

AGRICULTURAL TRANSFORMATION IN AFRICA: LINKING SOCIAL PROTECTION TO AGRICULTURE FOR EMPLOYMENT



Osabohien Romanus, Onanuga Olaronke, Busayo Aderounmu & Oluwatoyin Matthew
[Department of Economics & Development Studies, Covenant University, Nigeria]
romanus.osabohien@covenantuniversity.edu.ng

Introduction

African farmers and agricultural businesses are the major drivers of the continent's economic growth and development (Kehinde, 2017). Agriculture accounts for more than 32% of GDP and employs 65% of the labour force in Africa (Sennhauser & Janane, 2015).

In some countries, it contributes over 80% of trade volume and more than 50% of raw materials to industries (Sennhauser & Janane, 2015).

Despite being a crucial sector, agricultural productivity in Africa has declined in recent years

Insights from the Literature

➤ Todd et al. (2010); IEG (2011); Gertler et al. (2012) show that social protection leads to a significant increase in agricultural production and investment as evidenced under cash transfers schemes in Latin America

➤ Andersson et al. (2009) support Devereux et al. (2008) that social protection increases agricultural employment and production in Ethiopia; while Andersson et al. (2009) found that social protection did not increase employment due to its failure to target the most vulnerable.

➤ Asfaw et al. (2012), on the other hand, found that social protection simply leads to a modest increase in agricultural participation in Kenya. Handa et al. (2013) proved that social protection has no significant impact on employment in Ghana.

Data Analysis

- GMM was employed on 37 African countries
- Data was sourced from CPIA and WDI (2005 – 2017)

Model

$$\ln agricemp_{it} = \phi \ln agricemp_{it-1} + \beta_1 SOP_{it} + \beta_2 CAP_{it} + \beta_3 \ln POP_{it} + \beta X'_{it} + \partial_t + \epsilon_{it}$$

Where: $\ln agricemp_{it}$ is the log of the dependent variable (agriculture employment), $\phi \ln agricemp_{it-1}$ is its lag, SOP means social protection, CAP means capital, POP means population. X'_{it} is vector of institutional variable; ϕ is constant, β , are parameters; ∂_t controls for time dimension; ϵ_{it} is error term

Objective

- To examine how agricultural sector will be made attractive through social protection policies/programmes for employment in Africa



Production, Family income and Food security

Conclusion

➤ agricultural transformation should focus on the enhancement of rural households access to mechanization services, quality and affordable agricultural inputs

➤ Agriculture should be made attractive through social protection policies/programmes for employment

