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Title: Food and fertilizer price hypes in Sub-Saharan Africa. It never rains but it pours; Cameroon a caricature of the broader picture.

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Summary:

This article seeks to explore the impact of food and fertilizer price hypes in Sub-Saharan Africa in general and Cameroon in particular. It explores the strategies that governments and peoples in the region use in fighting vulnerabilities, food insecurity and poverty due to these price hypes. It proposes transformative institutions toward industrialisation, regional production of fertilisers, improvement of infrastructures including roads etc as ways of fighting back, as well as holistic partnerships between donors and the region and political will. It is based on academic research.

Most development literature holds that poverty is embedded in Sub-Saharan Africa (Hall and Midgley, 2004). This poverty and its incidences are made worst by calamities like prolonged drought, fallow lands, extreme deforestation, wars, general under development, diseases etc which in many ways reinforce food scarcity in an already impoverished region. With enormous food scarcity hence a fragile state of food security in the region (Masters, 2008) how then do poor people strategise to get food or how best do governments work against high fertiliser prices? The difficulties of dealing with these multiple issues at once or to design holistic policies to tackle them, is even graver and may have caused a volatile socio-economic situation to be more tenuous hence the assertion that it never rains but it pours in Sub-Saharan Africa. Cameroon is used as a reflective caricature of the region because it leans heavily on agro-industrial productions in the area of tea, cocoa, coffee, palm and rubber which it exports and thereby uses fertilisers to sustain these sectors. It is a country too that has witnessed recent population growth to 16.1million in 2004 of which many regions remain poor and dependent of subsistent agriculture too. Therefore price hypes for food and fertilisers affect Cameroon and its poor like most countries of Sub-Saharan Africa hence the reason why this paper uses its contexts to reinforce the arguments of the broader picture.

What are the causes of these problems?

A high fertilizer and food price has been linked to a variety of factors that supplement each other:

- High food prices are mediated by high demand for food which is influenced by high Global population increases in the 21st century (Hall and Midgley, 2004).
- High energy prices have led to high prices of nitrogenous inputs (for example phosphate rocks) used in the making of fertilisers. This has increased the cost of food production and led to increase in food prices
- The Global trend towards the production of bio-fuels has also increased demand for fertiliser inputs. This too has affected food supply because production which would have been used to stabilise increase food demand caused by Global population increase is being diverted to the production of bio-fuels leading to Global food insecurity. This has profound negative impacts on Sub-Saharan Africa and Cameroon where poverty is embedded (Bhagavan, 1999).
- High populations without a corresponding increase in food production or fertilisers have meant that supply of these commodities is lower than demand hence price hypes.
- The movement towards index investment instruments and a weakening of the US dollar have also impacted on the production and supply processes of fertilisers. The introduction of export tariffs on fertilisers by some countries like China in 2008, have also led to Global fertiliser and food price hypes (Masters, 2008).

This paper will thus import the state of World food and fertiliser price hypes from 2006-2008 which impact negatively on sub-Saharan Africa hence relevant to Cameroon. It

holds that despite the region accounting to just 1% of the Global fertiliser use, fertilisers still play key roles to some economies highly dependent on agricultural productions for both domestic food production and export-crop production (Morris et al., 2007).

What do the figures say?

International fertiliser and crop prices increases May 2006- May 2008

DAP	318%
Urea	160%
Rice	185%
Maize	108%
Wheat	61%
Beverages	41%
Cotton	29%

Source: World Bank Data 2006-2008

The inference from this data is that major fertilisers like DAP witnessed about 320% increase in price from 2006-2008 while Urea had a 160% price increase compared to just 108% for maize, 61% for wheat and 29% for cotton just to mention these few items. Increase fertiliser price translates into difficulties such a decrease in farmer affordability of fertiliser use and farmer profitability.

Also, this data implicates very seriously on Sub-Sahara Africa as maize constitutes a major staple in most Central and West African countries including Cameroon as well as rice. Maize production is very high in the North West of Cameroon though, where indigenes depend on fufu corn and huckle berry as a staple while rice production is also

very effective at the Ndop plains in the West province. With competition however from foreign imported rice and with increases in population in the North West of Cameroon like most parts of Sub-Saharan Africa (Hall and Midgley, 2004) rice production may have to be subsidised with more fertilisers to compete while maize production will have to be stepped up to meet local consumption that spreads to all parts of Cameroon. Maize it should be noted is a major input to the most striving industrial activity in many of these countries including Cameroon which is the brewery industry (Major Cameroon industries include Kadji Beer, Brasseries du Cameroun etc), also noted to pay high taxes to these governments of this region.

More over, Cameroon with other countries like Mali and Burkina Faso are exporters of cotton which needs to compete with subsidised cotton from Europe (Europe subsidises agriculture to a staggering sum of some 35\$ to 40\$ billion each year (Devinder Sharma, 2002) and America making it impossible for these countries to enjoy a favourable balance of payment. The situation is aggravated by the fact that cost of production surpasses profit margins. They do not only have low profits from their efforts but are incapable to afford expensive fertilisers.

Cameroon and other countries engaged in cocoa, coffee exportation like Ivory Coast in West Africa do not only have to deal with high fertiliser prices they also have to deal with high transportation costs from rural areas to ports. The prices of some commodities might increase by 170% before they get to the ports (UNCTAD, 2001) hence reducing even further the profitability of these items.

With imbalances to food production caused by climate change, the region and Cameroon may have to switch from accustomed food productions to other farming systems hence

affecting even more the ecological balance. Food Aid to certain areas of region in conflict has been criticised as leading to monocultures capable of altering or replacing local ecosystems in cases where they include genetically modified organisms (GMOs) (Jean Bertrand Aristide 2000, pp. 13-15). Genetically Modified Organisms have also been argued to accentuate climate change and have been considered as dumping tools leading to superimposition of new inadaptable varieties to areas in famine (*Nature* 418, 569, August 8, 2002).

Besides post harvest technologies in Cameroon and Sub-Saharan Africa are not very developed. This leads to the shrinking of beans, maize and rice harvest from destructive insects like weevils among impoverished farmers and sub-populations. In Cameroon for instance the preservation of maize is mostly from drying using the rays of the sun or smoke from wood fuel-dependent kitchens. This arguably may also step up the carbon content of maize which might be unhealthy if eaten much. Insect attack may also increase the work load of farmers as they may have to remove the insects by hands of local sifters in a burdensome and time consuming process before the products get to the markets. Buyers are also likely to pay more during these processes due to artificial scarcity.

What are some of the implications on regional governments and sub-populations?

All these factors have led to policies and moves by governments and sub-populations in Sub-Saharan Africa and Cameroon in particular to overcome increase food and fertiliser prices in face of more demand for food and a frivolous state of food security. Some of these moves include the following:

- Privatisation of government parastatas involved in the Agro-industrial sector in the region. This policy of privatisation has arguably led to better profitability in

some few cases but has led to the shrinking of provision in many areas or to unemployment where private owners have reduced the man-power of these holdings so as to cut cost of production. (OEEC, 2004; Camfield, 2007). An example is the Cameroon Development Corporation that privatised her Tea Estate into the present Cameroon Tea Estate and the process led to over 500 job cuts and the closure of the Tea Tasting Unit in Tole near Buea. Privatisation has led to more export geared companies in some cases hence reducing even further the ability of poor sub-populations to access certain crops especially those affected by international price hypes.

- It has also enhanced the dependence on organic manure as the main tool to increase crop yield. While this has its advantages it pushes the argument further as to whether the region should fight food insecurity via Genetically Modified Organisms like drought resilient monocultures or simply subsidise local farmers. It has also led to arguments of the relevance of technical assistance in food and fertiliser production sectors of these countries. Technical assistants have been criticised as being too expensive for sub-Saharan governments, to be less skilled than local workers and deterrents to beneficiary empowerment and ownership (Micklewait, Honadle and Barclay, 1983).
- High food prices borne out of high fertiliser prices and affecting affordability by poor sub-populations is fought by a switch to other food varieties. Global switch to bio-fuels it must be noted has also affected food availability and price and boosted the move from traditional crop farming to intensive protein production like poultry in Cameroon (2008 I. M. Arrey Interview of *IRAD* researchers).

Batoke: Limbe, Cameroon. See <http://www.community.eldis.org/falcazo>) or to more production of other staples like cassava and plantains.

- High food prices, low affordability of fertilisers, drought have translated into more fallow, degraded land and to women and children going to more far places in search of fertile land and water holes hence leading to increase burden of poor mothers and children and households affected or headed by people suffering from HIV/AIDS. It has also led to a switch in livelihoods options in many parts of Sub-Saharan Africa where poverty is embedded (Mbaiwa JE, 2004). It has also accentuated extensive cultivation on marginal and fragile lands (Future Agricultures 2008 “The Global Fertiliser Crises and Africa” <http://www.future-agricultures.org>).
- It has led to the sprouting of grassroots organisations to defend and direct farmers and women groups in order to improve on food production and security in the region. In Cameroon the 1990 Liberty Laws helped as it led the way for the formation of Non-Governmental Organisations and Community Based Organisations in the country but this situation has also led to elite capture of resources including development aid to some food sectors because few individuals pose as representatives of peoples they do not represent. This situation has arguably improved the role of civil society in development management in these countries.
- More North-South working synergies and partnerships are sprouting even though development aid in the food sector or towards sustaining the sector have slow and are still being dictating by donor development agenda (Hall and Midgley, 2004).

- Rural urban exchanges in the form of food supplements to informal economies hit by higher food prices have increased. Social relations have increased between these geographic areas and led to more periodic migrations to and from rural and urban areas in the region which has incidentally affected the pattern of the spread of diseases or prostitution in the region (Chant, 1992; Frayne, 2001; Gugler, 2005; Statistics South Africa, 2006). In Cameroon food movements to Douala from rural areas around Nkongsamba and Kumba have also increased. These movements help urban sub-populations suffering from extreme urban food price hypes because they pay cheaper for food and can move to rural areas when conditions are unbearable.

What are some policy proposals relevant to above listed issues?

All these policies and sub-population alternatives to combat food and fertiliser price hypes in Sub-Saharan Africa and Cameroon will only work if there is an enabling environment for cross sector alliances or international cooperation or for effective implementation of agricultural policies in the region. These are only possible when the following devices are put in place:

- Effective and efficient transformative institutions that can facilitate mechanization and industrialization of agriculture in the region. These institutions can be both domestic and foreign. This calls for huge investment in the Agro-industrial sectors and a modification of historically initiated cash-crop-based exports for other crop types. This translates as increase Foreign Direct Investment or Overseas Development Assistance hence the shrinking too of donor conditionalities.

- Improvement of infrastructures such as roads to reduce destruction of food to markets due to rural inaccessibility to consumption centres and to reduce the cost borne from rural areas in the case of goods like cocoa and coffee (UNCTAD, 2001). Road construction interventions are vital in Sub-Saharan Africa as the region can boast approximately only 2.1 million kilometres of road of which only 29.7% is paved (I.M.Arrey, 2008). In Cameroon vital agricultural sectors like Kumba in Meme Division supplying city centres like Limbe and Douala the economic capital are still linked by unpaved roads.
- There must be a regional movement towards the production of local fertilisers by home-based companies. Multi-lateral or sub-regional economic unions like UDEAC and ECOWAS can make target priorities for these industries so as to reduce the impacts of Global food and fertilizers price hypes. This will incidentally reduce the impact of these price hypes on poor farmers and households and improve their ability to resist the shocks and stresses imposed from outside. This will incidentally help poor peoples' proactive measures cited above to resist vulnerabilities created out of food and fertilizer price hypes.
- A conscious effort via pro-poor interventions aiming at regularising the switch to bio-fuels in such a way that it does not jeopardize Global food security and the livelihoods chances of the poorest, must be enhanced by developed countries and donor institutions. Preferably the rate of switching to bio-fuels should be lesser or equal to the conscious efforts of stepping up production of food in Sub-Saharan Africa or the rate of reduction of Global food and fertiliser price hypes to

effectively reduce the vulnerabilities of the region's poor. This not to say that pro-poor interventions should not have an enterprise approach.

- More over, Sub-Saharan governments must seriously fight corruption and prevent elite capture of resources or interventions aimed at fighting the frivolous status of food security in the region. This is possible via transparent judiciary institutions creating an enabling environment for foreign direct investments and ownership in all sectors relevant towards food production and stability.
- Partnerships, networks and other collaborative agenda between grassroots organisations, farmer synergies, representatives of urban ghettos, agro-industrial giants, provincial delegations of ministries in charge of agriculture, fisheries and animal husbandry, research and development, territorial administration as well with international Non Government Organisations must be established to enhance better designs of policies and interventions aimed at holistic solutions to vulnerabilities caused by Global food and fertiliser price hypes. In Cameroon this partnerships must be apolitical and void of regional or tribal dependencies to be effective and broad-based especially as the country has over 200 tribes and both a French and British colonial legacy that has also affected the socioeconomic and political landscape of the country. By extrapolation such a policy is vital to a heterogeneous set up like Sub-Saharan Africa as a whole.

The presumption usually with the above listed proposals or such proposals is that they must be accompanied with political will for change and development when it is necessary or to refrain from change when it is inappropriate or opposed to the wellbeing of society or to the livelihoods choices of the most vulnerable. Food and fertiliser price hypes thus

have a hold on Cameroon the Sub-Saharan caricature as they have on the region it self. It never rains but it pours but with effective policies it can be made atleast to rain.

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