

## WORLD MARKET OR REGIONAL INTEGRATION AND FOOD SECURITY IN WEST AFRICA

Leo de Haan, Andries Klaasse Bos and Clemens Lutz

### Introduction

The problem of food security in West Africa was put on the international agenda in 1974 at the international food conference in Rome following the Great Sahelian Drought of 1968-1973. In those years preoccupation with food security was limited mainly to the Sahel countries and concentrated on estimating the availability and use of resources for grain production. Nowadays, studies in the field of food security focus not only on production, but also on the functioning of the food market, and on consumption and nutrition.

This paper concentrates on the debate whether sustainable food security in West Africa will be achieved by protection measures for national food production, by a liberalization of the food trade that facilitates cheap imports of food from the world market, or by stimulating regional food trade through regional co-operation.

Firstly the concept of food security will be explained. Then the discussion on the relationship between food trade and food security in West Africa will be summarized and the discussion on world market orientation or national food production will be reviewed. Lastly, attention will be paid to the debate on the possible benefits and constraints of the creation of a West African food market. Unless stated otherwise, in this paper 'region' and 'regional' refer to the whole of West Africa.

In their article on incorporation and integration, Kleinpenning et al. (1994, p. 3) define both concepts as "processes through which more or less independent entities or units are made part of a greater and often more complete order." However, in their view, incorporation has a more negative connotation and integration a more positive one. "Incorporation

is generally the result of differences in power between the parties or entities involved. It refers to developments which are imposed from above ... and negatively affect the incorporated unit ..." On the other hand, "integration refers to a development which is considered ... positive for the parties involved, including the weaker one(s)."

The authors admit (Kleinpenning et al., 1994, p. 4) that reality is much more complex and that incorporation and integration are never wholly negative or positive. This is precisely what our paper will try to demonstrate. Of the five forms of incorporation discerned by Kleinpenning et al. (1994, pp. 4-14), we will concentrate on economic incorporation/integration, and particularly the incorporation or integration of West African national food markets into the world market or, as an alternative, their integration/incorporation into a regional market. Our "entities or units" of concern are the West African economies or, more precisely, the food markets.

### The concept of food security

During the 1970s, when serious concern arose about the cereal balance at the national and local levels in Sahel countries, the term 'food security' was hardly used. It certainly did not have the connotation of food shortages at the household or the 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 Sahelian 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 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 World Bank (1986) report on Poverty and Hunger, is directly derived from this entitlement concept.

"Access for everybody at all times to sufficient food to live an active and healthy life" is nowadays a broadly accepted definition of food security, formulated by the World Bank (1986). 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 available 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 1 illustrates the national food system of any West African country. A food system is the sum total of all the 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 in place and time. For example, when the economic position of the producer who consumes part of his food production changes, his strategy will change too. The same may be said for the trader and the consumer. The consumer needs security with respect to a definable minimum quantity of food and this can be quite specifically expressed in calories, proteins, fats and vitamins. However, his actual food package in terms of quantity and composition is a variable determined by income level, prices and personal preferences. García (1984, p. 26) stresses that properties of the system arise not merely from the properties of the agents but of 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 as an actor into consideration. Theoretically, the system will work on the basis of individual initiatives, i.e. a market system. But in practice, the market cannot function on its own, and less than 'perfectly' functioning markets may raise obstacles which have adverse effects on household food security. Where this happens, the government is allotted certain roles in promoting food security. Firstly, it may intervene indirectly by regulating food prices and foreign exchange rates. Secondly, it may provide necessary public services like infrastructure. Thirdly, it may intervene directly by selling and buying food.

For many years, food security was thought to be a field exclusively reserved for the government and its policies and instruments.

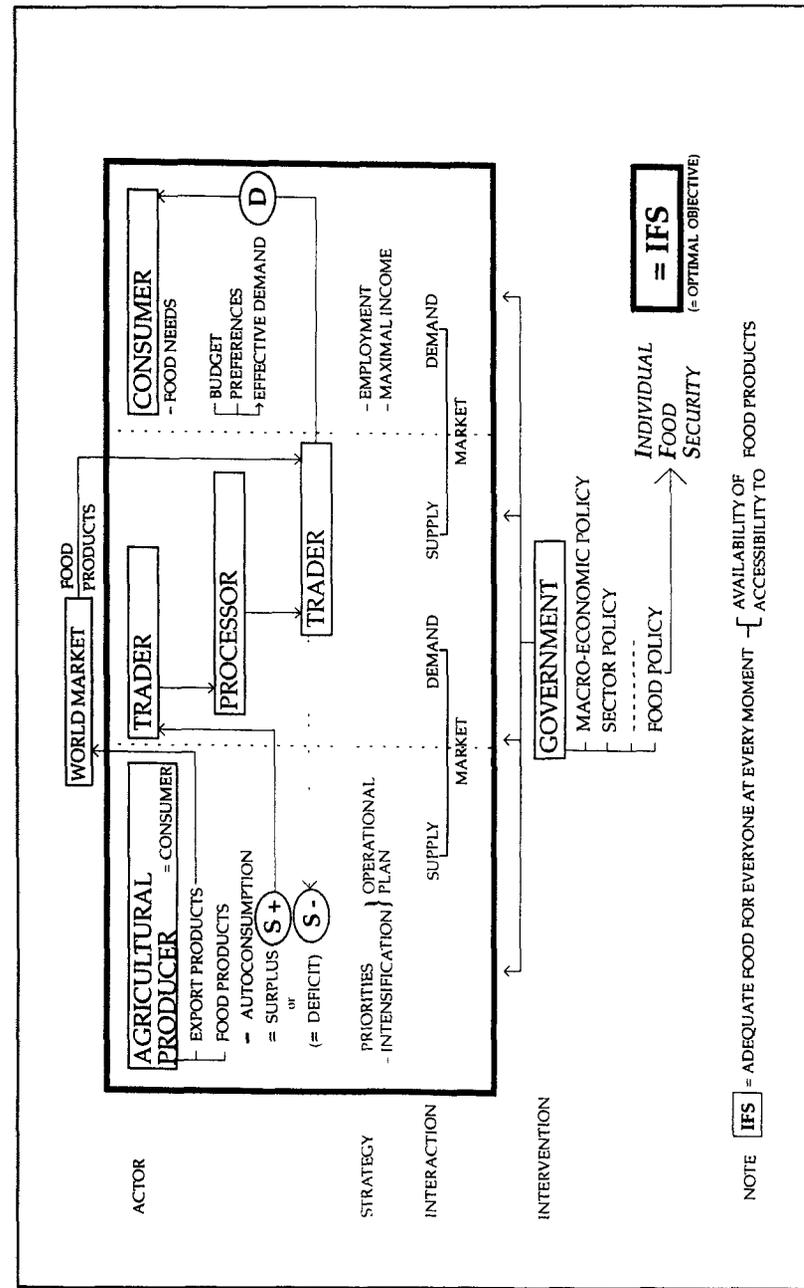


Figure 1. The agro-food system (simplified)

As Hirsch (1987, p. 105) stated, "food security seems to have suffered from this overnarrow interpretation and from the state's *de facto* monopoly over it." On the other side, we agree with Killick (1989, p. 22) that arguing "the inevitable impotence of government" is a reaction too far. The balance of the arguments about 'controls versus markets' has recently shifted against controls, and this has major implications for the design of food policy. It is accepted that markets perform an important allocation function in the economy. However, it is still recognized that market failures should be corrected by government interventions. The present debate focuses on the types of market failure (imperfections) and how they can be solved. We would argue that a proper functioning of the private sector, particularly the good performance of food trade in all places and at all seasons, makes an important contribution to food security as defined above.

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

### Food policy in West Africa

Immediately after the Great Sahelian Drought, discussions among researchers and policy makers about the causes of the food shortages in this region were characterized by a conflict between climatic and economic reasoning. Nowadays, it is widely accepted that drought plays a role, but it is also admitted that this is not the only cause of the food shortages.

Economic factors are important in explaining the food shortages in West Africa. 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 vocation of the economies the West African governments centred their efforts on industrialisation by import substitution. Policies, including food policy, favoured non-agricultural sectors and urban areas. As a result, terms of trade deteriorated against the agricultural sector. So-called parastatals, i.e. (semi-)government organizations taking the lead in and often monopolizing 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 increasing subsidization by the state budget. Thus, in the 1980s, the parastatals were blamed for aggravating the food crisis.

The policy of urban bias, which is now considered to have been a disaster for West African agriculture, was accompanied by a debt crisis. To overcome this, nearly all West African governments eventually turned to the International Monetary Fund and the World Bank. Under their aegis, Structural Adjustment Programs (SAPs) were forced upon the West African economies. As far as the food sector is concerned, these are characterized by trade liberalization and privatization and the elimination of subsidies. The effects have already become clear, especially in the urban areas. Suspension of food subsidies, together with declining incomes because of loss of employment and salary freezes, all part of Structural Adjustment Programs, have affected the buying power of most urban groups. The long-term effects are less clear. These and other effects are discussed in a debate on the effectiveness of Structural Adjustment Programs.

### The controversy between protection and world market: integration or incorporation?

The availability of food in the Sahel faces a number of serious problems. Wide fluctuations in yearly harvests are caused by hazardous rainfall in combination with a low soil fertility and unfavourable soil structure. Moreover, land use in many regions has reached the limit of optimal exploitation of natural resources and has often resulted in overexploitation.

During the 1980s a serious debate arose among researchers on the potentials of food production in the Sahel. Because the debate has far-reaching implications for West African food policy, we will discuss the

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

Shapiro & Berg (1988) 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 lack of soil fertility could be overcome by applying chemical fertilizers, but the authors judge that the marginal returns of application of chemical fertilizers are too low to become economically feasible. Gentil & Ledoux (1989) 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 fertilizer can also be used economically. They add that, above 1000 mm, the cultivation of maize with ox-drawn ploughs and application of chemical fertilizers could raise food production considerably.

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

'World-market advocates' have little confidence in market incentives to stimulate the peasants to produce and market more food. Shapiro & Berg (1988) consider their price responsiveness to be low,

leaving little room for a price or subsidy policy to stimulate food production. Their opponents argue that peasants do show considerable price responsiveness once they are able to operate in a guaranteed market and once inputs are available on time.

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 the 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 more easy to prepare compared with local grains. According to 'world-market advocates', women in urban areas in particular, 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 the distribution costs of the local cereal trade can be lowered. This may result in lower prices for sorghum and millet and, consequently, an increase in demand. In addition they make a plea 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 subsidized. They ask why West African countries should expose their agricultural production to unfair competition? Moreover, prices and demand on the world market show considerable fluctuations, making 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. '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, for the sake of the argument, reproduced the 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, because the research findings to support them are only partially tested. In fact, it seems that few arguments can claim an overall West African or even Sahelian validity. To illustrate this, we shall limit ourselves to some observations mainly based on our

own findings.

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

Secondly, the discussion on the use of chemical fertilizers 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 fertilizer enables farmers to cultivate the same plots for a large number of 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 the 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 of yields can be obtained when fertilizer is applied in the right way. In fact, entire districts in that area depend on chemical fertilizers to assure a minimum level of subsistence food production. Farmers in this area are much more aware of the environmental effects of their type of land use compared with their colleagues in northern Benin, but their agricultural production does not yet seem to be sustainable in the long run.

Thirdly, with regard to irrigated rice production, production costs in the irrigation schemes are too high. Investments in dams and other infrastructure in large-scale irrigation schemes in the Sahel give rise to high production costs, although in some cases, costs are not fully passed on to the farmers and thus not fully reflected in the production costs. Most of these schemes also suffer from high management costs because

of the large scale and complexity of operations. Double-cropping, which could boost production and considerably lower production costs, is the exception rather than the rule. This is due to all kinds of reasons, such as lack of water, mismanagement of input supply, labour shortage at the farm level and low prices of the output as compared with more remunerative activities outside the scheme. This 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 to manage by the participants themselves. Because no large investments are needed for these activities, all this would result in lower production costs and thus greater competitiveness of West African rice. But recently (Lekanne, 1992), it has been found that exploitation costs rise in these kind of projects as they become older and that yields decrease.

Taking the argument of taste preference, every observer will admit that western food stuffs have a great attraction for African consumers. It is not difficult to find a Burkinabe mother putting her baby on a menu consisting exclusively of French bread (*baguette*) and condensed milk, which she considers to be superior foodstuffs, but which in fact lead to qualitative undernourishment of her child. This example 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 if lower prices of Sahelian cereals will generate a substantial increase in demand in the urban areas.

One important argument of the 'world-market advocates' remains unanswered by 'protectionists'. As we know, many Sahelian peasants partly depend on the market for their food. Not only will they have to buy food in times of crop failure, but in most years they sell part of their food crop immediately after the harvest to obtain some 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 proportion of Sahelian peasants are net buyers of food. 'World-market advocates' therefore conclude that, because Sahelian peasants are in sum structural net buyers, and this applies especially to the poorer rural strata, their food security depends on the lowest possible food price, i.e. that of imported food. Here one has to bear in mind that these findings are limited to Sahelian peasants and perhaps apply to peasants in the drier, northern parts of the coastal countries, such as northern Togo, too. 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 of food production have been achieved, thanks to fertilizers.

Referring to our introduction in the first section, it is clear that the quintessence of the debate between 'world-market advocates' and 'protectionists' is, in fact, a difference in the final judgement of the pros and cons of linking up the national West African food markets with the world food market. To put it in other words (see Kleinpenning et al., 1994), the 'world-market advocates' would characterize this as integration and the 'protectionists' as incorporation.

### Regional food trade and West African economic integration

The debate between 'world-market advocates' and 'protectionists' is often presented as a controversy between institutions like World Bank and USAID on the one hand and French development agencies on the other hand. In the mid-1980s the French tried to counterbalance the anti-protectionists by introducing the idea of a common West African cereal market (*espace céréalier*). This market would be selectively closed to the world market. Thus it would combine the supposed advantages of protectionism and those of a large internal market, i.e. where supply and demand could be attuned more easily to each other and food security fostered. Discussion on the common cereal market resulted in turn in attention being paid to the regional food trade, i.e. between countries, in West Africa.

It all started in 1986 at the conference of CILLS (*Comité Permanent Inter Etats de Lutte contre la Sécheresse dans le Sahel*), an organization of nine mainly francophone Sahelian states and the *Club du Sahel*, the donors of CILLS 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. In addition, a number of studies were initiated to enumerate cross-border food flows.

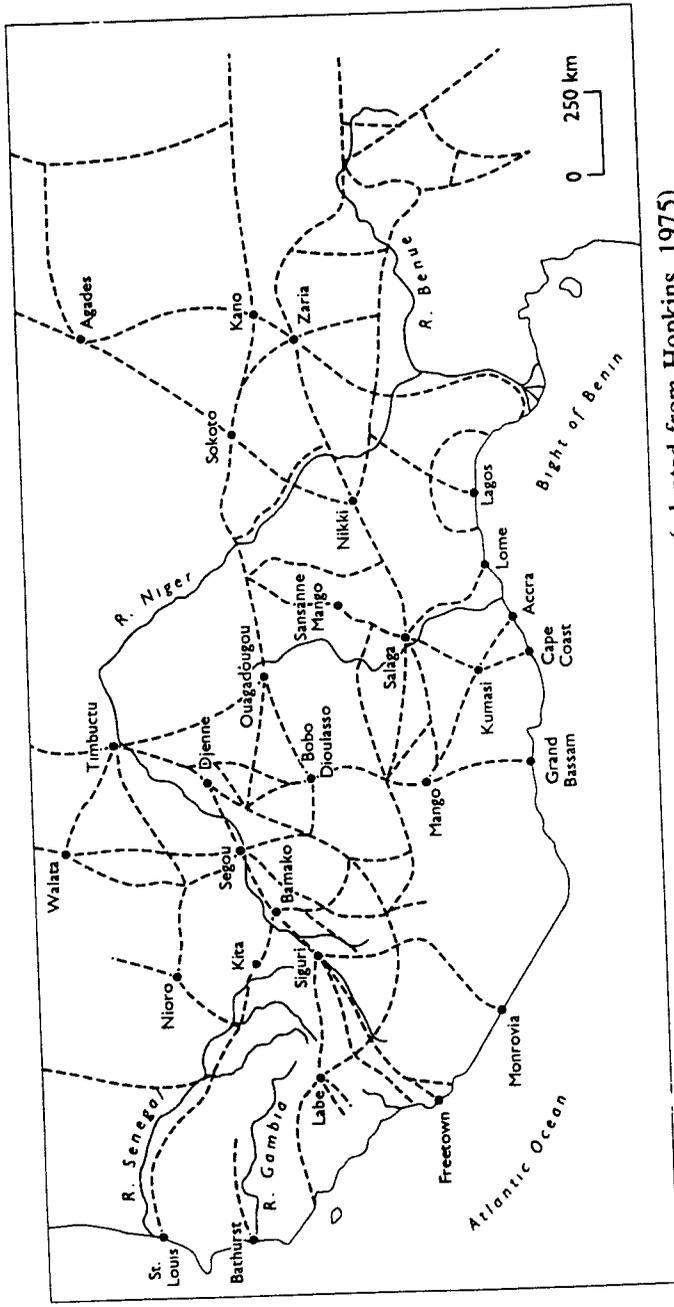
The advantage of a protected West African cereal market seemed obvious. It could reduce a possible deficit in food supply in one country by drawing on a surplus in another country and it could realize attractive prices to farmers. In this way, the dependence on food imports from the world market could be diminished. It was clear that this initiative could not be limited to the Sahelian countries alone. 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 brought in via the coastal ports. Effective protection of local production could more easily be achieved with the help of the coastal countries (CILLS/Club du Sahel, 1989).

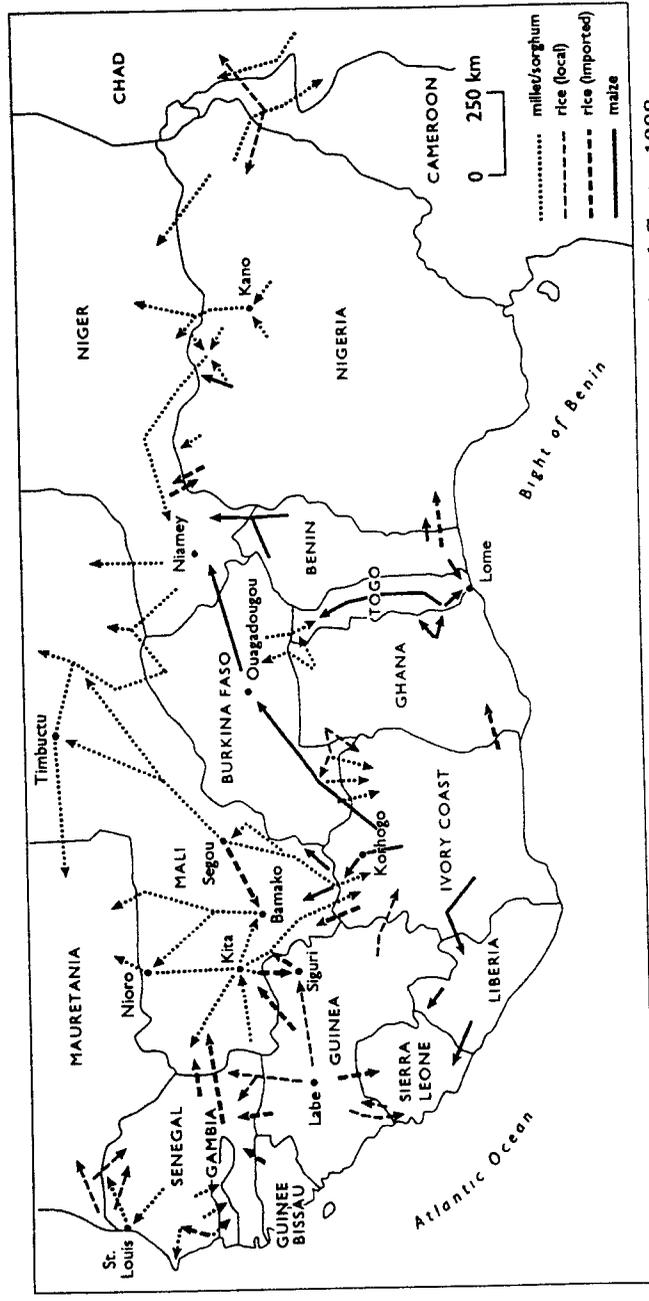
Although official national statistics in West Africa record imports and exports between different countries, all experts agree that there are non-recorded, often illegal, flows too. This applies especially to those cases where governments intervene in the market. To obtain a greater insight into what was happening, a number of studies of cross-border trade were undertaken following the Mindelo conference by a team supervised by Egg, Igué and Coste, respectively, of the *Institut National de la Recherche Agronomique* in Montpellier, the *Université Nationale du Bénin* and the *Institut de Recherche et d'Application des Méthodes de Développement* in Paris (Coste, 1989; see also Dioné, 1990 for a summary).

Of course there is nothing new in referring to trade crossing borders in West Africa. As Hopkins (1975) made clear, long-distance trade routes have already existed for centuries all over West Africa (map 1). Authors like Coquery-Vidrovitch (1976) have even 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 Togo, Arhin (1979), De Haan (1983) and Norris (1984) show that these trade routes did not disappear after colonial boundaries were established. For example, we saw truckloads of Thai rice being imported illegally, but in broad daylight, into Niger from Benin and head loads of subsidized chemical fertilizer being transported from Togo to Benin.

A large number of studies on cross-border trade were presented at a conference in Lomé in 1989. Egg & Igué (1990) concluded that those flows were very important in quantity, but were mostly not declared at the customs. According to Coste (1989), the cross-border trade in cereals alone amounted in 1987/88 to 1,250,000 tonnes for the whole of West Africa, stretching from Senegal to Chad and Cameroon. That is some 20% of the total cereal trade in the area. He estimated that about one-third of this cross-border trade was made up of cereals produced in West Africa, meaning that two-third consisted of (re-exports) of cereals imported from the world market. Map 2 indicates the most important flows. Rice is a very interesting example. It is produced in various West African countries, but is loosing its market share compared with



Map 1. Major trade routes in West Africa in the 19th century (adapted from Hopkins, 1975)



Map 2. Cereal trade in West Africa 1988/89 (adapted from Coste, 1989; Egg, Igué and Coste, 1988; INRA/IRAM/UNB, 1991)

the growing volumes of imported rice. Large volumes of imported rice from the world market cross the borders illegally, irrespective of the protective measures taken by countries having a considerable local rice production (INRA/IRAM/UNB, 1991).

The Lomé conference came to the conclusion that the Sahel countries did not form separated, closed markets, but that they were already more or less open to products from neighbouring countries and the world market. As a consequence, one had to admit that food products from the Sahel had always been in competition to some extent with food from neighbouring countries and the world market. However, this competition is not efficient, because of high transaction costs, which are the result of the illegal and opaque structure of cross-border trade. Fanou et al. (1991) calculated that the transaction costs of cross-border maize trade in Benin could be reduced by 30-50% if markets functioned better.

As a result of these studies, it is recognized that, irrespective of the various restrictive policies that governments have established against cross-border trade of food and other products, the existence of considerable trade flows between neighbouring countries is beyond any doubt. In other words, a certain degree of market integration already exists in many border zones; it can be characterized as a market-driven *de facto* integration along many international trade routes. Referring again to our introduction in the first section we are inclined to characterize this process as 'integration' and not as 'incorporation', because of the increased availability of food which is the result of this cross-border trade. However, we do admit that only research on food security at the household level in these border zones could give the ultimate answer.

It is found that border trade is most intense, firstly around certain development poles and, secondly, between countries with large disparities in economic policies, notably between franc zones and non-franc zones (trade from and to Nigeria being a particular case in point). A difference in real value of the currency compared with the official value, i.e. overvaluation of the national currency, distorts official trade flows between countries and leads 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 other important element that emerged from these studies is that this market-driven integration is to a large extent dependent upon international trading networks which perpetuate long-distance trading

traditions, having a good information system and trying to benefit as much as possible from the various government regulations and interventions in food trade.

Despite traditional trade links and the need for intra-regional cereal trade, it is quite evident that government incentives for the promotion of regional trade are still missing. The conventional instruments to develop a regional market and to stimulate trade amongst neighbours, such as the harmonization of tariffs and trade regulations and the setting up of preferential trade treaties, have not been used. Existing tariffs on imports and exports have not been lowered. On the contrary, policy disparities continue to exist. Understandably, since the larger part of government revenue originates from duties on foreign trade; so it would be against governments' own interests to lower the duties.

It seems a rather unsatisfactory situation that much time and energy continues to be attributed to the objective of trade promotion through regional co-operation and integration of policies (for which many regional workshops have been set up; in 1992 alone we counted five, but there were surely more), whereas in the field of inter-governmental agreements nothing has yet been undertaken. Those who have been inspired by the idea of the creation of 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 the current regional situation, has led to a scenario of growing dependence and outside assistance (Egg et al., 1991). Eventually, such a looming dependence may motivate governments to co-operate. This explains why some researchers do not want to abandon their support for regional trade co-operation.

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

1. the 'standard' or 'dominant' approach that builds on preferential trade arrangements, but aims at a fully integrated 'economic community' in the future;
2. a production-oriented 'global' approach, championed especially by the Economic Commission for Africa;
3. an outward-oriented, minimal protection approach, put forward especially by economists and others who believe that more outward-lookingness is what is needed, not a focus on regional

preferences. This view has its most articulate champions in the World Bank; and

4. a new strategy just launched by the French government. It proposes building integration vertically, by increasing functional co-operation between France and the Franc Zone countries.

In his review, Berg (1991) criticizes the first approach because trade within a preferential trade area of developing countries has rarely expanded. The second approach does not consider the market as the main engine in fostering production. Instead it concentrates on the production side and tries to expand regional production and infrastructure. Apparently this view is not favoured by Berg nor by others who believe that the main constraints are in market channels and not in production and infrastructure. Neglect by governments of marketing problems will exclude any solution. The third approach aims at a minimum level of trade protection. The underlying idea is that economic integration schemes based on regional trade preferences have not contributed to any increase of trade. What really matters is spurring growth and making West African economies more efficient. Countries should aim at trade liberalization, ending up with low common external tariffs. The main criticism is that this works against the less developed countries, favouring those countries that are already more developed (Berg, 1991).

Remarkably, the fourth approach aims at closer linkages between the industrialized metropolitan power, France, and its less developed monetary zone associates, with whom it shares language and institutions. This strategy has been developed by the French Ministry of Co-operation in the last two years and has been approved by the Ministers of Finance of the Franc Zone. The objective is to transform this zone into a genuine economic and monetary union and a large unified market (Berg, 1991; Kabore, 1992).

A question related to the issue is to what extent the SAPs demanded by the IMF and World Bank interfere with sector policies and trade policy, in particular. Notwithstanding all uncertainties that still exist about the economic effects of SAPs, there is no doubt that some policies have negative effects on moves toward regional integration. For example, governments tend to become more inward looking. They have to get their own national budget in order and to restructure their national economy.

We wish to conclude this review of the debate with some practical measures as suggested by Berg (1991) on which there seems to be

general agreement and which would be the start of a process of West African economic integration rather than of incorporation:

- a. The potential for intra-regional trade can be exploited more effectively. Relatively non-contentious barriers that cause biases against intra-regional trade should be more vigorously attacked. These include burdensome customs procedures and disparate regulations, lengthy and complicated transit procedures, lack of standardized product norms, lack of transport norms, heavy informal transaction costs at frontiers (corruption, or more politely, rent-seeking actors), lack of trade information, and inadequate trade financing facilities. In small steps, governments can contribute to higher intra-regional trade by eliminating these barriers and limitations.
- b. Governments and donors should not restrict their regional programs to conventional organizations and channels, since the existing 'economic communities' have proved ineffective; the pace of change is determined by the least enthusiastic member state, or the most bureaucratic.
- c. The focus of integration efforts by governments as well as by donors should therefore include any group of willing states without reference to membership in larger regional organizations. Ad hoc, partial agreements, such as the potential Mali-Burkina Faso-Ivory Coast accord on trade in red meat, promise quicker and better results.

## Conclusions

This paper has focused on only one of the five forms of incorporation discerned by Kleinpenning (1991, pp 2-7), i.e. the economic form, and, particularly, the incorporation of West African national food markets into the world market and their integration into a regional market. Our entities of concern were the West African food markets.

Kleinpenning (1991, pp. 1-2) stresses that incorporation and integration are never wholly negative or positive. He rightly observed that it depends on one's point of view whether a certain process of linking up of units or entities is labelled as 'integration' or 'incorporation'. This is precisely what this paper has tried to demonstrate. It has become clear, notably in the last two sections of this article, dealing with the controversy between 'world-market advocates'

and 'protectionists' and the efforts to arrive at an integration of West African food markets, that all parties are convinced that food security in West Africa will benefit from their approach in particular. For the sake of the argument, we have reproduced the arguments of the 'world-market advocates' and the 'protectionists' in a simplified form. However, our review has made clear that both approaches have positive and negative elements with regard to food security and, in fact, recent discussion, which now focuses on a regional integration of food markets, shows a considerable degree of pragmatism and merging of arguments.

The West African economies are highly dependent on export markets largely outside the region for the sale of their agricultural products. At the same time, there is a growing dependence on cereal imports, because of a decreasing self-sufficiency ratio. Achievements in regional integration will therefore be important for increased food security. Formulated in this way, regional 'integration' is expected to counterbalance world market 'incorporation'. However, trade between West African economies is hampered by official policies.

Recent research on cross border trade in food products and on the related government policies has resulted in two findings. Firstly, despite a lack of data, the actual trade along unofficial channels is believed to be considerable. One might therefore conclude that a *de facto* market integration exists in many respects. Secondly, disparities between government policies are considered to be a severe handicap for achieving a more efficient organization of regional trade.

Ever since the independence era, African countries and their leaders have attached great importance to regional co-operation and integration. This has resulted in the creation of a number of regional organizations and institutions, supported by various donors. However, there continues to be a wide gap between the need for more regional integration and the apparent lack of action to establish any co-operation. In West Africa, despite six years of discussion on cereal trade integration, results in the field of policy harmonization are negligible.

#### References

- Arhin, K.  
1979 *West African Traders in Ghana in the Nineteenth and Twentieth Centuries*. London: Routledge and Kegan Paul PLC.

- Berg, E.  
1991 *Strategies for West African Economic Integration. Issues and Approaches*. Paris: CILSS/Club du Sahel.
- CILSS/Club du Sahel  
1989 Les espaces céréaliers régionaux en Afrique de l'Ouest. Séminaire de Lomé (Togo) SL 89/01-SL 89/29. Paris. [Documents provisoires.]  
1991 *Report on the Meeting of the Steering Committee on Regional markets*. Paris: OECD.
- Coquery-Vidrovitch, C.  
1976 'The Political Economy of the African Peasantry and Modes of Production', in: P. Gutkind & I. Wallerstein (eds.), *The Political Economy of Contemporary Africa*, pp. 90-111. Cambridge: Cambridge University Press.
- Coste, J.  
1989 *Esquisse régionale des flux de céréales en Afrique de l'Ouest*. Séminaire CILSS/Club du Sahel, Lomé. Paris: OECD.
- De Haan, L.  
1983 'Die Kolonialentwicklung des Deutschen Schutzgebietes Togo in raumlicher Perspektive', *Erdkunde* 37, pp. 127-37.  
1993 *La Région des Savanes au Togo. Les paysans, l'Etat et l'intégration régionale*. Paris: Editions Karthala.
- De Haan, L. (ed.)  
1992 *Rapports entre agriculteurs et éleveurs au Nord Bénin: Ecologie et interdépendance transformée*. Amsterdam: Commission des Communautés Européennes/Université d'Amsterdam/Université Nationale du Bénin. [Rapport Final.]
- Dione, J.  
1990 *Sécurité alimentaire au Sahel: point sur les études et projet d'agenda de recherche*. Paris/Bamako: CILSS/Institut du Sahel. [Document de Recherche.]
- Egg, J., J.O. Igue & J. Coste  
1988 *Echanges régionaux, commerce frontalier et sécurité alimentaire en Afrique de l'Ouest. Méthodologie et premiers résultats*. Paris: INRA/UNB/IRAM.  
1991 *Approaches to Regional Cooperation in West Africa - Discussion based on Work conducted by INRA/IRAM/UNB*. Paris: CILSS/Club du Sahel. [SAHD(91)387.]
- Egg, J. & J.O. Igue  
1990 *Espaces régionaux d'échanges et politiques agricoles en Afrique de l'Ouest*. Montpellier: Séminaire CIRAD/Club du Sahel/OCDE.
- Fanou, L., C. Lutz & S. Salami  
1991 *Les relations entre les marchés de maïs du Bénin et les marchés avoisinants au Togo, au Niger et au Nigéria*. UNB/FSA, Cotonou.
- García, R.  
1984 *Food Systems and Society: a Conceptual and Methodological Challenge*. Geneva: UNRISD/81/C.37.

- Gentil, D. & G. Ledoux  
1989 *Commentaires sur l'étude "The Competitiveness of Sahelian Agriculture Shapiro-Berg"*. Paris: IRAM.
- Hirsch, R.  
1987 *Trends and Development in Cereals Policy in the Sahel. Acts of the Mindelo Conference*. Paris: CILSS/Club du Sahel.
- Hopkins, A.G.  
1975 *An Economic History of West Africa*. London: Longman Group Ltd.  
INRA/IRAM/UNB  
1991 *Cereals Trade and Agricultural Policies in the Western Sub-market - Regional Processes and the Prospects for Integration; Summary Report*. INRA/IRAM/UNB, CILSS/Club du Sahel. SAH/D/91/367, Paris.
- Kabore, T.H.  
1992 *Cooperation économique régionale et développement durable. Séminaire sur l'intégration économique en Afrique de l'Ouest*. Abidjan.
- Killick, T.  
1989 *A Reaction Too Far. Economic Theory and the Role of the State in Developing Countries*. London: ODI.
- Kleinpenning, J.M.G., G.J.M.J. Custers & P.W. Stunnenberg  
1994 'An Attempt to Elucidate the Concepts of Incorporation and Integration', in: G.J.M.J. Custers & P.W. Stunnenberg (eds.), *Processes of Incorporation and Integration in Developing Countries*, pp. 1-25. Saarbrücken: Verlag für Entwicklungspolitik Breitenbach GmbH. [Nijmegen Studies in Development and Cultural Change 17.]
- Lekanne dit Deprez, B.  
1992 'Irrigatielandbouw in Afrika', *Derde Wereld* 11, 2, pp. 86-8.
- Norris, E.G.  
1984 'The Hausa Kola Trade through Togo, 1899-1912: Some Quantifications', *Paideuma* 30, pp 162-84.
- Reardon, T., P. Matlon & C. Delgado  
1988 'Coping with Household-level Food Insecurity in Drought-affected Areas of Burkina Faso', *World Development* 16, 9, pp. 1065-75.
- Sen, A.K.  
1981 *Poverty and Famines*. Oxford: Clarendon Press.
- Shapiro, K. & E. Berg  
1988 *The Competitiveness of Sahelian Agriculture*. Alexandria: Elliot Berg Associates/OCDE/Club du Sahel.
- Timmer, C.P., W.P. Falcon & S.R. Pearson  
1983 *Food Policy Analysis*. Baltimore/London: The Johns Hopkins University Press. [World Bank Publication.]
- World Bank  
1986 *Poverty and Hunger. Issues and Options for Food Security in Developing Countries*. Washington: World Bank.  
1991 *World Development Report 1991- The Challenge of Development*. Washington: World Bank.

## AGRICULTURAL TRENDS AND PROSPECTS IN THE SOUTH AND THEIR RELEVANCE FOR THE PEASANTRY DEBATE

Ton Dietz

### Introduction

Incorporation has to do with growing involvement of peripheral areas or social groups in larger settings; a process of strengthening ties between 'weaker' and 'stronger' partners. The academic and political discussions about the evolving relationship between 'peasants' and the outer world can be regarded as part of the wider incorporation debate.

The 'peasantry debate' has been with us for quite some time now. Wolf's basic work (1966), Shanin's contributions (1971a; 1971b), Franklin's 'European peasantry' (1969) and the rediscovered 1925 study of Russia-according-to-Chayanov (see 1986) have become classics. De Janvry's 'agrarian question' in Latin America (1981), the controversy between Scott (1976) and Popkin (1980) in an Asian context, the summary of the 'semi-feudalism or capitalism' debate in India according to Thorner (1982) and various contributions by Bernstein (1979) about Africa and around Hyden (e.g. in *Development and Change*, 1986-1987), to mention a few, show an ongoing and often very confusing academic discussion. It is also a heated discussion, because of the controversial political and policy consequences of academic positions. A lot of the debate centres around theoretical issues and classificatory schemes. 'Empirical evidence' is often used to underline positions in the debate, haphazardly and with little attention to context.

In this contribution an attempt is made:

- 1) to give a brief analysis of the recent trends in the number of agriculturalists and agricultural development in the South (that is Africa, Central and South America and most of Asia) and to predict the prospects for the near future;