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**Political Development, Agriculture, and Ethnic Divisions: An
African Perspective**

Richard Grabowski

African Development Review 2006 18:2 163

**Analysis of Farmers' Preferences for Development Intervention
Programs: A Case Study of Subsistence Farmers from East
Ethiopian Highlands**

Wagayehu Bekele

African Development Review 2006 18:2 183

**Non-parametric Diversity Indices of Technical Capability of
African Countries**

Voxi Heinrich S. Amavilah

African Development Review 2006 18:2 205

**Human Resource Underutilization in an Era of Poverty Reduction:
An Analysis of Unemployment and Underemployment in Ghana**

Harry A. Sackey, Barfour Osei

African Development Review 2006 18:2 221

**Empirical Evidence of Productivity Growth in Tunisian
Agriculture: 1961–2000**

Boubaker Dhehibi, Lassaad Lachaal

African Development Review 2006 18:2 248

**Institutional Support for Collective Learning: Cluster
Development in Kenya and Ghana**

Banji Oyelaran-Oyeyinka, Kaushalesh Lal

African Development Review 2006 18:2 258

Political Development, Agriculture, and Ethnic Divisions: An African Perspective

Richard Grabowski

Abstract: In this paper it is argued that political development is the key to long-run growth in developing nations. Political development is seen to be dependent on the extent to which a state or ruling elite's income is earned or unearned. The availability of earned income is linked to the structure and productivity of the agricultural sector. Applying the analysis to the sub-Saharan African experience involves taking into account three factors: the international environment, the ethnic division of societies as a result of colonization, and the urban bias which characterized the economic strategy of the newly independent African states. As a result, agriculture collapsed, the ruling elite became increasingly dependent on unearned income, political underdevelopment occurred. The collapse of state authority significantly impoverished the region and resulted in significant civil conflict. Any long-run solution must incorporate a broad-based expansion in agricultural productivity.

Analysis of Farmers' Preferences for Development Intervention Programs: A Case Study of Subsistence Farmers from East Ethiopian Highlands

Wagayehu Bekele

Abstract: The aim of this paper is to better understand farmers' perception of the relevance of different development intervention programs. Farmers' subjective ranking of agricultural problems and their preference for development intervention are elicited using a stated preference method. The factors influencing these preferences are determined using a random utility model. The study is based on a survey conducted in the Hunde-Lafto area of the East Ethiopian Highlands. Individual interviews were conducted with 145 randomly selected farm households using semi-structured questionnaires. The study suggests that drought, soil erosion and shortage of cultivable land are high priority agricultural production problems for farmers. Low market prices for farm products and high prices of purchased inputs also came out as major problems for the majority of farmers. Farmers' preferences for development intervention fall into four major categories: market, irrigation, resettlement, and soil and water conservation. Multinomial logit analysis of the factors influencing these preferences revealed that farmer's specific socio-economic circumstances and subjective ranking of agricultural problems play a major role. It is also shown that preferences for some interventions are complementary and need to be addressed simultaneously. Recognition and understanding of these factors, affecting the acceptability of development policies for micro level implementation, will have a significant contribution to improve macro level policy formulation.

Non-parametric Diversity Indices of Technical Capability of African Countries

Voxi Heinrich S. Amavilah

Abstract: Academic research often claims that the lack of technical capability undermines Africa's economic growth. Policy decisions based on that claim then recommend technological improvement, where technology is generally treated as a homogenous manna from the heaven. This paper outlines four, and calculates two, broad indices of the diversity of technical capability of 14 African countries based on nine common descriptors of technical capability. It finds technical capability to be heterogeneous both within and across countries, and concludes that performance policies that overlook diversity of technical capability are potentially misleading, ineffective, and perhaps even damaging (growth retarding).

Human Resource Underutilization in an Era of Poverty Reduction: An Analysis of Unemployment and Underemployment in Ghana

Harry A. Sackey and Barfour Osei

Abstract: Unemployment is more prevalent in urban than rural Ghana, while underemployment is pervasive in rural Ghana. The paper analyses trends in these two forms of human resource underutilization and examines their major determinants. It is found that a positive association exists between the underemployment rate and the incidence of poverty in specific industries. The data supports the importance of demographics, education and firm sizes as major determinants of unemployment. Furthermore, these factors together with type of employment are the factors influencing underemployment. To reduce the level of unemployment and underemployment, the government should provide support for: (1) growth of private sector firms and informal sector activities; and (2) rural alternatives to agricultural activities. These implications are also relevant to other African countries trying to combat the twin problems of unemployment and underemployment.

Empirical Evidence of Productivity Growth in Tunisian Agriculture: 1961–2000

Boubaker Dhehibi and Lassaad Lachaal

Abstract: This paper investigates the patterns of productivity growth in Tunisian agriculture during the period 1961–2000. Results indicate that output growth in Tunisian agriculture was high over the whole period of investigation. During the

1981–90 period, average output grew at an impressive rate exceeding 6 per cent. Over the whole period, capital was the most important contributor to output growth and labour was found to be the least significant contributor to economic growth. Total factor productivity contribution to output growth decreased from over 4 per cent in both the 1961–70 and 1981–90 periods to less than 3 per cent in both the 1971–80 and 1991–2000 periods. On average, productivity growth increased at an annual rate of 3.6 per cent.

Résumé: Cet article analyse les tendances de la productivité globale des facteurs (PGF) de l'agriculture tunisienne pendant la période 1961–2000. Les résultats empiriques montrent que la croissance de la production agricole a été positive et soutenue durant toute la période. Au cours de la période 1981–1990, la croissance moyenne de la production agricole a augmenté à un taux impressionnant, dépassant les 6%. Aussi, durant la période de l'étude et contrairement au facteur travail, le capital a été le plus important facteur à contribuer à la croissance de la production agricole en Tunisie. La contribution de la PGF à cette croissance a diminué d'un peu plus de 4% durant les périodes 1961–1970 et 1981–1990 à moins de 3% durant les périodes 1971–1980 et 1991–2000. Finalement, la croissance de la productivité a augmenté, en moyenne, à un taux annuel de l'ordre de 3,6%.

Institutional Support for Collective Learning: Cluster Development in Kenya and Ghana

Banji Oyelaran-Oyeyinka and Kaushalesh Lal

Abstract: The study analyses the role of institutional infrastructural and collective learning in adoption of new technologies. The data for the study come from the Suame cluster in Ghana and the Kamukunji and Kariobangi clusters in Kenya. The clusters are dominated by micro and small enterprises (MSEs). The findings of the study suggest that policy measures need to be taken by governments in developing countries to improve the performance of MSEs. It is found that greater participation of the private sector is required in setting up training and information service centres within clusters. These institutions could provide need-based skills for better usage of new technologies. This is more relevant for information and communication technologies (ICTs) such as e-mail and the Internet. These institutions could also be useful in searching function- and job-specific ICT tools which are not only expected to be efficient but cost effective. Such collective cluster initiatives are expected to result in better cluster performance.