contribution to the country's growth, poverty reduction and food security objectives is diminished. World Bank 2008 report that the poverty rate in Kenya in 2005/06 was both surprisingly high (47%) for an economy as developed as

Kenya's and almost unchanged from that observed in 1981. 85% of the poor live in rural areas. Despite its talk of success, even Government of Kenya 2010 (p5) recognises that the country was not on track to achieve either the poverty reduction or hunger targets set in the ERS, even before the setback due to the conflict of 2008.

In what follows we explain the continued centrality of state organisations within Kenyan agriculture and the contrastingly weak delivery of national public goods, such as agricultural extension, in terms of the ethno-regional basis of Kenyan politics. We also argue that high levels of poverty and inequality in rural Kenya are perpetuated through this pattern of agricultural policy. Some, including Bates 1989, expected that democratisation would lead to a greater focus on policy issues in national political competition and a chance for poor smallholder households to use their numerical advantage to demand more supportive policy and investment. However, the ethno-regional basis of Kenyan politics has so far survived the democratisation process largely unscathed, and demand from poor smallholder households for greater investment in agricultural public goods that would benefit them remains very weak. We conclude the paper by asking what political changes might need to take place in Kenya before radical reforms to Kenyan agricultural policy can be implemented, that could deliver more effective support services to the majority of the country's smallholder producers.

## Kenya Context

In agro-ecological terms, Kenya is a highly diverse country. Only about 20% of the country's land is classed as medium-high potential and this supports high population densities, whilst the remainder is mainly arid or semi-arid and supports only a small proportion of the population (World Bank 2008). Reflecting the high degree of agro-ecological diversity within the country, Kenya is globally or regionally significant as a producer of tea, coffee, horticultural products, dairy and meat products, as well as producing significant quantities of the main staple food crop maize and sugar for the domestic market. According to Government of Kenya 2010, the agriculture sector accounts for 65% of national exports and 70% of informal employment in rural Kenya, and provides livelihood to about 80% of the population.

However, in the past two-three decades strong agricultural performance in some crops and regions at some times has not been sufficient to reduce rural poverty. Two major factors explain this: the first is that overall agricultural growth has been disappointing; the second is that rural Kenya is characterised by high inequality (World Bank 2008). The analysis of World Bank 2008 highlights high inequality[1] both across regions – regional dummies remain significant in regressions to explain poverty even when rainfall is included – and within regions. One manifestation of this latter phenomenon is high and rising Gini coefficients for landholdings within regions, now approaching Latin American levels, as large landholdings for some persist alongside increasing populations. These large landholdings reflect both colonial acquisition of large areas of high potential land and the political deals done when some of that land was redistributed to black Kenyans in the early post-independence years. Whilst President Kenyatta and those close to him acquired large tracts of land, high potential land in parts of the Rift Valley was also retained in relatively large holdings for elite members of the Kalenjin tribe (Bates 1989).[2]

Kenya is also an ethnically diverse country, scoring highly on indices of ethno-linguistic fragmentation (Posner 2004; World Bank 2008). According to the 2009 census, the five largest ethnic groups (Kikuyu, Luyha, Luo, Kalenjin and Kamba) together account for just under 65% of the population, with a further three (Kisii, Meru, Mijikenda) each accounting for around 5%. As each of these groups lives predominantly in one area of the country (plus major cities), there is a strong association between particular groups and most of the main agricultural value chains in the country.

As will be discussed below, with the decline of the Kenya African National Union (KANU), the dominant political party for the first four decades after independence (under Presidents Kenyatta and Moi), there is very weak institutionalisation of political parties in the country. Instead, parties are vehicles for mobilising support behind prominent individuals. Capturing political power requires constructing (and then maintaining) a coalition of political champions from enough of the country's numerically large 'ethnic regions' to gain an overall majority of votes. In 2002 Mwai Kibaki led a coalition comprising all major groups except the Kalenjin, united in their conviction that it was time to replace president Moi. However, strains within this coalition appeared within its first year in power, widely seen as being caused by the actions of a group of senior politicians from his region (the so-called "Mount Kenya mafia" comprising senior Kikuyu and Meru politicians) to strengthen their grip on power when the President was out of action for a few months following a stroke. Internal divisions within the coalition continued to deepen and in 2005 Raila Odinga, a Luo and a leading figure in the coalition, led the "no" campaigners in the referendum on a new constitution although still formally part of the government. He and his supporters were then expelled from the government by President Kibaki and joined with other leading regional figures from the "no" campaign to form the Orange Democratic Movement that contested the 2007 elections against President Kibaki and his new party, the Party of National Unity (PNU). After the inconclusive presidential election result and subsequent violence, a Coalition government was mediated in which, once again, the major political tensions have been within the government, rather than between government and opposition.

# State Agricultural Organisations in Kenya

Bates 1989 explains that state-supported agricultural institutions first became a feature of the Kenyan agricultural scene during the colonial period, as institutions were created and forged to advance the economic and political interests of particular settler groups. This pattern continued in the post-independence years. However, institutions that generated rents for particular producer groups also became sources of political patronage that political leaders could and did exploit, whilst interest groups organised themselves to defend the rents that they now received. Thus the perpetuation of rural power and inequality through agricultural institutions, observed by Bates 1989, is still a feature of Kenyan life, despite two decades of democratisation. Moreover, those who benefit from the rents created through such institutions still have the power to defend them against radical reform.

One of the most prominent state agricultural organisations in Kenya is the National Cereals and Produce Board (NCPB). This buys maize from surplus producing parts of the country after harvest, then stores it either for sale to millers or other traders when prices in major urban centres rise later in the season or for distribution as emergency assistance during times of drought, most commonly in the arid and semi-arid north and east of the country. Bates 1989 narrates the rise to prominence of the NCPB during the 1978-82 drought, just after Moi became President. Strengthening NCPB enabled the new President to supply food to consumers in the country's cities and in drought-stricken areas. However, it also entailed an increase in the number of NCPB buying posts around the Rift Valley – Moi's home area and also the main maize producing region – which enhanced his capacity to distribute future support to farmers in this area, and his Kalenjin group in particular, through NCPB. In turn, this reinforced the Rift Valley's position as the "breadbasket" of the country. Hence, Nyoro et al. 1999 found that 70% of all marketed maize in Kenya came from four districts of the Rift Valley, populated largely by Kalenjin, while the majority of producers in all other parts of the country were deficit or net deficit producers.

Jayne et al. 2008 examine the impact of NCPB buying prices on the maize prices prevailing in Kitale (Rift Valley) and Nairobi wholesale markets over the period 1989-2004. They find that, in the 1989-94 period, when maize marketing was only partially liberalised[3], NCPB buying prices served to reduce prices in the two wholesale markets by around 20%. However, over the decade 1995-2004 – after market liberalisation but, perhaps equally significantly, also after the introduction of competitive multi-party democracy - NCPB buying prices served to raise maize prices in the two wholesale markets by around 20%. The principal beneficiaries of this policy were the large maize surplus producing farms in the four districts of Rift Valley. By contrast, consumers, i.e. most of the rest of the country, lost out, with poor consumers, both urban and rural, hardest hit due to their limited ability to afford higher prices for staple food. Jayne et al. 2008 (p314) note that, "Mean wholesale market prices in the major surplus zone of Kitale and the capital city, Nairobi, between January 1989 and December 2004 have been $160 and $197 per metric ton, respectively, considerably higher than world market levels." Meanwhile, despite the high prices offered to surplus producers by NCPB, Kenya remained chronically maize deficit at national level throughout the period in question.

NCPB operations conveyed considerable rents to Rift Valley maize producers during the 1990s, but several of the other state agricultural organisations, especially those operating in parts of the country populated by President Moi's political opponents, were allowed to decline (see, for example, Atieno and Kanyinga 2008 for the case of Kenya Cooperative Creameries). Overall agricultural growth in the country also declined, a phenomenon that was widely (e.g. Government of Kenya 2003) and popularly linked to the declining effectiveness of agricultural support organisations in the country. For example, in 2007-09 Future Agricultures Consortium undertook work in four districts in Kenya during which farmer focus group were asked to reflect on agricultural performance in their district over previous decades. The 1990s were uniformly identified as the decade of worst performance and decline of farmer support organisations was regularly cited as a major reason for this (Future Agricultures Consortium 2010).

The common equation of strong commodity chain-focused state organisations with good agricultural performance notwithstanding, Kenya's reliance on such organisations has not been without its problems. These are magnified if, as argued later, reliance on such organisations occurs instead of investment in national public goods in support of smallholder agriculture. Firstly, both coverage and performance of such organisations has been (and is) uneven across the country. Being associated with major commodity chains, i.e. where significant marketable surpluses of a certain crop are produced, they tend to be found where such chains are found. Being channels by which political patronage can be disbursed to favoured groups, which organisations are managed effectively and well resourced depends in large part on who is in power and whose support they are seeking or maintaining. One major ethnic group that has enjoyed relatively little share of power in post-independence Kenya are the Luos. Insofar as the southern Luo-dominated parts of western Kenya have a "traditional" cash crop, it is cotton. During the 1990s, the support institutions for cotton production in the country were allowed to die completely[4].

Secondly, but relatedly, the performance of commodity chain-focused state organisations tends to be uneven over time. Periods of "revitalisation" when a sympathetic government is in power can be followed by neglect when the complexion of the government changes. Equally, "revitalisation" might occur when a new government wishes to make a political impact. However, over time the inefficiencies commonly associated with state organisations, especially ones where management is politicised, can set in. A recent example of this is KCC, which was relaunched in 2003 (see below), providing a valuable boost to dairy producers by heightening competition with the two existing private milk processors. However, as production increased in response, it did not expand its processing capacity to match, with the result that farmers found themselves throwing milk away by late 2009.

Thirdly, the benefits from commodity chain-focused state organisations are often captured disproportionately by larger producers. This is because the easiest ways to distribute patronage are through output price interventions, credit or input subsidies. In absolute terms, the former give the greatest benefit to those who sell the greatest quantities of the crop. Furthermore, where they are introduced on their own, i.e. without accompanying measures to support productivity improvement, a farmer's ability to increase supply in response to higher prices depends on his/her ability to access additional land, capital and/or labour. Poor households may not have this ability. These inequalities are well illustrated by the maize case, where Jayne et al. 2008 (p323) calculate that, "less than 3% of the farms in this nationwide sample account for 50% of all the maize sold". Meanwhile, the cost of credit or input subsidies often means that they have to be rationed and the better off are often better connected to able to capture them.

## The Strategy for Revitalising Agriculture

When the NARC government came to power at the end of 2002, it did so "with a primary mandate of reversing the many years of poor economic performance and weak governance" (Government of Kenya 2003, preface). It, therefore, produced an Economic Recovery Strategy for Wealth and Employment Creation (ERS) in April 2003, drawing heavily on the NARC election manifesto. This in turn was a compilation of ideas from the 15 or so parties that comprised the NARC coalition. However, this did not make it a compromise document, as the clear intention was to be bold in distinguishing NARC from the government of President Moi that it was seeking to overthrow. On the economy (ERS also had sections on governance and on social sectors), ERS adopted a strongly pro-private sector line, reflecting inter alia the personal convictions of President Kibaki. Along with other productive sectors, agriculture was described as the "core" of the ERS and work started almost immediately on a sectoral strategy for agriculture to expand on the principal commitments for agriculture made in ERS.

Unfortunately, there were some delays in producing the strategy for agriculture. Firstly, when the President was hospitalised within a few months of taking office, leadership on national economic strategy was lost. Secondly, according to Howell 2004, a Tegemeo Institute report that focused primarily on agricultural ministry reform was not "fully accepted by the stakeholders". Therefore, in December 2003, another report was commissioned. This was prepared by officers from the Ministries of Agriculture (MoA) and Livestock and Fisheries Development (MoLFD), with assistance from a small team of local consultants, and was launched by the recovered President as the Strategy for Revitalising Agriculture (SRA) in March 2004.

The SRA did not just signal the government's intention to "do something about agriculture"; it proposed a radical reform of the role of the state within the sector. This reflected both the President's stated commitment to private sector-led growth and the authors' analysis of the future of Kenyan agriculture, namely that it could not continue as it was if it was to contribute to the growth and poverty reduction aspirations of the new government. They observed that the most dynamic sectors, e.g. horticulture, were largely free of state control, whereas state organisations were generally inefficient.

This radical vision was clearly signalled in the President's preface to the SRA document, then more fully articulated in Section 5.3 on the "Legal and Regulatory Framework". This noted that the sector was "afflicted with too many laws", most of which were out-of-date and many of which justified the continuation of "dysfunctional" state organisations that continued to perform commercial activities even though this was "inconsistent with the government's stated policy to withdraw from commercial activities". "Further, there are many commodity-specific laws that set out costly, separate institutional and management arrangements." In light of this, SRA proposed to prepare "a single generic 'all encompassing' Agriculture Act and replace all commodity or activity specific acts with regulations under the single Agriculture Act." Relatedly, it committed to "Privatise or outsource commercial activities presently performed by the government or parastatals" and to "reduce the multiplicity of regulatory or research parastatals".

The strategy as a whole was set to run from 2004-2014. In light of the urgent "need for a rapid recovery of the sector", six "fast track" priority areas were identified in section 10.2:

1. "Reviewing and harmonizing the legal, regulatory and institutional framework" (as above);
2. "Improving delivery of research, extension and advisory support services", central to which was strengthening the funding base for agricultural research efforts and decentralising primary responsibility for extension provision to district level, where contracting in of private extension services alongside public provision was contemplated;
3. "Restructuring and privatising non-core functions of parastatals and ministries to bring about efficiency, accountability, and effectiveness" (as above);
4. "Increasing access to quality farm inputs and financial services", where – contrary to other parts of the strategy – the need to revitalize public input supply organizations such as the Agricultural Development Corporation (ADC)

and the Kenya Farmers Association (KFA) was recognised, given that efforts to encourage farmer organisations, private stockists and microfinance organisations to upscale their services to farmers could take some time to generate results;

5. "Formulating food security policy and programmes", and
6. "Taking measures to improve access to markets, for example, rural roads and internal taxes".

The SRA also set out its implementation framework in some detail. This comprised:

- An "annual National Forum of the stakeholders in the sector, organized by the lead ministries" and to be presided over by "the highest political authority" (i.e. President or representative), to "ensure political will, give the strategy visibility and provide a platform for reviewing progress in the implementation of the strategy and the extent to which its objectives are being achieved"

- An Inter-Ministerial Coordination Committee (ICC) to be "composed of permanent secretaries of the lead and collaborating ministries and representatives of the private sector" and "responsible for coordinating the planning of the strategy at the sector level and monitoring its implementation". Officially, the lead ministries for SRA were Ministry of Agriculture, Ministry of Livestock and Fisheries Development and Ministry of Cooperative Development – below referred to as the three "core" ministries - plus Ministry of Local Government. Several others - including Roads and Public Works, Water and Natural Resources, Lands and Settlement, plus Regional Development Authorities – were counted as collaborating ministries.

- The ICC was to be assisted by a Technical Interministerial Committee (TIC), comprised of staff from the four lead ministries, that was responsible for preparing rolling implementation plans

- Sector Working Groups were to be established by individual ministries to provide advice and "independent peer review" of TIC implementation reports.

With the benefit of hindsight, we highlight the role envisaged for the annual National Forum in articulating and sustaining political will for the strategy. While the lead ministries were to organise such events, the momentum to drive implementation was apparently expected to come in large part from non-government stakeholders (commercial private sector, perhaps NGOs) who stood to benefit from its scaling back of state involvement in agricultural activities. In practice, such forums were convened only in 2005 and 2008 (Lundgren 2010).

The envisaged role for Ministers is not explicitly spelled out in the implementation framework. Rather, responsibility for getting the strategy implemented resided at the permanent secretary level, assisted by the technical staff within the TIC. Given the radical intent of the strategy and the institutional vested interests that it challenged, successful implementation required (coordinated) ministerial drive. Unfortunately, in practice this was to be lacking.

The tight time frame for producing the SRA document meant that there was very little consultation – within government or outside – during its development, even though it set out to chart a course for at least three ministries, with implications for multiple others, too. According to one informant[5], the Minister of Livestock threatened not to attend the launch as a result of this, but had to go because the strategy was being launched in person by the President.

After the launch, the permanent secretaries of the three core ministries asked consultants to draft three-year plans for action in four of the six "fast track" priority areas, including.

- reform of parastatals. Here, in the spirit of the SRA document, the consultants recommended abolishing the Coffee Board and Meat Commission, and privatising the Dairy Board, Pyrethrum Board and Sugar Board. They recommended keeping the National Cereals & Produce Board, the Plant Health Inspectorate and the Pest Control Products Board to provide regulation and/or other public goods, but noted scope for private-public partnerships to deliver services better and improve efficiency.

- Legal reform. Here the consultants recommended reducing the more than 100 statutes influencing agriculture to the one single Agricultural Act - concerned primarily with health and safety, self-governance, competition and efficiency – by the end of 2005 (Pearson et al. 2004).

Howell 2004 reports that these recommendations provoked resistance from ministry and parastatal staff and leaderships, some of whom had perhaps not appreciated the radical vision of SRA before then. Generally parastatal leadership interpreted the recommendations to mean loss of rents, control and influence while the ministry and parastatal staff saw loss of jobs through restructuring which would have followed.

Further momentum was lost through a bureaucratic reshuffle in mid-2004 in which the permanent secretaries of all three core ministries were moved (Howell 2004). However, in December 2005 Dr.Romano Kiome, one of the original architects of SRA, became Permanent Secretary at the Ministry of Agriculture in a further reshuffle, while a second member of the core drafting team, Joseph Kinyua, was Permanent Secretary at the

Ministry of Finance – potentially a good axis for progress. (Both are still in post at the time of writing). The problem was that the other "rural development" ministries were by now reluctant to cooperate and resented what they saw as the Ministry of Agriculture's attempts to tell them what to do.[6]

Thus, over time much of the responsibility for furthering the SRA agenda fell to the Agriculture Sector Coordinating Unit (ASCU) - the "TIC" (i.e. third tier in the implementation infrastructure) envisaged in the SRA implementation framework - which was eventually established in late 2004. From the outset, however, there was lack of clarity and consensus on ASCU's role: was it to spearhead reform or monitor and support implementation by line ministries? Staff came from the three core ministries on secondments. Other ministries had no direct stake in ASCU, which did not exert any influence over the budgets received by different ministries or what they were earmarked for. Limited ASCU capacity for policy analysis was identified early on (Howell 2004; Bazeley 2005). Government of Kenya 2010 acknowledges that ASCU was only "fully established and staffed" in 2006.

Since 2004 donors have focused much of their support for agricultural policy reform on building the capacity of ASCU to lead it. During 2004-07 basket donor funding came from Danida, DFID, GTZ and SIDA, with additional technical assistance from USAID and World Bank. In 2007-10 a new phase of funding was agreed through the Agriculture Sector Support Programme. The project document noted that, "In 2006, ASCU started to produce useful output – principally analyses of constraints and policy options (in five 'fast-track' priority areas ) through the work of five Thematic Working Groups drawn from the private sector, civil society, development partners, research and government" (ASSP 2007, para 3.6). In other words, it had taken two years to start producing "useful output" and even this was still analysis, i.e. no actual reform yet. It is also noteworthy that it was the parastatal reform working group that had not yet been established.

In 2010 a report was commissioned by the government and donors "to analyze the achievement of outputs and outcomes of the agricultural sector as expressed in the Strategy for Revitalizing Agriculture and make recommendations for future planning" (Lundgren 2010). This observed that ASCU had initiated many activities, but few had yet reached completion. Although it expressed confidence that the work of ASCU is "building a very good foundation from which positive impact on both production/productivity and poverty alleviation will eventually be possible", it concluded that "delays in finalising policy, legal and institutional reforms" meant that, "the vast majority of the activities initiated under the SRA/ASDS have not yet led to any significant impact at local level" (Lundgren 2010, p9).

# Revitalising Agricultural Extension?

Progress in "Improving delivery of … extension and advisory support services" – the second of SRA's six "fast track" priority areas – provides a good illustration. In the years following the launch of SRA, there were at least three major donor projects supporting agricultural extension reform in Kenya: the SIDA-funded National Agriculture and Livestock Extension Programme, which inter alia encouraged a "focal area" approach by which available extension resources focused on one location within a district each year to achieve maximum impact; the Decentralized Agriculture Support Structures programme under the DANIDA-funded Agriculture Sector Programme Support, which promoted multi-stakeholder forums at district level to help set priorities for government (including extension) support to farmers, and the World Bank-funded Kenya Agriculture Productivity Project, which piloted demand-driven extension approaches creating space for multiple service providers. This should have been an ideal foundation for extension reform: the government could compare experiences across the three programmes and decide on the way forward for extension provision nationally.

Indeed, ASCU, through its thematic working group on research and extension, did seek to learn from these various programmes, though no formal, independent comparison of their performance was undertaken. This learning contributed to a new National Agriculture Sector Extension Policy, drafted in December 2005, followed by an implementation framework, a draft of which was produced in June 2007. The policy was, however, only approved by Cabinet in 2008 and the implementation framework is still being refined in the light of the provisions for devolved level of government contained in the new constitution eventually approved in a second referendum in August 2010 plus ongoing learning from the World Bank-funded KAPAP.[7] The policy aims to encourage commercialisation of smallholder agriculture, rather than simply telling farmers how to produce more, and to move to a demand-driven approach, putting more onus on farmers to seek out extension staff or resources (available at information points in all districts) when they want information. Meanwhile, KAPAP continues to promote pluralistic extension provision, focusing on specific value chains, but still in pilot districts.

Drawing on case study work in four districts during 2007 and 2009, Future Agricultures Consortium 2009 found limited evidence of enhanced extension effort under the NARC government, related to the introduction of performance contracts for ministry staff. However, outreach to farmers was hampered by systemic inefficiencies in budgeting and resourcing plus the challenge of coordinating technical support across an increasing number of rural development ministries. Many respondents were sceptical of so-called demand-driven extension, with farmers in particular wanting to discuss problems with frontline staff in their fields. As these challenges remain, it is safe to conclude that the majority of Kenyan farmers have yet to experience any benefit from efforts to improve delivery of extension services since 2002.

## Revitalising State Agricultural Organisations

Whilst little progress has been made in improving the delivery of public goods such as research and extension or in harmonizing the legal framework or restructuring parastatals so as to reduce the role of the state in agriculture since 2002, some state agricultural institutions have received a new lease of life. Three examples are instructive. Far from demonstrating a new approach to agricultural policy, they reveal a continuation of historic patterns, including the regional inequities that have characterised these.

Atieno and Kanyinga 2008 narrate the story of the revitalisation of Kenya Cooperative Creameries (KCC), an organisation that was returned to public ownership in 2003 following an underhand privatisation in the late Moi years. The Minister of Cooperative Development, with the backing of the Ministers of Agriculture and Livestock, masterminded the move to return KCC to public ownership when President Kibaki was ill (i.e. before the launch of the SRA, but also before relationships within the NARC coalition began to deteriorate). It was popular both for righting a perceived wrong from the Moi era and for providing a needed stimulus to the dairy industry (the money pumped into new KCC provided stronger competition in milk purchase to the two private processors). The benefits accrued principally to farmers in Central Province (the home area of both the Minister of Cooperative Development and the President) and Rift Valley (home area of the Minister of Agriculture).

Around the same time the Minister of Livestock, from Kamba in Eastern Province, authorised renewed investment in the Kenya Meat Commission (KMC). Farmers in northern Kenya who had voted for NARC hoped that revitalisation of KMC would enhance their access to the major markets for meat in the country. However, in this case revitalisation was restricted to a complete overhaul of the KMC factory at Machakos, also in the Kamba region of Eastern Province.

The NARC government also promised action during its early years to revitalise the cotton sector. By 2005 a cotton bill had been drafted, but not presented to Parliament, so a private member from western Kenya, who won the right to present a bill in Parliament through the MPs' ballot, worked with the leadership of the Kenya Cotton Growers Association to draft a bill establishing a Kenya Cotton Authority (KCA) with majority farmer representation on its board. The Ministry of Agriculture was unhappy with this and offered a deal whereby, if the private member withdrew her bill, the Ministry would present its bill instead. Because this would be a government bill, the KCA could be given revenue-raising powers, powers that cannot be established through a private member's bill. However, the Ministry bill would stipulate a government-controlled board. The MP and KCGA opted for majority farmer representation on the KCA board and, therefore, to forego revenue-raising powers (for the time being!). Although the Minister of Agriculture was privately opposed to the bill, the government was at a low point in popularity – this was the time of its defeat in the first constitutional referendum and the formal split in the NARC coalition – and the Minister was persuaded not to publicly oppose the bill in the House, in case that increased its majority. However, with limited funding, KCA has yet to effect any change in fortunes in the Kenya cotton sector.

## Interpretation of Agricultural Reform Experience 2002-12

With a new government in 2008 and the launching of Vision 2030 to replace ERS, SRA was replaced (four years early) in 2010 with the Agricultural Sector Development Strategy (ASDS) 2010-2020. ASDS rather fancifully claims that "implementation of the SRA has been largely successful" (p.vii), so aspires to build on this success. Its evidence for success includes: exceeding the SRA's modest agricultural growth target for 2003-07 of 3.1% p.a.; revival of KCC, KMC (see above) plus three other state corporations; development of "over 15 policies and 6 pieces of legislation" (p5), including the National Agricultural Sector Extension Policy and the Cotton Act 2006 (see above) and the revival of previously "moribund and dysfunctional" research and extension systems such that they are now "vibrant" (p4; c/w the assessment above!). However, a detailed reading shows that five of the six SRA "fast track" priority areas still remain to be tackled, the exception being the development of a Food Security and Nutrition Policy that was approved in 2011.

Unlike SRA, ASDS was produced collaboratively, the report preparation team led by the PS, Ministry of Agriculture, containing representatives of the now ten ministries concerned with agriculture and rural development, all of whose ministers signed it. It thus steps back from the radical language of SRA on state reform and is structured so as to recognise the distinct domains of the ten ministries. Nevertheless, it does still state an intention to "Divest from all state corporations handling production, processing and marketing that can be better done by the private sector" (p.xiv), reflecting the strong consensus amongst the local policy research community and some government officials that a reduced state role is essential if Kenyan agriculture is to thrive.

Given that this is still the agenda, why was so little progress made with SRA? Whilst bureaucratic opposition to radical reform of state structures is to be expected, this is certainly not the whole story in Kenya. Indeed, reform-minded technocrats have occupied key positions in government over the past decade, albeit without the ability to push change through when others were resistant. What has been lacking has been political leadership, especially at ministerial level, to overcome opposition to the reform programme.

It is hard to say to what extent ministers in the first NARC government were ever signed up to the full SRA agenda. It is possible that the disparate groups within NARC agreed to bold manifesto pledges for the purpose of the 2002 election campaign but expected to be able to deliberate on the details once in power. And once in power, vested ethno-regional political interests became a major obstacle to pursuance of the recommendations because of embedded political costs. Also the lack of consultation in the process of developing SRA did not allow this. Even Minister of Agriculture Kipruto Arap Kirwa, was in a somewhat delicate personal position when it came to the more radical reform proposals of SRA. As the lone Kalenjin minister in the NARC government, he could not be seen to be undermining NCPB, AFC or other state organisations that primarily benefited or were staffed by Kalenjins – certainly if this was not part of a systemic reform of the state sector in Kenyan agriculture. This, therefore, highlights the important point that key SRA reforms required collective action from all ministries, either because they had to agree on measures that would cut across more than one – for example, extension reform would affect staff in both Ministry of Agriculture and Livestock & Fisheries Development - or because they threatened interests of all ministries and ministers (e.g. parastatal reform), such that either all moved together or no one moved[8]. Such collective action required trust, which unfortunately began to break down within the NARC coalition within a few months of it coming to power. Moreover, as it became apparent that NARC would eventually split, Ministers (as champions of their regional interests in government) had a strong incentive to hold onto sources of rents that could enable them to maintain their own position in future political fights. The same logic holds today. Meanwhile, the decisive and early actions taken by some of the same ministers to revitalise KCC and KMC - moves which arguably were at variance with the subsequent thrust of SRA to reduce the state's role in productive activity within the agricultural sector - showed the importance of such rents.

## Democratisation and the Politics of Agricultural Policy in Kenya

This paper has argued that historic patterns of policy making have prevailed in Kenya over the past decade, despite 1) widespread recognition that they have generated sub-optimal growth and poverty reduction outcomes and 2) a bold strategy with presidential backing (the SRA) that sought to change them. The question, therefore, is: why have senior Kenyan policy makers not felt greater pressure to deliver more fundamental agricultural reform? Specifically, why have two decades of democratisation, which in theory should strengthen the voice of the poor, rural majority in the country (Bates and Block 2009), not done so?

To answer this, we have to look at how people actually vote: do they exchange votes for policy?
There is emerging evidence that Kenyan (Bratton and Kimenyi 2008) and other African (Bratton et al. 2011) voters do assess overall government performance, and also specifically the performance of their president when voting in both presidential elections. However, this is not the only – or even the major – factor that they consider. As already noted, a striking feature of Kenyan politics is the strength of ethno-regional identities. This is well illustrated by Bratton and Kimenyi 2008: in a logistic regression to explain voting intentions in the December 2007 election (for/against the re-election of President Kibaki), 51% of the variation was explained simply by dummies for the eight major ethnic groups: Kikuyu and Embu/Meru (positive), Luo, Kamba, Kalenjin and Luhya (negative), all significant at 5%; Kisii and Mijikenda not significant. This may be explained in part by the high level of inter-ethnic mistrust, revealed by Afrobarometer surveys (Bratton and Kimenyi 2008). However, fundamentally it seems that voters make an assessment of what is good for their group and not just for themselves as individuals.

In this context regional "champions" present themselves as people able to represent the collective interests of their group, which invariably is taken to mean accessing the state and its resources for the purpose of 'developing' the group and its region. They seek the vote of group members by convincing them that they will defend and promote group interests. The First Past the Post electoral system offers the incentive to mobilise the groups for support. In turn, because of this electoral system and in the absence of institutionalised national parties, to win a presidential election, a candidate has to assemble a coalition of these regional "champions" who can deliver sufficient votes from their regions to obtain an overall majority. The question, then, is what offer has to be made to each of these champions so as 1) to gain their support and 2) to enable them to bring in votes from their region?

In a context of limited accountability for performance, control of a ministry may provide both a source of personal gain (or rents to close allies and friends) and a source of rents for distribution to supporters. Thus, as the governing coalition in Kenya has become increasingly complex over the past decade, the number of Ministries has increased, so that more players can be accommodated at the highest level of government. Ministries have also gained an increasingly regional focus. Thus, MoL&FD split into Livestock, which has become the domain of Kenya's pastoralist communities, and Fisheries, whilst the Ministry of Northern Kenya and Arid Lands [check] has been created.

Strikingly, all three Ministers of Agriculture under President Kibaki (Kirwa, Ruto, Kosgei) have been Kalenjins. The reasons for this "coincidence" are inevitably somewhat speculative, as little is known about the negotiations within the governing coalition over the distribution of ministries. (However, it seems that Ruto did choose the Ministry during the 2007-08 negotiations over the formation of the government of national unity). Nevertheless, it is plausible that protection of the rent to surplus maize producers (discussed earlier) has been part of the calculation, now that President Moi - fellow Kalenjin and architect of the rise of NCPB – was no longer in post and given that many others within the population lose out from the same policy (Jayne et al. 2008; Mghenyi et al. 2011) . In fact, Minister Ruto used his position not just to protect maize producer prices, but also to distribute other rents to allies through fertiliser and maize sale policies that became national scandals. When he was forced to resign over these, what is perhaps most surprising is that a third member of the same group was chosen to succeed him: recognition that control of the Ministry of Agriculture was seen by one of the country's largest communities as central to their economic interests and that it was too risky to take it away, given the delicate state of inter-ethnic relations in the country at the time?

A technocratic view of policy making sees ministries as key vehicles for the implementation of formally stated national policies, which often highlight the delivery of public goods. However, the arguments above suggest a very different logic. This may give clues as to why there has been so little momentum from ministers for extension reform, which might be expected to benefit a large proportion of Kenyan farmers, rather than particular groups, as well as why radical reform of state organisations in agriculture has made no headway. Ultimately, the strong ethno-regional dimension to Kenyan politics means that a poor Luo smallholder in western Kenya feels more affinity to wealthier Luos than to a poor Kikuyu or Kalenjin smallholder in another part of the country: there is no "class-based" demand for national public goods, such as a better extension service, that would bring the greatest benefit to resource-poor farmers. And because of the strong ethno-regional dimension of politics, there is limited or no attention to class-based forms of organisation that can cut across the various regions. Each region has its unique challenges and the ethnic character of these grievances makes it difficult to organise for national public goods.

We can also link these arguments to poverty and inequality dynamics within regions. What might determine the balance of personal gain (or rents to close allies and friends) and rents for wider distribution to supporters that a regional champion seeks from a ministry? Following the logic of Boone 2003, we might expect this balance to depend, at least in part, on the nature of the relationships between regional leaderships and the broader rural population. In hierarchical societies, where leaders can readily persuade followers to vote in a particular way, followers may gain little benefit from their support. By contrast, in more democratic societies, individual voters may want to see direct personal benefits in exchange for their vote.

By way of illustration, we contrast three of the main ethnic groups in Kenya:

- Luo culture is hierarchical, both at family level (a younger sibling should not marry before their older one) and in the pervasive influence of Luo council(s) of elders within Luo elders. The "regional champion" can convey views through them and secure strong voting allegiance[10].

- Within Rift Valley, first President Moi then William Ruto established themselves as "regional champion", such that (for example) they could let it be known which candidate they favoured as MP for an area and their view would hold sway with many voters. However, to maintain their mantle, both men have had to listen to the views of local interest groups, especially larger farmers who are locally well organised, and to deliver benefits to them.

- During their 24 years out of power between Presidents Kenyatta and Kibaki, there was competition for the leadership of the Kikuyus. This made Kikuyu society more independent of their leadership, such that many individual voters now expect benefits in return for their support of particular leaders. This independence is reinforced by above-average education and wealth by Kenyan standards, but conversely may also contribute to the benefits that Central Province has gained during the Kibaki presidency.

In general, however, regional champions are able to gather votes without delivering the policies or investments – for example, in agricultural public goods – that would bring the greatest benefits to the majority of their supporters. In turn, this means that there is no political necessity for radical overhaul of state functioning in agriculture; continuation of the historic policies of periodic revitalisation of state agricultural organisations will suffice.

What might cause this to change?

1. Greater articulation of "class" interests by poor smallholder households, irrespective of ethnicity – this is unlikely to happen any time soon, though it is undoubtedly desirable as a longer-term change.
2. Renewed – and possibly even more widespread – descent into rural chaos and violence, fuelled by limited progress with rural growth and (especially) poverty reduction, in a context of increasing competition for scarce land and natural resources, contributing to the ease with which demagogues could channel resentments along inter-ethnic lines.

We, of course, fervently hope that latter does not happen and our intention is not to make a prediction. Rather, we note that, under either scenario, the political calculation that "we cannot go on as we are" would then be aligned with the technocratic assessment of the authors of SRA.

## Notes

1 Inequality extends to service access, not just consumption

2 This form of land concentration limited the impact of land reforms which the Kenyatta government initiated from the early 1960s with an emphasis on resettlement and redistribution through land buying companies (Kanyinga 2009).

3 Although private traders were allowed to buy maize in competition with NCPB in 1988, restrictions on cross-district private maize trade were only eliminated in 1995.

4 The cotton case is a useful reminder that there may still be a need for some commodity chain-focused state organisations in the country, i.e. we are not arguing for the baby to be thrown out with the bathwater! Particularly after years of decline, the cotton industry lacks a strong private sector actor to provide strategic leadership for recovery. If a public organisation does not provide the coordination needed for the various stakeholders (farmers, ginners, input suppliers) to invest in renewed productivity and production, then this is unlikely to happen at all.

5 interview 23/05/2012),

6 Interview 23/05/2012).

7 Interview, 31/07/2012.

8 Failure to reform the cooperatives that dominate the coffee sector is one of the more surprising features of the 2002-12 experience, given the importance of the sector to national foreign exchange revenues and that politicisation and bad governance are widely seen as root causes of the sector's decline over the past two decades (see, for example, Owuor et al. 2009). An initiative to reform the coffee sector, supported by Minister Kirwa, was blocked by the "Mount Kenya mafia" (interview 23/05/2012).

9 In fact, Mghenyi et al. 2011 find the welfare losses from high maize prices to be less than they expected, which might help explain the policy's persistence.

10 Two caveats to this: 1) Raila "holding back" from appearing to favour Luos too much in bid to appear presidential to wider national electorate, which is alternative explanation for relatively few benefits delivered to them; 2) some recent resistance to Raila calling all the political shots amongst Luos

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