

Mega-trends and the Future of African Economies



T.S. Jayne, Lulama Traub, Felix Yeboah,
Milu Muyanga, Jordan Chamberlin

Presentation to MSU Foundation Board of Directors,
Michigan State University
August 15, 2017

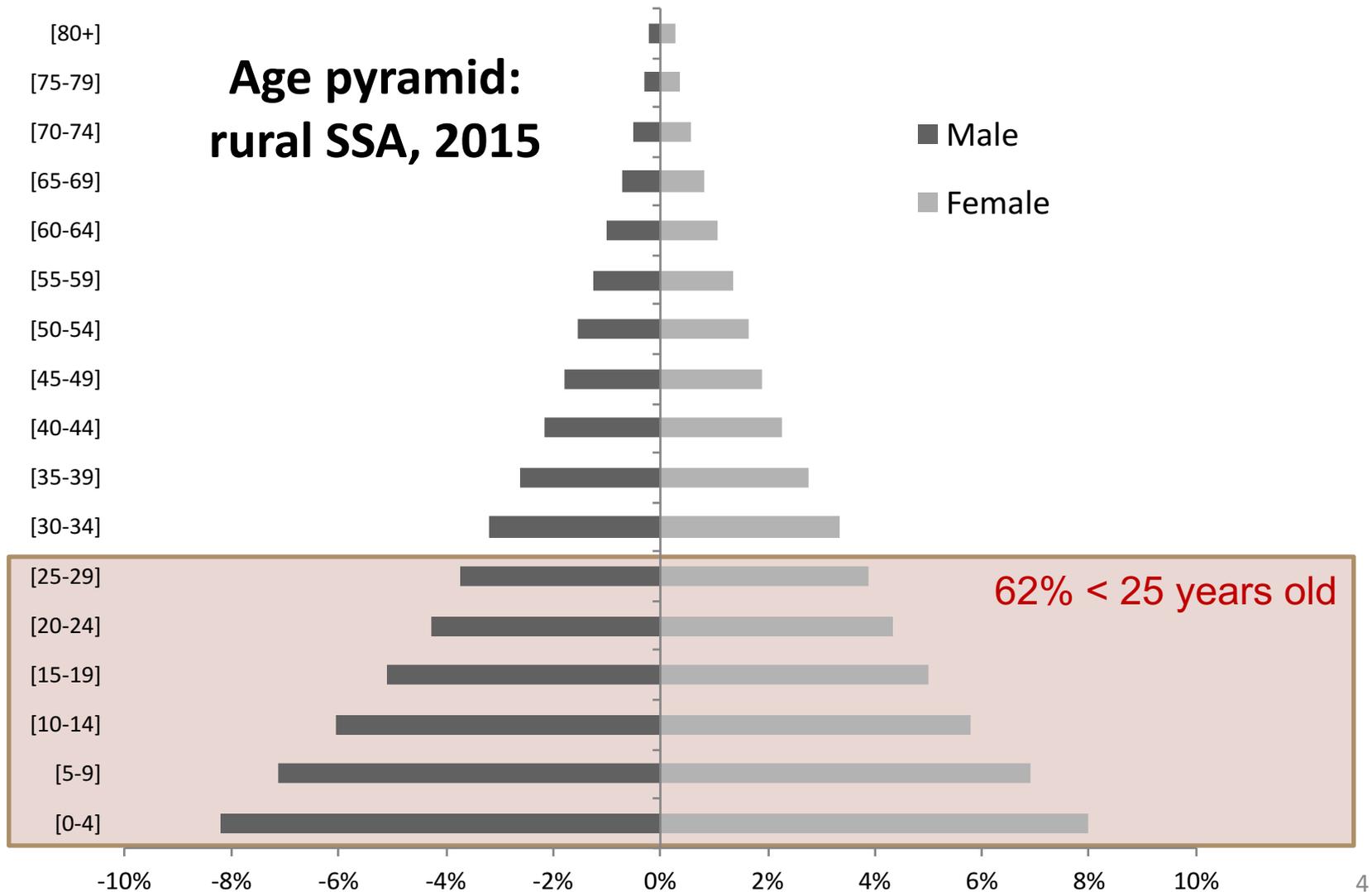
Six major trends



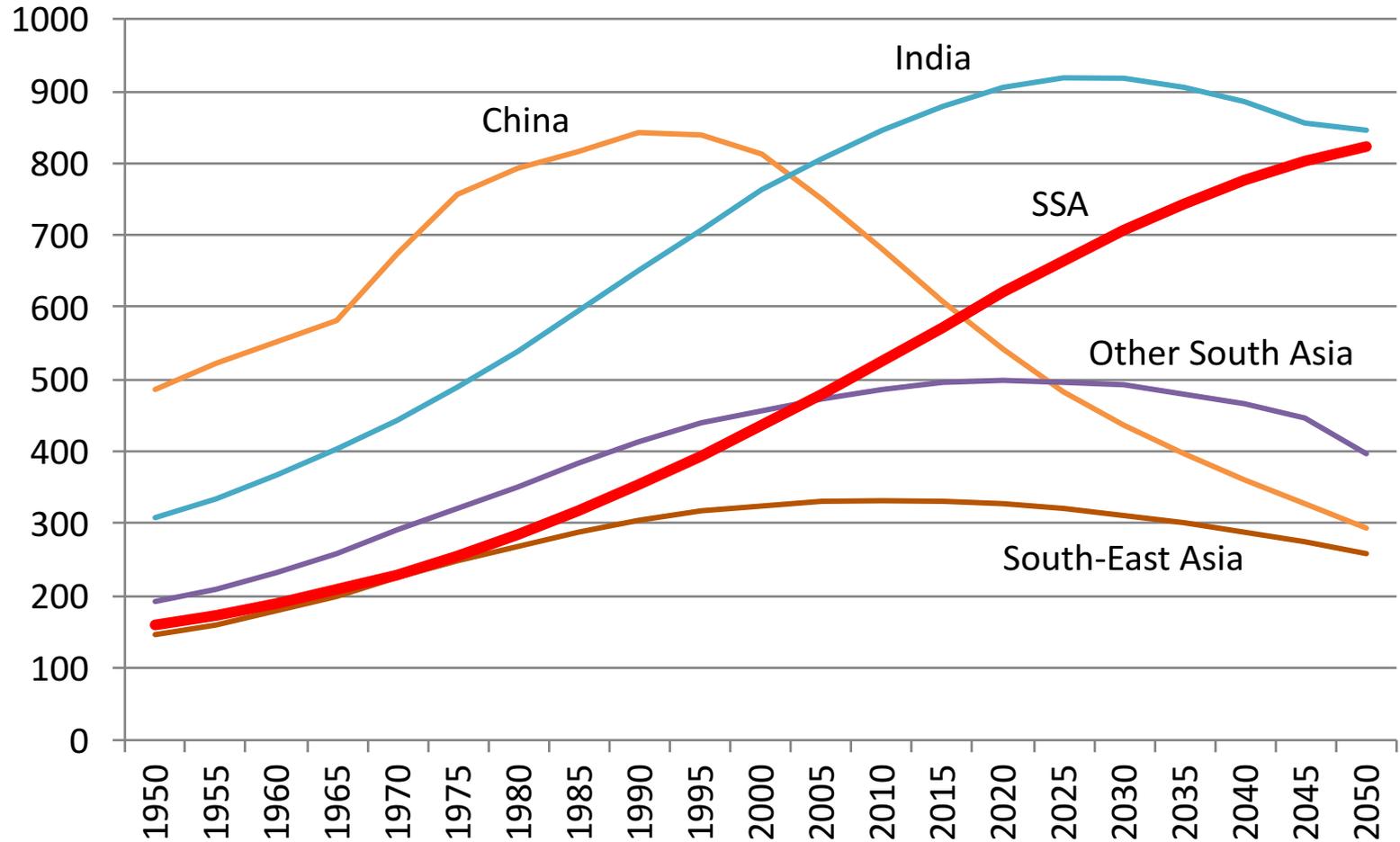
Trend #1

The “Youth Bulge”

Looming employment challenge in SSA



Total Rural Population (millions)



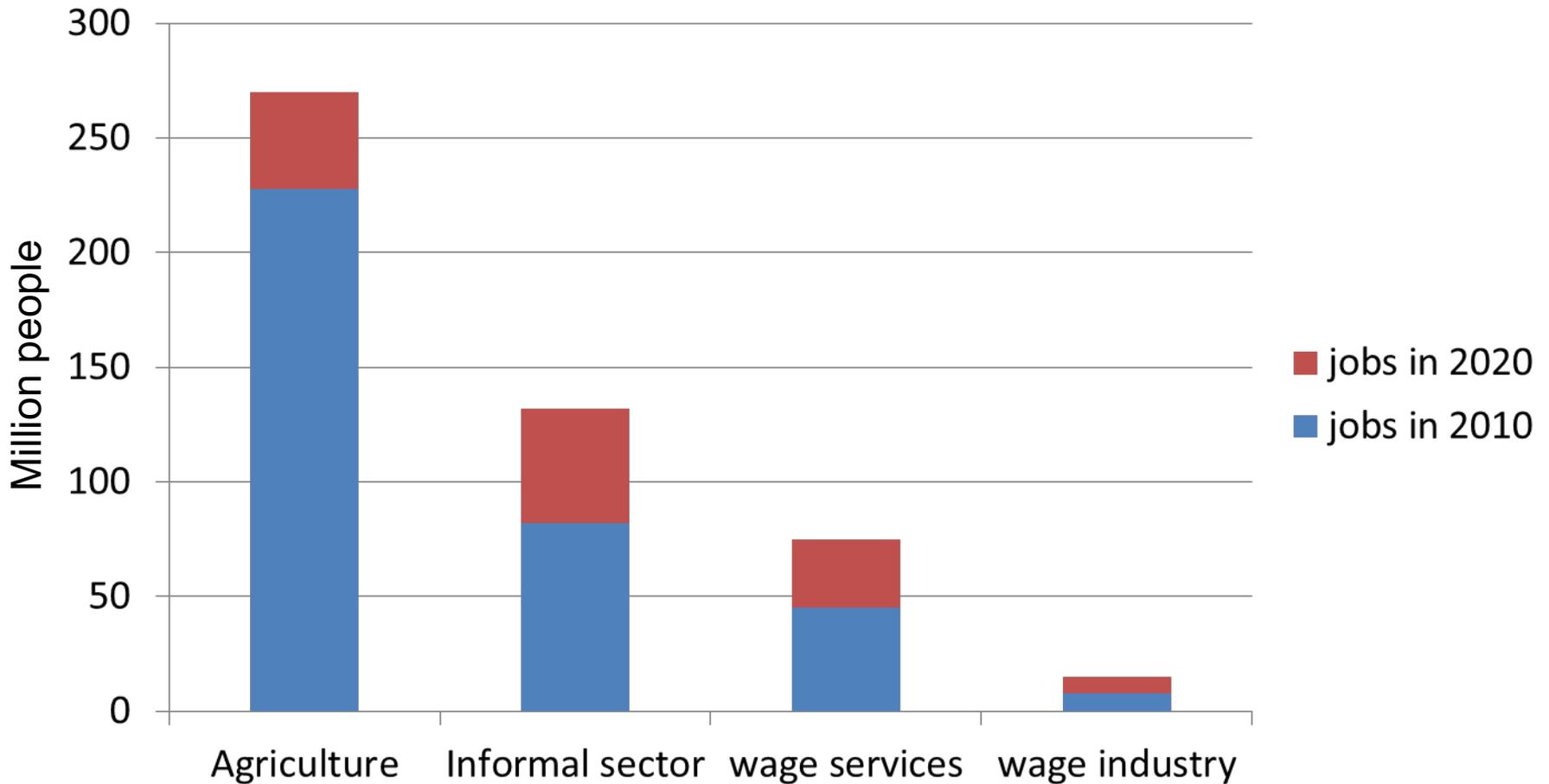
Source: UN 2013

Trend #2

People entering labor force >
wage jobs being created

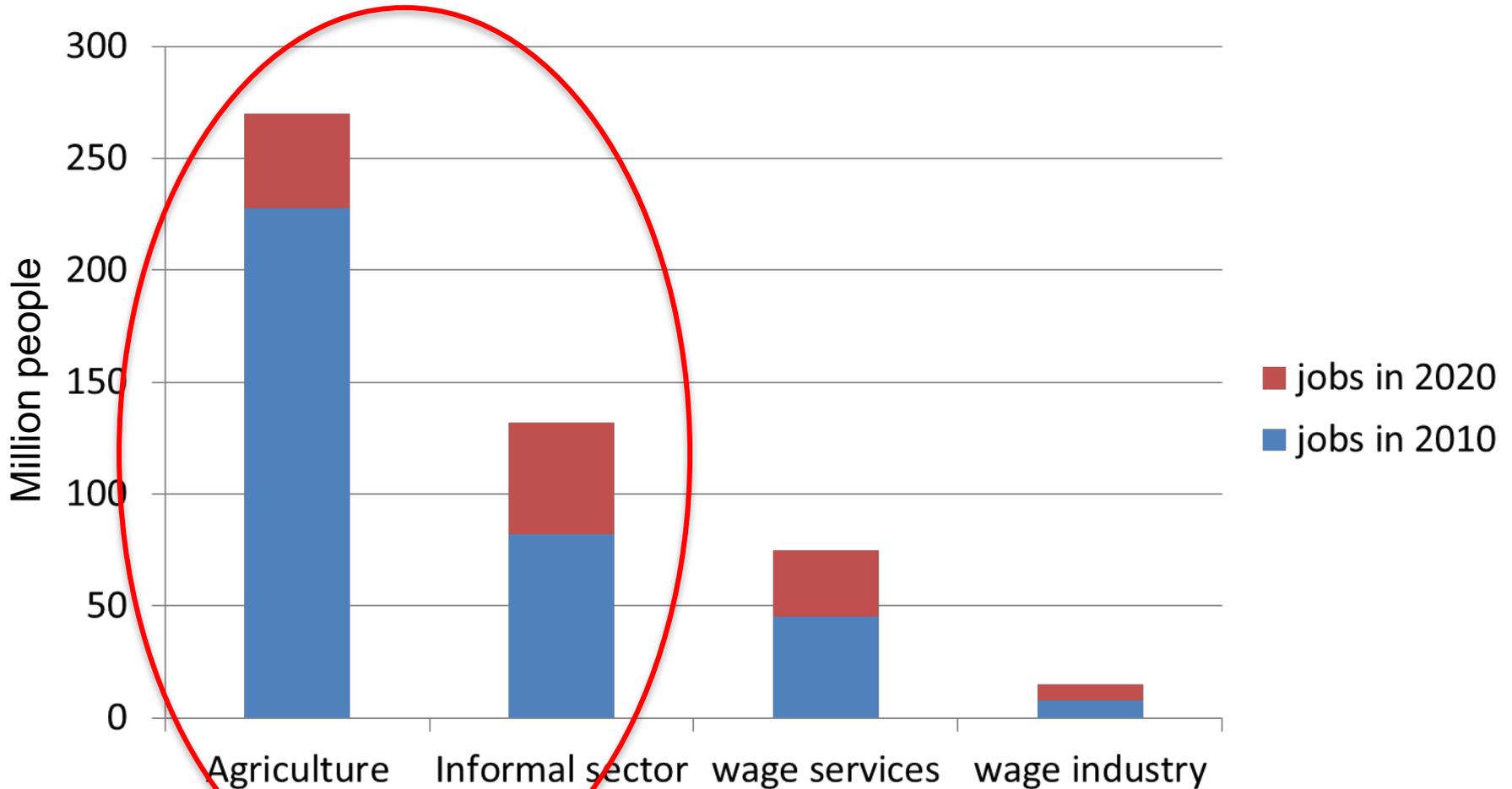
Most Africans will remain
reliant on farming!

Jobs by sector, Sub-Saharan Africa



Source: World Bank (Filmer and Fox), 2014

Jobs by sector, Sub-Saharan Africa

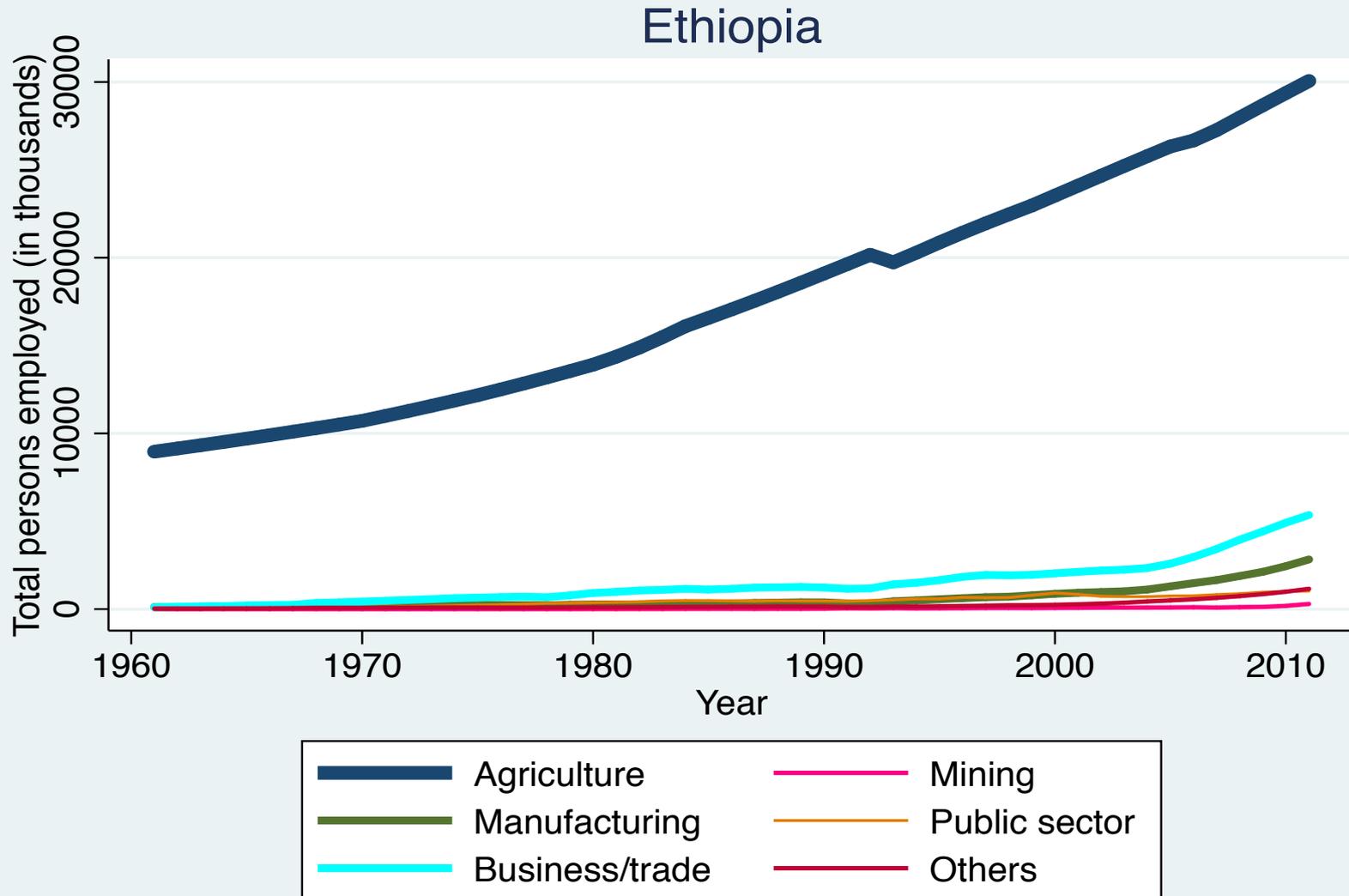


Source: World Bank (Filmer and Fox), 2014



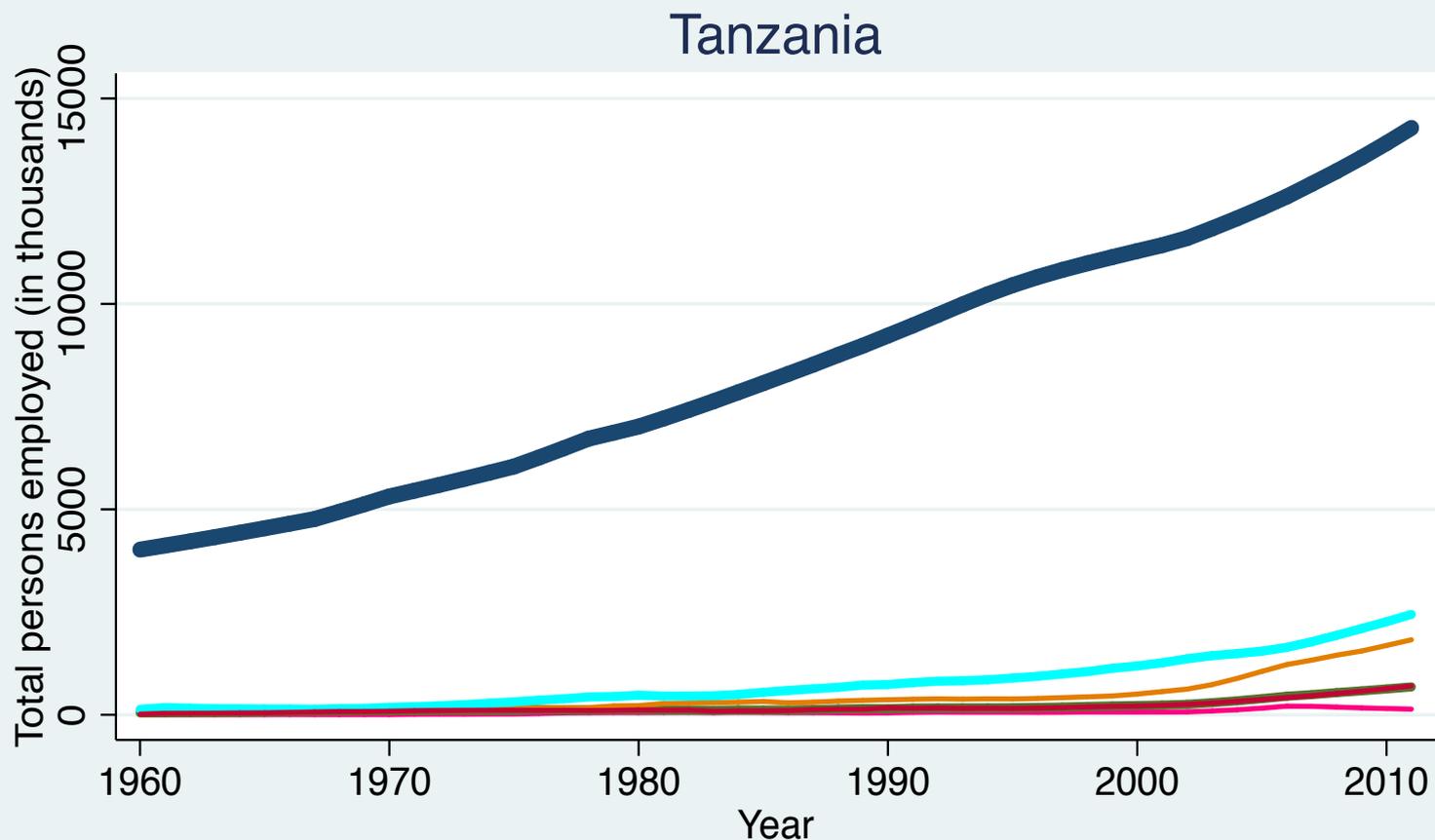
Peter Wilson

Employment trends: Ethiopia

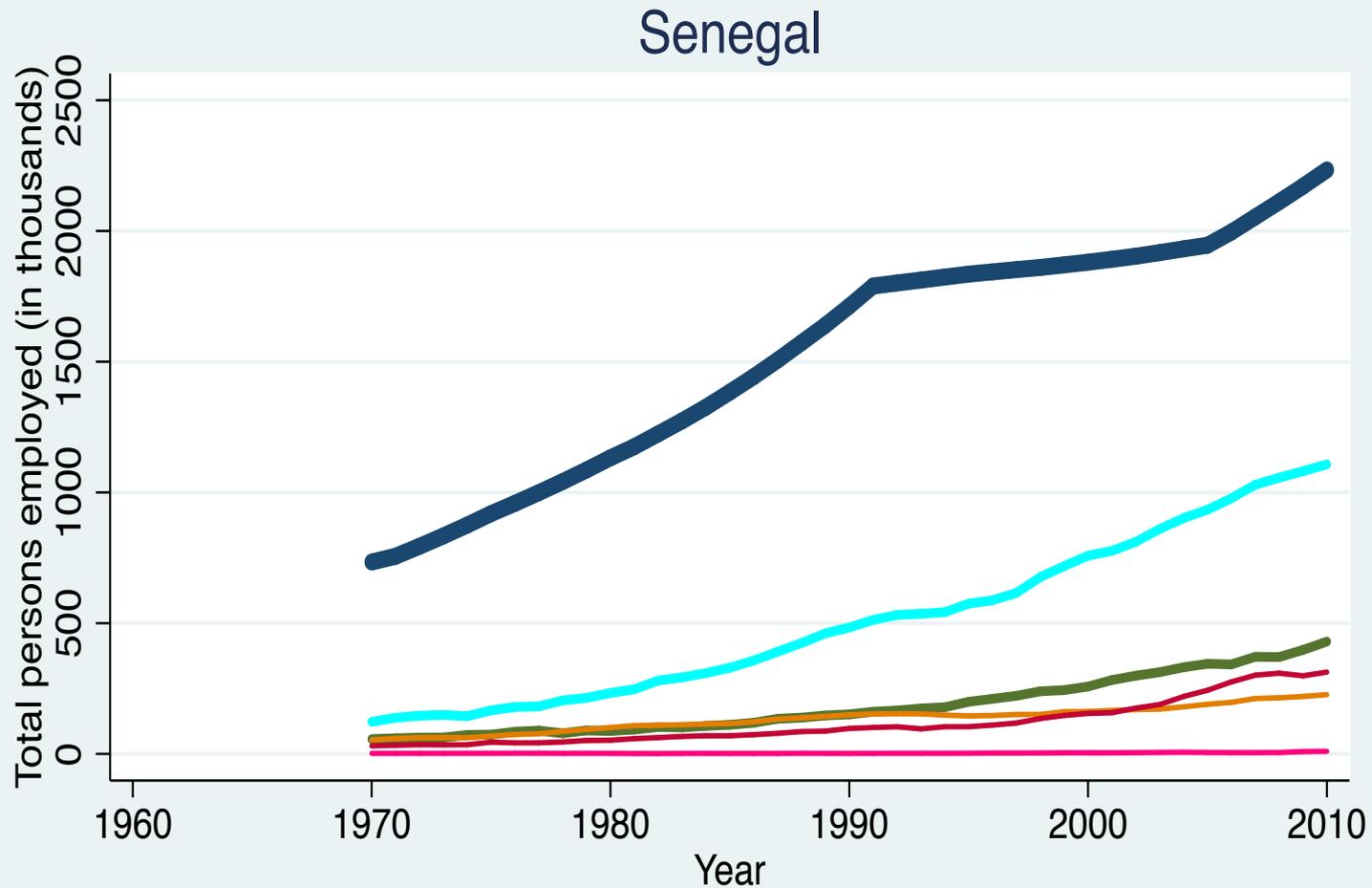


Source: Groningen Growth and Development Centre, 2014

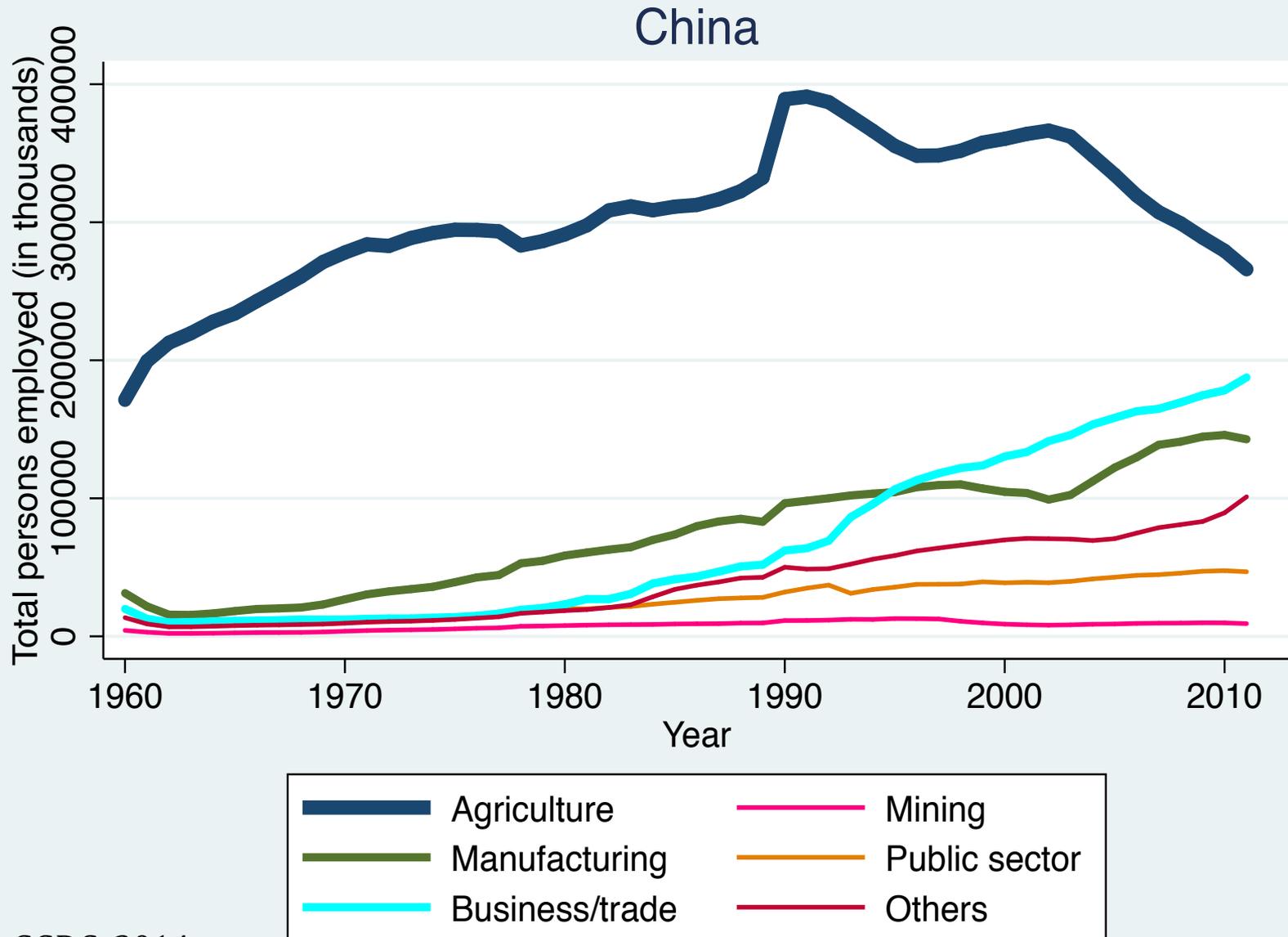
Employment trends: Tanzania



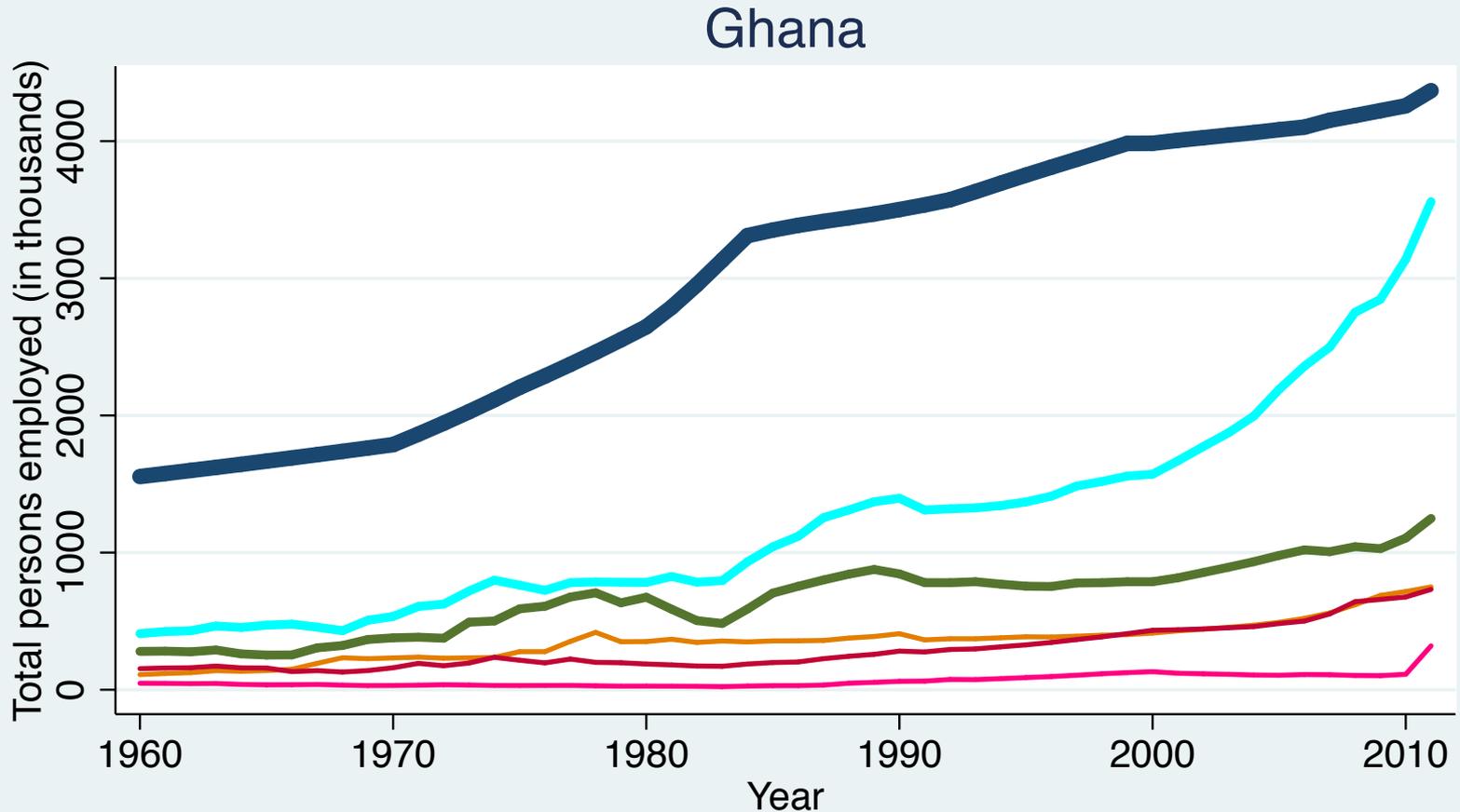
Employment trends: Senegal



Employment trends: China



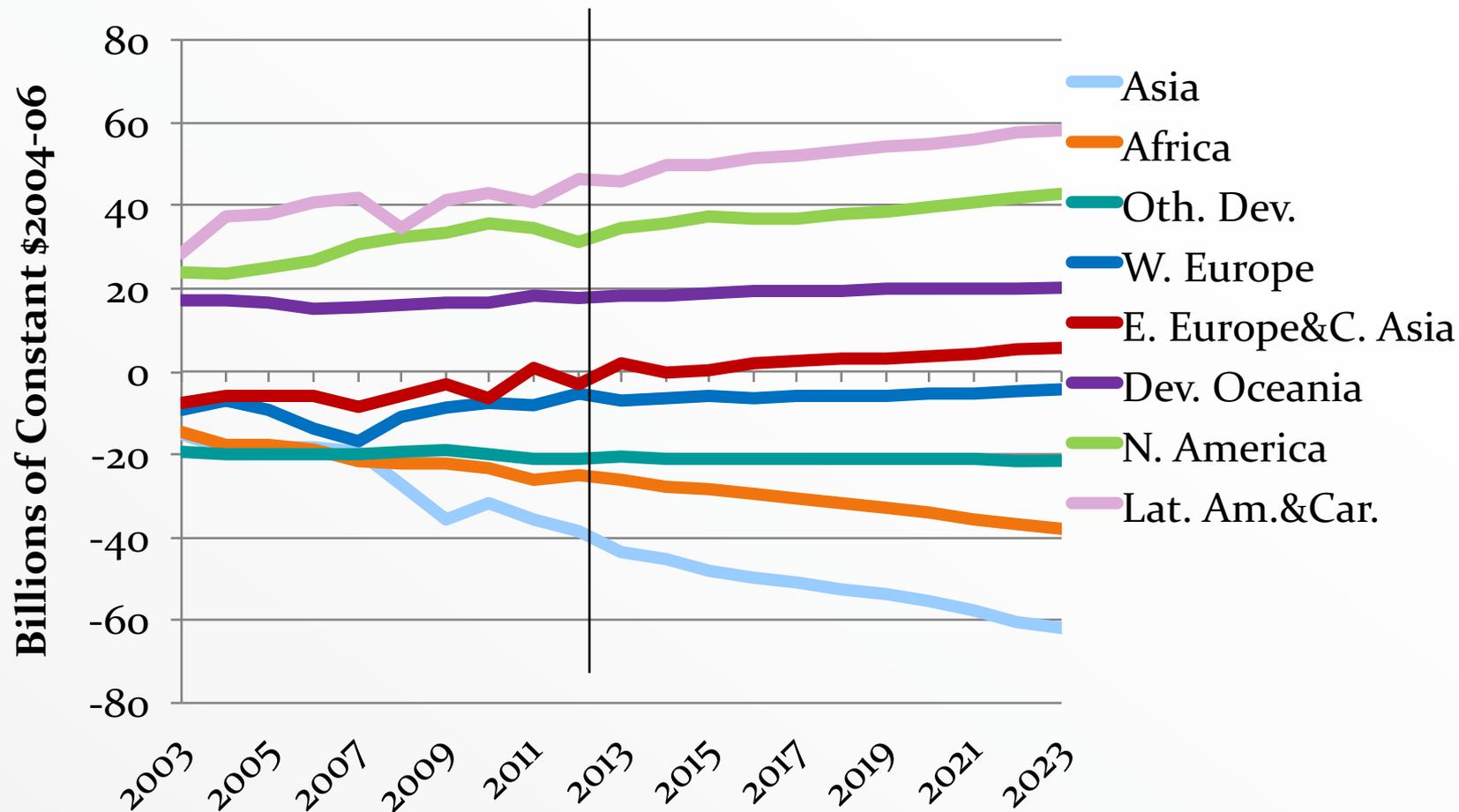
Employment trends: Ghana



Trend #3

Food consumption
outstripping
production

The Americas are increasingly the world's food basket



Source: FAOSTAT, thanks to Holger Mathey

Trend #4

Major scramble for
Africa's arable land

Nine countries contain 90% of Africa's unutilized arable land

	Non-forested unutilized land ¹ (million ha)	Proportion	Cumulative Proportion
DRC	84.8	46.5%	46.5%
Angola	18.9	10.4%	56.9%
Congo	12.9	7.1%	63.9%
Zambia	10.8	5.9%	69.9%
Cameroon	10.5	5.7%	75.6%
Mozambique	9.0	4.9%	80.5%
CAR	7.1	3.9%	84.4%
Gabon	6.5	3.6%	88.0%
Sudan	5.8	3.2%	91.2%
Rest of Africa (n=45)		8.8%	100.0%

-
- Meteoric rise of medium-scale farms

Table 2: Changes in farm structure among small- and medium-scale farmers in Zambia (2009 - 2012)

Landholding size Category	Number of farms			% change (2001-2012)	% of total farmland		Share of landholding cultivated (2012)
	2001*	2009	2012		2009	2012	
0 – 2 ha	638,118	916,787	748,771	17.3%	24.1%	16.2%	91.2%
2 – 5 ha	159,039	366,628	418,544	163.2%	33.8%	31.7%	66.4%
5 – 10 ha	20,832	110,436	165,129	692.6%	20.3%	25.0%	49.5%
10 – 20 ha	2,352	35,898	53,454	2272.7%	12.3%	15.0%	36.7%
20 – 100 ha	--	9,030	13,839	53.3%**	9.5%	12.0%	10.9%
Total	820,341	1,438,779	1,399,737	70.6%	100.0%	100.0%	

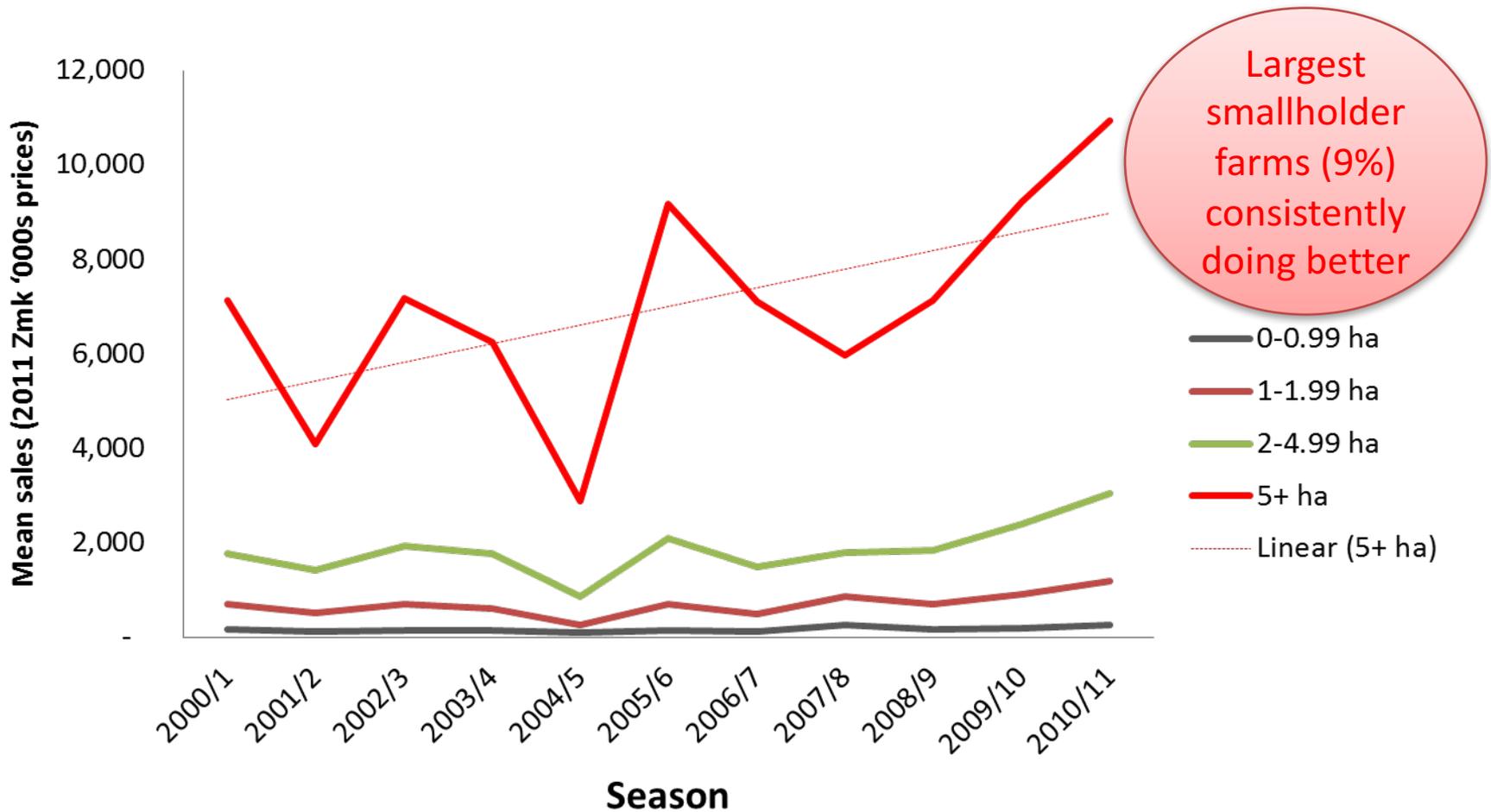
Source: Ministry of Agriculture Crop Forecast Surveys, 2009, 2012. *2001 figures are land under cultivation. ** Growth rate computed from 2009-2012 only. "na" means not available.

Table 2: Changes in farm structure among small- and medium-scale farmers in Zambia (2009 - 2012)

Landholding size Category	Number of farms			% change (2001-2012)	% of total farmland		Share of landholding cultivated (2012)
	2001*	2009	2012		2009	2012	
0 – 2 ha	638,118	916,787	748,771	17.3%	24.1%	16.2%	91.2%
2 – 5 ha	159,039	366,628	418,544	163.2%	33.8%	31.7%	66.4%
5 – 10 ha	20,832	110,436	165,129	692.6%	20.3%	25.0%	49.5%
10 – 20 ha	2,352	35,898	53,454	2272.7%	12.3%	15.0%	36.7%
20 – 100 ha	--	9,030	13,839	53.3%**	9.5%	12.0%	10.9%
Total	820,341	1,438,779	1,399,737	70.6%	100.0%	100.0%	

Source: Ministry of Agriculture Crop Forecast Surveys, 2009, 2012. *2001 figures are land under cultivation. ** Growth rate computed from 2009-2012 only. "na" means not available.

Participation in output markets



Source: MACO CFS 2000/1 to 2010/11 and authors' computations

Major Question:

Is rapid land acquisition by medium/large farms foreclosing smallholder-based agricultural development?

Six 'megatrends': Recap

1. Youth bulge
2. Number of young people entering labor force outstripping growth in wage jobs → rising importance of 'viable' agriculture
3. Food consumption outstripping production
4. Rising land scarcity
5. Land degradation (not addressed here)
6. Climate change (not addressed here)

Major message:

- Don't accept all these “megatrends” as inevitable
 - Some trends are highly uncertain, being dependent on the time path of other trends
 - Policy can influence the trajectories of some of them / others less so

