Centre for Rural Development (SLE)

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What structural transformation is Sub-Saharan Africa undergoing?

...and how can it be made socially inclusive and environmentally sustainable?

Research Group "Rural structural transformation in sub-Saharan Africa" at SLE

Rural structural transformation in Africa is not following the pattern observed in Europe in the 19th and 20th centuries, where increasing productivity of agriculture and the industrialisation triggered a structural transformation and urbanisation. In Africa, it is factors such as the stagnating or declining productivity of small-scale farmers and the degradation of soils and grazing land that lead to urbanisation. But African cities offer few jobs and poor prospects for the migrants. This development has resulted in growing slum areas and further migration within the region and across the Mediterranean Sea. Details of the interrelationships have been investigated by an SLE research group and recommendations have been made to make these trends more socially inclusive and environmentally sustainable.

Key words: rural structural transformation, urbanisation, sub Saharan Africa

On rural structural change in Europe

"Rural structural transformation" is often associated with the processes in Europe in the 19th century, which led to migration to the towns and cities. Whether the growing agricultural productivity or the industrialisation in the towns and cities was the more important factor is still a matter of debate. However, there is no doubt that mechanisation and technological advances reduced the need for agricultural labour so that people migrated to the towns and cities, where at least some of them found new employment as a result of the rapid industrialisation. As farms grew in size, they were able to increase productivity and achieve economies of scale, leading to increased rural revenues. This in turn limited the divide between town and country, and both experienced a period of relative prosperity. In the course of this development there were also social upheavals, but these did not lead to an overall impoverishment.

Are there signs of a rural structural transformation in Africa?

Against the background of the European model, the question is whether the urbanisation of Africa is associated with or has been preceded by similar changes, or if Africa has not experienced any structural transformation or one that is specifically African in nature. A research group from SLE has investigated this topic on behalf of the German Federal Ministry for Economic

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Cooperation and Development (BMZ). SLE has adopted a broad definition of structural transformation in order to widen the perspective for possible transformation processes in rural areas under different historical conditions.

Rural transformation is regarded as a multidimensional process associated with the changes of fundamental characteristics of the economy and the lives of people in rural areas, taking into consideration the integration in societal and global dynamics.

Case studies in Zambia, Benin and in Lowland Ethiopia

Empirical analyses were carried out in Zambia, Benin, and in Lowland Ethiopia. These examples were selected because of their geographical, economic and social differences, and also because German development cooperation activities there have led to the establishment of "green innovation centres". Whereas land-locked Zambia has a resource-based economy and is sparsely populated, the small coastal country of Benin is densely populated. Both are characterised by small-scale farming, in contrast to the drier Lowland Ethiopia, where mobile animal husbandry dominates. The three examples are representative of the wide range of possible factors determining structural transformation. The empirical analyses have shown that in Zambia and Benin there has so far only been very modest rural structural transformation, whereas in Lowland Ethiopia a more rapid transformation process can be observed.

The modest changes in **Zambia** are accompanied by only a slight average increase in agricultural productivity (from a low base level) and in Benin by a stagnating or falling average productivity. In the Ethiopian lowlands, a marked fall in the productivity of grazing land can be observed. The small average increases in productivity in Zambia are due above all to the spread of the fertiliser subsidy programme. However, the subsidies are restricted to maize cultivation and the amounts of fertiliser per unit area are often insufficient for the cultivation systems. This policy leads to very one-sided, simplified agriculture without organic soil management. There are only occasional signs of changes towards "conservation agriculture". Commercialisation is largely limited to the Central Province and individual investments.

In **Benin**, only a few commercialised operations have so far achieved increased productivity, while the majority of resource-weak small-scale farms are confronted with falling factor productivity. Signs of transformation can be observed along with some diversification, but any growth in production continues to be achieved by extending the areas used for production rather than through structural changes. The main reason for the stagnating or declining productivity is progressive soil degradation, which in turn is attributable to poverty.

In **Lowland Ethiopia**, the degradation process is even more pronounced. The ongoing structural change there affects the patterns of settlement and land use. There has been massive impoverishment of mobile animal pastoralists, with drastic reductions in the herd size per household and severe degradation of grazing land. The most productive communal grazing land near to rivers is blocked by large-scale investments and is increasingly privatised. Of necessity, most households have begun to adopt a less mobile, highly diversified lifestyle. Where possible, mobile pastoralism is increasingly being combined with subsistence-oriented agriculture (above all maize cultivation).

The analysis relates specifically to Lowland Ethiopia, but despite high national growth rates and successes in poverty reduction there has also been a lack of indications of broad structural transformation in the Highlands. A large proportion of the Highland population continues to rely on small-scale farming under increasingly precarious conditions, with massive soil degradation. Although women are being empowered as a result of their growing in-

tegration in income-generating activities, their work-load has also been increased.
The development in the Lowlands is complemented by a growth of towns and cities as a result of the migration of pastoralists, refugees from Eritrea and Somalia, and economic migrants from the Highlands, although once again without corresponding capacity of the labour market to absorb the growing workforce.

All in all, the trends in rural Africa run counter to those observed in Europe. Rather than people migrating as a result of increasing agricultural productivity, in Africa it is the stagnating or sinking productivity that is driving urbanisation.

Urbanisation in Africa is not a linear process

Growing numbers of young Africans are migrating to the cities and increasingly also to smaller and medium-sized towns, but in contrast perhaps to expectations this is not leading to a decline in the rural population. Due to the continued high population growth in all African countries, population levels will also continue to increase in rural areas in the medium term. While birth rates fell in Europe in the course of structural transformation, they continue to remain high in the poorest African countries.

The employment opportunities in African towns and cities are not sufficient to absorb the potential labour force

Whereas most of those migrating from rural areas in Europe during its transformation could hope to find a job in the towns and cities, the majority of those moving to African cities do not face good prospects because of insufficient (formal) employment opportunities. The building and services sectors, and mining or large-scale agricultural companies located on the periphery of the cities are only able to offer employment for a very small proportion of these people. To make matters worse, there will be little chance in future of labour-intensive industrialisation in Africa of the kind experienced in Europe in the 19th century. In view of the effects of globalisation, if there is any industrialisation in African countries it will be capital-intensive and digital in nature. But we do not know how the world of work will develop globally when viewed as a whole.

Important indicators for structural transformation	Trends during industrialisation in Europe	Trends of structural transformation in Africa today
Proportion of agricultural employment	⇩	⇨
Size of farms	⇧	⇘
Urbanisation	⇗	⇧
Rural population growth	⇩	⇗
Proportion of GDP	⇩	⇘
Agricultural productivity	⇧	⇨
Soil degradation	⇗	⇧

Indicators of structural transformation in Africa
Source: Results of the SLE research project

Circular migration and multi-local or trans-local maintenance systems as support strategies

Faced with these conditions, appreciable numbers of people return to the rural areas after some time. Given the traditional cohesion of families and the lack of formal social security systems, people live in multi-local or trans-local family networks, offering one another seasonal support and mutual assistance in crisis situations. Migration movements in one direction and back again are directed by survival prospects and combined with money transfers via mobile phones. This strategy is appropriate in that it minimises risks, but it has nothing in common with a dynamic

economic development. At best it can enable people to "get by".

How could the trends identified in Africa be made sustainable and more socially inclusive?

The analyses show that Africa is not experiencing a structural transformation like that undergone in Europe in the past. There are changes, but these largely reversals, often leading to reduced areas of land per household, falling productivity and more poverty. On the basis of these results, the research group has derived strategic approaches with two basic objectives:

- Improving productivity by organic intensification and stopping the degradation of soil and pasture land with the aim of improving rural prospects and thus reducing the migratory pressure to the towns and cities.
- Increasing educational and employment opportunities, above all for young people and impoverished pastoralists in the towns and cities.

Slowing down urbanisation and creating jobs recognises the limited capacities of towns and cities and also aims at increasing these. In particular, there is a need for sustainable soil management, crop diversification, adapted mechanisation and more effective marketing. It is also essential to develop the elements all along the value-creation chain (including suppliers and processors). Whether rural development is possible and whether development cooperation will be able to make an effective contribution to this will also depend not only on undertakings by the governments involved but also on whether prices can be achieved for agricultural products that provide the mass of small-scale producers and pastoralists with improved incentives for sustainable production. However, such a legitimate goal of rural development cannot be realised without some steps to reduce the distortions in global trading policies.

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