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# STATE POLICY, DEPEASANTISATION AND AGRARIAN CHANGE: THE EFFECTS OF THE PSI ON CASSAVA-STARCH ON PEASANT FARMERS' SOCIO-ECONOMIC LIVELIHOOD

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#### **ABSTRACT**

This study focuses on the interface between state policy initiatives, the process of depeasantisation and agrarian change, using the Presidential Special Initiative on Cassava-Starch as a case. Employing both quantitative and qualitative data gathering techniques, primary data were collected from six farming communities in the Awutu-Effutu-Senya and Atebubu-Amantin districts of the Central and Brong Ahafo regions of Ghana. The analysis of primary data revealed that with the right policy initiatives by the state, it is possible to systematically incorporate peasant farmers into mainstream economy and to improve their socio-economic livelihoods. To this extent, the study recommends among others that given the importance of cassava to peasant farmers and its potential in both local and international markets, there should be consistent effort to promote its cultivation through extensive research and development with the view of introducing new varieties with high yields along with right agronomic practices.

#### PEASANTS AND NATIONAL DEVELOPMENT: AN INTRODUCTION

The importance of rural peasant agricultural transformation to the development of Third World nations has long been recognized. Rural agricultural sector is constituted mainly by peasant producers who contribute to development first by its traditional role of producing to feed farm individuals and families, and secondly, by producing surpluses of food for the non-agricultural population. In line with these contributions, it is imperative that, rural agricultural sector is linked to the local market and be efficiently linked to distant consumers by transport, intermediate markets, storage, processing where necessary and final marketing (Yudelman, 1976:33). Peasant producers also produce raw materials for industries, either as traditional export crops or as domestic raw materials for local industries. In this regard, Yudelman, (1990:34) suggests that, to ensure effective contribution of peasant agricultural producers to development, there is the need for the development of sales opportunities for their farm output.

Since the 1960's, agricultural production in Africa has grown steadily worse (Haizel, 1994:13-14). This is because African countries still find it necessary to promote few export-oriented crops to the neglect of their local food crops. The case of Ghanaian agricultural situation is not different from the broad African picture. Ghana is dominated by scattered small-scale traditional farmers. Even where modern small scale farming exists, it remains distinctive and

seen as an intrusion rather than a blend with the traditional farming practice. For this reason, there has been very little interaction between the two types of farming. The traditional system remains constricted in its moribund shell and predominated by illiteracy. It operates in smaller units and have chronic and inherent handicap of scale, thereby discouraging growth and mechanization.

As a way to back track the dwindling fortune of agriculture in Ghana, Ghana's development blue print, the Growth and Poverty Reduction Strategy II (GPRS II) identified the rationalization and modernization of agriculture and agro-based/processing industry as a key component. This was borne out of the realization that, majority of Ghana's working population continues to depend on farming activities for their livelihood. For this reason, no significant progress in raising the average incomes of Ghanaians as a whole can be made without significant improvements in the productive regime of the many small scale peasant farmers. GPRS II further recognized that the means for securing increases in production should range from improving the equipments and tools with which small scale peasant farmers earn their living, and intermediate stages of applying scientific and technological improvements to the farming practices.

Obviously, the implementation of these measures would enhance the process of capital formation among peasant farm producers, a precondition for reaching middle income status. Against this background, the PSI on cassava-starch as conceptualized and operationalised in Ghana was seen as one of the many initiatives that could feed this transformation. This paper is therefore based on the PSI on cassava.

#### The Study Methods

The study was conducted in the Awutu-Effutu-Senya and Atebubu-Amantin districts of the Central and Brong Ahafo regions respectively. These were purposively selected because they are among the highest cassava producing districts in Ghana. The Awutu-Effutu Senya District in particular hosts the first ever state of the art cassava-processing plant, whilst in the Atebubu Amantin District, efforts were being made to build another state of the art cassava processing factory. The study employed both quantitative and qualitative data collection techniques in the form of a survey and in-depth interviews with key informants. A sample of 120 peasant farmers for the survey and 11 key informants for in-depth interviews was selected, using both probability and non probability sampling techniques in a multi-stage sampling approach. Two sets of structured questionnaires were designed and administered to peasant farmers in six selected communities, three in each of the two selected districts. Unstructured interview guides were also designed for in-depth interviews with key informants.

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Harriss (1992) observes that there are three known paths by which predominantly agrarian societies may be transformed, so that they become "less exclusively agricultural, their agricultural systems become more productive and their people become better off". These paths are: (1) the development of capitalist farming which involves the establishment of

relatively large scale farm units and the absorption of the peasant farm sector; (2) the establishment through state initiative of large scale co-operative/collective farms or state farms; and (3) the promotion of capital intensive small scale farming to take advantage of the efficiency of small farms. Harriss notes that the third path, referred to as the 'populist' approach is the most preferred for most developing countries. One of Harriss' contemporaries, Michael Lipton (1992) follows with the 'populist' approach and argues that, transformation of agrarian societies should be based on efficient small family farms because such an approach to transformation ensures the optimum use of poor countries' most abundant resources.

There are however others who have expressed doubts about the real intent of the populist approach to agrarian change. In what sounds like the 'crucifixion before birth' Byres (1979:221-222) and Williams (1981) attack the populist approach, arguing in one breath that the populist approach is detrimental to industrialization, which, in his view is the route-way from backwardness. In another instance, these scholars suggest it is by the nature of rural development itself, (that is, of the intervention of public agencies in peasant production) that resources are distributed to the better off and subject peasant producers to state control and to agro-capital. Bharaddwaj (1992) also maintains that, the populist approach intensifies the dependency of small producers upon markets and in the process many of them become 'compulsively involved'.

According to Johnston and Kilby (1992), the structural and demographic characteristics of developing countries make them face a fundamental choice between a progressive modernization of their entire agricultural sector ('uni-modal' approach) and a crash modernization strategy that concentrates resources in a highly commercialized sub-sector ('bimodal' approach). They propose that in choosing either the uni-modal or bimodal approaches, there must be an assessment of their efficiency in terms of three major objectives as follows: (1) Facilitating the process of structural transformation and growth in national product, including growth of marketable surplus of farm products, expansion of foreign exchange earnings and increased availability of resources for capital formation, (a necessary condition for development of diversified economy); (2) enhancing the welfare of the farm population, involving public health and education; and (3) promoting attitude and behaviour changes in rural communities that have favourable impact on the process of social modernization. Like Harriss (1992), Johnston and Kilby (1992) observe that given the economic and political constraints of most developing countries, the 'uni-modal' approach is the most efficient means of attaining the objectives of agricultural strategy because, in their view, it has significant advantages in achieving both the economic and social goals of development. They, however, note that some developing countries appear to be pursuing the 'bimodal' approach because they lack the institutional arrangements that will generate and diffuse innovations on small farm units and therefore concentrate resources in a sub-sector of large and capital intensive farms (Johnston and Kilby, 1992:50–63).

The position of Johnston and Kilby (1992) appears to re-echo the finding of Uma Lele (1976) that, past experience of rural development programmes in Africa indicates that if the

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objective is not only to generate substantial marketed surplus, but also to ensure minimum availability of food and income to low income population in the rural areas, three steps are necessary in rural development programmes. The first is a broad geographical coverage in bringing about production increases, secondly a commensurate simultaneous improvement of the marketing systems, including traditional trade channels, where rural peasant producers already play important role, and lastly the development of rural infrastructure, in particular of roads and storage facilities.

Ramakumah (2006) notes that through deliberate effort of the state to bring about land reforms in the state of Kerala in India, oppressive agrarian systems which produced what he describes as 'wretched to the extreme' agricultural workers, was transformed into one that ensured significant transformation in their quality of life. The land reform initiative of the state had a positive effect on the socio-economic livelihood of the hired agricultural workers and these include achievement of high levels of social indicators even with low per capita incomes. The lesson for him is that the attainment of high levels of social indicators need not wait till an economy generates adequate resources through economic growth. If state initiatives are planned and implemented with commitment and support of the local people, they can significantly change rural socio-economic livelihood. In this way developing countries need not wait to attain high national economic indicators before paying attention to the misery of the masses of the rural farming poor.

On the local front, Gyimah-Boadi (1989) acknowledges the centrality of agriculture in the economic sustenance of Ghana, but notes that, agriculture in Ghana is fraught with myriad of problems. He observes that, that sector of the Ghanaian economy has since the dawn of 'self rule' been: (1) mono-crop dependent, (2) low in productivity, (3) stagnating and pest infected, (4) lacking of credit and (5) problematic because of the land tenure system practiced. He argues that, in spite of several efforts to diversify and modernize agriculture, the sector has largely remained un-modernized and undiversified. He further reviews the agricultural policies of all post-independent governments and notes these governments have all largely under-funded the agricultural sector in both relative and absolute terms. Various post independent budgets only ended up allocating minuscule percentage of funds to the sub-sector. Priority often went to other sectors like industry, social and economic infrastructure.

Significantly, where surpluses from agriculture have been realized, they have often not been ploughed back into agriculture, but to other sectors. Peasant producers have usually been deprived of rewards and vital support, with development policies only promoting urban and industrial development. This situation, in the view of Gyima-Boadi (1989) was aggravated by the immediate post-independence thinking that the legitimacy of the young state was tied to its ability to show fruits of independence, often measured in terms of the number of factories it had established, modern planned townships, and social services and infrastructure developed, among others. This bias in the Ghanaian development ideology since independence has contributed to the virtual neglect and under-development of the rural and agricultural sectors. Added to these, the Ghanaian peasantry has not been able to constitute

a force that could compel governments to cater for their interests. Based on these, Gyima-Boadi (1989) concludes that the country faces "an important and unresolved 'crisis of participation', one that militates against the formulation and implementation of positive agricultural policies ...".

It is perhaps in response to Gyima-Boadi's call for the formulation and implementation of positive agricultural policies that Asamoa's (2001) work on depeasantisation of the Ghanaian rural economy finds relevance. In what looks like a rural agricultural (peasant) transformation manifesto for Ghana, Asamoa (2001) observes that, the country's economic take-off<sup>3</sup> requires depeasantisation of rural food cultivation. He proposes a conscious effort by policy makers to gradually change the face of the agricultural sector from its primitive technology, low productivity, low income, post harvest losses and unreliable prices to that of symbiotic relationship between a well planned depeasantisation and national industrialization. He proposes an agricultural policy which not only depeasantises Ghanaian rural food cultivation but also well synchronized with industrial establishments in the country. A synchronization that will ensure that while the nation modernizes its agriculture, room is equally created for absorption of agricultural surpluses, markets is provided for agricultural products, and at the point where agriculture develops to become capital intensive, industry stands a position to absorb the excess labour from agriculture. He further suggests that policy makers should identify and tap available rural resources as a source of local capital formation that could supplement foreign capital. It is necessary to identify key objective regularities in Ghana's capitalism that inhibit rapid transformation of peasant agriculture, not to mention the need for grass root mobilization that can un-trap peasant farm producers from their present technological backwardness.

#### The PSI on Cassava-Starch

The PSI on cassava-starch was launched in Ghana by the government of the New Patriotic Party government in less than a year after it had assumed political leadership of the country. The initiative aimed to transform fresh cassava into starch mainly for export. The choice of cassava was due to the fact that about 70% of Ghanaian farmers cultivate the crop either as a main crop or in combination with others. Cassava also accounts for about 22 percent of the country's agricultural GDP, and it is easy to cultivate compared to other major crops (Ministry of Food and Agriculture, 2006). Cassava cultivation was considered highly labour-intensive and hence had a potential for job creation (Sam, 2001). Besides being a major source of food, starch is a multibillion dollar business worldwide and it is finding application in several industrial activities. In addition, the promotion of cassava as a cash crop was expected to have a multiplier effect on the economy of Ghana because export earnings from starch produced from cassava had the potential to help in the development of the economy as a whole and also provide ready market for fresh cassava produced by rural farmers, thereby increasing their income and socio-economic well-being. While the domestic usage of cassava in Ghana is without dispute, the industrial market and or usage remains untapped and needs to be developed. Against this background, cassava farmers in the Awutu-Effutu-Senya and

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<sup>&</sup>lt;sup>3</sup> For a detailed discussion of 'take off', see W. W. Rostow's 'Stages of Economic Growth: A Non-Communist Manifesto'. London: Cambridge University Press, 1960.

Gomoa districts were supported financially and technically to increase their acreage of cassava production and a starch factory established in Bawjiase (Tonah, 2006).

The PSI on cassava-starch was an integrated action programme for cassava-starch production and export in Ghana with the vision of developing an integrated cassava-starch industry in Ghana using fresh cassava (PSI Secretariat, 2006). It was pursued mainly at Bawjiase in the Awutu-Effutu-Senya District of the Central Region of Ghana. The Ayensu Starch Company Limited was established for this purpose. The initiative was expected to be extended to the Atebubu-Amantin District in the Brong Ahafo Region of Ghana. Much of the discussions in this paper are based on data obtained from the Awutu-Effutu-Senya District in the Central region because that is where the initiative had seen full implementation with the establishment of the model cassava processing plant at Bawjiase. The initiative was expected to be a strategic intervention of the state to not only improve the production of fresh cassava and therefore improve the income of the many producers of the crop, but also develop new pillars of growth of the economy. It was also an attempt to transform the economy of Ghana from over reliance on few export commodities to a diversified commodities exporter, and increase foreign exchange earnings. The processing plant required for the transformation of fresh cassava into industrial food grade starch was a technology based plant that introduced high-tech into the cassava-starch industry in Ghana. The overall expected effect was that, Ghana would be in a position to add value to an indigenous staple crop and take advantage of the global demand for cassava-starch which stood at about 222 million metric tonnes in 2002 and was expected to grow further (ISO, 2005).

#### Effects of PSI on Cassava-Starch on Peasant Farmers' Socio-Economic Livelihood

Among the many objectives of the PSI on cassava-starch is to develop a cassava-starch industry in Ghana that will utilize the huge potential for increased cassava production in many parts of the country. To achieve this, the initiative planned to facilitate the establishment of cassava-starch processing plants around the country in order to create market for the fresh cassava produced by farmers. Miller and Yeboah (2006:120) observe that one of the ways by which rural farm economies can be enhanced is by developing markets that can absolve all that is produced and provide opportunity for procurement. This section examines the impact the cassava-starch initiative made on the socio-economic livelihood of peasant farmers in the Awutu-Effutu-Senya District which hosted the model cassava processing factory. Considering the fact that the PSI on cassava-starch has not been fully experienced in the Atebubu-Amantin District, this section also examines the expected socio-economic benefits of the initiative among the respondents from the district.

From the point of view of officials of the PSI Secretariat, the establishment of the factory at Bawjiase has resulted in the provision of some essential social amenities. These include tarring of the road from Bawjiase to the factory which is located at the outskirt of the town, the extension of electricity to the factory, and the provision of potable water to many of the cassava producing communities in the area. Even though the three communities selected from the district for this study have no electricity, they have been provided with bore-holes that give them clean water. From the point of view of the respondents from the Awutu-

Effutu-Senya District, the presence of the cassava-starch initiative in the district has brought about changes in the way they do their farming, which have subsequently resulted in improvement in cassava yield and income.

#### **Improvement in Cassava Farming Technique**

Mosher (1969:1-3) notes that in subsistence agriculture, farm inputs are solely furnished by the farmer. But a progressive agriculture in which farm businesses are increasing in productivity has to include inputs produced elsewhere in the economy. Each farm business receives inputs of labour and management from the farmer, inputs of solar energy, soil nutrients, moisture, soil and air temperatures and the influence of changing weather from the land. The land also incorporates man-added influence of irrigation and added fertility of the soil resulting from good management in the past. There are rigid upper limits to what these inputs alone can produce for the farmer. To improve production above these limits requires other inputs from the wider economy in which the farmer lives and works and these include fertilizers, improved seeds, pesticides, tools and implements, power and transportation, knowledge, skills, incentives, and new technology that increases the ability of the farm labourer. This is mainly because such an approach ensures optimum use of poor countries' most abundant resources – land and rural labour force.

Respondents from the Awutu-Effutu-Senya District were therefore asked whether the introduction of the cassava-starch initiative had brought changes in the way they do their farming. This was meant to solicit their perception of the impact of the initiative on their main economic activity – farming. In supporting the 'populist' approach to transforming agrarian societies, Lipton (1992) believes that if governments want a transformation of their agrarian societies, they should be based on efficient small family farms. The study showed that the bulk (88.3%) of respondents from the Awutu-Effutu-Senya District perceived that the cassava-starch initiative in the district had brought improvement in the way they cultivated cassava. An examination of cassava production in Ghana since the inception of the initiative shows that not only did the initiative bring about an increase in production, but also an increase in area cultivated. Between 2001 and 2003, cassava production in Ghana increased from 8,107,000 to 10,239,000 metric tonnes and began to decline from 2004. With regard to area cultivated, there was an increase from 660,000 to 807,000 hectares between 2001 and 2003 and began to decline from 2004 (ISSER, 2006). The trend coincides with the period when the PSI on cassava-starch vigorously promoted cassava cultivation among peasant farmers, introduced new improved varieties for cultivation and the concept of planting in rolls instead of scattered planting. These measures and the introduction of weedicides were incorporated into the mode of farming by farmers, especially in the Awutu-Effutu-Senya District and resulted in increased output. Again farmers increased their acreage under cultivation.

When asked to indicate the type of changes they have witnessed in the way they cultivate cassava, respondents from the Awutu-Effutu-Senya District mentioned the introduction of new planting materials, new planting method, increased acreage, land preparation technique and use of fertilizer and financial support. Whereas 83.3 percent of respondents further

confirmed that these changes resulted in increased output, 76.7 percent said the changes resulted in increased income from cassava cultivation. During interaction with farmers on the field, some farmers confirmed that each tree of the new cassava variety could yield a basket full of cassava which was not the case prior to the introduction of the cassava initiative. Many believed that the introduction of the new cassava variety and method of planting actually resulted in increased production without increase in the size of land cultivated.

The trend of increase in cassava output also coincides with the period when farmer enthusiasm about the cassava-starch initiative was high. Following this period, farmers lost their enthusiasm due to problems of low price offered per tonne, difficulties in haulage, closure of the ASCo factory etc. Many of the farmers consequently stopped producing the new variety for the factory and reverted to the production of old (local) varieties of cassava. In addition, many of the farmers reduced their acreage under cultivation or simply left their cultivated cassava unattended to. These changes in the attitudes of farmers to the initiative resulted in the decline of the quantity of cassava produced in Ghana since 2004. In terms of economic gains, the analysis above shows an improvement in incomes from cassava cultivation as confirmed by the respondents. The farmers however would have been better off if the factory had not suspended operations because the suspension meant that those who were supplying the factory had to divert to the local market and this brought down the price of cassava and cassava products. Therefore, the farmers did not earn the expected income.

#### **Access to Social Amenities in the Awutu-Effutu-Senya District**

With regard to the improvement in social amenities in the area as a result of the introduction of the cassava-starch initiative, respondents were asked to indicate if they had witnessed any improvement in the road networks in the area, increased capacity to access health facilities, access to electricity and ability to educate their children. It is significant to note that critical to the implementation of the PSI on Cassava-Starch is the commitment of government to support the processing factory to provide the following infrastructural facilities: The construction/and upgrading of access roads to the farms and the factory site; Provision of communication facilities within the operational zone; Provision of adequate power to the processing plant and the surrounding communities; Provision of potable water to the factory as well as the surrounding communities. Table I shows the perception of respondents in the Awutu-Effutu-Senya District with regard to their access to infrastructural facilities following the introduction of the cassava-starch initiative in the district.

Table I: Respondents' Perception of Access to Infrastructural Facilities in the Awutu-Effutu-Senya District (N = 60)

	Response			
Social Amenity	Yes		No	
	Freq	%age	Freq	%age
Improvements in roads in the	33	55.0	27	45.0
area?				
Improved access to health	16	26.7	44	73.3
facilities?				
Improved access to electricity?	4	6.7	56	93.3
Increased ability to educate	21	35.0	39	65.0
children?				

From the table, improvement in relation to social amenities is recognized only in the road network in the area. Aside from this, majority of the respondents did not perceive improvement in their access to health facilities, electricity and their ability to educate their children. The 27 respondents who did not think there is improvement in the road network in the area were of the view that only the road leading to the factory was tarred and that the roads to the farms had not witnessed much improvement since trucks still had difficulty in getting to the farms, especially during the rainy seasons. The poor nature of feeder roads in the area resulted in high cost of transporting cassava from the farms and this became a hindrance to the progress of the cassava initiative. Tonah's (2006) study of the PSI in the Awutu-Effutu-Senya District showed that 100% of his respondents complained of difficulties in transporting cassava from the farms to the ASCo factory. According to Uma Lele (1976) one of the major steps required for rural agricultural transformation is the development of rural infrastructure, particularly of roads.

The 44 respondents who indicated that they did not think there were improvements in their access to health facilities also did not think there had been improvement in their access to healthcare even though the introduction of the cassava-starch initiative had brought some improvement in their incomes. For majority of them there is no linkage since the communities did not have any health centre. For others, it is the recent introduction of the National Health Insurance Scheme (NHIS) that had brought them some relief in terms of access to healthcare and not the cassava initiative. In proposing the 'uni-modal' approach (progressive modernization of entire agricultural sector) in rural development, Johnston and Kilby (1992) propose an assessment of its efficiency based on ability to enhance the welfare of farm populations in the area of public health and education. Since this approach underpins the cassava-starch initiative in the Awutu-Effutu-Senya District, it is important that these infrastructure facilities were provided adequately to achieve the intended objectives.

In terms of access to electricity, most (56) of the respondents did not think there had been improvement because in all the three communities selected for this study, there is no electricity. The respondents complained that electricity was extended to the ASCo factory site alone. Indeed, Penim is the first village beyond the factory and there is no electricity there

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even though the factory has electric power connected there. Six years down the lane, one would have expected that there would be progressive extension of electric power to many surrounding villages in order to ensure that the initiative enjoys the active participation of the people. With the absence of electric power in the three selected communities, respondents feel that the cassava-starch initiative in the area has not brought increased access to electricity.

With regards to respondents' ability to educate their children, 35.0 percent of the respondents were of the view that the cassava-starch initiative in the area had increased their ability to educate their children due mainly to their increased income. However 65.0 percent think otherwise. For some of them, it is the recent implementation of the Free Compulsory Universal Basic Education (FCUBE) that has improved their ability to educate their children. This being the case, there is little evidence to suggest that the cassava-starch initiative has impacted positively in the ability of peasant farmers to educate their children even though many of them claim they have experienced improved income from cassava cultivation following the introduction of the PSI on cassava-starch in the area as discussed below.

#### **Improvement in Income**

Improving farm incomes is critical if there is to be any significant improvement in the socio-economic lives of rural farm producers. To this end, the creation of a market opportunity for cassava at the ASCo factory, the improvement in farm yield as a result of introduction of new planting material and planting technique were all meant to assist farmers realize improvement in their income from cassava cultivation. It is important to note that of the 60 respondents from the Awutu-Effutu-Senya District, 76.7 percent were of the opinion that the introduction of the PSI on cassava-starch had brought about improvement in their farm income compared to 23.3 percent who expressed a converse view.

According to the farmers, improvement in income was due mainly to the improvement in yield as a result of the introduction of new cassava variety and planting method. More respondents from Ofaada perceived improvement in their income than Penim and Fianko. As has been observed earlier, the Ayensu Cassava Farmers Association (ACFA) in Ofaada is more active than those in Penim and Fianko. At the time of this study, some of the ACFA members in Ofaada had started receiving loans from the Agricultural Development Bank (ADB) - \$2,000,000.00 per acre of farm land – to prepare their lands for cultivation of cassava. This was in anticipation of the resumption of operations of the ASCo factory. Following problems encountered by farmers in supplying the ASCo factory, many of the respondents at Penim and Fianko ended up processing their produce into cassava dough and 'gar1' for the local market. Subsequently some of them stopped cultivating the new variety and reverted to the local variety they were cultivating before the introduction of the cassava initiative.

In the Atebubu-Amantin District, most of the respondents had hopes of improving their socioeconomic livelihood when the cassava-starch initiative gets fully implemented there. Table II shows the extent of their optimism.

Table II: Expected Socio-Economic Impact of PSI on cassava-starch in the Atebubu-Amantin District (N = 60)

	Response			
<b>Expected impact of the PSI</b>	Yes		No	
on cassava-starch in the	Freq	%age	Freq	%age
Atebubu-Amantin District				
Improvement in yield per acre?	60	100.0	0	0
Improvement in farm income?	59	98.3	1	1.7
Improvements in roads in the	60	100.0	0	0
area?				
Improved access to health	60	100.0	0	0
facilities?				
Improved access to electricity?	60	100.0	0	0
Increased ability to educate	60	100.0	0	0
children?				

As evident from table II, only one (1) respondent did not think the introduction of the cassava-starch initiative will bring improvement in income. All other respondents are optimistic of improvement not only in their cassava yield per acre and income but also in their access to social amenities like good roads, health facilities, electricity and children's education. This optimism is on the basis that the initiative was expected to come along with technical and financial support to farmers to enhance their farming activities.

By and large, the PSI on cassava-starch has the potential for bringing improvement in the socio-economic livelihood of peasant farmers, but this is dependent on how well the complementary elements identified by Mosher (1969) are managed. The critical factor here is to identify these elements and ensure their achievement. Anything short of this will spell disaster for the initiative and the peasant farmers.

## State Policy, Depeasantisation and Agrarian Change: Conclusion and Recommendations

The role of state policy in rural transformation and general national economic transformation is significant. In much of the development literature of post world war II, third world peasant farmers were portrayed to be unresponsive to governmental policies and also do not follow the rules of market rationality. In addition, they were believed to be backward, uneducated, and bound by detrimental cultural traditions that frowned on individualism and achievement (Rapley, 2002). However in the mid 1960s onwards, a new set of literature emerged which celebrated the market logic of rural peasant farmers. In Bauer's (1984) study of South-East Asian rubber farmers and West African traders, peasant farmers are said to behave rationally and seize new opportunities. Prior to this, Schultz (1964) argued that, rather than being

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innately unresponsive to price incentives, peasant farmers behaviour is as a result of policies of their government, which deprive them of capital and also kept returns on agriculture very low. Johnson (1964) has also argued that, even the poorest farm producers are susceptible to price incentives provided for by governmental policies.

This study has shed light on the responses of farmers to the PSI on cassava-starch. In general terms, the farmers were enthusiastic about the initiative. Many of them prepared and positioned themselves to take advantage of it to improve their fortunes. One can argue that they responded to the government's policy and the incentives that came with the policy. As a result, the farmers acknowledged some improvement in their income following the introduction of the initiative. This was largely due to the improved yield from the new cassava variety and planting method that came with the initiative. However, in spite of improvement in income, farmers did not perceive much improvement in their access to social amenities like good roads, electricity, health and education. In other words, the initiative only brought modest improvement in the socio-economic livelihood of the peasant farmers.

Several problems confront the implementation of the PSI on cassava. These include low price per metric tonne of fresh cassava, non-fulfillment of promises made to farmers before implementation, inadequate extension service to farmers, difficulties in transporting fresh cassava from the farms to the factory and poor relations between farmers and officials of the processing factory. From the point of view of the implementers of the initiative, the main problems were environmental and waste management, unreliable supply of utilities (electricity, water, etc.), low starch content and yield of cassava, inadequate supply of raw material (cassava) and inadequate capital expenditure. These problems have culminated in the under-utilization of installed capacity and eventual shut down of the model cassava processing factory at Bawjiase. Indeed, the experience with the model processing factory in the Awutu-Effutu-Senya District has to inform the mode of implementation of the initiative in other districts in the country.

To ensure that state policies succeed in transforming rural socio-economic livelihoods, the study recommends that given the importance of cassava to peasant farmers and its potentials in both local and international markets, there should be consistent effort to promote the cultivation of the crop through extensive research and development to introduce new varieties with high yields along with right agronomic practices. Secondly, it is recommended that cassava-starch initiative be repackaged in order to reduce, if not eliminate, the problems that confront its implementation and extension to other cassava producing districts in the country. In doing this, the focus should be on making the initiative attractive to farmers and investors. Thirdly, there should be continuous and more effective consultations with peasant farmers and their representatives in the planning and implementation of the PSI on cassava-starch.

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