

**USAID ECONOMIC GROWTH OFFICERS CONFERENCE  
OCTOBER 15-19, 2007  
WASHINGTON, D.C.**

Session Title: Agriculture in post conflict environments

Date and Time: October 16, 2007, 2:45– 4:00 p.m.

Type of Session: Breakout

Speaker(s): John Mellor, Abt Associates

Moderator: Phil Steffen

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Overview of Session:



Dr. Mellor addresses workshop attendees. Photo by Paul Goodman.

Dr. Mellor introduced his talk by reiterating the importance of agriculture, especially in post-conflict countries (PCC). He emphasized the important rural economy multiplier effect of agriculture incomes and pointed out the importance of ensuring that programs supported by USAID are seen as being implemented by the government. Shoring up the perceived credibility of government is particularly important in a post-conflict situation. Immediate food aid is, of course, one of the most pressing initial objectives, but food aid should quickly be redesigned to support rural public works to get ruined rural infrastructure rehabilitated as quickly as possible. Dr. Mellor highlighted the important role of the rural non-farm (RNF) sector as a source of employment and growth. The RNF needs to be given serious attention in PCCs. In designing programs to support farmers in PCCs programs will get the greatest “bang for the buck” by working with the “middle farmers”, neither the very smallest nor the very largest, but the “small, potentially-commercial” farmers. They should be given the greatest focus.

**Speaker's Remarks:**

Dr. Mellor's presentation had four key points: 1) Appropriate government services, even if they are being provided by donors during a post-conflict situation, must be seen as being delivered by government; 2) Agricultural growth services are critical to the perception of good government (that something is being done) by rural constituency; 3) Rapid agricultural growth drives employment through its impact on the rural non-farm (RNF) sector; and 4) Food aid must first be oriented to relief and quickly, thereafter, to rural public works. His presentation was largely an elaboration of these points.

He spoke of the importance of agriculture in PCCs. He reminded the audience that the rural sector is key; that non-farm activity in the countryside is generally more important even for farmers than agriculture; that most rural non-farm products/services are non-tradable; that remittances are key for much of the rural economy; and that most incremental employment is generated by the agriculture sector. The importance of the rural non-farm sector can't be over-

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emphasized; one half of incremental income of farmers is spent on products of the rural non-farm sector (tailoring, carpentry, etc.). Rural non-farm enterprises are highly labor intensive so any expenditures in RNF go directly to labor. Getting agriculture incomes up to drive the RNF sector, which will soak up labor, is key generally, but especially in PCCs.

After a conflict the situation in agriculture is one of 1) dilapidated/destroyed infrastructure, 2) poorly staffed government institutions, and 3) a weakened private sector. These, of course, must be addressed.

Following a conflict more than half the rural population may well be food insecure. This is the immediate problem in the rural area. In the immediate term food aid needs to be given for relief to these food insecure people, then food aid should be phased quickly into rural public works programs. Long term growth efforts should not be delayed, however. They should start immediately since income growth in agriculture has huge employment growth multipliers. Over 80 percent of incremental employment growth is from agriculture multipliers.

There are three key areas to be given attention in rebuilding agriculture in PCCs: 1) roads, irrigation and food aid for rural infrastructure; 2) technology, research and extension; and 3) restarting private sector enterprises.

Dr. Mellor's conclusions about how best to support agriculture and rural reconstruction in PCC include the following: 1) Government must be in front on any aid program; 2) Food aid must generate employment and rural infrastructure; and 3) Start the basis for long term farm income growth immediately.

**Key Points Discussed During Question & Answer Segment:**

- In PCCs suffering from the high prices of the “resource curse,” how does one get agriculture going?
- Other donors send much more of their assistance through the government than does USAID. In that context it may be more difficult for USAID assistance to give government prominence.
- Where does land reform fit into PCC assistance sequencing given its political sensitivity?
- Should contract farming be introduced in PCC in an effort to boost agricultural and rural incomes where it may not have existed before? Will the possible tensions be outweighed by the extension support that contract farming provides to small farmers?