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## Regional Food Trade and Policy in West Africa in Relation to Structural Adjustment

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### Regional Food Trade and Structural Adjustment: No Clear Relationship

This chapter presents a review of the debate on regional food trade, food security and food policy in West Africa, since these elements return to the discussion on the objectives of structural adjustment, such as improvement in the balance of payments, liberalisation of trade and deregulation of (food) markets (see Chapters 1 and 2). Structural adjustment programmes (SAPs) do not contain specific targets with respect to growth of external or regional trade; implicitly the instruments used may affect such external trade flows.

It is not our purpose to explain here in detail how SAPs have affected regional food trade, food security and food policy in West Africa. First, because the large and growing number of country studies of the impact of a SAP are remarkably obscure with respect to the effects on trade flows, more particularly within the region concerned. On the other hand, the many documents dealing with regional (food) trade and economic integration keep silent with respect to the impact of structural adjustment. Apparently researchers do not consider the relationship to be important. Second, hardly any data collection has been undertaken to conduct an analysis of food trade and food policy in West Africa with respect to structural adjustment. Third, many analyses have been made of the various SAPs in different countries and they have proved that general conclusions on their effects cannot be drawn; much depends on the specific position of a country and on the type of instruments and measures comprising the SAP (Mosley *et al.*, 1991; Netherlands Ministry of Foreign Affairs, 1994). Various evaluations of SAPs lead to contradictory results.

Having said this, it is useful, within the framework of this volume, to make a number of remarks concerning the relationship between SAPs and their impact on food trade and food security. SAPs are seen primarily as national macro-

economic policies that are used to re-establish national stabilisation and national growth mechanisms. The policy instruments chosen and specified in the Economic and Financial Policy Framework Paper (the essential document in each SAP) deal with national and sectoral entities, not with aspects beyond national boundaries. This may also explain why some government policies under the influence of a SAP have become even more inward looking than before. It may also provide the key to the apparent contradiction between the recently flourishing phenomenon of workshops and conferences being organised on the theme of regional co-ordination and integration in sub-Saharan Africa on the one hand and the lack of progress in actual policies to co-ordinate or integrate regional trade on the other. We will return to this at the end of this chapter.

A major imbalance attacked by a SAP is the large, structural deficit of the balance of payments. Devaluation of the national currency will be a major instrument to get prices 'right'. If not constrained by structural factors, agricultural production, particularly of export goods, will increase. Although export products will benefit most, the production of food crops will also become more profitable, favoured by other SAP policies undertaken by the government (a general result from a SAP is the improvement of the rural/urban terms of trade). For example, Nigeria had become a huge importer of cereals from non-African countries, but as a result of structural adjustment it developed into a large exporter of food products to neighbouring countries and regional food trade was boosted as a result of Nigerian policies (Egg and Igué, 1993). On the other hand, countries of the CFA franc zone must look for ways to dampen the negative trade effects of the large depreciation of the Nigerian naira and slow down the 'informalisation' of their economic activities, trends which run counter to their SAPs.

One study deals particularly with the relationship between SAPs and regional development in Africa (Coussy and Hugon, 1991). Its starting point is the relative failure of various forms of regional integration before the implementation of SAPs, and the weak links in interregional relationships when SAPs are being implemented. The regional impact of SAPs is studied and the opportunities they offer for encouraging regional interdependence and co-operation are discussed. However, conclusive evidence of how precisely the relationship works out is again missing in this document.

The thesis has been defended that large disparities in monetary and trade policies between neighbouring countries have stimulated (illegal) cross-border trade in food and other products, the illegal cocoa export from Ghana through Côte d'Ivoire being a notorious case. Since the various SAPs in African countries would lead to less disparity between policies, a decrease of such informal trade would result. However, at the same time, the formal trade flows between these countries may be boosted.

SAPs are supposed to lead to a liberalisation of trade. The various tariffs will be lowered and non-tariff barriers may disappear. Even so it remains to be seen whether or not the regional food trade between West African countries will grow,

or whether, due to international competition, western cereals will be imported to meet the additional food demand.

Another central element of all SAPs is deregulation of the market. Governments withdraw from various fields, including the food markets. Marketing boards are being dismantled and private agencies have a free hand in moving food along the most profitable channels, including supranational regional ones. As a general tendency one would expect the expansion of regional and international food trade to make for better overall food security. However, countries that suffer from structural food deficits may still find ways to protect their national food producers, even under the implementation of SAPs. One such method could be the buying of certain volumes of local cereals at guaranteed prices in order to build up a government buffer stock for food security reasons, as has been the usual practice in all Sahel countries.

With these observations we want to suggest that SAPs may affect *de facto* regional food trade, but the actual direction and volume of trade flows would depend on various country-specific factors. Whether or not they would contribute to policies of regional co-operation or integration is another question.

This chapter will first explain the concept of food security. Then the current discussion on the relationship between food trade and food security in West Africa will be summarised and consequently the discussion on the world market orientation of national food production will be reviewed. Attention will also be paid to the debate on the possible benefits and constraints of the creation of a regional, i.e. West African (food) market.

An important question is whether sustainable food security in West Africa can be achieved by protection measures for national food production, or by a liberalisation of food trade that facilitates 'cheap' imports of food, which in turn may promote food security. The answer to this question is highly relevant, since the liberalisation of trade is one of the elements in most structural adjustment policies being implemented in West African countries.

### The Concept of Food Security

During the 1970s, when serious concern arose with regard to the cereal balance at the national and local level in Sahel countries, the term food security was hardly used at all. It certainly did not have the connotation of food shortages at the household or individual level which it has today. Food security was dealt with in a limited sense, i.e. it had a supply-oriented connotation. This is clearly demonstrated by the serious efforts of food donors and Sahel governments in those days to build up national and sometimes local cereals security stocks, to be used during periods of drought and crop failure. Thus, in most cases, food security referred to increasing the total food supply situation at the national level.

A radically different analysis of the hunger problem which caused a breakthrough in scientific and policy thinking was launched by Sen (1981), who stressed

the demand-side at the household level by introducing the concept of entitlement. The emphasis on accessibility which characterises many documents on food security nowadays, including the authoritative 1986 World Bank report on Poverty and Hunger, is directly derived from this entitlement issue.

'Access for everybody at all times to sufficient food to live an active and healthy life' (World Bank, 1986) is nowadays the broadly accepted definition of food security. Defined in this way, the concept of food security has two important dimensions, i.e. availability and accessibility. In this context 'availability' refers to the adequacy of the food supplies, and 'accessibility' to the degree to which these food supplies are accessible to consumers. 'Availability' covers the fields of production, imports and distribution; 'accessibility' covers consumer prices, incomes, purchasing power and consumption patterns such as taste and cooking habits.

To understand the meaning of these dimensions, one has to look further into the various aspects of the food system. Figure 4.1 illustrates the national food system of a typical West African country. A food system is the sum total of all actions, interactions and underlying strategies of each of the agents involved in the food chain. These agents include producers, traders, processors, distributors and consumers. The system is in constant flux and can vary according to place and time. For example, when there is a change in the economic position of the producer who consumes part of his food production, his strategy will also change. The same may be said for the trader and for the consumer. The consumer needs security with respect to a definable minimum quantity of food, and this can be expressed quite specifically in calories, proteins, fats and vitamins. However, a person's actual food package in terms of amount and composition is a variable determined by their income level, prices and personal preferences. Garcia (1984, p. 26) stresses that properties of the system arise not merely from the properties of the agents but from their relationships. Timmer *et al.* (1983, p. 7) point out that the relationships between the actors in the food chain are to a large extent market relations. An important factor in the food system is the influence of the wider geographical context, especially that of the world market on the national food system and that of the regional market on the food system of the village.

The food system can be defined without taking the government into consideration as an actor. Theoretically, the system will work on the basis of individual initiatives by those who supply food and those who want to buy it, i.e. the market system. But in practice the market cannot function on its own, while less than 'perfectly' functioning markets may raise obstacles which may have negative effects on the household food security. In that case, the government is allotted certain roles in improving food security. First, the government may intervene indirectly by regulating food prices and foreign exchange rates. Second, it may provide the necessary public services and infrastructure. Third, it may intervene directly by selling and buying food.

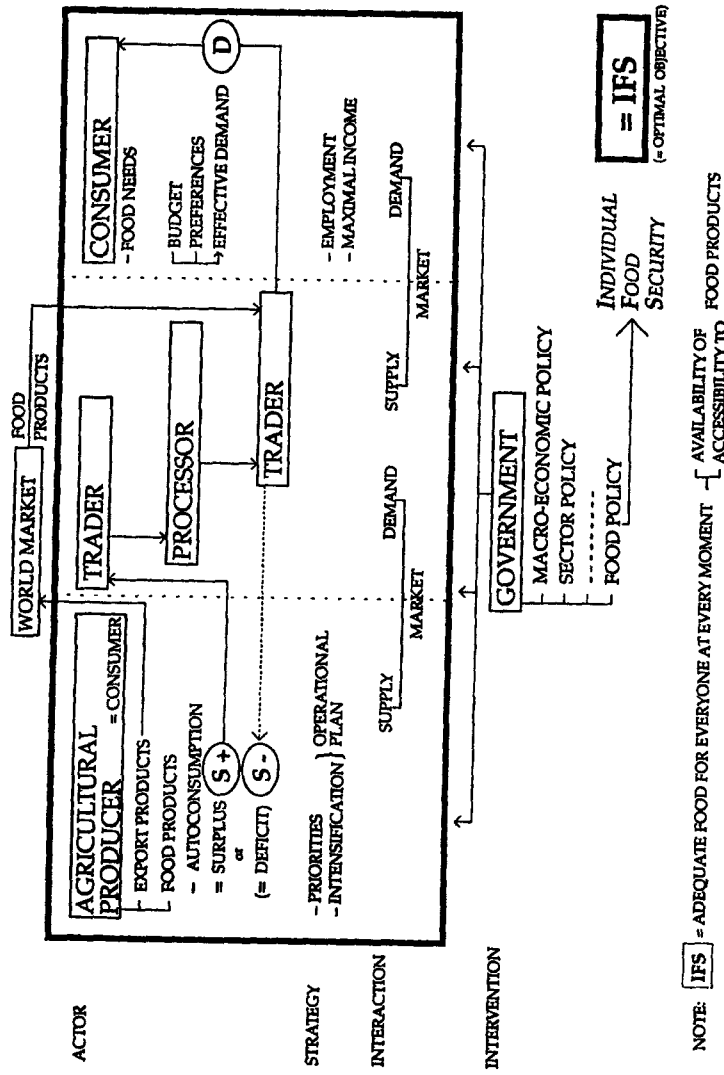


Figure 4.1 A simplified agro-food system

NOTE: IFS = ADEQUATE FOOD FOR EVERYONE AT EVERY MOMENT. [ AVAILABILITY OF FOOD PRODUCTS ] [ ACCESSIBILITY TO FOOD PRODUCTS ]

For many years food security was thought to be an area reserved exclusively for the government and its policies and instruments. As Hirsch (1987, p. 105) stated, 'food security seems to have suffered for this over-narrow interpretation and for the state's de facto monopoly over it.' Disappointing results with respect to food security targets were attributed to government failure. On the other hand, we agree with Killick (1989, p. 22) that arguing 'the inevitable impotence of government' is an overreaction. The balance of the arguments about 'controls versus markets' has recently shifted against government controls, which has major implications for the design of food policies. It is accepted that markets perform an important allocation function in the economy, while being recognised that market failures should be corrected by government interventions. The present debate focuses on the types of market failures (imperfections) and how they can be solved. We would argue that a proper functioning of the private sector, particularly the good performance of the food trade in all places and all seasons, contributes greatly to food security as defined above. If the state refrains from direct and indirect interventions in the food market and focuses instead on the provision of public services, this will lead to better functioning of food markets and thus to higher food security.

It should now be clear why an analysis of the food trade is relevant from the point of view of food security. Such an analysis may reveal the shortcomings and bottlenecks that prevent a smooth functioning of the food market, which can jeopardise food security. Various distortions may occur, such as blockades in trade, rent-seeking behaviour, traders' oligopolies and problems for producers in the surplus areas to find a market and for consumers in the deficit areas to buy food. Government restrictions on food trade may considerably increase these distortions, possibly even leading to a switch from official trade to parallel or clandestine trade.

### Food Policy in West Africa

Following the great Sahelian drought of the 1970s discussions about the causes of food shortages in this region among researchers and policy makers were characterised by a conflict between climatic and economic reasoning. Nowadays it is widely accepted that drought does play a role, but one also has to admit that it is not the only cause of food shortages.

Economic factors are important in explaining food shortages in West Africa, but over time the economic argument has shifted. As Dioné (1990, pp. 1-2) clearly points out, in the 1960s and 1970s the colonial structure of the West African economies was to blame for the emphasis on export production of tropical non-food crops and a consequent neglect of food production. West African governments therefore committed themselves to reconstructing their national economies. In restructuring the colonial orientation of the economies they centred their efforts on industrialisation by import substitution. Policies, including food policy,

favoured non-agricultural sectors and urban areas. As a result, the terms of trade deteriorated to the detriment of the agricultural sector. So-called parastatals, i.e. (semi)-government organisations taking the lead in and often monopolising certain sectors of the economy, became important tools in the implementation of new government policies. The performance of virtually all parastatals was very poor and required increased subsidisation from the state budget. Thus, in the 1980s, the parastatals were blamed for the worsening food crisis.

The policy of urban bias, leading to relatively low prices for agricultural products (which is nowadays considered to be a disaster for West African agriculture), was accompanied by a debt crisis. To overcome this nearly all West African governments sooner or later turned to the International Monetary Fund and the World Bank. Under their aegis, so-called SAPs were forced upon the West African economies. As far as the food sector is concerned, these are characterised by trade liberalisation and privatisation and by the elimination of subsidies. The short-term effects have already become clear, especially in the urban areas (Mosley *et al.*, 1991). The suspension of food subsidies, together with declining incomes because of loss of employment and salary freezes – all parts of SAPs – have affected the buying power of most urban groups. The long-term effects are as yet less clear.

### The Controversy between Protection and the World Market

The sustained availability of adequate food in the Sahel is threatened by a number of serious problems. Great fluctuations in the annual harvests are caused by unreliable and variable rainfall in combination with low soil fertility and an unfavourable soil structure. Moreover, land use in many regions has reached the limits of sustainable exploitation of natural resources, a situation which has often resulted in overexploitation. During the 1980s a serious debate arose among researchers on the potential for food production in the Sahel, and because the debate has far-reaching implications for West African food policy we will discuss the arguments in detail.

According to Shapiro and Berg (1988), food production in the Sahel can never guarantee the general availability of food, a necessary condition to fulfil food security at reasonable cost. They think the Sahel should specialise in those fields of production in which it has a comparative advantage and should import part of their food requirements at low prices from the world market. Raising cereal production in the Sahel would, in their opinion, be too costly; importing rice from Pakistan or Thailand would be much cheaper. They are criticised by Gentil and Ledoux (1989), who are much more optimistic about the possibilities for increasing local food production in the Sahel and who reject a radical choice between food production and export crop production.

Shapiro and Berg base their view in the first place on the absence of drought-resistant, high-yielding varieties of millet and sorghum. For that reason they believe

that a large increase in food production is impossible. One might argue that the deficiency in soil fertility could be overcome by applying chemical fertilisers, but the authors judge that the marginal returns on the application of chemical fertilisers are too low to become economically feasible. Gentil and Ledoux oppose this view. They claim that new, drought-resistant varieties of millet and sorghum have already proved to be successful and that in the wetter parts of the Sahel (precipitation  $\geq 600$  mm) chemical fertilisers can also be used economically. They add that, above a precipitation level of 1,000 mm, the cultivation of maize with ox-drawn ploughs and the application of chemical fertilisers could raise food production considerably.

'World market advocates' tend to consider irrigated rice as the only crop with a high-yielding potential in the Sahel. However, again they argue that imported rice would be much cheaper. 'Protectionists' argue against this, claiming that the production costs in irrigated rice projects could be lowered considerably if double cropping were achieved, less expatriate personnel were involved and more responsibility given to the farmers themselves, which would mean increasing local participation in project management. In addition, they maintain that rain-fed rice production is a viable alternative to irrigated rice. World market advocates maintain, however, that these kinds of efforts and investments will have a substantially higher economic rent if spent on a crop for which the Sahel holds a comparative advantage.

They also have little confidence in market incentives that should stimulate the peasants to produce and sell more food. Shapiro and Berg consider their price responsiveness to be low, leaving little room for a price or subsidy policy to stimulate food production. Their opponents argue that, once peasants are able to operate in a guaranteed market and with inputs available on time, they do show considerable price responsiveness.

With regard to food consumption, world market advocates claim that low prices of imported food like rice and wheat flour (caused by low world market prices and sometimes by foreign food aid and local subsidies) have given them a solid place in West African food consumption, especially in urban areas. In their opinion this trend can no longer be reversed, because a change of taste has already taken place. Moreover, these food products have a high status and are much easier to prepare than local grains. In urban areas women especially will no longer have time available for the laborious preparation of meals consisting of sorghum or millet.

Protectionists think that these trends can still be reversed. They claim that the performance of food markets can be improved and that distribution costs of local cereal trade can be lowered. This may cause lower prices for sorghum and millet and consequently an increase in demand. In addition, they plead for more research on the processing of local food crops in order to make them more attractive to urban consumers.

World market advocates say that protection is always more costly than free trade. But protectionists show that a large part of the supply of grain and meat

on the world market is subsidised. They pose the question why West African countries should expose their agricultural production to unfair competition. Moreover, prices and demand on the world market show considerable fluctuations, which makes it dangerous for countries to rely entirely on the world market for their food supply. In fact, this will not promote food security in the long run and protectionists therefore argue for a selective use of protection, with the aim of counterbalancing the negative effects of world market integration.

In this review of standpoints we have reproduced opinions in a somewhat simplified form. For example, even the World Bank does not always condemn protection (World Bank, 1991). However, the problem with evaluating the different arguments is that they are difficult to weigh up. The research findings to support them are only partially tested and it seems that many arguments are ambiguous. To illustrate this, we limit ourselves to some observations based mainly on our own findings.

First of all, there seem to be very few products which the Sahel can export at competitive prices. Cotton may be one, and perhaps groundnuts and cattle too. But meat from the Sahel, for example, currently suffers from severe competition on the urban markets of the West African coastal countries from meat imported from Argentina and the European union. Although Sahelian meat is of superior quality it has lost the lower strata of the market to cheap, imported meat, often mere cuttings. However, this picture is distorted from a comparative advantage point of view because the meat from the European Union is subsidised. Already some governments of the West African coastal countries have taken measures against these cheap imports, because they not only compete with Sahelian meat but also with meat originating from their own northern provinces.

Second, the debate on the use of chemical fertilisers is obscured by the fact that knowledge from the 'sustainable land use discussion' has not yet been taken into account. Our research in northern Benin (De Haan, 1992) shows that the introduction of chemical fertilisers enables farmers to cultivate the same plots for many years. This causes a deterioration of the physical structure of the soil, resulting in increased soil erosion. Moreover, because ox-drawn ploughs are used, almost all trees have been cleared from the fields, again promoting erosion. However, it is not easy to assess these remarks on sustainability from a food security point of view. Experience from northern Togo (De Haan, 1993) shows that considerable (and thus profitable) increases in yields could be obtained when applying fertilisers in the right way. In fact, entire districts in that area depend on chemical fertilisers to assure a minimum level of subsistence food production. Farmers in this area are much more conscious of the environmental effects of their type of land use than are their colleagues in northern Benin, but their agricultural production does not yet seem sustainable in the long run.

Third, the production costs in the irrigation schemes for rice are too high. This is caused by investment in dams and other infrastructure in large-scale irrigation schemes. In some cases these costs are not entirely passed on to the farmers and are thus not fully reflected in the production costs. Most of these schemes also

suffer from high management costs, owing to the large scale and complexity of the operations. Double cropping, which could boost production and lower production costs considerably, is the exception rather than the rule. This reflects various problems, such as lack of water, mismanagement of input supply, labour shortages at the farm level and low prices of the output when compared to more remunerative activities outside the scheme. That is why the development strategy in this field has moved in the direction of small-scale irrigation, which is more in line with farmers' experience of traditional irrigation and therefore easier for them to manage. No large investments are needed for these activities, which should result in lower production costs and thus in the greater competitiveness of West African rice. But recently (Lekanne dit Deprez, 1992) it seems that exploitation costs in these kind of projects are rising as they become older, whereas yields start decreasing.

Taking the argument of taste preference, every observer admits that western foodstuffs have a great attraction for African consumers. It is not difficult to find a Burkinabe mother putting her baby on a diet of exclusively French stick (*baguette*) and condensed milk, which she considers to be superior foodstuffs but which in fact lead to qualitative undernourishment of her child and shows how obstinate taste preferences can be. In addition, one cannot deny that rice and bread are easy to prepare. Thus it remains to be seen whether lower prices of Sahelian cereals will precipitate a substantial increase in demand in urban areas.

One important argument of the world market advocates remains unanswered by protectionists. As we know, many Sahelian peasants depend partly on the market for their food. Not only do they have to buy food in times of crop failure, but in most years they sell part of their food crop immediately following the harvest in order to obtain badly needed cash; in many cases this means that they have to buy food before the next harvest. Reardon *et al.* (1988) have shown that, in fact, a significant number of Sahelian peasants are net buyers of food. World market advocates therefore conclude that, because Sahelian peasants are in sum structural net buyers (which is especially true of the poorer rural strata), their food security depends on the lowest possible food price, i.e. that of imported food.

One has to bear in mind that these findings are limited to Sahelian peasants and perhaps also apply to peasants in the drier, northern parts of the coastal countries, such as northern Togo. However, that leaves large groups of peasants in the wetter parts of West Africa who are usually able to produce enough subsistence food. In Nigeria, considerable increases in food production have been achieved thanks to fertilisers.

### Regional Food Trade and the Common West African Cereal Market

The debate between world market advocates and protectionists is often presented as a controversy between institutions like the World Bank and United States Agency for International Development (USAID) on the one hand and French

development agencies on the other. In the mid-1980s the French tried to counterbalance the anti-protectionists by introducing the idea of a common West African cereal market (*espace céréalière*). This market would be selectively closed to the world market so as to combine the supposed advantages of protectionism with those of a large internal market, i.e. where supply and demand could be more easily attuned to each other and where food security could be fostered. The discussions on the common cereal market have resulted in growing attention for regional food trade, i.e. between countries, in West Africa.

The French initiative started in 1986, at a conference of the Comité Permanent Inter-Etats de Lutte contre la Sécheresse dans le Sahel (CILSS), an organisation of nine mainly francophone Sahelian states and the Club du Sahel (the donors of CILSS countries), at Mindelo on the Cape Verde Islands. This conference recommended the encouragement of regional food trade and the establishment of a regional cereal market, and a number of studies were initiated to enumerate cross-border food flows.

The advantage of a protected West African cereal market seemed obvious: it could reduce a possible food deficit in one country by taking advantage of a surplus in another country and it could realise encouraging prices to farmers. In this way the dependence on food imports from the world market could be diminished. This initiative should not be limited to the Sahelian countries alone, as some West African coastal states have more favourable climatic conditions and hence food surpluses to offer to the Sahel. Moreover, because most Sahelian countries are landlocked, legal and illegal food imports from the world market are being transported via the harbours. Effective protection of local production could more easily be achieved with the help of the coastal countries (CILSS/Club du Sahel, 1989).

Although official national statistics in West Africa show imports and exports between countries, experts agree that there are substantial but non-registered, often illegal, flows too. This applies especially to those cases where governments intervene in the market. To obtain a better insight into what was actually going on, following the Mindelo conference a number of studies on cross-border trade were undertaken by a team supervised by Egg, Igué and Coste, respectively of the National Institute of Agronomic Research (Institut National de Recherche Agronomique (INRA)) in Montpellier, the National University of Benin (Université Nationale du Bénin (UNB)) and the Institute of Research and Application of Development Methods (Institut de Recherche et d'Application des Méthodes de Développement (IRAM)) in Paris (Coste, 1989; see also Dioné, 1990, for a summary).

Of course, there is nothing new in highlighting cross-border trade in West Africa. As Hopkins (1975) made clear, long-distance trade routes have existed for centuries all over West Africa (see Figure 4.2), and authors such as Coquery-Vidrovitch (1976) developed the concept of an African mode of production based on a combination of subsistence village production and long-distance trade. With regard to the long-distance trade between Ashante and Hausaland crossing

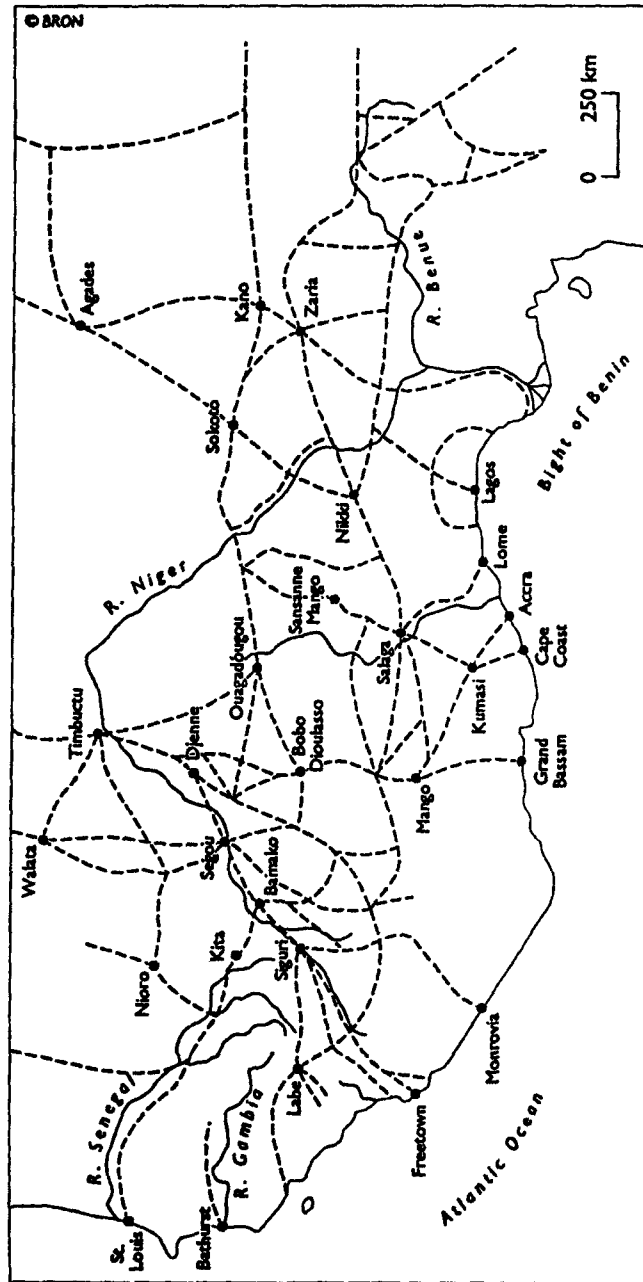


Figure 4.2 Major trade routes in West Africa in the nineteenth century

Togo, we know from Arhin (1979), De Haan (1983) and Norris (1984) that these trade routes did not disappear once colonial boundaries had been established. We personally saw truckloads of Thai rice imported illegally but in broad daylight from Benin into Niger (Van Der Krogt and Klaasse Bos, 1991; Fanou *et al.*, 1991) and headloads of subsidised chemical fertiliser transported from Togo to Benin. In East Africa, the Intergovernmental Authority on Drought and Development commissioned a study on the potential for intraregional trade in cereals, which concluded that unofficial intraregional trade was approximately three times the magnitude of official trade (European University Institute, 1992, p. 168).

At a conference in Lomé in 1989 a large number of studies on cross-border trade were presented. Egg and Igué (1990) conclude that these flows are very important in quantitative terms, but that they are mostly not declared at customs. According to Coste (1989), in 1987/8 the cross-border trade of cereals alone amounted to 1,250,000 tonnes for the whole of West Africa, stretching from Senegal to Chad and Cameroon; this figure represented some 20 per cent of the total cereal trade in the area. Coste estimated that about one-third of this cross-border trade was made up of cereals produced in West Africa, meaning that two-thirds consisted of (re-exports of) cereals imported from the world market. In Figure 4.3, the most important cereal trade flows in West Africa for 1988/9 are indicated. Rice is a very interesting example. Produced in various West African countries, rice is losing its market share due to the growing volume of imports, much of which crosses the borders illegally, irrespective of the protective measures taken by countries with a considerable local rice production (INRA/IRAM/UNB, 1991).

Border trade is most intense around certain development poles and also between countries with large disparities in economic policies, notably between CFA franc zones and non-franc zones, the trade from and to Nigeria being a case in point. A difference between the real value of the currency and the official value, the so-called overvaluation of the national currency, distorts official trade flows between countries and will lead to the growth of unofficial or clandestine trade. Furthermore, large discrepancies in import and export policies between countries are expected to stimulate cross-border trade.

The Lomé conference concluded that the Sahel countries did not form separate, closed markets, but were more or less open to products from neighbouring countries and the world markets. Food products from the Sahel had always, to some extent, been in competition with food from neighbouring countries and the world market. However, this competition is not efficient, because of the high transaction costs, which are partly the result of the illegal and non-transparent structure of cross-border trade. Fanou *et al.* (1991) calculated that the transaction costs of the cross-border maize trade in Benin could be reduced by 30–50 per cent if these inefficiencies were eliminated.

As a result of these studies it is recognised that a certain market integration already exists in many border zones; it can be characterised as a market-driven

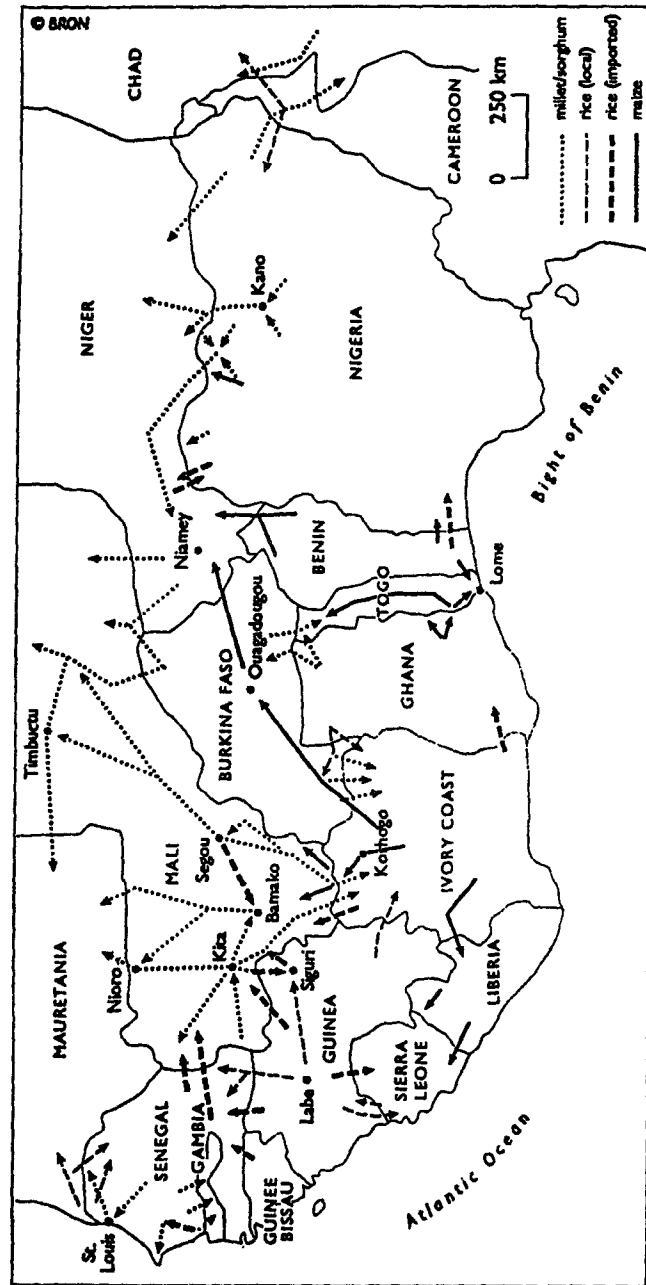


Figure 4.3 Cereal trade in West Africa 1988/9

*de facto* integration along many international trade routes. This market-driven integration depends to a large extent upon international trading networks which perpetuate long-distance trading traditions, on having a good information system and on trying to benefit as much as possible from the various government regulations and interventions in the food trade. Although one would expect that new policies under SAPs would lead to a decrease in both tariff and non-tariff barriers, in actual fact such changes may not come about. This is demonstrated by Nigeria's policy of establishing a number of measures aimed at the selective protection of the agricultural sector (Egg and Igué, 1993).

Despite the traditional trade links and the need for larger intraregional cereal trade, it is evident that a consensus between the governments on the incentives for the promotion of regional trade is still lacking. The use of conventional instruments to develop a regional market and to stimulate trade amongst neighbours, such as the harmonisation of tariffs and trade regulations and the setting up of preferential trade treaties, has not been successful. Existing tariffs on imports and exports have not been lowered. On the contrary, policy disparities continue to exist. Since the larger part of government revenue originates from duties on foreign trade this is understandable; it would be against a government's own interests to lower the duties.

#### Expanding the West African Market: An Ongoing Debate

It seems rather unsatisfactory that much time and energy continue to be spent on the expansion of trade through regional co-operation and policy integration, and for which many regional workshops and conferences have been organised. During 1992 there were at least five (see bibliography). By contrast nothing has yet been undertaken in the field of intergovernmental trade agreements. 'In most cases West African governments have, so far, hardly been putting their regionalist rhetoric into practice' (Brah *et al.*, 1993, p. 11). Those who were inspired by the idea of creating a West African regional market have become discouraged because of the lack of regional co-operation between governments. The situation of non-co-operation, which is characteristic of that current in the region, leads to a scenario of growing dependence on western markets and outside assistance (Egg, Igué and Coste, 1991). Hopefully, such impending dependence may eventually motivate the governments of the countries within the region to co-operate, which explains why some researchers are reluctant to give up their support for regional trade co-operation.

Berg (1991), whom we have characterised as a 'world market advocate', defends a pragmatic view with respect to the creation of a regional market. In trying to answer the question of how West Africans could bring about the closer ties that are desirable, he distinguishes four approaches:



the results in the field of policy co-ordination and harmonisation in West Africa are negligible. The inward-looking attitude promoted by SAPs is partly responsible for this outcome.

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## PART TWO

**Structural Adjustment and  
Urban Basic Needs**