## **AEASA NEWSLETTER** SPECIAL ISSUE Agricultural Economics Association of South Africa

**27 September, 2021** 

Issue 2

### **HOME OF AGRICULTURAL ECONOMISTS SINCE 1961**



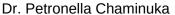
## SPECIAL ISSUE EDITORS

Spring and post COVID-19 third wave greetings!

Discussions about the AEASA 60th anniversary celebrations started soon after the 2019 AEASA conference held in Bloemfontein. There was much excitement amongst some AEASA members, and a commitment not to disappoint from the ManComm members. It was in this spirit that Prof Abbyssinia Mushunje who was expected to lead the 2021 Local Organizing Committee in Eastern Cape and Dr Petronella Chaminuka were co-opted into some ManComm meetings soon after the 2019 conference. The 2020 conference scheduled for Limpopo was also expected to lay the foundation for the 60th anniversary celebrations and initiate the build up to Eastern Cape. But alas, it was not to be. After it became apparent that the 2020 conference was not possible, Limpopo stepped forward again and offered to host the 2021 conference with the accompanying 60th anniversary celebrations. Despite the optimism amongst ManComm members that it would be possible to gather in Limpopo, by April when we were placed under lockdown again and taking a cue from other developments concerning conferences by other associations, the difficult decision to explore other noncontact ways to celebrate the AEASA 60th anniversary had to be taken.

Ideas explored included the design and sale of AEASA memorabilia, profiling 'elders' of the Agricultural Economics discipline, compilation of video clips in dialogue with some distinguished association members, a cocktail event and compilation of a special once off newsletter.







Masego Moobi

The main idea behind the newsletter was to give AEASA organizations in academia, government, state-owned entities and the private sector which employ a large number of agricultural economists a chance to show off some of the great work that Agricultural Economists are doing in different spaces. In addition, we also wanted to show the association's journey of growth and how the discipline contributed to shaping the post-apartheid development discourse in South Africa. Thank you to those organisations and individuals who heeded the invitation to submit contributions to the newsletter.

In addition to the newsletter, the association will in the coming months, be sharing on social media, video interviews with AEASA past presidents and some of the 'elders' of the discipline. The 2021 Conference, although just one day long also carries the spirit of the 60th anniversary celebrations. We have kept in the programme the much acclaimed Simon-Brand Address and the Presidential Address. Riding on the new normal, we have included in the programme a webinar style panel discussion on the Pandemics and Political Unrest in South Africa. The day will end with the AEASA AGM and election of new management committee members.

We hope that you feel encouraged in your own ways and in your networks to celebrate AEASA's 60 years of existence and take time to reflect on some memories of how far the discipline and the association has come.

Regards,

Petronella Chaminuka Masego Moobi

## AEASA 60th Anniversary Presidential Note -Dr. Mmatlou Kalaba



In this newsletter, which is also the last one of the current Agricultural Economics Association of South Africa (AEASA) management committee (MANCOM), we want to wish the association a happy 60th anniversary. This is a significant milestone for any organisation and a reflection of the dedication, commitment, and loyalty of its members. The organisation is the envy of many people, institutions and other disciples that could not sustain similar initiatives. Congratulations to AEASA, its members, sponsors, friends, and associates. The celebration of six decades of AEASA's existence comes at the back and presence of interesting as well as testing times for both MANCOM and the members. This MANCOM term will always be a reminder of the pandemic which was caused by coronavirus and disrupted all spheres of our lives. The first global cases of corona virus infections were reported within three months of the term while lockdown regulations that restricted movements of people were announced three months later in South Africa. As a result, this MANCOM operated under normal circumstances for about six months. The rest of the term can be described as abnormal and restrictive, both literally and figuratively. It is therefore time to reflect on those times, as well as their implications for future activities.

The organisation navigated through the period of uncertainty by adjusting our activities and functions as and when regulations changed to deal with the risks associated with the virus. That is not an ideal situation to plan and implement programmes of an organisation. As a result, several activities were first postponed, while others were cancelled. This implied that for the first time in more than four decades, the AEASA annual conference was not held. The Tomlinson Commemorative lecture that was already on the cards was postponed, and later moved from year 2020 to 2021. Some of the awards to honour the best in our association were not possible. The Simon Brand Memorial Lecture was not presented in 2020. However, the annual general meetings (AGM) and the presidential address were possible. We also hosted a couple of virtual activities to discuss the developments in our country, sector, and discipline.

Moving to 2021, the Tomlinson Commemorative Lecture was hosted in the Free State. The Lecture was presented by Prof Herman van Schalkwyk on the 3rd of September. The theme of the presentation was "Success of Agribusiness in South Africa". The lecture was held under very strict covid 19 protocols as the country was still under lockdown level 3 of restrictions. Since that Lecture, the situation regarding the provision of vaccines and other ways of minimising the risks of infections is considered to have improved. The country has been moved to level 2 of regulations which is relatively less restrictive. This allows gatherings like our annual conference to take place with a maximum of 250 participants. Unfortunately, the adjustment came too late to organise a traditional conference. It takes about nine months to prepare such an event. As a result, the 2021 AEASA conference will be hosted virtually, on October 7th, 2021.

The theme of the conference is "Pandemics and political unrest in South Africa: Reflections by agricultural economists". This is a fitting theme, in the context of developments that are happening around the world, regionally and in our own country. The morning session of conference will include the AEASA presidential address, Simon Brand Memorial Lecture, and a panel of experts. Some of the panel members will engage from a live studio, while others will participate via a video link. The afternoon programmes have the AGM as the main activity. This includes election related matters regarding the forthcoming MANCOM.

As we move towards the virtual conference, as well as end of the term of the current MANCOM, I would like to personally thank all members of AEASA who supported the association during these testing times. AEASA's traditional sponsors continued to support the association, although in different ways from previous times. We hope that such support will continue, even when those institutions and organisations face challenges in their own environments. The National Agricultural Marketing Council (NAMC) which also provides the business office of AEASA has been instrumental in continuing with that support, ensuring that communications with members does not stop and that the association is functional. For this role, I would like to single out Mrs Elma du Plessis for her efforts, patience, and keenness to work with the association and its members.

While still on personal thanks, I wish to extend my thanks to Mrs Petrie Vogel of Association Business Events (ABE). This is a company that was brought in to provide administrative support to AEASA. That support is highly appreciated, particular in reducing some of the load off the shoulders of MANCOM members who have full time jobs elsewhere. There are clear and observable improvements in the background activities of the association and communications with members because of this support from ABE.

I am grateful to all MANCOM members, who kept the heart of AEASA beating at a time when other institutions were in intensive care unit (ICU). Thanks to Dr Melissa van der Merwe for her role as Secretary-Treasurer. This is the most demanding portfolio of all in MANCOM. Ms Masego Moobi took over the Information Technology Communication roles and responsibilities and moved them to a higher level which enabled AEASA to remain functional and relevant during the pandemic. The responsibilities of AEASA president would be tougher in the absence of the past- and vice-presidents. Thanks to Prof Ferdi Meyer and Dr Simphiwe Nggangweni, respectively for lending me your support, experiences, and insights of the workings of AEASA. The flagship of AEASA is our journal publication, the Agrekon and Prof Johann (Editor) is ensuring that the impact factor continues to rise. Over a two-year term, additional members provided immense support to MANCOM in both official and other capacities. These members include Prof Bennie Grove, Dr Nicky Matthews, Dr Petronella Chaminuka, Mr Tshilidzi Mathobo, Prof Abbyssinia Mushunje and Dr Thinah Moyo. Thanks for your contributions and roles on MANCOM.

As I signoff, I would like to thank all members for your confidence in MANCOM. Your support, understanding and interest in the organisation kept MANCOM working, and the association active. This is the kind of contribution that makes AEASA the association that it is today, turning 60 years. I hope such support was not only reserved for this MANCOM, but all future leadership of the association will earn it. That way, AEASA can be certain of more anniversaries ahead.

Happy 60th Anniversary AEASA! O gole o kake tlou (May you grow to be great).

Dr Mmatlou Kalaba

AEASA President



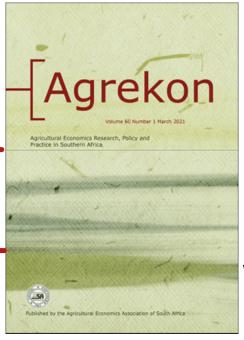
### **About AEASA**

The Agricultural Economics Association of South Africa (AEASA) is the professional organisation of Agricultural Economists in South Africa. It was established in 1961 and held its first annual conference in 1962. AEASA has positioned itself strategically for the 21st century to enable it to be relevant for all agricultural economists, thereby assisting them to serve their communities. The shared vision is that AEASA's products and services should support all Agricultural Economists active in the industry irrespective of race, language, gender, career choice and educational level.

### Why join AEASA

- Engage in research and policy discussions through the following AEASA events; the annual AEASA Conference, the F.R. Tomlinson Commemorative Lecture and Webinar sessions.
- Become part of a local and regional community that solve food, agricultural, rural, and relevant national problems in Southern Africa.
- Identify, develop, and retain the next generation of Agricultural Economists and provide opportunities for industry and students to engage during AEASA events.
- Access to the latest scientific research that pertains to the agricultural and food industry in Southern Africa through the Agrekon journal.
- Stay up to date on Agricultural Economics matters through the AEASA Newsletter and share material considered for publication the Newsletter.
- Get recognition for exemplary publications, conference papers and post-graduate dissertations in the field of Agricultural Economics.







Now Available www.tandfonline.com/toc/ragr20/current

#### Official publication of the Agricultural Economics Association of South Africa (AEASA Agrekon publishes research on agricultural science and agricultural, rural and food economics in Southern Africa.)

Productive efficiency and farm size in East Africa

-Jacques C. Julien, Boris E. Bravo-Ureta & Nicholas E. Rada

Changing income portfolios and household welfare in rural Uganda

-Moses Kakungulu, Moses Isabirye, Kevin Teopista Akoyi, Kaat Van Hoyweghen, Liesbet Vranken & Miet Maertens

What factors influence smallholder farmers' decision to select a milk marketing channel in Zambia?

-Tulumbe Cheelo & Melissa van der Merwe

Welfare impacts of introducing water pollution tax in the Olifants river basin in South Africa: A revisited analysis using a top-down micro-accounting approach

-Clement Kweku Kyei & Margaret Chitiga-Mabugu

Structure and entry barriers to access groundnut markets for intermediary traders in central and northern

-Admire Katunga, Edilegnaw Wale Zegeye & Gerald Ortmann

Analysis of intra-region market integration and spatial price transmission in groundnut markets in Malawi -Moses Chitete, Wisdom Mgomezulu, Mercy Bwanaisa & Joseph Dzanja

The poverty impacts of improved soybean technologies in Malawi Adane Hirpa Tufa, Arega D. Alene, Julius Manda, Shiferaw Feleke, Tesfamichael Wossen, M. G. Akinwale, -David Chikoye & Victor Manyong

Female farm holding in Botswana's agriculture industry

-Odile Mackett

Adoption of ox-drawn minimum tillage ripping by smallholder farmers in Zambia

-Isabel C. Sakala, Thomson H. Kalinda, Chewe Nkonde & William J. Burke

### **UPCOMING AEASA EVENTS**





### **AEASA Virtual Conference** "Pandemics and political unrest in South Africa: Reflections by agricultural economists"



RSVP https://www.abadmin.co.za/default2.php



The Agricultural Economics Association of South Africa invites you to join in on the conversation during the virtual annual conference.

This year the conference theme is "Pandemics and political unrest in South Africa: Reflections by agricultural economists".

The onset of the COVID-19 pandemic in 2020 caused severe pressure on food systems, while the 2021social unrest in Gauteng and Kwa-Zulu Natal created additional disruptions in South Africa's economy that affected the resilience and sustainability of the entire value chain.

Our virtual conference will provide an opportunity for the agricultural economics profession to reflect on the ways it influenced the national response to the COVID-19 pandemic in private, public, and academic sectors. We will also discuss its role in informing a response to the looting of agricultural value chain businesses.

The dialogue will further stimulate discussions on how agricultural economists can reposition themselves to prepare for pandemics, economic shocks, and natural disasters that are predicted to become more frequent and severe in the future.

**7 October 2021** Date:

Time: 09:00

R500 (includes membership) or R250 (conference only) Cost:

https://www.abadmin.co.za/default2.php To RSVP, please register at

Follow these steps:

- 1. Do not log in at the top right corner
- Scroll down and select AEASA Virtual Conference and AGM to attend
- 3. Provide your email address. If the system does not recognize you, please proceed with a new registration. If the system does recognize you, please ensure all your details are still correct on page 1. You can then proceed to page 2.
- 4. Remember to save each page and to click on 'Finish' on page 3. Invoices will be sent to your mailbox. Please remember to look out for it, as it can end up in your spam box.
- 5. For help, please contact petrie@abevents.co.za



### The FR Tomlinson Lecture

## HUMAN DEVELOPMENT: ISN'T THIS AFTER ALL WHAT ECONOMICS IS ALL ABOUT?



Duncan Steward, MD and founder of Lima Rural Development, has worked towards the vision of a more just and equal society through dynamic community engagement and innovative rural development initiatives for 40 years. His education as an agricultural economist, work experience and postgraduate research gave him a good understanding of livelihood strategies and resources utilisation in rural families, and created a platform for young graduates to develop fulfilling careers as community development professionals.

He has promoted food security through his visionary leadership and made significant contributions to agricultural economics in South Africa as a rural development practitioner.

Date: 18 November 2021

Time: 18:30 for 19:30

Venue: Shongweni market, Hillcrest, KwaZulu-Natal and Online via Zoom



Bookings/enquiries: Christine Cuénod cuenod@ukza.ac.za +27 33 260 6557

# AEASA'S 60TH ANNIVERSARY AEASA WAS ESTABLISHED IN 1961

1961

PRESIDENT: F.R. TOMLINSON, VICE: S.P. VAN WYK AND SECRETARY J.C. STRYDOM

FOUNDING THEME:

"THE TASK OF AN AGRICULTURAL ECONOMIST IN SOUTH AFRICA" 1ST ANNUAL CONGRESS WAS HELD OCTOBER 1962, WITH 84 MEMBERS (PRETORIA)

1971

PRESIDENT W.E. KASSIER VICE A.P. SCHOLTS

9TH CONFERENCE THEME:
"PERSPECTIVES IN MANAGEMENT
AND AGRICULTURE WITHIN A
DYNAMIC ENVIRONMENT"

1981

PRESIDENT: JR HUDSON VICE: DJG SMITH

19TH CONFERENCE THEME: "THE COMPUTER AS AID IN AGRICULTURAL DEVELOPMENT" (PRETORIA)

PRESIDENT: J.M. LAUBSCHER VICE: N.VINK

29TH CONFERENCE THEME: THE
TASK AND ROLE OF THE
AGRICULTURAL ECONOMIST IN A
NORMALISED AGRICULTURE.
(PORT ELIZABETH)

1991

2001

PRESIDENT: G. ORTMANN VICE:D. CALLAER

39TH CONFERENCE THEME: AGRICULTURAL SUPPLY CHAINS: OPPORTUNITIES AND CHALLENGES (DRAKENSBURG)

PRESIDENT:R. RAMABULANA VICE: S HENDRIKS

49TH CONFERENCE THEME: AEASA 1961-2011: A FOUNDATION FOR THE NEXT 50 YEARS HELD IN PRETORIA

2021

2011

PRESIDENT:M. KALABA VICE: S NGQANGWENI

VIRTUAL CONFERENCE THEME: "PANDEMICS AND POLITICAL UNREST IN SOUTH AFRICA: REFLECTIONS BY AGRICULTURAL ECONOMISTS"

### JOIN US IN CELEBRATING AEASA'S 60TH ANNIVERSARY

Over the next few months, AEASA will be sharing messages from our past presidents and some distinguished agricultural economists in the field; reflecting on the past 60 years and looking forward to the next chapter.

AFASA 60th Anniversary message from Dr Mmatlou Kalaba, Preside...

Watch later Share

Dr Mmatlou Kalaba

## Visit our YouTube page for videos AEASA\_LEVSA

AEASA President 2019 - 2021

https://www.youtube.com/watch?v=QRVOPmR3saQ

Watch on YouTube



### **UNIVERSITY DEPARTMENTS**







## Stellenbosch University Department of Agricultural Economics and Agribusiness

In 1925, the Agricultural Economics Department at Stellenbosch University, the first of its kind in South Africa, started its voyage to excellence with Prof J.F.W. Grosskopf at the helm. Some of our era's best agricultural economists helped shape the Department over the past 60 years, including Profs F.R. Tomlinson, W.E. Kassier, A.S.M. Karaan, and N. Vink. Prof Tomlinson was the first to graduate with an MSc Agric in Agricultural Economics at the University of Stellenbosch in 1929. In 1935, he joined the Department as a lecturer. His enthusiasm for agricultural economics knew no bounds and his influence stretched through the whole of the agricultural sector, where he is still recognised for his diligence and pioneering ideas.

Prof Kassier, one of the foremost agricultural economists in South Africa, was appointed at the Department in 1965 and as Chair the following year. He was seen as an abiding influence on agricultural policy in South Africa, particularly as the head of the Committee of Inquiry into the Marketing Act in 1992.

Prof Vink, now retired, joined the Department in 1996 after taking positions at the University of the North (now Limpopo) and the Development Bank of Southern Africa. He is respected for the different perspectives he brings to the Agricultural Economics discipline and his track record of peerreviewed publications. He is also past president of the South African and African Associations of Agricultural Economists and current president of the International Association and served as editor for many agricultural economics journals. He is also an independent non-executive director on the board of the South African Reserve Bank and Rooibos, Ltd., and a recipient of the South African Agriculturalist of the Year award.

Prof. Karaan was appointed to the Department in 1997. During his time at Stellenbosch University, he was also Dean of the AgriSciences Faculty and acting Vice-Rector of the University (2014 and 2015). As a member of the National Planning Commission, his contributions to the National Development Plan – Vision 2030 to form an integrated and inclusive rural economy were remarkable.



Although something we are striving for continuously, the Department has come a long way in terms of size, and diversity (1965 left and 2019 right)



## Stellenbosch University Department of Agricultural Economics and Agribusiness

The Department is currently entering a rebuilding phase to train the discipline's next generation of thought leaders. It is led by Prof Theo Kleynhans, and employs nine academics, including Profs André Jooste, Johan van Rooyen, Johann Kirsten (also Director of the Bureau for Economic Research), Drs Cecilia Punt, Willem Hoffmann, Melissa van der Merwe, Mrs Lulama Traub, and emeritus professor Nick Vink. Collectively these academics boast over 450 publications in peer-reviewed scientific journals and books and have more than 150 years of teaching experience from which their students benefit.

Since its maiden voyage, the Department has graduated just over 2 000 students with a bachelor's degree, the first of which was awarded in 1926. About 400 students graduated with a postgraduate degree, of which the first was awarded in 1930.

The evolution of the Agricultural Economics discipline in South Africa, and at Stellenbosch University, had its roots in the contributions of Prof Tomlinson. His most impressive contribution that today forms part of the foundation on which the discipline is built is the interplay between macro-and microeconomic analysis in understanding and solving economic dilemmas in the agricultural industry. It is precisely this foundation that the Department builds its future generation on to ensure a new and diverse generation of Agricultural Economists that are well-equipped to face the challenges of tomorrow.



### University of Venda, South Africa Department of Agricultural Economics and Agribusiness

The Department is one of the nine (9) departments and an institute constituting the School of Agriculture at the University of Venda. It was established in 1995 offering a four (4) year BSc Agric (Econ) degree programme. Its first cohort of graduates was in 1998. Postgraduate programmes in the department include MSc Agric Economics and a PhD in Agricultural Economics. In addition, the Department assists in supervising students from the Institute for Rural Development with a strong bias towards Agricultural Economics and Development. The four (4) year Bachelor of Agribusiness (later restructured to BSc Agric: Agribusiness management) was initiated in 2003 in response to increased demand for agribusiness managers in the region and Southern Africa.

#### Vision

The Department of Agricultural Economics and agribusiness at the University of Venda seeks to promote tertiary education and human capacity building in the area of agricultural economics, agribusiness and extension in the SADC region in fulfilment of the University's vision to be at the centre of rural development within the region.

#### Mission

The department strives to provide high-quality education and training in Agricultural Economics and Agribusiness through excellence in teaching and learning, research and community engagement in response to the development needs of Limpopo province, South Africa and SADC.

#### Role of Agricultural Economists at the University of Venda

Agricultural Economists at the University of Venda have played and will continue to play a pivotal role in the university and society through training of competent and highly skilled professionals providing solutions to the challenges facing the agricultural industry not only in Limpopo province but in South Africa in general. A good number of those trained are occupying various positions in local and national organisations within and outside South Africa. Some of the staff in the Department have published widely on different topical issues in Development and agriculture in general. There is no doubt that the Department of Agricultural Economics and Agribusiness at the University of Venda will continue to contribute to the growth and development of the agricultural sector in South Africa through its research and other engagements in relevant fora going forward.

#### Academic staff members in the Department:

Ms BC Mokwite - BSc (Univen), Mr T Nefale BSc - MSc (Univen), Dr M Tshikororo - BSc (UniZulu), MSc, PhD (Univen), Prof IB Oluwatayo - BSc (Hons), MSc, PhD (Ibadan)



### University of Limpopo Department of Agricultural Economics

Staff members in the department made sure that they follow the mission and vision aspired by the University of Limpopo. Specifically, the staff members stick to the core values and core functions of the organization such as teaching and learning, research, and community engagement. The major goals of the agricultural economics programme are to train students to be well-rounded citizens who are competent agricultural economists: to assist students in continuing their educational goals in graduate or professional school and to assist students in finding careers in the public and private sectors.

Agricultural economics graduates expect to be employed as financial specialists, business managers, marketing/sales representatives, agricultural production specialists, loan officers, policy analysts, researchers/teachers and much more. An undergraduate degree in Agricultural Economics from the University of Limpopo provides practical skills that allow graduates to analyse many aspects of the agricultural industry. The graduates are prepared to work in a variety of institutions applying their knowledge.

Staff members in the department have been reviewing and publishing papers in various local and international journals. They have been serving as internal and external supervisors of undergraduate and postgraduate research projects. For example, one of our members was appointed by the Minister of Higher Education and Training to serve as a Council Member for Orbit Technical and Vocational Education and Training (TVET) College from 2019 to 2024. Also appointed by the Minister of Agriculture, Land Reform and Rural Development to serve as a Ministerial Representative on the Citrus Industry Trust from 2020 to 2023. Another served as an Academic Moderator at the 2021 International Food and Agribusiness Management Association (IFAMA) Virtual Conference. Most of the academic staff have acquired doctoral qualifications through staff development programmes.

#### Staff composition

Prof JJ Hlongwane (HOD), Prof A Belete, Dr MA Nkoana (Agricultural Economics Programme coordinator), Dr CL Muchopa, Dr MP Senyolo, Dr LS Gidi, Dr MB Bulagi, Mr LJ Ledwaba, Ms MH Lefophane, Mr VA Baloi, Ms MS Cholo and Mr TK Thaba.



## University of Pretoria Department of Agricultural Economics, Extension and Rural Development

The Department of Agricultural Economics, Extension and Rural Development houses agricultural economists at the University of Pretoria (UP). Agricultural Economists at UP were among the founding members of AEASA in the 1960s and have continued to play a leading role in the Association which has resulted in some great moments of an interface between the UP Department and AEASA.

The agricultural economists at UP have played a major role in the AEASA, including organising and hosting many AEASA conferences. Our staff and students have also contributed various papers to annual conferences, with finalists in many of the best-contributed paper sessions. Seven members of the Department have served as AEASA Presidents (including the current President) and two more as Vice-Presidents. Furthermore, the prestigious FR Tomlinson Memorial Lecture has been presented by 10 UP staff.

Our staff have also played major roles in the African and International Agricultural Economics Associations and have participated in leading global conferences such as the upcoming United Nations Food Systems Summit. Dr Selma Karuaihe, for example, is the President of the recently launched African Association of Environmental and Resource Economists (AFAERE).

The department's internationally recognised Agricultural Economics programme prepares students for careers with a professional, competitive salary. We train emerging professionals, industry leaders and agricultural and development facilitators while conducing cutting edge research on contemporary African and South African issues related to agricultural policy, agribusiness management, food systems, agriculture and rural development, agriculture finance and environment and natural resource economics. We have trained over 1600 Masters candidates through the Collaborative Masters in Agricultural and Applied Economics over the last 16 years, continuing the development into future leaders in agricultural economics.

Many former staff and students occupy strategic positions in South Africa and beyond, including CEOs in the private sector, NGOs and parastatals as well as government policy advisors and policymakers. Staff play significant roles in leading think tanks and international research programmes. Some of influential graduates include Sifiso Ntombela (NAMC), Ikageng Maluleke (Grain SA) and Thabi Nkosi co-founder of African Green Alpha, former Executive Director of Group Investments at AFGRI Group Holdings (AGH), one of Africa's largest and most diversified food and agribusiness investment holding companies. In terms of awards, our staff and students have appeared 40 times in the last 25 main AEASA awards of the period 2015 – 2019.



### University of Fort Hare Department of Agricultural Economics and Extension

The University of Fort Hare's Department of Agricultural Economics and Extension has been training agricultural economists since 1970. We have always been strongly influenced by our geographical position, but in different ways at different times. We are located on the edge of the former Ciskei homeland, which at present means that we are confronted daily by the realities of resource-poor farming and rural under-development; but we are also close to various large-scale commercial farming areas, offering a constant reminder as to the stark dualism of South Africa's agricultural sector.

Our location means that we largely cater to students coming from across the Eastern Cape, many of whom were raised in under-privileged rural communities. Most of our students are therefore deeply familiar with rural life, and many have first-hand experience with small-scale agriculture, which is a huge advantage. On the other hand, farming has been in long-term decline in many of these communities, thus many students rush to simplistic conclusions, such as that the problem with small-scale farmers is that they lack the 'right technology'.

All of this makes the Eastern Cape an interesting if challenging classroom. Our approach is to build up students through knowledge, theory, and specific skills, but also to constantly encourage reflection as to what it all means for the Eastern Cape, and beyond. Members of the Department are deeply engaged with the economic analysis of farming systems, value chains, natural resources, food security, extension services and rural livelihoods, and where these interface with government policies and programmes;

this translates both into the classroom experience, and into the development of postgraduates engaged with the own research.

The Department takes pride in being the university that produces the largest number of graduates in the country, mostly at undergraduate level. Over the past 5 years, on average the Department has been graduating about 50 undergraduate, 30 Honours, 10 Masters and 5 PhDs, annually.

The career prospects for our BSc Agricultural Economics graduates are very bright, whereas for our Bachelor of Agriculture graduates the prospects are more uneven. The majority of our graduates are finding employment in the public and private sector, but there are also too many graduates who are not finding jobs at all, in particular as public sector opportunities are becoming fewer. Many graduates first obtain internships, only thereafter finding 'true' employment. Others opt to register for postgraduate studies in education and then join the Department of Education as educators.

We are aware as a Department of the need to understand the views and needs of 'the market', and curriculum adjustments are therefore ongoing. We are in the process of re-curriculating our Bachelor of Agriculture programme to more closely correspond to what employers are seeking. As for our postgraduate graduates, many of them are now in top positions at toprated Universities in the country and in national and international research and development organisations or in government. In fact, to date all our PhD graduates are employed locally or internationally.

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### University of Fort Hare Department of Agricultural Economics and Extension

Our students and staff have been presenting their papers at local and international conferences. Some staff members have been invited as keynote speakers at international symposia and conferences. The Department is also regularly invited to participate in international collaborative research programmes and is now appearing on several databases. For over 8 years now, the Department's staff and students have been contributing the largest number of papers per university that are accepted for presentation at the AEASA conferences. A good example is in 2019 when the UFH contributed about a quarter (8 oral papers and 1 poster) of all papers that were accepted for oral presentation at the AEASA conference.

The Department has been involved in a number of funded research initiatives, often in collaboration with external partners. One notable one is the Agricultural Research Council's Centre of Collaboration that brings together the UP, UL & UFH departments of agricultural economics. The UFH Department is co-supervising a number of students with Economists from the ARC. We also have a PhD student, Miss Siphokazi Ngcinela, who is sponsored by SANBi. Dr Tlou Masehela (SANBi Senior Scientist: GMO Assessment) is the student's co-supervisor.

## **GOVERNMENT DEPARTMENTS**





## National Department of Agriculture, Land Reform and Rural Development (DALRRD): Directorate: Agro-processing Support.

Agricultural Economists (AE) based in the Directorate: Agro-processing Support focus on policy-strategy development and facilitating implementation thereof, geared to enhance competitive performance of agro-processing agribusinesses and ultimately the industry. Agricultural development programmes within government have overtime focused on the support to primary production with minimal strategic interventions encouraging downstream value-add and processing activities. All the while, literature articulates the latent potential of agro-processing activities as antidote to enhance competitive performance of agribusinesses through backward and forward linkages with other sectors of the economy.

Policies and strategic interventions crafted by agricultural economists directly contribute to the DALRRD mandate via reduction of high level of post-harvest losses experienced by farmers. The mandate of the DALRRD as articulated in the Constitution of the Republic (Act 108 of 1996), Bill of Human Rights, Section 27 sub-section 1(b) that states "everyone has a right to sufficient food and water"

1. Post the adoption of the National Development Plan (NDP, 2009); the policy and strategy on the development of agro processing agribusiness was crafted and approved for implementation. Moreover, respective provinces have crafted idiosyncratic agro-processing strategies to guide the support and development of agribusinesses. Provinces have also incorporated agro-processing units into their respective programme structure.

The common theme of provincial strategies mitigating the inability of agribusinesses to access finance. Further, assisting agribusinesses to comply to mandatory and private food manufacturing standards. Consequently, the agro-processing support scheme and the blended finance scheme were conceptualised, approved and being implemented through the Department of Trade, Industry and Competition and the Industrial Development Cooperation (IDC) respectively. Similarly, the agro-processing certification programme is being implemented in partnership with the South African Bureau of Standards (SABS) and the Consumer Goods Council of South Africa (CGCSA) via the supplier and enterprise development programme.

2. The functions of agricultural economists are aligned to the strategic interventions articulated in the Agriculture and Agro-processing Master Plan (AAMP). Some of these interventions were extracted from the Strategy on the Development of Agro-processing Agribusinesses. These interventions include: emergent sector opportunities programme, enterprise and supplier development programme, and agro-processing certification programme. The agro-processing field is a relatively novel career path. Hence, career opportunities exist for the following category of agricultural economists: agribusinessmarketing economist, production-resource economist, agricultural macro-policy economist.

#### 3. Web and online contact:

https://www.dalrrd.gov.za/Branches/Economic-Development-Trade-Marketing/Agro-processingsupport



The main objective of Agricultural Economics within the KwaZulu-Natal Department of Agriculture and Rural Development (KZNDARD), is to provide timely and relevant agricultural economic services to the sector in support of sustainable agricultural and agribusiness development, to contribute towards increased economic growth. Agricultural Economists provide advice and information through trainings, emails, radio shows, publications, farmer's days, workshops as well as other various platforms with a yearly intake of interns to train them of departmental activities.

Agricultural Economists at the Head Office are divided into three sub-directorates, namely: Economics, Marketing & Value Adding (Agroprocessing). They take part in National Forums (Production Economics Forum, Marketing Forum and Agro-processing Forum). The Economics Section's focal point is the development and updating of economic tools such as Provincial Enterprise Budgets. Provincial Farm Record Keeping Books & Training Manual and Farm Business Management Training Manual. Central to the role, is forming part of a team that reviews national economic tools, namely; Guide to Machinery Costs (GMC), Farm Record Keeping (Finrec) and Enterprise Budgets. The Marketing Section's core function is to facilitate market information and access to certification for agricultural products (PPECB, Local & Global GAP). Agro-processing Section's main objective is to promote compliance to food safety and quality standards for processed agricultural products (HACCP).

## KwaZulu-Natal Department of Agriculture and Rural Development (KZNDARD)

Due to the close proximity to farmers, District Agricultural Economists form an integral part of business plans development, project planning, implementation and monitoring. There are quite a number of farmers who have received funding from Financial Institutions including Development Finance Institutions as a result of Business Plans developed by the Agricultural Economists working with other disciplines. This empowers farmers not only to rely on government grant funding such as CASP and Ilima Letsema but also to access funding from other financial institutions.

Roles of District Economists are centered on ensuring farmers gain access to funding and markets within their pertinent districts, nationally and internationally. Furthermore, Agricultural Economists participated in Public Service Awards Ceremonies and won Gold in Provincial Best Operational Employee Category and Bronze Nationally in 2018/2019 emphasizing the contribution of the profession to departmental operations, and further won Gold under Category of Subject Matter Specialist in 2019/2020 Departmental Extension and Advisory Service Awards.



BETTER TOGETHER.

The Western Cape Department of Agriculture (WCDoA) provides a wide range of development, research and support services to the agriculture and agribusiness sector in the Western Cape. Agricultural Economic Services is one of the Programmes where the majority of the WCDoA's agricultural economists are based and provide these services mainly under four of its Divisions:

i.Production Economics: The division supports agribusinesses by providing services such as farm budgets, financial record keeping services, development finance and farm business planning and analysis. ii. Statistics: Agricultural Economists identify data needs driven by client requests, but also populating these which allows valuable trend analysis for not only agricultural producers and their commodity organisations but also for policymakers and other decision makers. iii.Marketing and Agribusiness: AE in the division implement various initiatives of the Department aimed to facilitate access to local and international markets. The aim of these initiatives is to create an enabling environment to support the agricultural exports from the province and domestic market access in order to broaden the base of economic activity especially of the rural economy within the Province.

iv.Macro and Resource Economics: The purpose of this division is to develop the necessary mathematical frameworks and to evaluate the impact of various local and international environmental and policy measures on the economy of the Province.

### **Western Cape Department** of Agriculture (WCDoA)

Agricultural Economists in the Department use data, research and agricultural tools to service agribusinesses in the province, policymakers and contribute towards the departmental performance plan and strategy. Recently, the Agricultural Economic Services added a new division of Agro-Processing Support Services. The versatility of Agricultural Economics under this component allows them to perform duties of market analysts and food technologists. The Programme has experienced economists and also nurtures young talent through its operations. To achieve this, the Programme participate in various departmental Human Capital Development initiatives such as Agrifutura, the Graduate Internship, Young Professionals Programme (YPP) and bursaries for both internal and external candidates.

The Department has organised various conferences and has long been a member and contributor to AEASA's rich history. WCDoA has long realised the importance of aligning critical and applied economic research to the necessary peer review and academic rigour that AEASA has maintained over the years. Apart from attending the annual conference, the WCDoA has also been active in writing contributed papers and presenting our research to a broader and academic audience.

- Bongiswa Matoti organised several conferences, and served as an elected Vice President (2013/14-2014/15) then later President (2015/16-2016/19) of AEASA.
- Dr Mfusi Mjonono was elected as the Vice President of African Farm Management Association in 2013 and organised a successful conference that was held in 2014 in Cape Town. Subsequent to that, he was also elected as the President for African Farm Management Association in 2015, a position 22 he held until 2017.



BETTER TOGETHER.

- onferences, wrote and presented various papers. He presented the FR Tomlinson Commemorative Lecture, on the topic of "Provinces and agricultural development: challenges or opportunity", in 2012. At a Continental level, he served as the Southern African representative on the Executive Committee of the African Association of Agricultural Economists (AAAE).
- Masego Moobi is currently serving as a Newsletter Editor of AEASA.
- Numerous prizes, more recently papers authored by Louw Pienaar (2nd prize in 2013 & 1st prize in 2016) and Andrew Partridge (3rd prize in 2014) for best contributed papers category.

AE have numerous paper and poster presentation at conferences such as the Agricultural Economics Association of South Africa, African Farm Management Association, South African Society for Agricultural Extension, International Farm Management Association, International Food and Agribusiness Management Association, African Association of Agricultural Economists, International Association of Agricultural Economists and the Professional Agricultural Workers Conference. Officials also have numerous research publications as chapter in a book, research journals and Departmental publications and website

## Western Cape Department of Agriculture (WCDoA)

Notable recognition

- Dr. Dirk Troskie: Invited by the African Union to participate in the process to develop a Geographical Indication (GI) Strategy for Africa. He also plays a key role in the work related to GIs in South Africa with recent success of the European Union designation of Rooibos as protected product of origin. Dr Troskie is also instrumental in initiating the Department's YPP program that continues to nurture talent in the agricultural sector.
- Tshepo Morokong: Qualified for a Remote Pilot Drone License through the South African Civil Aviation Authority (SACAA). He was considered for the Extra-ordinary lecturer role at the University of Stellenbosch.
- Vanessa Barends-Jones: Was nominated for the Female Energy Profession of the Year Award.
- Some officials obtained postgraduate qualifications while working for the Department.

As AEASA celebrates its 60th anniversary, the Programme also reflects on the contribution of the work that Agricultural Economists have done in serving the Department and the agricultural community in the Western Cape. This summary of achievements show the dedication of officials and reflects on the innovative value that Agricultural Economists continually add to the work of the programme.

# CAREER PROSPECTS FOR AGRICULTURAL ECONOMISTS

#### **MANDATE**

To economically transform Agri-food value chains. To ensure sustainable environmental management for healthy, food secure, and integrated, smart, and developed urban and rural communities in Gauteng.





ROLE OF AGRICULTURAL ECONOMISTS IN GDARD (GAUTENG DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT)
Contribute towards "Growing Gauteng Together 2030" by providing support to small, medium and micro-enterprises in various value chain with specific focus to Fruits and Vegetables, Poultry, Piggery, Grain, Red Meat and Agro-Pharmaceutical (Cannabis)

### FRUIT AND VEGETABLES:

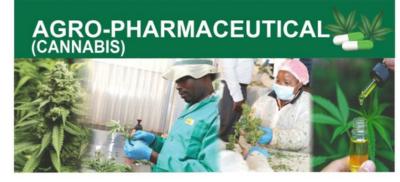


### **GRAIN**



### **POULTRY, PIGGERY, RED MEAT**







- AgribusinessAppraiser
- AgribusinessSpecialist

## FUTURE CAREER PROSPECTS FOR AGRICULTURAL ECONOMISTS IN GDARD

- Analyze economic activities within the Agricultural Industry.
- Identify patterns and trends in Economic Activity
- Increase Efficiency of Agricultural System
- Assist Smallholder Producers to make a well-informed and sound business decision.

Supported by: GAUTENG DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT





## PRIVATE ORGANISATIONS





## Bureau for Food and Agricultural Policy (BFAP)

The Bureau for Food and Agricultural Policy (BFAP) was founded in 2004. It serves the broader African, and particularly the South African, food system through an end-to-end value chain approach which considers land, water, the economy and its people as well as elements of the socio-economic environment such as infrastructure, governance, social change and technologies. The Bureau strives to inform better policy and business decisionmaking, thus contributing to an enabling environment within which the agrifood system can thrive. In its early years, BFAP functioned as a virtual network that consisted of researchers associated with universities. government and the private sector. The organizational model evolved rapidly and today BFAP is an independent non-profit company (NPC) with a Board of Directors and corporate governance and fiscal responsibilities. Its main offices are situated at the Agri-Hub in Pretoria, with some researchers also based in the Western Cape.

BFAP has developed a well-established network of local and international collaborators and partners in the public and private sector, and in academia. This includes long-standing partnerships with private sector clients, research partners such as the Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri in the USA, the International Food Policy Research Institute (IFPRI), agribenchmark (Thünen Institut - Germany), and the Food and Agricultural Organization of the United Nations (FAO).

These international partnerships are bidirectional, providing global inputs to domestic research, but with BFAP also contributing to the Global Agricultural Outlook. BFAP is also one of the founding members and partners of the Regional Network of Agricultural Policy Research Institutes (ReNAPRI) in Sub Saharan Africa. MoU's have also been established over the years with a range of institutions and departments including the Department of Agriculture, Land Reform and Rural Development (DALRRD), the National Agricultural Marketing Council (NAMC), Agbiz, and more recently the Namibia University of Science and Technology (NUST). Although refinements have been made and the relative weight of funding and support changes over time, the basic principles have remained the same over the years, with a combination of clients and partners in the public, private, and NGO/donors sectors.

Due to the multi-faceted nature of the research questions and development objectives in the agrifood system, the initial team of agricultural economists was expanded significantly over the years to build a team of multi-disciplinary specialists. Today, the BFAP team embodies a truly multi-disciplinary skillset, including agricultural economics, food science, mathematics and data science, engineering. supply chain management, socio-economic impact assessment, systems technology, and geo-informatics. Over many years, the team has become well known for its work in foresighting, scenario planning, commodity market modelling and outlook projections, value chain analyses, food prices and farm-level economics.



## Bureau for Food and Agricultural Policy (BFAP)

Fundamentally, we believe that fostering long term partnerships enables a stronger contribution. In the policy space, some of the contributions include, but are not limited to, the National Development Plan in collaboration with the National Planning Commission, the background research for the agriculture Phakisa in collaboration with the NAMC and the University of Fort Hare, and the research informing the development of the agriculture and agroprocessing masterplan (AAMP) in collaboration with the NAMC and the Centre for Competition, Regulation and Economic Development (CCRED) at the University of Johannesburg. In recent years, BFAP has invested in the Integrated Value Information System (IVIS), a geo-spatial platform which enhances visual solutions using the integration of data and insights to support strategic decision-making along multi-dimensional value chains. This has also enhanced the team's ability to undertake monitoring and evaluation of various transformation projects, which contributes to the Bureau's overall drive to improve data and analytics within the emerging farming sector and informal value chains, where credible information has been sorely lacking.

The combined emphasis on policy and business analysis enables focused, industry relevant research. Publication of regular outputs and the active engagement on public-private sector platforms provides predictability and access for policymakers and organizational leaders who need timeous inputs quickly. The Bureau does not have a teaching mandate, although it works closely with associated universities and supports academic publications in peer reviewed journals and provides opportunities for students to engage in practical learning experiences as part of experienced research teams.



### **Absa Bank Limited**

There are more than 20 agricultural economists employed in Absa as Agri-specialists. As their job title suggests Agri-specialists are subject matter experts that analyse financial positions of farming operations to provide advice to agricultural clients and expert information on internal banking processes and decisions. These specialists mostly operate from Absa's regional offices around the country.

There is also a team of agricultural economists employed at Absa's corporate offices in Johannesburg. These economists fulfill a supporting role to colleagues in the different regions. This includes providing an analysis of the broader economy, agricultural subsectors, and global market dynamics. They also work closely with colleagues in the regions to ensure that the Agribusiness strategy of the bank is implemented.

Absa is always looking for talented individuals that are passionate and knowledgeable about agriculture. In support of this, Absa intermittently sponsors and engages with students from various agricultural fields to build capacity and provide them with exposure to professionals in the industry. We are also keen to be involved with organizations such as AEASA and the Produce Marketing Association (PMA), which cultivate and nurture student talent and development. Numerous greats, for example, emeritus Prof. Andre Louw and Andrew Makenete, have formed part of the Absa Agri-business legions over the past few decades. In this regard, a long list of talented individuals contributed to make Absa a leading agricultural financier in South Africa.

### **STATE OWNED ENTITIES**





The role and position of agricultural economists in the ARC has evolved over the years, as has the staff compliment. In total the ARC has about twenty agricultural economists, comprising researchers, students and those in senior and executive management. Most of the Economists are based in Hatfield, whilst two are situated in the Roodeplaat campus and one at Glen near Bloemfontein, as part of the Natural Resources and Engineering group.

Until recently, agricultural economics in ARC was positioned primarily for supporting technology transfer efforts, and not necessarily research. The formation of an Agricultural **Economics and Capacity Development division** (now called Impact and Partnerships) in 2009 was a turning point in establishing the discipline as a field of research in the organization. Economists became more actively involved in research. Taking advantage of the wealth of data that exists in the organization, whilst responding to the organisation's need, they pioneered research in various aspects of economics of research and technology policy. Such research included economic impact assessments for plant breeding research programmes, evaluation of livestock development programmes and productivity analysis.

Working together with Universities of Limpopo, Pretoria and Fort Hare through an ARC funded Centre of Collaboration, the ARC's Economic Analysis Unit has now established itself as a leader in research on animal health economics, productivity analysis, and economic impact assessment studies. Some of these studies were showcased in a special issue of Agrekon published in 2019 on "Measuring and

## Agricultural Research Council (ARC)

Explaining Productivity Growth in South African Agriculture". The impact studies use a range of evolving economic tools and techniques and apply modern econometric techniques. Some of the studies have been published through ARC partnerships with researchers from University of Arkansas-USA, Wageningen University-Netherlands, and from a number of SA Universities.

ARC economists continue to break new ground in research. Leading a multi-disciplinary collaborative project, economists developed a tool for holistic farm assessment which was applied to evaluate the viability of 1989 farms funded under the Proactive Land Acquisition Strategy (PLAS). The farm assessment toolkit is currently being digitised to enable broader access and use. ARC economists also sit on the national technical advisory committee of the country's Vulnerability Assessment Committee on Food and Nutrition Security, the Agricultural Economics Working Group (AEWG) and are involved in several collaborative projects with local and international partners.

Since 2016, the Unit has consistently won awards at the AEASA annual conferences, and presented a high number of articles. These awards included best upgraded paper (2018), Best MSc thesis (2019, 2020), best paper published in a journal other than Agrekon (2020) and best poster paper (2017).



The National Agricultural Marketing Council (NAMC)'s mandate is to provide advisory services to the Minister as the agricultural policy maker, as well as to sector stakeholders in order to inform decision making. This requires undertaking of both secondary and primary research and relevant analysis of the agricultural economy, its sub-sectors and value chains. To perform this function and to fulfil the afore-mentioned mandate, the NAMC employs a team of highly qualified agricultural economists recruited from a diversity of academic institutions around South Africa.

Through the research, analytical and monitoring work that its agricultural economists perform, the NAMC provides up-to-date information on the performance of statutory levies and agricultural industry trusts, as well provides intelligence on the structure, conduct and performance, trade and market opportunities and transformation of agro-food value chains. In addition, the NAMC's agricultural economists coordinate the key function of linking farmers to markets. One of the key functions performed by the NAMC economists in the administration of Statutory Levies and Trusts which provide funding to the industries.

Statutory levies are funds that are collected at points of sale of various agricultural products to enable growth in the sector by means of effective information collection and management, communication and the funding of research, transformation, export promotions and other essential generic functions. Over the past 16 years industries collected approximately R5.6 billion through statutory.

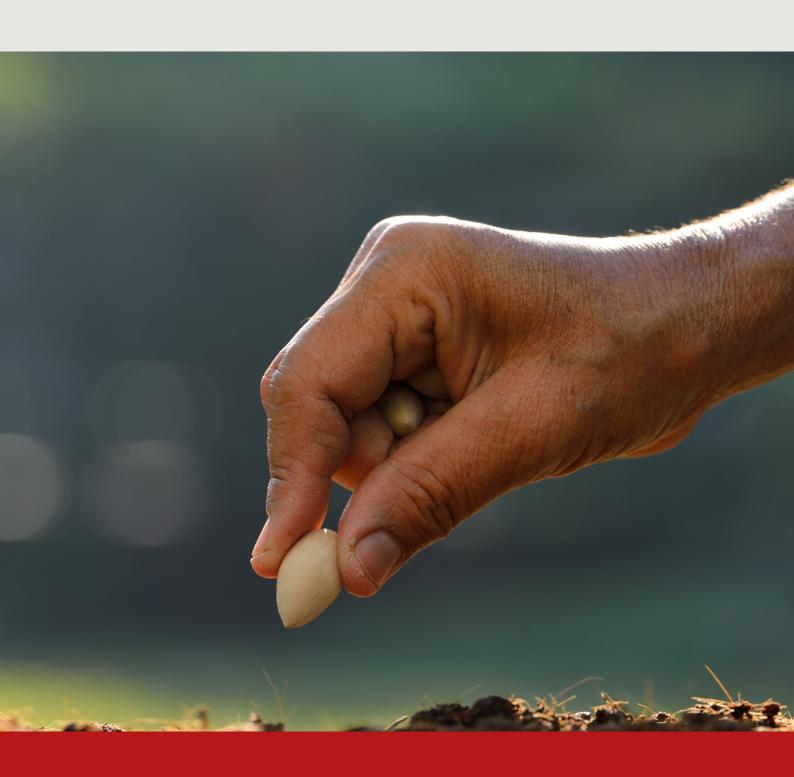
## National Agricultural Marketing Council (NAMC)

levies and spent approximately R1.12 billion on transformation activities. There are currently 20 industries in South Africa utilising statutory levies.

Agricultural trusts are bodies that were established after the disbandment of the former control boards during the market deregulation process in 1996. Their responsibility is to protect producers from excessive price fluctuations. The assets of the control boards worth R677 million at the time were then transferred into these Agricultural Trusts (current valued over R2 billion). The trusts have spent approximately R405 million on transformation activities between 2012 and 2019. The NAMC prescribes that an industry should spend at least 20 % on transformation, while the industry trusts spend over 30 % of their annual budget allocation on transformation in key activities such as enterprise development and skills development.

Expenditure on transformation by statutory levy collecting industries has over the years been guided by transformation guidelines, as mentioned above. In some cases, trusts administrators have used transformation guidelines to guide their transformation expenditure. As highlighted above, the guidelines have been amended over the years, to align to the key government policies around transformation and in consultation with the levy and trust administrators

## **MEMBER SPACE**



# DBSA AND AGRICULTURAL ECONOMISTS



BY PROF. NICK VINK

The Development Bank of Southern Africa is the only major institution in South Africa, whether public or private, that was established by agricultural or applied economists. This goes for the team that was responsible for setting up the institution, as well as for the DBSA's first Chief Executive, Dr Simon Brand. The team charged with responsibility for setting up the DBSA was built around André la Grange, Deon Richter and Freek van Eeden, all alumni of the Department of Economics at the University of Pretoria, and all 'disciples' of Prof FR Tomlinson, who was supervisor for Simon Brand's PhD.

Dr Brand was, at the time of his appointment, arguably the most prominent economist of any stripe in South Africa. In the midst of a distinguished academic career (he was a Professor in Economics at three universities) he served as Chief Director in the Office of the Economic Advisor to the Prime Minister and subsequently Economic Advisor to the Prime Minister and State President. He was appointed Chief Executive and Chair of the Board of the DBSA in 1983 at the relatively young age of 45.

Dr Brand had many talents, but there were four that made a real difference to the work that we junior agricultural economists did at DBSA:

- 1. He had international standing, including with elements of the liberation movements, at the time when South Africa was most isolated due to the apartheid policies of the time. This allowed us access that would otherwise have been impossible.
- 2. He was a sound and sensible economist of great modesty who could argue from first principles in a manner that non-economists could understand. With his background in agriculture, he also understood the importance of context.
- 3. His career in government and in the various Departments of Economics meant that when he practiced economics it was from both a macro and a micro perspective. It also meant that he understood policy-making processes and the mechanisms needed to implement policy better than most.
- 4. He was brave in every sense of the word.

  He encouraged us to work on topics that were controversial, such as land reform.

  Even when he received death threats from elements within Organized Agriculture for things that we had said about the need for land reform in the 1980s, he just told us to be careful and to carry on with the good work.

AEASA benefitted from especially his understanding of the importance of international networking, and herein lies the origins of the Simon Brand Memorial Address.

It all started in the second half of the 1980s when Dr Brand pledged that DBSA would provide the funding to bring a prominent agricultural economist to South Africa at the time of the AEASA Conference to give a keynote address. The practice of inviting overseas speakers had started with AEASA's involvement with an annual Agricultural Outlook Conference, and the first DBSA invitee was Prof Luther Tweeten, who attended the AEASA Conference in Durban in 1986, followed by Glenn L Johnson in Johannesburg in 1987.

Simon Brand died an untimely death in the beginning of 1992. The keynote speaker at that year's conference was Prof Bruce Johnson of Stanford University and supervisor for Dr Brand's Master's thesis. It was on the occasion of his keynote address that AEASA decided to commemorate the large role that he had played in the Association by naming its keynote Conference address after him – this after Dr Brand had delivered the F.R. Tomlinson Memorial Address in 1991.

There must have been at least 25 agricultural economists working at DBSA at the time that the political changes in South Africa commenced, some with formal training as agricultural economists, and some economists brought into the fold. No other institution in the country, including the Universities, could come close in terms of numbers. This was in the days before the hegemony of econometrics, but DBSA agricultural economists had an impressive arsenal of techniques such as benefit-cost analysis (CBA), linear programming and other optimization techniques, and so forth to deploy in their work as project managers, project specialists, policy analysts and monitoring and evaluation specialists.

In keeping with the example set by Dr Brand, most of the new recruits were rotated between the rural and agricultural policy and operations divisions. In the policy division they rubbed shoulders with experts in almost all facets of development economics, while in operations they had to learn how to solve real-world problems, again working with specialists in other disciplines. In this manner the DBSA's agricultural economists exercised a strong influence on the other functions within the institution, aided and abetted, of course, by Dr Brand.

Mostly these influences, manifested in "translating" development policies and strategies into agricultural project planning and appraisal processes (the project cycle), to enable the DBSA to decide if a project was "bankable" i.e.to be financially supported by the DBSA. This led to many high level debates as well as the introduction of agricultural economic concepts such as "opportunity costs", "second best solutions", "shadow prices", "with and with-out analysis" into Boardroom meetings...and, to be honest, with some heated confusion during the initial stages. In one meeting two (non-agricultural economists) top level managers considered the novel concept of "average marginal costs" as a possible solution to optimize "cost benefits rather than benefit costs" in a large dairy project in the Transkei region???!!! But be it as it may, CBA was established by the DBSA first as a major guiding decision support method in agriculture and rural development, and later also for infrastructure and educational development investments.

Another strategy framework that impacted strongly on project design and decision making was the "Farmer Support Programme (FSP)" policy of the DBSA, where the support and development of smallholders in the former homeland areas was prioritized, much as envisaged by Prof Tomlinson and as an alternative to large state-run, labour saving, often highly subsidised corporate farming projects. FSP investments enabled significant economic multipliers and linkages in poor rural societies. In some circles outside the Bank, the FSP was viewed as radical thinking and on occasion required the interventions of the highly respected Dr Brand in support of his young agricultural economics firebrands! The famous "AmFarms telex" to the Anglo American Corporation arguing the benefits of the FSP stands as evidence of this. Similar stories can be told about DBSA's support in strategic regional investments. Two examples - the Driekoppies Maguga dams and irrigation development (RSA, Eswatini and Mozambique) and the Lesotho Highlands Water Scheme (RSA and Lesotho) led to significant development impacts.

From a policy and strategy perspective, DBSA agricultural economists were also well placed and influential in the early 1990's in many high-level debates on the making of the "new South Africa" – prominent DBSA inputs and interventions were recorded on the 'land issue", the deregulation of agricultural marketing, agricultural finance, food security policy and appropriate support structures for agricultural development.

DBSA agricultural economists were also prominent in the expansion of the activities and membership of AEASA, with a "world first" DBSA supported inter conference symposium of the International Association of Agricultural Economists (IAAE) in Swakopmund, Namibia, in 1990 to enable the participation of more than 80 agricultural economists from all over Africa. This effort resulted in a first for the "new South Africa", hosting the IAAE conference in Durban in 2003.

The closing down of DBSA's mandate in agricultural and rural development saw the end of this interesting role of agricultural economists in the development path of our country. It however delivered a stock of well-versed agricultural economists to many of the institutions tasked with creating a new and prosperous South Africa ....the end of an era but also the start of a new challenge.

## AEASA TRADITION FR TOMLINSON MEMORIAL LECTURE

"I am tempted to talk about F R Tomlinson the person - about the indelible impression he made on me, and, I am sure, on everybody else who dealt with him. He had this impact because of his bubbling enthusiasm and his direct manner, his insight and experience and the great empathy he had with students and colleagues."

-Dr. SS Brand



### 1991 FR TOMLINSON MEMORIAL LECTURE THE AGRICULTURAL ECONOMIC LEGACY OF FR TOMLINSON

### Dr SS Brand Executive Chief and Chairman of the Board: Development Bank of Southern Africa

Agrekon, Vol 31, No 1 (March 1992)

It is a great honour for me to deliver this lecture tonight, but at the same time it is a sad occasion. I am tempted to talk about F R Tomlinson the person - about the indelible impression he made on me, and, I am sure, on everybody else who dealt with him. He had this impact because of his bubbling enthusiasm and his direct manner, his insight and experience and the great empathy he had with students and colleagues. However, on this occasion it is probably more appropriate to reflect on and give recognition anew to his contribution to the practice of agricultural economics in South Africa. This is in itself a formidable task because it concerns the activities of a remarkable man over a period of more than forty years. During this time he submitted two doctoral theses, published about seventy scientific papers and popular scientific articles, was chairman of two major commissions of enquiry and chairman or member of several departmental committees of enquiry. He was supervisor to twenty-three doctoral candidates and to eighteen candidates for master's degrees. He received much recognition for his work, such as the Havenga prize for economics from the Suid-Afrikaanse Akademie vir Wetenskap en Kuns, and honorary membership of the Agricultural Economics Association of South Africa.

Today the name F R Tomlinson is well known to the general public, and perhaps even in agricultural economic circles, because of his chairmanship of the Commission of Inquiry into the Socio-Economic Development of Bantu Areas in the Union of South Africa, or, to put it more colloquially, he is remembered as the Tomlinson Commission.

Although this was indisputably an important piece of work which carried his characteristic stamp, it obscured his wider contribution to the general development of agricultural economics, which would have been impressive even without his involvement in the Tomlinson Commission.

Not only are the large number and the wide range of his contributions impressive, but the excellence of the content and the standard he maintained over this long period are remarkable. For this reason I felt that it would be appropriate today, on this, the first presentation of the FR Tomlinson Memorial Lecture since his demise, to single out a few of the many themes and attitudes which characterised his scholarship. From these, I would also like to draw certain guidelines for the direction of the agricultural economics profession in the years that lie ahead.

During his postgraduate studies at Cornell in the USA, where he submitted a dissertation on agricultural prices, Professor Tomlinson was strongly influenced by well-known agricultural economists such as GF Warren and PA Pearson. Back in South Africa, he developed some of his earlier works along the line of his interest in general price and production trends and trade structure in agriculture. This led to publications such as Uitbreiding van Koringproduksie in Suid-Afrika, 1910-1934 (1935) and Prysbewegings van Landbou-produkte (1937). This predilection for analysing macroeconomic trends stayed with him throughout his career, as can be seen in his series of articles on 'Agricultural production and prices in the Cape Colony', published in the magazine for Human Sciences in 1961.

It is an interest which expanded to encompass his views on and analyses of the marketing of agricultural products (compare his publication on the marketing of skins and hides in the Union of South Africa in 1939), and of the role of agriculture in the broader economy - a subject on which I had the honour of publishing a few articles with him. This interest also included the role of agriculture in a regional context.

Shortly after his return from the USA. Professor Tomlinson began to focus his attention on microeconomic investigations into individual farming ventures. He reported on this in publications such as Die Ekonomiese Struktuur van Somervrugteboerdery in die Westelike Kaapprovinsie in 1933-1934 (with S P van Wvk. 1935), which was followed by a series of investigations into other production areas of agriculture, such as peanut and mealie production on the Springbok Flats (1938), farming in the Limbur region (1939), irrigation farming in the western Transvaal (1939), contributions to the Agro-Economic Inquiry Project (1947), fresh milk farming in Natal and in the Witwatersrand region (1951) and tobacco farming in the Western Transvaal (1951).

Although some of these studies originated from the official need for information on production costs as a basis for determining prices, time and again he used the opportunity to derive additional benefit from this kind of investigation. Firstly, this included a thorough methodological reflection on methods of costing, in addition to the original objectives of these studies. All his publications in this category were characterised by thorough descriptive results related to the relevant farming systems. In addition, his analyses of the causes of variations in farming results provided extremely useful guidelines for individual farmers because of the excellent identification and analysis of success factors in each case study. Through these studies he also laid methodological foundations for many later studies by other South African agricultural economists. In his analyses he avoided falling into the trap of considering success factors in isolation by placing emphasis throughout on 'farming as an economic and organisational whole' within which the composition of the various production branches, the combination of inputs and the role of different production practices contribute to the overall farming results. It is interesting to note that even at this early state he included the personal characteristics of farmers as one of the causative factors in explaining farming results in his analyses.

This approach was an early precursor of his later interest in community development and his approach to extension to farmers.

In these two broad fields, namely macro- and microeconomic analysis, an important characteristic of Professor Tomlinson's work on agriculture in South Africa during the thirties, was that he did not view these fields as separate entities. His publications show his continuous awareness of the influence which macro trends have on decision making on the individual farming level, and vice versa, the extent to which reactions on the farming level, and, vice versa, the extent to which reactions on the farming level can support or undermine the intended effect of macroeconomic policy.

His analysis of trends in wheat production, for example, starts by differentiating the role of surface expansion from that of increase in yield in total production trends. He then identifies, on an industry basis, the same kind of causative factors that he identified as successful factors in his microeconomic investigations, such as production systems and practices and technological developments. Especially interesting and still applicable today, is his analysis of the effect that trends in the relative price of wheat compared to other agricultural produce had on trends in the production of wheat. His findings in this regard can today still be applied to a large extent in this particular industry. From this, and from the implications that one cannot act continuously against market trends, he leads his argument back to the decision choices of the individual farmer and the desirability of diversification of farming systems.

It should also be mentioned that even at this early stage he already paid attention to substitution between means of production, as can be seen in his publication on mechanisation as opposed to draught-animal power.

For example, he compared the relative price of fodder to that of fuel, and although he did not follow this argument through to a complete sensitivity analysis with regard to all cost items - which can be appreciated bearing in mind the limitations of data processing at that time - he did raise questions in this publication which became much more topical later on, and in this way illustrated his ability to identify important issues timeously.

A theme which interested him throughout his career was the question of farm size and the influence it has on farming systems, farming practices and farming results. He warns against decreases in farm sizes in his publication on wheat producing areas, because it would place restrictions on the possibility of running the balanced farming system necessary for good resource utilisation and protection against price trends and fluctuations. In his production economics studies he also regularly paid attention to the influence of farm size on farming results. Together with his interest in the protection and utilisation of resources, which was inter alia already expressed in his contributions to the Agro-Economic Survey, his views created a logical thread, which found, much later, an outlet in the recommendations of his Study Committee on the Use of Arable Land (1968), which formed the basis for the Subdivision of Arable Land Act in 1970.

His extensive knowledge of agricultural conditions throughout South Africa and the thorough and logical groundwork he laid in his research over several decades in these different fields, was an excellent preparation for the important and exacting work of the Tomlinson Commission, or rather, as he preferred to call it, the Socio-Economic Commission. In his microeconomic investigations he developed a sound methodological basis for the most comprehensive factual survey ever undertaken on farming conditions, systems, practices and results in these densely populated areas.

In his recommendations, which were aimed at setting up full time small farmers, he also suggested that factors such as access to land, markets, credit and extension services were prerequisites for the achievements of that goal. The insight of Tomlinson and his colleagues in this regard was years ahead of its time. One of the tragedies of the post war era in South Africa was that these findings and recommendations were not followed up.

However, it would be incomplete not to point out that there was not a full synthesis in Professor Tomlinson's work between his view of farm size in the commercial agricultural sector and his Commission's recommendations on a development pattern for smallholders in the Black areas. This can partly be ascribed to the restrictive political framework within which his Commission had to fulfil its task, but partly perhaps also to an incomplete consideration of the relationship between farm size and surrounding circumstances. For example, the recommendation of the Study Committee on the Use of Land were based on a different set of assumptions on farmers' income expectations to that underlying the small-farmer development approach as recommended by the Socio-Economic Commission. Another aspect which was not taken into account was that farm size is not only a determining factor for the use of available technology but that a set pattern of farm size influences the type and direction of the technological development in such a way that the technology which becomes available in due course increasingly demands a minimum farm size for successful application. By contrast, another pattern of farm size could lead to the development of technologies which are less dependent on a minimum farm size. The Socio-Economic Commission acknowledged this possibility, at least by implication, as it was in fact a necessary condition for the implementation of their recommended approach to development.

When one takes all of the above into account, it is clear that Professor Tomlinson's contribution to agricultural economics is nothing less than impressive. But what does this mean for the agenda of the present generation of agricultural economists?

In the first instance, it is clear that Professor Tomlinson had a special gift, which he used to good effect, for anticipating changes in the farming environment and in the reaction of both individual farmers and groups of farmers, and for asking the right questions at the right time, followed by investigations. In many of these instances he proved to be years ahead of his time. Secondly, it is evident that he recognised and had a clear insight into the important influence of surrounding economic and other circumstances on the actions and choices of the individual farmer, and thus on the different branches of farming as a whole. Thirdly, he clearly saw that good choices regarding agricultural policy and measures could not be made without a thorough knowledge of, and insight into, circumstances at the farm level, and that the probable reaction of farmers already had to be anticipated when formulating policy, if the implementation of the policy was to be successful.

At present, the circumstances within which agriculture is being practised in South Africa encourage the trend towards a more marketoriented economic policy in general and agricultural policy in particular. These circumstances also encourage the trend towards greater equality of access for all existing and potential agricultural producers to land markets and support services. This process has already been started and will, according to all expectations, be extended. It also includes the changes in labour regulations which, on the one hand may develop out of the urbanisation process, and, on the other hand, may come from the probable application of at least certain parts of the labour laws to agriculture.

These and other changes in the environment in which agriculture must be practised in South Africa could have far-reaching implications for the established commercial farmer as well as for subsistence and developing small farmers. To understand these implications and, on the basis of these, to develop a policy environment which will have the desired outcome with regard to, inter alia, the upkeep and expansion of agricultural production, it is necessary to anticipate what the

reaction to them will be of the established as well as the developing farmers on the farm level. To comply with these needs, the agricultural economists of our time will, in the tradition of F R Tomlinson, have to have the capability to handle the greater whole as well as the smaller details of agriculture and its environment in their research and policy work.

The circumstances today differ greatly in various respects from those which determined Professor Tomlinson's agenda. It seems, however, that the type of questions which he raised as departure points for his specialised work bear a strong resemblance to the type of questions which are being considered today. The answers he gave may differ as a result of changed circumstances. Choices are now available which he, because of circumstances at the time, could not take into account. And because of those changed circumstances it has become even more vital to address certain unanswered questions, such as the issues of appropriate support systems and technological development.

Therefore, even with his great enthusiasm and the quality of his contributions, professor Tomlinson did not finalise the agenda of agricultural economics. There will always be an unfinished agenda for the agricultural economist in Southern Africa. Whenever this agenda is tackled, it will always be fruitful to look back on the work of Professor Tomlinson to learn from the focused formulation of the relevant questions, the thorough methodological approaches with which he addressed those questions, and the thoroughness of the information base which he set up for answering those questions.

In recognition of the great contribution he made to agricultural economics in South Africa, the Agricultural Economics Association of Southern Africa took the wise step of introducing an FR Tomlinson Memorial Lecture. Our acknowledgement of his contribution should, however, not end there, but should also include a continuous awareness, kept alive by present and future agricultural economists, of the agricultural economic tradition which he helped to establish. 40

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### **AEASA**

# The Agricultural Economics Association of South Africa "Promoting training, research and interest in agricultural economics"

The Agricultural Economics Association of South Africa (AEASA) is the professional organisation of Agricultural Economists in South Africa. It was established in 1961 and held its first annual conference in 1962. AEASA has positioned itself strategically for the 21st century to enable it to be relevant for all agricultural economists, thereby assisting them to serve their communities. The shared vision is that AEASA's products and services should support all agricultural economists active in the industry irrespective of race, language, gender, career choice and educational level.

