STAARS
Structural Transformation of African Agriculture and Rural Spaces

PEP research and capacity building initiative for African development
Promoting the structural transformation of African agriculture and rural spaces will be essential to maintain the emerging momentum and to advance an inclusive growth agenda in Africa.

The initiative

In recognition of its role in promoting high quality research and capacity building, The Partnership for Economic Policy (PEP) has been invited along with the African Development Bank (AfDB), Cornell University, the World Bank, and the African Economic Research Consortium (AERC) to participate in the Structural Transformation of African Agriculture and Rural Spaces (STAARS) – a major African initiative for high quality research and capacity building for agricultural transformation as a key pathway to reduce poverty and promote inclusive growth and sustainable development in the continent.

Sub-Saharan Africa (SSA) is urbanizing rapidly and enjoying accelerated economic growth relatively to past decades. Nonetheless, in many parts of SSA rural poverty rates remain high, and rates of agricultural income and output growth are insufficient to enable escape from poverty. Despite the overall macroeconomic growth and improved governance enjoyed broadly across the continent, farms remain small, many African smallholder farmers still use few modern inputs, and widespread market failures impede optimal allocation of labor, land and other factors of production.

In the current policy and research environment, there is significant momentum behind developing and promoting improved agricultural technologies, but there is a gap in policymakers’ appreciation of the pathways that link productivity growth in smallholder agriculture and the broader development of rural spaces. In order to develop policy and programmatic interventions that promote a progressive structural transformation of African agriculture and that ignite more broad-based, inclusive, and sustainable income and productivity growth, policymakers need rigorous evidence on the causal factors that drive improvements in agricultural productivity and household well-being. A first key step in this direction was taken by the Myths and Facts project, jointly funded by the World Bank and African Development Bank (AfDB), which generated preliminary descriptive analyses on various issues including modern inputs use, farm productivity, and market performance.

Building on this significant groundwork, the STAARS initiative aims to focus on direct engagement with policymakers and researchers in Africa, through active partnership with AfDB, World Bank, AERC, PEP, Cornell University and others. The broad goals of this partnership are to directly feed policy questions into economic research, build the capacity of young researchers on the continent, and
generate and promote in-depth, rigorous research on the causal determinants of productivity, employment generation, income growth, financial inclusion, asset accumulation, and effective risk management in African agriculture and rural spaces.

With scientific backstopping and capacity building support from Cornell University, the nascent, broader STAARS consortium has been developed for that mission.

**PEP’s engagement**

Building on existing partnerships with Laval University and others, PEP aims to further expand its activities and contribute to capacity building and policy relevant research on issues related to rural employment, dynamics of rural labor markets and effects on agricultural transformation and inclusive growth in Africa. Through this emerging collaboration, PEP will undertake the following activities:

- engage key collaborating institutions to develop a larger grant project and support cutting-edge policy research and capacity building in Africa;
- initiate the establishment of STAARS Fellows program which will provide small grants for bright and early career African researchers to conduct research in selected topics;
- support workshops and hands-on training programs in selected topics of high interest for young African researchers;
- connect and integrate African researchers to the PEP global network to enhance ideas and knowledge exchange in the areas of agricultural transformation;
- disseminate the research findings to engage and inform policymakers in supporting the dialogue on transformation of African agriculture.

As part of this initial collaboration, PEP also aims to enhance the networking and collaboration within the consortium through joint planning and hosting of scientific conferences and policy workshops as well as sharing of knowledge and experience. The participation of young African researchers, policymakers and other stakeholders is the key for the success of the initiative and for the development of a larger continental effort for agricultural transformation in Africa.

**Research and capacity development**

As part of building the initial core team, PEP has actively engaged in the consortium and provided technical contributions in the conceptualization and further development of the STAARS initiative. The consortium has developed the framework for expanding and launching the project with the engagement of various donors and development partners – both within and outside Africa.

In April 2015, together with the consortium, PEP co-hosted a one-day policy consultation workshop in Nairobi, Kenya. The workshop drew participation of key policymakers and stakeholders.
from across Africa to share experiences and perspectives, discuss current status, identify key players and determine knowledge gaps and priority issues for research and capacity development in transforming African agriculture. The forum included a high level panel discussion which provided insightful and valuable inputs for shaping the direction of the STAARS initiative.

The key focus of PEP under this initial phase of the STAARS initiative includes supporting quality research and capacity development around selected issues related to:

- rural labor markets, labor productivity gaps;
- technology adoption;
- youth & gender issues in agriculture
- links between agriculture and the rural non-farm economies;
- key policies required to ignite and accelerate agricultural and rural transformation for inclusive economic growth and poverty reduction in Africa.

The project uses existing and high quality datasets such as the newly available panel data from Living Standards Measurement Studies – Integrated Surveys on Agriculture (LSMS-ISA). Together with the consortium, a call for papers was issued for the first STAARS science and policy conference in Addis Ababa, December 4-5, 2015, for which over 260 papers were submitted and 24 papers were selected for presentation, including several led by African scholars. PEP has extended support to three young researchers from Benin, Ethiopia and Niger selected through this competitive process to present their papers in the conference.

These include:

- Non-farm Employment, Agricultural Intensification and Productivity Change: Empirical Findings from Uganda;
- Patterns of labor productivity and income diversification in the rural farm and non-farm sectors in Sub-Saharan Africa;
- Spillovers from Off-farm Self-Employment Opportunities in Rural Niger.

In addition, following research papers are in preparation for upcoming STAARS conference and other publications:

- Youth and women in African agriculture and their contributions in raising farm productivity, asset accumulation and household living standards;
- Gender, technology adoption, and farm productivity;
- Impact of joint farm technology adoption on poverty and inequality of farm households.

The research and capacity building around these interlinked studies will contribute to bridging the gap and lack of evidence on the underlying social and institutional constraints and drivers in structural changes in African agriculture. Furthermore, PEP focuses its support on capacity building activities and mentorship targeted at early career African researchers to access high quality micro-level data and apply leading-edge analytical methods with emphasis on rural labor markets, youth employment, gender, rural-urban linkages and labor productivity gaps in Africa. This capacity building support will be facilitated through the collaboration with Cornell University, other members of the consortium and Laval University – a core partner of PEP. The bilateral program of mentorship involving Cornell faculty and others will contribute to training a significant number
of early career researchers – especially as the STAARS initiative expands with more resources. Following PEP’s unique capacity building model, the STAARS scholars will be matched with selected senior researchers and faculty to serve as mentors to work on selected research issues leading to high quality evidence and publications. The mentorship models will involve study visit to selected institutions and distant coaching.

Policy relevance

The studies will provide additional insights on labor productivity challenges and the limited adoption and use of productivity-enhancing technologies in African agriculture which continue to hinder accelerated poverty reduction and inclusive growth in Africa. The limited interest of the youth and the skilled and well-educated rural labor force in agriculture has also contributed to stagnation and lack of accelerated productivity change. This has activated outmigration from rural areas or search for employment in non-farm activities partly fueled by rapid population growth and higher labor productivity in non-farm activities. This shift is an important source of employment and income to rural households and contributes to structural transformation. Nonetheless, the agricultural and non-farm sectors should be developed hand in hand to benefit from and leverage inter-sectoral complementarities between non-farm self-employment for enhancing food security and reducing poverty in rural areas. Hence, understanding this structural change in the composition of rural economic activity is an important policy issue on Africa’s development and meeting the continental vision for Africa as enshrined in Agenda 2063.