GHANA UNDER STRUCTURAL ADJUSTMENT:

THE IMPACT ON AGRICULTURE AND THE RURAL POOR

Alexander Sarris and Hadi Shams

With a Foreword by Idriss Jazairy

Published for the International Fund for Agricultural Development by New York University Press

Contents

	Weights and Measures	xiii
	Official Currency Equivalents	xìii
	Map of Ghana: Administrative and Infrastructure	xv
	Acknowledgements	xvii
	List of Acronyms and Abbreviations	xix
	Foreword by Idriss Jazairy	xxi
	Editor's Note	xxiii
	Introduction	XXV
1	Recent Economic Developments	- 1
	The Circumstances Leading to Adjustment	1
	The Economic Recovery Programme	4
	Macro-economic Performance Under the ERP	8
	The Public Investment Programme	11
	Agricultural Policy	12
	National Food Security	. 14
2	Agricultural Sector Structure and Performance	20
	Role of Agriculture in the Economy	20
	Land Distribution, Land Use and Land Suitability	21
	Resource Base	23
	Ecological Zones, Soils and Vegetation	24
	Farm Size and Distribution	27
	Farming Systems and Crop Rotations	27
	Crop Production Methods and Technology	28
•	Labour Use	31
	Crop Production and Yield	31
	Crop Budgets	32
	Post-harvest Handling and Storage	33
	Irrigation	35
	Livestock	37
	Fisheries	38
	Forestry	40
	Environmental Implications of Current Practices	41
	Environmental Action Plan	42

•

v

	Stability of Farming Systems Under Environmental	
	Stress	43
	Technology Availability	44
3	Profile of Rural Poverty: Economic Dimensions	46
	Rural Income and Assets	46
	Livestock Ownership	51
	Regional Crop Pattern of Smallholders	52
	Farmer Use of Labour	56
	Sources of Income of Rural Smallholders	56
	Smallholder Consumption Patterns and Expenditures	59
	Demography and Migration	61
	Estimates of Rural Poverty	62
	Other Rural Poor Groups	67
4	Social Dimensions of Rural Poverty	71
	Land Tenure	71
	Health and Nutrition	79
	Education	· 82
	Rural Water	83
	Rural Sanitation	85
	Mechanisms and Process of Socio-economic Differentiation	86
5	Women and Rural Development	92
	General Aspects	92
	Women-headed Households	93
	Women's Workload Responsibilities	94
	Women's Role in Agriculture	96
	Women in Off-farm Activities	100
	Women's Access to Resources	106
	Women's Development Organizations and Institutions	113
6	Government Support Services	118
	The Ministry of Agriculture	118
	Agricultural Research	120
	Agricultural Extension	124
	Input Supply	125
7	Agricultural Credit	127
	Formal Credit System	127
	Financing of Small Farmers	128

.

.

	Informal Credit	130
	Agricultural Credit Policy	131
_		
8	Agricultural Marketing	133
	Private Sector Marketing	139
	Marketing System Performance	141
9	Grassroots Institutions and Non-governmental	
	and Social Service Organizations	147
	Grassroots Institutions	147
	Cooperatives	151
	Non-governmental Organizations	152
	Social Service Organizations	157
	Linkages Between Grassroots and Other Institutions	158
10	Initial Impact of Structural Adjustment on	
10	Smallholders and the Rural Poor	161
	The Setting Before and After the SAP	161
	Smallholder Linkages with the Money Economy	163
	Devaluation	163
	Agricultural Price Changes	163
	· ·	173
	Input Costs Impact on Labour Markets	1 <u>7</u> 3
	Consumer Goods	174
	Impact of Fiscal Restraint on Agriculture	178
	Administrative and Institutional Reform and Farmer	1/9
	Services	183
	Private Sector Input Supply	184
	Fertilizer Subsidies and Privatization	185 -
	Land Tenure	186
	Interest Rates and Credit Demand	186
	Social Services and the SAP	187
	Block Farming	190
	Overall Impact on Smallholders and the Rural Poor	192
11	Structural Problems and Constraints in	
11	Structural Froblems and Constraints in Smallholder Development	193
	Incentive Framework and Comparative Advantage	193
	Food Aid and Disincentives	195
	Technological Constraints	203
	Institutional Weaknesses	203
	Extension	204
	EXICUSION	203

	Road Communication System	206
	Rural Credit	206
	Input Supply	207
12	A Framework for Agricultural Assistance	
	to Rural Smallholders	209
	Regional and National Food Security	211
	Targetting the Smallholder	212
	Collaboration with NGOs	213
	Support for Rural Women	214
	Flexibility Under a Changing Economic Environment	214
	The SAP and the Policy Dialogue	215
	The Response of the Government	216
	The General Nature of Proposals Under the PAMSCAD	217

Annexes

Α	Supplementary Tables	219
B	Smallholder Food Production and Consumption	-
	Patterns	233
С	Methodology Note for Calculation of the Number	
	of Smallholders Below the Poverty Line	241
	•	

Bibliography	247
Index	259