

investment must shift away from its current urban bias towards rural development. This shift covers areas like health and education, as well as physical and marketing infrastructure. In many cases public investment must come first before private savings and investments follow.

It was also repeated that African strategies are needed, and that national governments must insist that their investment plans are followed. Donors cannot come to a country with their own ideas, capturing major chunks of existing capacity, without conforming with the political decisions or the strategies of that country. (*Seen and heard at Airlie: see page 7*)

ABOUT SASAKAWA-GLOBAL 2000

Agricultural projects of Sasakawa-Global 2000 are operated as joint ventures of two organisations – Sasakawa Africa Association and Global 2000 of the Carter Presidential Center, Atlanta, Georgia. The Sasakawa Africa Association, whose president is Dr Norman E Borlaug, serves as the lead management organisation for projects in twelve African countries as listed in the SG 2000 Country Profiles (from page 9). Global 2000, whose chairman is Jimmy Carter, has a special brief to provide policy advice to national political leaders in support of programme objectives. Funding for SG 2000 projects comes from the Nippon Foundation (formerly JSIF).

EDITORIAL

Agribusiness in Africa's development future

Norman E Borlaug

After three decades of disappointing performance by public-sector organisations in sub-Saharan Africa, most agricultural development professionals are looking to the private sector for new leadership. Experience in other parts of the world has shown that private enterprise is more efficient in delivering improved technology to farmers, and in developing marketing and credit functions.

In 1995, the 50 countries of sub-Saharan Africa only attracted 3% of the flow of foreign direct investment in the developing world, despite accounting for about 15% of the total population. Virtually all African leaders today now agree that foreign aid is not enough and that private capital from abroad is essential to their nations' development.

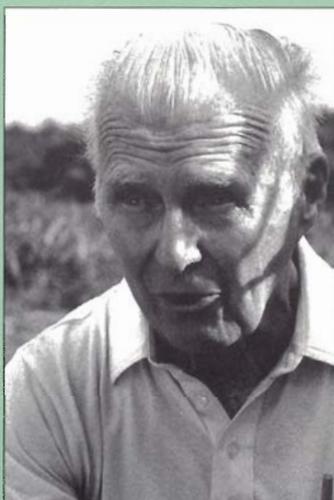
Of course, governments must create a conducive and enabling regulatory environment for private entrepreneurs to mobilise the capital needed to develop vibrant governments and must also ensure that subsidised parastatal agribusinesses are not allowed to operate in ways that add up to unfair competition. Beyond this, governments can help promote private sector involvement through investments in general education and training, health care services, physical infrastructure, and in getting fiscal and monetary policies right.

On their part, the private sector has duties and responsibilities to fulfil. First and foremost, they should exercise good corporate citizenship. They must refrain from seeking governments' privileges that

result in monopolistic positions in the market; they must stand up for the fundamental values of the free market system. Second, they should be environmentally and safety-conscious in their manufacturing and salesmanship. Third, they should attempt to take a longer view on profit-making, and make the requisite investments in local human resource development.

Notwithstanding its many virtues, however, we should also realise that privatisation is not a panacea for all

development activities and that there are many activities that the public sector must continue to undertake. In particular, most research and extension work for staple food crops, especially to serve small-scale farmers, will remain a public-sector activity for the foreseeable future. Therefore, improving the quality and orientation of public spending for agricultural research and extension can



greatly help to raise the productivity of African small-scale producers.

In particular, policies on access to scientific information and products (eg. improved crop varieties, crop protection substances, agricultural machinery) developed by publicly-funded international and national agricultural research systems are also an important consideration. Open and even access by private enterprises to public research information and products can reduce business start-up costs and accelerate the modernisation process considerably.

Africa is a sleeping agricultural giant waiting to be awakened. A vibrant agribusiness sector is central to Africa's future prosperity and to the protection of the environment. To tap this unrealised potential I believe a new approach – involving private-public-NGO partnerships – is needed. We in SG 2000 want to be at the forefront in helping this new development paradigm and in bringing it to fruition as quickly as possible.