

Africa

Between hype and hunger



Ethiopia
Economic growth: 8.9 %
Population: 89 million
One of Africa's poorest countries
Development based on China

The journey into an agriculture straight from the Middle-Ages takes just seven hours in a plane plus a further hour per road. Not even 20 km outside the Ethiopian capital Addis Ababa farmers are sowing. The three to four month rainy season during our summertime is for them the most important time of the year – a period that decides whether the family will have enough to eat for the rest of the year.

Crop production in Ethiopia: as for thousands of years this starts with a single-row ard plough making a number of passes at 10 cm depth pulled by a pair of oxen. Seed is then broadcast

per hand and worked in with yet another pass with the plough. Then everyone waits for rain. Some of the more modern farmers tackle weeds with backpack herbicide sprayers. The only answer for rust, the most important disease, is crop resistance. But the appropriate varieties are only bought by a small proportion of growers. Either the necessary capital is not available or the savings possible with resistant varieties are not fully understood.

The result: when things go well, the best soils deliver 1.5 t wheat/ha. When not, the family can only hope that some grain from the national reserves can be delivered. But delivery isn't easy for many villages in particularly underdeveloped regions where there are no road connections. It's those regions that have been particularly badly hit by famine in the past.

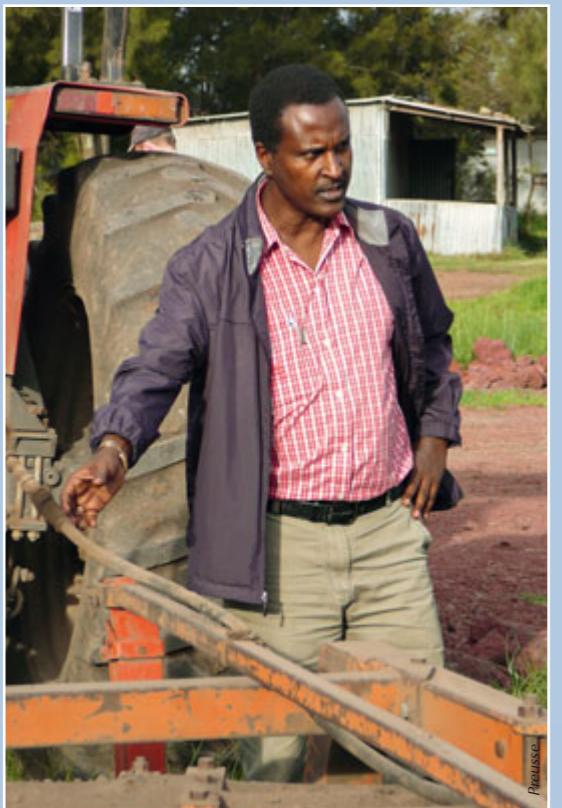
In Ethiopia 85 % of the population live and work in this way. Throughout Africa corrugated iron roofs indicate the poor, straw roofs the very poor. And there are a lot of straw roofs in Ethiopia. While an increasing number of villages are now being connected to electricity we're still in a land where

Like his ancestors 2500 years ago this Ethiopian farmer prepares his cropland with an ard.

Wie seine Vorfahren vor 2500 Jahren bestellt dieser äthiopische Bauer seinen Boden mit dem Hakenplug.

Comme ses ancêtres il y a 2500 ans, cet agriculteur éthiopien prépare son sol à la houe.

Wagner



Ato Asefa is farm manager on the 2000 ha Lole state farm in Ethiopia. The aim is to privatise this farming business soon – although the land is still to remain property of the state.

Ato Asefa ist Betriebsleiter der 2000 ha großen Lole-Staatsfarm in Äthiopien. Ihre Bewirtschaftung soll demnächst privatisiert werden – das Land wird aber weiterhin dem Staat gehören.

Ato Asefa dirige en Etiopie la ferme d'Etat Lole qui s'étend sur 2 000 ha. Sa gestion doit être privatisée, mais le foncier continuera d'appartenir à l'Etat.

the presence of a herd, or at the very least a well, indicates relative wealth.

Womenfolk still spend five hours daily preparing food. Hordes of children and youths gather firewood, collect water and drive the livestock in and out (Ethiopia has the largest headage of cattle in Africa). Men are responsible for the fieldwork – and for telephoning. Right up until fairly recently even getting news of what was happening in the regional, or wider, world meant hours of walking to the next township. Nowadays every second person has, statistically seen, a mobile telephone. In more developed neighbouring Kenya this figure is almost 100%. Electricity supply and mobile 'phones revolutionise Africa's rural society, apparently more effectively than every well-meant development project. This is because improved communication connects small-scale farmers to the rest of the world and, for the first time ever, they can now really haggle with possible customers for their surplus products. No longer are they left entirely dependent on the arbitrary prices of individual buyers.

The mobile telephone story is one of the many that stand for a new Africa. Traditionally, other pictures are more associated with this continent: hunger and unimaginable cruelty such as the 1994 genocide in Rwanda. War and border conflicts such as between Ethiopia and Eritrea or recently in Mali. Failing states such as Somalia. Malaria and AIDS. Autocratic and corrupt «leaders» (Robert Mugabe in Zimbabwe!) that view the country as the property of their own clan. And, not least, the tragedies of the boat people – the refugees heading for Lampedusa, just in July brought back to attention through the Pope's visit to this tiny Italian island.

Unfortunately, such pictures remain real in some areas. But, from about 10 years ago, Africa has become an increasingly more tolerable living area for a proportion of its population. Wars and dictators have become fewer. And economic growth rate is now almost Asiatic: the UN expects an average 4.8% for 2013 and even 5.3% for 2014. McKinsey and others calculate from the population growth



Sub-Saharan African maize yields



Source: FAO

(assuming stable politics and increasing liberalisation of business) an explosion in purchasing power. 35% of the population under 35 means enormous demand for ware and services over the next 50 years – a situation completely contrary to that in Europe, North America and Asia. The African lion is following the footsteps of the Asian tiger, McKinsey puts it poetically in a 2010 study entitled »Lions on the move«.

Houses, harbours and streets: building is taking place everywhere. The money for all this comes from outside; often from China. The proportion of direct foreign investments to gross national product in the poorest African countries is 18% at the last count. These investments are not entirely altruistic. As during colonialism, behind the help is often a need for raw materials such as oil, natural gas, gold, copper, and especially agricultural ware. The World Bank sees Africa as having the largest proportion of unused farmland with 50% of the world's reserves. Looked at this way it's easy to imagine how Africa could change the global agricultural economy at least as markedly as producer Brazil has already done, or as consumer China.

Agriculture has been neglected for decades. Even the few mechanised large-scale units such as the 2000 ha Lole Farm 200 km southeast of Addis Ababa tend to reflect the standards of the 1980s rather than those of the present. Manager Ato Asefa has a pretty good idea

of what's preventing him from achieving 6t/ha instead of the present best yields of 3.5t/ha. Above all it's the prevailing lack of capital and the resultant ageing machinery. Soon, this state farm is to be sold. The region Arsi-Bale is an interesting one for agricultural investment, as long as ground ownership is part of the deal, and not just right of use. All buildings will have to be taken over by the investor, as well as staff members. We were told that the asking rent is maximum 6€/ha. This reflects local incomes.

Arsi-Bale is Ethiopia's most important cropping area for wheat. And, behind South Africa, Ethiopia is the continent's largest wheat producer. On 1.5 m ha it produces, according to the USDA, 3.2 m t (2012/13). This harvest is supplemented by 1 m t imported wheat. The latest figures show this includes around 300,000 t food aid, mainly from the USA. »Commercial« imports of wheat have come from Russia and Argentina recently. Other types of grain are not traded.

We arrived on Lole Farm shortly before the main rainy season. Tractors of 80 to 100 hp output struggled to pull three-furrow ploughs working at 20 cm depth on

fields of »Russian« dimensions. The surface is then typically worked down with disc harrows. Presence of herbicide resistant weeds – the biggest problem, alongside low micronutrient levels – should actually dictate deeper ploughing. But the tractors are not powerful enough for this. Aerial spraying is the rule here. N-fertiliser is available for this farm. For smaller scale farmers it's not so easy to get because it has to be imported and is expensive, even although it's a mix of fertiliser from different sources. Ethiopia produces no artificial fertiliser of its own.

Before getting down to drilling the farm has to wait for the start of the rainy season. But once things get going seed depth is relatively uneven because of the previous intensive soil loosening – and the fact that reconsolidation is unknown. Sowing takes place with an elderly Italian 3 m drill. The farm manager would rather have a 6 m one because present ground covering speed is really not enough for the available sowing window. To help overcome this, seed is sometimes sown broadcast with the fertiliser spreader. Harvest is in October, mainly with a New Holland TC-55 combine with the grain stored in sacks. Using four

to five varieties means the harvest period can be extended. For June 2013 we were given a wheat price ex-farm equivalent to 27€/t. But during harvest this is 30% less. This still makes wheat an expensive basic food for many Ethiopians. In recent years the country has imported more wheat via a state agency and subsidised the consumer price to stabilise the market.

Domestic wheat is 30% more expensive than imported grain and of a much higher quality. Because the traditional grain teff, which looks like meadow fescue (*Festuca pratensis*), is now

twice the price of wheat the demand for wheat is growing. Especially in rural areas a lot of maize or barley is mixed into the flour and this reduces prices. Ethiopia-wide, maize is the most important grain crop and offers the highest yield but is at the same time particularly susceptible to lack of water and, with that, a potential cause for supply shortages.

A modern power harrow drill combination would probably, alone through improved seed placement and timely sowing, increase yields by 50% compared with the disc and drill approach, feels Helmut Spohn,

an independent farm adviser in Ethiopia. Such reflections, and naturally also the export interests of the agricultural machinery industry, are behind the machinery demonstrations and training courses staged in individual countries. But also interested are enterprises increasingly coming from Africa itself. Adding to the impetus of such developments is the background of a reluctance to let China take over this field alone. While the machinery may still be European, the conditions in which it is applied are African. When you see the adjustments having to be made by local mechanics and their

welding equipment and then hear that the service orientation of western firms in Africa is often in need of improvement then the question arises of whether there's too great a gap between expectation and reality on the part of western firms.

Despite this, there are people buying such machinery in Ethiopia. On the outskirts of Addis Ababa, Bisrat and Fazil Tsegaye run a feedmill and a dairy. Their 1000 ha of arable land (of which 600 ha is actually cropped) lie 700 km farther south. To produce feed commercially is a difficult business in that quality criteria are first being estab-

The feeding of a growing domestic population will have to be undertaken by units of 5 to 20 ha, or more, through further development of subsistence farming systems.

Die Ernährung der wachsenden Bevölkerung müssen Betriebe von 5 bis 20 ha übernehmen, die aus den Subsistenzwirtschaften entstehen.

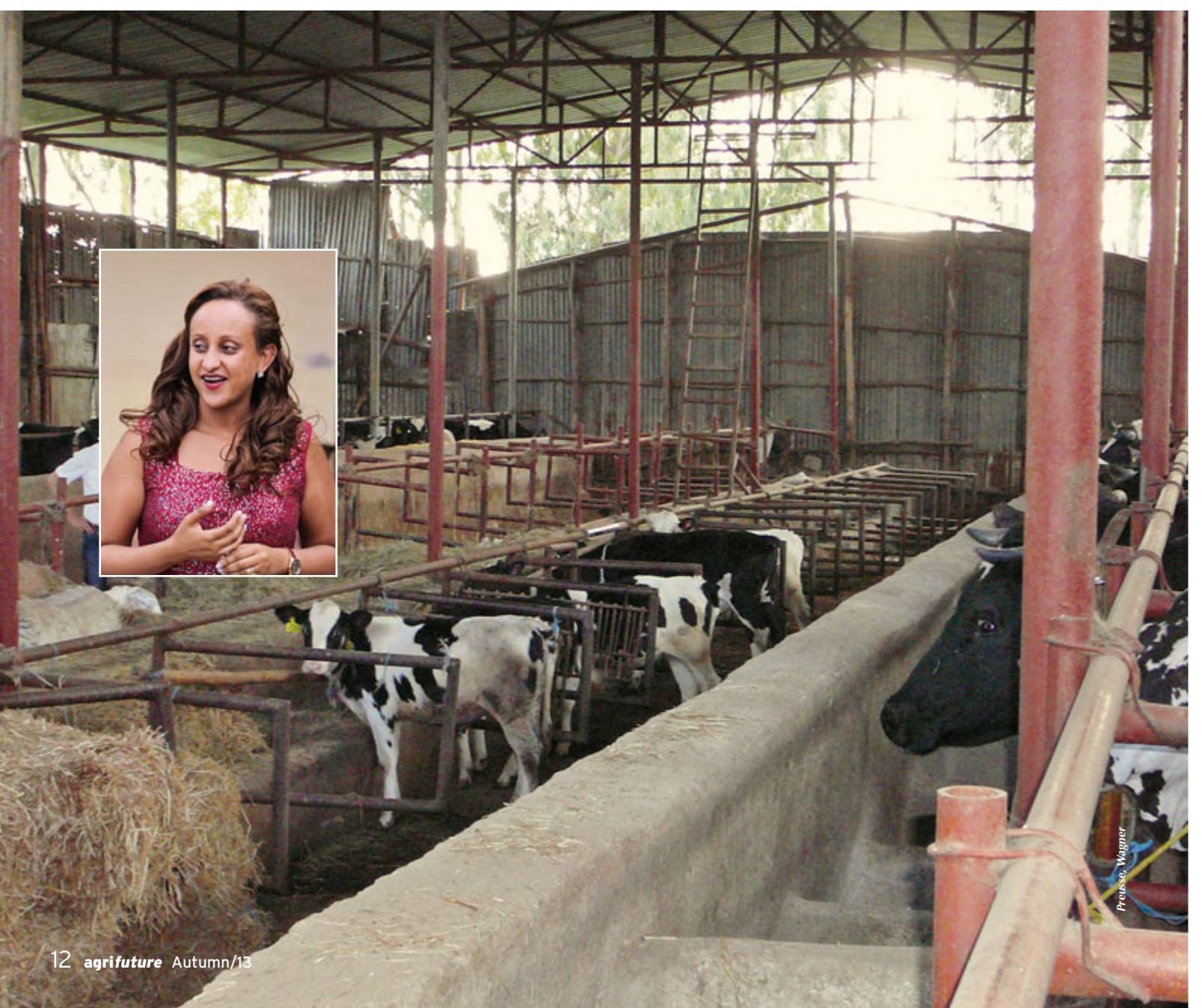
La charge de nourrir une population croissante revient sans doute plus à des exploitations de 5 à 20 ha, toutes droites issues de l'économie vivrière.



these investors have one thing in common: they create maybe a few hundred paid workplaces but their export businesses will never solve the challenge of future food supply.

But who then solves this problem? Growth in economy through expansion of domestic agriculture is 11 times more successful in the fighting of hunger and poverty than growth in other sectors, according to the UN. This encourages the view that the »emerging farmers«, i.e. those with 10 to 20 ha farms, must be the ones to solve this food problem. Their sales income can help achieve a modest mechanisation, leaving enough for good quality seed and for fertiliser, perhaps even for hybrid maize – this is the African dream of western seed firms. Accordingly, the yields of such farmers are better than the average. The future of African agriculture probably lies within this »middle way«. Unfortunately, the position it occupies is squeezed between the development aid organisations, for whom subsistence family units continue to play an important role and the interests of the international enterprises preferring large-area investor agriculture. A very difficult position.

Thomas Preusse



Along with her milk production enterprise Bisrat Tsegaye also runs a feed mill on the same site.

Bisrat Tsegaye betreibt am Stadtrand von Addis Abeba neben der Milchproduktion noch eine Futtermittelfabrik am selben Standort.
Bisrat Tsegaye possède une unité d'aliment du bétail sur son exploitation laitière.

lished, as is also the realisation that livestock can produce more with its help. With a staff of 95, Bisrat produces 60 different feeds for all types of animals. Three trucks collect 50% of the maize and soybeans required from the firm's own farm. And 36 cows (annual lactation approx. 2500 l) are milked in a cowshed to supply the dairy, although you'll look in vain for a milking machine. Here 250 l are daily milked by hand and either sold directly off the farm at an impressive 45c/l or processed to butter or cream cheese.

The Tsegayes are diaspora Ethiopians. Their families escaped to the USA following the collapse of the Ethiopian empire in 1974. The younger generation now return to Ethiopia with capital. The 1000 ha »Tsegaye Demoze Agricultural Development« is, however, hardly comparable with investors such as Karuturi from India (100,000 ha) or SaudiStar (25,000 ha). Even the World Bank attests that these »Landgrabbers« have displayed, in certain situations, irresponsibility regarding local populations, bringing with them too little experience in management of large-scale farms with

Σ Afrika beeindruckt mit hohen Wachstumsraten der Wirtschaft. Gleichzeitig ist die Zahl der Hungernden dort immer noch so hoch wie nirgends sonst auf der Welt. Erst langsam wird die Schlüsselrolle der Landwirtschaft auf diesem Kontinent entdeckt.

Σ La Afrique impressionne par les taux de croissance canon de son économie. En même temps, le nombre de gens malnutris y reste plus élevé que partout ailleurs sur la planète. Le continent ne découvre que lentement le rôle clé de l'agriculture.