

Palgrave Studies in Agricultural Economics
and Food Policy

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Agricultural and food policy lies at the heart of many pressing societal issues today and economic analysis occupies a privileged place in contemporary policy debates. The global food price crises of 2008 and 2010 underscored the mounting challenge of meeting rapidly increasing food demand in the face of increasingly scarce land and water resources. The twin scourges of poverty and hunger quickly resurfaced as high-level policy concerns, partly because of food price riots and mounting insurgencies fomented by contestation over rural resources. Meanwhile, agriculture's heavy footprint on natural resources motivates heated environmental debates about climate change, water and land use, biodiversity conservation and chemical pollution. Agricultural technological change, especially associated with the introduction of genetically modified organisms, also introduces unprecedented questions surrounding intellectual property rights and consumer preferences regarding credence (i.e., unobservable by consumers) characteristics. Similar new agricultural commodity consumer behavior issues have emerged around issues such as local foods, organic agriculture and fair trade, even motivating broader social movements. Public health issues related to obesity, food safety, and zoonotic diseases such as avian or swine flu also have roots deep in agricultural and food policy. And agriculture has become inextricably linked to energy policy through biofuels production. Meanwhile, the agricultural and food economy is changing rapidly throughout the world, marked by continued consolidation at both farm production and retail distribution levels, elongating value chains, expanding international trade, and growing reliance on immigrant labor and information and communications technologies. In summary, a vast range of topics of widespread popular and scholarly interest revolve around agricultural and food policy and economics. The extensive list of prospective authors, titles and topics offers a partial, illustrative listing. Thus a series of topical volumes, featuring cutting-edge economic analysis by leading scholars has considerable prospect for both attracting attention and garnering sales. This series will feature leading global experts writing accessible summaries of the best current economics and related research on topics of widespread interest to both scholarly and lay audiences.

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Maarten Voors

Institutions and Agrarian Development

A New Approach to West Africa

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FOREWORD

Rural areas are highly contested spaces. They are, most obviously, the primary breadbaskets of all countries, and thus agricultural development strategies necessarily focus on rural areas. They are typically also the geographic focus of efforts to conserve or exploit natural resources, especially forests, minerals and wildlife. And because the state typically exercises less control over more remote rural areas, those spaces are often the locus for sociopolitical upheaval—civil conflict in the most extreme cases—and even for outbreaks of rare, deadly diseases. Local institutions must mediate the complex demands of agricultural, environmental, health, mining, security and other domains. But the multiplicity of institutions, both formal and informal, and variation among them in scale, power, resources, etc., inevitably leads to coordination and integration challenges. So, institutions necessarily occupy center stage in the story of rural development, or lack thereof.

The study of institutions spans social science disciplines. This wonderful volume, by economists Erwin Bulte and Maarten Voors and anthropologist Paul Richards, tells the fascinating story of the institutional underpinnings of rural development in the upper west African forest margin region of Sierra Leone, Liberia and Guinea. Over the past generation, these countries have been plagued by civil wars, an Ebola outbreak, controversies surrounding extractive industries, and pervasive, chronic poverty. Yet they also represent some of the most effective post-conflict recoveries seen on the world stage today. Understanding these lows and highs requires nuanced, rigorous analysis.

Perhaps the most innovative and insightful feature of this volume is the authors' powerful insight that multiple institutions co-exist and co-evolve, and thus ordering and coordination among institutions is a central task of the development process. Bulte, Richards and Voors skillfully explain the various institutions that mobilize—or impede mobilization of—land, labor and capital in rural Liberia and Sierra Leone; how those institutions have each evolved and interacted together over time; and the central role played by local leaders—in this context, especially chiefs—in determining the outcomes of myriad interventions around food crops, cash crops such as cocoa and biofuel feedstocks, health interventions, land rights, and technological change in both the farm and rural non-farm economies. Institutions bring order to social interactions. But different institutions typically govern different sorts of interactions. How those institutions integrate, or clash and fail to integrate, often drives the evolution of the economic, political and social life of communities. Yet policymakers and scholars, perhaps especially we economists, too rarely pay careful attention to the institutional dimensions of agrarian development challenges.

The recent popularity of “weak institutions” explanations of economic growth patterns notwithstanding, institutions cannot often be credibly classified as “good” or “poor”. Careful attention is needed to where institutions come from and how they change. In other words, we need to shift our focus from a snapshot picture to a dynamic one. Institutions are on the move, so how do we understand the time path observed among institutions, and what transformations can we expect in the future? Bulte, Richards and Voors provide an insightful, at times entertaining, analysis of the myriad determinants of institutional performance and the complex relation between institutions and rural development.

Despite the path-breaking work of Nobel Laureates Douglass North, Elinor Ostrom and Oliver Williamson, economists still do not agree on the origins, evolutionary determinants and consequences of institutions. Bulte et al. do a splendid job of tapping the insights of anthropology to help advance the theory and empirical application of institutions as they apply to rural development. Economists and other social scientists will profit from studying the authors' framing of these issues. Above all, their theory and empirical narrative help explain the hubris of trying to import institutional arrangements from one setting to others.

The powerful insights from this volume surely apply to many other places worldwide since agrarian development fundamentally turns on institutions everywhere. The clarity of the authors' prose engages the

reader in the fascinating details of the cases they cover. Meanwhile, the rigor of their analysis makes clear the central importance of understanding how the myriad institutions of rural communities interact to address shifting challenges and opportunities.

It is a great pleasure to include Erwin Bulte, Paul Richards and Maarten Voors' outstanding book in the Palgrave Studies in Agricultural Economics and Food Policy series. I plan to use this book in my own teaching of agricultural and rural development and commend it to all serious students of these issues.

Ithaca, NY, USA

Christopher Barrett

PREFACE

This book was first conceived eight years ago, when Paul Richards retired from the chair of Technology and Agrarian Development at Wageningen University. The chair had been created to foster interdisciplinary interaction in a leading Dutch life sciences university. At a farewell seminar, Erwin Bulte asked why the group had not paid attention to interdisciplinary cooperation within the social sciences, as well as between social and life sciences. A day or two later we held a short meeting over coffee to address possible cooperation. Economists were broadening the scope of their discipline. Initially, there was considerable confidence that standard theoretical economic approaches could be applied to new topics in the field—particularly to armed conflict. But the analysis and conclusions were often unconvincing to other social scientists. Would a new joint approach attract more support in neighbouring fields? It was agreed that such an approach would need to generate empirical evidence to satisfy methodological standards across relevant disciplines. Bulte and Richards worked in Africa, and on the topic of post-conflict recovery. We resolved to gather data on topics of mutual interest intended to be convincing to practitioners in our main disciplines—anthropology and development economics. We also quickly agreed that institutions made a natural focus, since this was a topic to which both our disciplines had made significant theoretical contributions. We began work without major funding, but subsequently received a grant from the UK Economic and Social Research Council (ESRC, grant # ES/J017620/1) for a project addressing the topic of institutional clash in post-war recovery in

Sierra Leone. Here, we gratefully acknowledge this assistance. This started us down the path towards placing our research findings in a more general context. We were joined at that point by Maarten Voors. From 2010, several large-N surveys and field experiments were carried out in Sierra Leone and Liberia on topics relating to agrarian development, rural governance, and nature conservation, combined with long-term observational studies of an anthropological kind. The present work also draws on work on community-responses to health shocks, and distributional implications of foreign direct investment in large-scale farming projects (biofuel and cocoa plantations), for which we had additional funding from the UK government response to Ebola virus disease in Sierra Leone, the International Initiative on Impact Evaluation (3IE, grant # TW1.1042), the Netherlands Organisation for Scientific Research (NWO, grant # 451-14-001, # 453-10-001), the Global Challenges Program grant # W 08.250.2013.111), the Royal Netherlands Embassy in Ghana, the Cambridge Humanities Research Grants Scheme, the Isaac Newton Trust, Cambridge Conservation Initiative, and the CGIAR Research Program on Policies, Institutions, and Markets (PIM) led by IFPRI. Again, these sources of support are also gratefully acknowledged, as is the practical and academic support provided by our research partner organization, Njala University, in central Sierra Leone. In particular, we are grateful for the collaboration with the late Joe Amara and Bob Conteh who were there at the start of the inter-university collaboration. We also thank development partners in Sierra Leone, notably the Conservation Society of Sierra Leone and the Gola Rainforest National Park Programme, where we are particularly grateful to Fomba Kanneh. We have benefited enormously from the collaboration of our colleagues and students. Especially, we are indebted to Esther Mokuwa, who led many of the field data-gathering teams deep into the forest! The draft of our book benefited from comments provided by Martha Prevezer, who took time out at short notice to provide us with a careful reading and very helpful suggestions. We also wish to acknowledge the contributions made by our large group of highly skilled research assistants, and the many village participants in our various studies and experiments. Some of our research assistants have now begun to embark on their own research careers, and we hope this book will prove to be an interesting and useful reminder of what they learnt and what they found. The work

is aimed, primarily, at an audience of graduate students in development studies, development economics, and applied anthropology. We hope that other social science researchers with an interest in development, and agrarian issues, as well as policy makers and practitioners in African rural development, will also find the book relevant to their concerns.

Wageningen, The Netherlands
Mokonde, Sierra Leone
Wageningen, The Netherlands

Erwin Bulte
Paul Richards
Maarten Voors

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