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# Political Leadership and Agricultural Transformation

## A New Research Agenda

Emelie Rohne Till  
Martin Andersson  
Isabelle Tsakok

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“The role of an agricultural transformation in a country’s sustainable escape from hunger and poverty remains controversial in the development profession. Much of the reason stems from not knowing how to do it. The profession’s current fixation on randomized controlled trials cannot even address the question. In particular, the role and quality of leadership is impossible to address without using comparative economic history. This volume illuminates the leadership issues using the authors’ historical lens to great advantage.”

—C. Peter Timmer, Professor Emeritus, *Harvard University*

“Why have agricultural transformations succeeded where they have but so often failed or run out of steam? How much is this a function of the quality and form of leadership? This very short book takes a first stab at addressing this simple but surprisingly little addressed question. It does so with verve, with analytical care, and a nice Popperian endeavour to refute the authors’ working hypothesis that leadership really does matter. The hypothesis survives enough to suggest a real need for the research that this book seeks to stimulate.”

—Christopher Cramer, Professor of the Political Economy of Development,  
*SOAS, University of London*

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## PREFACE

The seeds of this book were sown during a meeting organized by the African Center for Economic Transformation (ACET) in Kigali, Rwanda, in 2016. At this gathering, Isabelle and Martin served as commentators on the outline of ACET's report on the prospects for an agricultural transformation in Africa. Amidst coffee breaks between sessions, we engaged in discussions about the numerous failed attempts to energize long-term transformative agri-food processes within Africa and beyond, even though the importance of this transformation for long-term development is well-established.

One critical factor we identified during our discussions was the myopic perspective and lack of genuine commitment exhibited by governments and political leaders. Curiously, little had then been written about the intricate role of leadership and its interactions within socio-political systems in initiating and maintaining agricultural transformation. As Donald Trump launched his first campaign to become the President of the United States, this theme gained prominence. It became evident to us that leadership, for better or for worse, holds immense significance—not only for agricultural transformation but for development in general.

Our inquiry led us to seek out historical examples of both leadership and nation-builders, those whose vision and actions laid the groundwork for a peaceful, productive, and prosperous society. Such leadership succeeds in creating economies that benefit all citizens over time. We pondered the qualities that made leaders of this sort successful and how they managed to navigate the line between addressing immediate economic pressures

and fostering long-term growth through inclusive institutions. We also delved into the lessons that history offers on the subject and found a rich tapestry of a few successes and many failures, from which to extract valuable insights about the interplay between leadership, economic policy, and institutional development for societal change.

Once we had collected enough thought-provoking questions for which we did not have good answers, we wondered how we could address these within a framework that does not yield tautological answers without shying away from possible causality. For inspiration, we went to Karl Popper. Popper, whose philosophy and methodology of science is set out in *Conjectures and Refutations: The Growth of Scientific Knowledge*, proposes that one cannot really confirm a scientific theory, only refute it. Theories that survive refutations—that still stand when pitted against empirical evidence—can be accepted as true until they are refuted. Isabelle had adopted this approach in earlier studies, and we discussed how we might adapt it to our inquiry.

Before long, we had compiled our insights to determine how they could be empirically tested and under which conditions they might prove valid or be refuted. Defining the scope and limits of our theories of causation poses a challenge in our field. While we often analyze causal chains of events implicitly, we seldom dare to defend causal claims explicitly. However, grasping causality is indispensable for effective policymaking. Without it, policy analysis would be redundant.

Concretely, identifying a case of successful agricultural transformation in the absence of notable leadership, or vice versa, would advance our understanding. To avoid circularity, we need clear, empirically valid definitions of successful transformation and effective leadership. Ideally, our definition of leadership should not hinge on outcomes alone. We must consider necessary and sufficient conditions and look for “black swan” events where leadership was seemingly unnecessary for success. Such a finding would not undermine but enrich our research, prompting us to consider whether leadership could be replaced and (or) what other major factors might be at play. Similarly, instances of exceptional leadership without transformation would suggest that leadership alone is insufficient for change.

Over time, we shared drafts at workshops but made little progress. Fortunately, in late 2022, Emelie joined, reinvigorating the project with new cases and ideas to craft an analytically coherent narrative for a short

book. Her enthusiasm and mutual interest in understanding the rarity of successful agricultural transformation *and* the fundamental requirements for countries to embark on a more prosperous, inclusive, and sustainable development path were essential for advancing this project.

While great leadership is crucial and perhaps even necessary for transformation, we believe it is more important to rigorously investigate this aspect than for us to be proven right. We hope this book will spark further discussion and research in this field.

Lund, Sweden  
Lund, Sweden  
Rabat, Morocco  
June 2024

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Martin Andersson  
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# CONTENTS

<b>1</b>	<b>The Research Gap: Political Leadership and Agricultural Transformation</b>	<b>1</b>
	1.1 <i>Introduction</i>	1
	1.2 <i>Previous Research</i>	4
	<i>References</i>	7
<b>2</b>	<b>Methodology: A Popperian Analytical Approach</b>	<b>11</b>
	2.1 <i>Analytical Approach</i>	11
	2.2 <i>Method</i>	14
	<i>References</i>	17
<b>3</b>	<b>The State of Agricultural Transformation in Taiwan, China; the Philippines; Ethiopia; and Malawi</b>	<b>19</b>
	3.1 <i>The State of Agricultural Transformation</i>	19
	3.2 <i>Agriculture, Climate Change, and Resilience</i>	24
	<i>References</i>	25
<b>4</b>	<b>Visions of Agricultural Transformation</b>	<b>29</b>
	4.1 <i>Vision: Taiwan, China</i>	29
	4.2 <i>Vision: The Philippines</i>	33
	4.3 <i>Vision: Ethiopia</i>	35
	4.4 <i>Vision: Malawi</i>	38
	<i>References</i>	42

<b>5</b>	<b>Turning Vision into Action: Commitment, Timeframe, and Inclusiveness</b>	<b>47</b>
5.1	<i>Commitment</i>	48
5.2	<i>Timeframe</i>	51
5.3	<i>Inclusiveness</i>	58
	<i>References</i>	62
<b>6</b>	<b>Political Leadership and Agricultural Transformation in Taiwan, China; the Philippines; Ethiopia; and Malawi</b>	<b>69</b>
6.1	<i>The Case of Taiwan, China (1950–1980)</i>	69
6.2	<i>The Case of the Philippines (1946–2020)</i>	71
6.3	<i>The Case of Ethiopia (1994–2020)</i>	73
6.4	<i>The Case of Malawi (1964–2020)</i>	75
	<i>References</i>	76
<b>7</b>	<b>Concluding Remarks: Toward a New Research Agenda</b>	<b>79</b>
	<b>Index</b>	<b>83</b>

# LIST OF FIGURES

Fig. 2.1	Possible combinations of political leadership and agricultural transformation	15
Fig. 7.1	Political leadership and agricultural transformation in the four case studies	81

## LIST OF GRAPHS

Graph 5.1	Agricultural public spending as share of total public spending (%), 1950–2022. (Republic of China 1961/62–1980; World Bank 1968; Lee 1971; de Leon 1983; IFPRI 2019)	49
Graph 5.2	Nominal rate of assistance, 1955–2011. (Authors' calculations based on Anderson and Nelgen 2013)	50
Graph 5.3	Gini coefficient for Taiwan, The Philippines, Ethiopia, and Malawi, 1950–2020. (UNU-WIDER 2022)	59



## CHAPTER 1

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# The Research Gap: Political Leadership and Agricultural Transformation

**Abstract** The objective of this book is to understand why cases of successful agricultural transformation are so rare in the developing world, even though its key importance is widely acknowledged. We argue that the role of leadership and its interaction with the socio-political system is pivotal and therefore must be included in the analysis of factors impacting agricultural transformation. This chapter introduces this topic and outlines the key previous research on the role of agriculture in economic development and the role of leadership in societal change.

**Keywords** Agricultural transformation • Political leadership • Economic development

## 1.1 INTRODUCTION

There is broad consensus that successful agricultural transformation is critical to sustained economic catch-up (Timmer 2009). The macroeconomic forces at play and the structural characteristics of the transformation process are well documented (Mosher 1966; Tsakok 2011). Why then, have so few developing countries successfully transformed their agricultural sectors while many others fail? In this book, we investigate the role of a hitherto ignored aspect of the political economy of successful agricultural transformation: leadership. The literature on agricultural

transformation is not only a long-standing staple of the development discussion but is also experiencing a renaissance in the development policy agenda (Andersson and Rohne Till 2018). The literature on political leadership is also a central theme in discussions of societal change (Ahlquist and Levi 2011). Nevertheless, studies investigating the role of leadership in advancing an agricultural transformation are, to our knowledge, non-existent.

The objective of this book is to understand why cases of successful agricultural transformation are so rare in the developing world, even though its key importance is widely acknowledged. We argue that leadership and its interaction with the socio-political system must be included in the analysis of factors impacting agricultural transformation. To do so, we explore the question: Is political leadership necessary for achieving successful agricultural transformation, and if so, how? We hypothesize that political leadership is necessary, though not sufficient, for successful agricultural transformation in latecomer countries.

With this work, we aim to take a first step in systematically studying whether there are commonalities in the role played by leadership in successful and less successful agricultural transformations. We focus on studying actions taken or not taken that causally relate political leadership to the purpose of stimulating the onset and unfolding of the agricultural transformation. To gain a nuanced insight into the causal relationship between political leadership and agricultural transformation, we include successful and unsuccessful cases. We include the well-known successful agricultural transformation in Taiwan, China<sup>1</sup> (1950–1980), the failed agricultural transformations in the Philippines (1946–2020) and Malawi (1964–2020), and the mixed record of Ethiopia's agricultural transformation (1994–2020).

We begin the book by first taking note of the state of the art in the literature on political leadership and agricultural transformation. We then proceed, in an empirically verifiable way, to outline our concept of effective political leadership and our characterization of what constitutes successful agricultural transformation. We build an analytical framework that defines four aspects of effective leadership: vision, commitment, time-frame, and inclusiveness. We then offer our definition of an successful agricultural transformation as productivity increases sustained over at least

<sup>1</sup>“Taiwan, China” and “Taiwan” are henceforth used interchangeably.

25–30 years,<sup>2</sup> accompanied by sustained income increases for most rural households. We test our hypothesis that political leadership is necessary for an successful agricultural transformation using Karl Popper’s (1965) methodology of science. Contrary to the usual approach, which seeks confirmation, we test the robustness of our hypothesis by seeking to refute it. Following a brief presentation of Popper’s methodology of science, the bulk of the book is our analysis of the agricultural transformation reflected in the four case studies.

Our hypothesis stands following analyses of the agricultural transformations of Taiwan, China (1950–1980); Ethiopia (1994–2020); the Philippines (1946–2020); and Malawi (1964–2020). Our work shows that while leaders in all four countries, at least at certain points, had visions of transforming the agricultural sector, the nature of this vision varied, as has its realization. In the one case, that of Taiwan, we observe a vision that embraces the centrality of agriculture and that is anchored in national development plans (long timeframe), agricultural public spending (APS) being steered toward areas most conducive for successful transformation (commitment), and efforts to share the fruits of this among the population (inclusiveness). In the Philippines and Malawi, the leadership did not demonstrate this stability of vision, nor did they commit resources to the sector over the long term and in an inclusive fashion; as a result, there was no successful transformation. The results in the Ethiopian case are more mixed. We identify two sub-periods: one of promising progress toward successful agricultural transformation in which the four aspects of political leadership of the agricultural sector are observable from 1994 to 2015, and one where such leadership is less evident and progress toward an successful agricultural transformation is halted after 2015, especially with respect to inclusion.

Using the Popperian methodology, we find that none of our cases refute our hypothesis, and for now—until a refutation is identified—we accept the hypothesis that political leadership is necessary for Successful agricultural transformation. A fruitful avenue for future research is studying the more successful cases of agricultural transformation; this will both enrich our understanding of the working of effective leadership for Successful agricultural transformation and advance the continued search for a “black swan” that refutes the hypothesis.

<sup>2</sup>The length of agricultural transformation varies but is always “long.” The structural transformation process can be three to five decades or even more. Timmer (2007) mentions 50–100 years.

Our aim is to initiate a new research agenda in which the political economy of leaders is included as an important factor impacting agricultural transformation. We propose that integrating the role of leadership and its interaction with the socio-political system is a fruitful—indeed crucial—addition to the hitherto more common approach of focusing on the sectoral structure of the economy in the process of agricultural transformation. In addition to the four case studies, we also make a theoretical and methodological contribution to the literature. We hope—in true Popperian fashion—that this will inspire future work refining our understanding of the pivotal role of leadership in agricultural transformation.

## 1.2 PREVIOUS RESEARCH

Studies investigating the role of leadership in initiating and sustaining an agricultural transformation are scarce. This is despite the increased attention to, the well-documented structural characteristics of, and the consensus on the importance of, agricultural transformations (Mosher 1966; Timmer 2009; Tsakok 2011; Andersson and Rohne Till 2018), and the extensive literature on the role of political leadership for social change (Jones and Olken 2005; Ahlquist and Levi 2011; Hart and Rhodes 2014). Among the forces pushing an agricultural transformation forward, the role of leadership is virtually uncharted territory. Questions such as “Does leadership matter?” “Is it central?” and “Is it necessary or even sufficient?” remain largely unexplored.

Some answers can be inferred from the literature. For example, Acemoglu and Robinson (2012) discuss the role of leadership, strong personalities, and the interactions between personalities and systems at so-called “critical junctures”—that is, major, even cataclysmic, downturns with conflict lines sharply drawn and the prevailing power structure in the balance. Historically, successful socio-economic transformations, including agricultural transformations, if they happen at all, have mostly happened following such a juncture. This opens space for consideration of the complex relationship between leadership and agricultural transformation. Mangani et al.’s (2020) paper is one of the few that singles out political leadership and the assembling of a “coalition of the willing” to champion change as a necessary component of Successful agricultural transformation. The authors highlight the more successful experience of Ethiopia and Rwanda, in contrast to the lack of success (and leadership) in the case of Malawi. They argue that the evidence suggests transformation is a



leadership-driven process and that the unwavering commitment of leadership is thus crucial for successful agricultural transformation.

While the literature on the role of political leadership in agricultural transformation is scant, the literature on the nature and workings of agricultural transformation is not. Much important work has been done on the subject in the post-war era (Barrett et al. 2010). Broadly speaking, the macro-level conditions that must be satisfied for agricultural development are well-known: a reasonably stable macroeconomic and political environment, effective technology transfer, product and factor markets that are functional and accessible (including a functioning system of land ownership and land tenure), and a job-creating non-farm sector that can absorb the released labor (Mosher 1966; Tsakok 2011; Rohne Till 2022). While agriculture is mostly a private activity undertaken by millions of individual actors at the micro-level (Mellor 2018), the success of individual farmers is conditioned by public and macro-level forces.

There is an extensive literature on what engenders the needed macro-level conditions, and at least four major drivers are proposed: factor relations (Hayami and Ruttan 1971, 1985; Binswanger and Ruttan 1978), population dynamics (Boserup 1965), technology availability (Otsuka and Kijima 2010; Estudillo and Otsuka 2013; Otsuka and Muraoka 2017), and the state (Djurfeldt et al. 2005; Hazell 2009; Henley 2012; Frankema 2014). As agricultural change is a complex process, all these forces (and more) are likely at play. The aim of this research is to explore the potential roles of leadership alongside these forces.

The literature on political leadership is also extensive. The study of leadership in the fields of political science and political economy has exhibited recurring trends (Jones 1989), and the topic has seen a resurgence in the last 20 years (Ahlquist and Levi 2011). This large body of research includes some of the classics of social science (e.g., Weber 1968) and a wide variety of aspects of political change. The arguments range from one set that emphasize the importance of “great men” and their individual traits (Ofosu-Anim 2022) and that individual leaders play a significant role in growth (Jones and Olken 2005), to other sets of arguments in which individuals are seen as impotent and inconsequential, as exemplified by Marx (1972).<sup>3</sup> In other approaches, leadership is understood as the

<sup>3</sup>“Men make their own history, but they do not make it as they please; they do not make it under self-selected circumstances, but under circumstances existing already, given and transmitted from the past.” (Marx 1972).

institutional arrangements in which leadership is embedded. In a report for the Global Leadership Initiative of the World Bank (Andrews et al. 2010), the authors argue for the importance of the context for leadership to be effective in generating change. History, from this perspective, does not determine the changes that unfold in society, but there must be a situation in which change is possible. Leadership is the conscious process by which a space is created for change to take place and is conditioned by historical circumstances.

In addition to these considerations, there is also a discussion of how leadership matters under different political systems, from representative democracies to one-man dictatorial regimes. In some conceptualizations, leadership has no specific function in a working democracy, as the leadership ultimately represents the will of the people (e.g., Ofusu-Anim 2022: 402). On the other hand, others have argued that a strong leader in a dictatorial regime may actually be the most optimal leadership choice for low-income countries (Posner 2010; Dercon 2022: 54). In terms of the empirical evidence on the relationship between growth and transformation on the one hand, and democracy or dictatorship on the other hand, the evidence is mixed. Some research suggests that democracy does, in fact, lead to growth (Acemoglu et al. 2019), while others show that while there is little difference in growth between democracies and dictatorships *on average*, the fastest-growing dictatorships grow faster than the fastest-growing democracies (Besley and Kudamatsu 2008).

This diversity of the literature on the role of political leadership is reflected in the *Oxford Handbook of Political Leadership*, which concludes that “There is no unified theory of leadership. There are too many definitions and too many theories in too many disciplines. We do not agree on what leadership is, how to study it, or even why we study it. The subject is not just beset by dichotomies; it is also multifaceted, and essentially contested” (Hart and Rhodes 2014). Despite this possibly discouraging conclusion, attempts have been made to define leadership. In an extensive survey of the concept of leadership (Ahlquist and Levi 2011), the authors produce a list of conditions common to all definitions and notions of leadership in the literature: leadership is relational (one cannot be a leader without followers), asymmetric (the leader’s relationship to the followers and vice versa are different), salient (a leader commands her followers’ attention), domain-specific (a leader in one area may be a follower in another), instrumental (a leader attempts to get their followers to do something), takes place in durable organizations, and coercive powers are

present. In addition, leadership is specific to the time, place, and context in which it takes place. While the statement that leadership is context-specific is almost a truism, this definition of leadership will be helpful in the more relevant (and difficult) work of exploring the relationship between the context, attributes, and nature of leadership and the outcomes. In our work, we broadly accept Ahlquist and Levi's (2011) definition of leadership and tailor this to our interest in political leadership and the agricultural sector, as defined below.

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# Methodology: A Popperian Analytical Approach

**Abstract** The book’s hypothesis is that political leadership is necessary, though not sufficient, for successful agricultural transformation. This chapter outlines our method for testing this hypothesis. We seek to test our hypothesis by using Karl Popper’s (*Conjectures and Refutations: The Growth of Scientific Knowledge*. London: Routledge, 1965) methodology of science. Contrary to the usual approach which seeks confirmation, we test the robustness of our hypothesis by seeking to refute it. To do so in an empirically verifiable way, this chapter defines our concept of effective political leadership and our characterization of what constitutes successful agricultural transformation. In this chapter, we build an analytical framework that defines four aspects of effective leadership: vision, commitment, timeframe, and inclusiveness, and we state our definition of a successful agricultural transformation.

**Keywords** Agricultural transformation • Political leadership • Popperian methodology of science—of conjectures and refutations

## 2.1 ANALYTICAL APPROACH

To study political leadership and its relationship to agricultural transformation, we use the following empirical criteria for defining and assessing successful agricultural transformation and effective leadership. We define successful agricultural transformation by drawing on the large literature

on agricultural transformations; in this context, it is understood as a process that involves the sectoral shift of output and employment away from lower-productivity agriculture and into more productive activities. Successful agricultural transformation is generally accompanied by a greater diversification of livelihoods both on and off farms, stronger rural and urban interaction, and the creation of additional employment and investment opportunities outside the agricultural sector (Mellor 1976; Timmer 1988; Jayne et al. 2018). Successful agricultural transformation is often defined with reference to Timmer's (1988: 282) four phases of agricultural transformation: (1) getting agriculture moving, (2) agriculture as a contributor to growth, (3) integrating agriculture into the macroeconomy, and (4) agriculture in industrial economies. Based on this literature and for the purposes of our research, we employ a minimalist definition and state that a successful agricultural transformation has taken place if both the following two developments occur:

1. productivity (output per unit of input, variously defined) increases that are sustained over at least 25–30 years and
2. sustained income increases for the majority of farm/rural households.

In terms of our definition of effective leadership, we are looking for leadership that is capable of sustainably raising productivity in the agricultural sector. Such effective leadership should be in command of the machinery and resources of government within the prevailing institutional framework and be able to use these to turn vision into transformative action in the agricultural sector. Such leadership should espouse a strategy to support and/or incentivize the majority of agricultural actors to realize sustained and broad-based increases in agricultural productivity and farm/rural incomes. In our definition of effective leadership, we are not focused on certain actors and their traits, nor are we looking for leaders who are the “architects of change” that transform entire institutional settings (Schofield 2006). Instead, we follow Popper's (1965) understanding of leadership, in which personalities and the institutions in which they operate constitute one inseparable whole. As such, we do not intend to look for demarcation lines between personalities and institutions but rather consider them as closely interacting. In addition, we are looking for leadership that is “perpetual” in the sense put forward by North et al. (2009: 150–151); that is, the policy direction is impersonal and survives even after the instigating leader is gone. Following the line of research showing

the importance of “social capabilities” (Andersson 2018) and, specifically, the importance of broad-based participation for a successful transformation process (Andersson and Andersson 2019; Rohne Till 2021; Smythe et al. 2024), we are also looking for leadership that is inclusive of the majority of the population. Lastly, we do not consider this form of leadership as the ability to plan and design agricultural-sector transformation with detailed follow-through; rather, what is important is providing attention, stimuli, and incentivizing the agricultural sector.

In sum, our focus is not on individual leaders or particular types of leadership but on finding an association and possible causal relationship between successfully initiating a de facto agricultural transformation and leaders’ vision and action with respect to the agricultural sector. Based on this focus and our concept of leadership, we define effective leadership viz-a-viz agricultural transformation as including four key dimensions:

1. *Vision*: A strategy for building a nation that has as its centerpiece sustained and broad-based increases in agricultural productivity and farm/rural incomes.
2. Turning vision into action: The leadership must have the ability to turn the vision into on-the-ground change. In our definition of effective leadership, this requires:
  - (a) *Commitment* to, and prioritization of, the agricultural sector in public sending and policy support.
  - (b) A *timeframe* that is long-term and shows stable prioritization of agricultural reforms that survive individual leadership change and is maintained for at least 25+ years.
  - (c) *Inclusive* reforms that affect the majority of the rural population and that do not significantly benefit or neglect certain regions, ethnicities, or interest groups over others.

We recognize that political leadership is not the only factor that affects successful agricultural transformation. Agricultural transformation is also affected by social, environmental, and economic conditions (cf. Berry 1993). Nonetheless, we believe that our analytic framework, with its two dimensions of successful agricultural transformation (increased agricultural productivity and increased incomes for most households) and four dimensions of effective leadership (vision, commitment, timeframe, and inclusiveness), can advance the understanding of the role that leadership plays for agricultural transformation.



## 2.2 METHOD

We answer our research question—is effective leadership necessary for achieving successful agricultural transformation, and if so, how?—by employing Karl Popper’s (1965) methodology of science, which centers on refutation, not confirmation, to test the hypotheses. The Popperian approach does not consider it fruitful or even possible to verify a hypothesis; the only productive avenue is to test it by trying to refute it. Popper argued that confirmations of hypotheses are relatively easy to find and are not informative. His methodology makes use of the logical strength of refuting instances. No matter how many times one sees a white swan, this does not prove that all swans are white. However, finding one black swan refutes the universal claim that all swans are white. So long as no black swan is found, the hypothesis that all swans are white is accepted.<sup>1</sup> As such, the hypothesis is accepted as true as long as it has not been refuted. In other words, an unrefuted hypothesis—one that survives empirical evidence pitted against it—is temporarily accepted as plausible.

In the inevitable complexity of the real world, we try to identify robust patterns, if any, based on our a priori sense of what we think are important aspects of leadership and agricultural transformation. Research can inform us whether we are consistently, or more often than not, right or wrong, allowing us to formulate, even if tentatively, a causal hypothesis worthy of the Popperian test. What we set out to find is a robust pattern of leadership—conditions common to all investigated cases in terms of the vision, commitment, time frames, and extent of inclusion—that can serve as the basis of a general causal hypothesis. This hypothesis should be regarded as a Popperian “white swan” to be empirically tested with the possibility of being refuted, that is, with the possibility of finding a conceptual “black swan.”

Returning to our question, Fig. 2.1 sets out the four possible combinations of leadership and agricultural transformation. In terms of causality, we cannot, as yet, claim that effective leadership necessarily leads to successful agricultural transformation, but we hypothesize that all successful agricultural transformations require effective leadership. This implies that cases in Quadrants 1, 3, and 4 are consistent with our hypothesis, but the combination in Quadrant 2 is inconsistent: it is the “black swan” rejecting

<sup>1</sup>The first sighting of a black swan by a white man, a Dutch explorer, Willem de Vlamingh, in Australia was in 1697.

**Fig. 2.1** Possible combinations of political leadership and agricultural transformation

		Political Leadership	
		Effective	Inadequate
Agricultural Transformation	Success	1	2
	Failure	3	4

our hypothesis. In other words, a combination of successful agricultural transformation and inadequate leadership would refute our hypothesis.

The aim of our research is to stimulate discussion on the role that political leadership plays in agricultural transformation and thereby initiate a new research agenda where leadership is included as a crucial aspect of our understanding of how agricultural transformations start and proceed. The choice to use the Popperian method is an attempt to meet this goal. By advocating refutability to advance knowledge as opposed to the usual approach of seeking confirmation, Popper's method challenges scholars and thus invites contributions to this new research agenda. As we noted above, there have been other approaches to exploring the pivotal role of national leadership in public life. Our challenge is for researchers to compare these with our approach. The Popperian approach enables us to not only assert that "effective leadership is important for successful agricultural transformation"—a claim that risks being tautological unless one seeks to refute it—but to empirically test it.

### *Cases*

We analyze at least 25 years of agricultural development in countries where agriculture is/has been important (agriculture accounts for 10 percent or more of GDP) to characterize the nature of the national leadership over decades, the nature of the agricultural development pursued within the overall economic framework, and the causal links between leadership, policies pursued, and their impact on the agricultural sector.

We deliberately select four cases that represent differing levels of success in agricultural transformation. We select one well-known success case in the post-WWII period: Taiwan, China (1950–1980). We also include cases of apparently failed agricultural transformations for the insights these provide on the role of leadership, in particular, whether the failed transformation is attributable to a lack of effective leadership. Here, our chosen

cases are the Philippines (1946–2020) and Malawi (1964–2020). We gain additional insight into the nuances of successful agricultural transformation and leadership by including a case of transformation where results are mixed—or “yet to be determined”: Ethiopia (1994–2020). Although there have been significant productivity improvements in Ethiopia’s agricultural sector over the last two decades (Bachewe et al. 2018; Rohne Till 2021), it is unclear whether this will translate to a fully successful agricultural transformation.

Together, the four cases represent various degrees of success in agricultural transformation and the overall economy; they span different periods in the post-WWII era and cover different geographic settings. The analytical starting point for each varies but, in all cases, reflects a critical historical political juncture, for example, following political independence won from a colonizing power, invading foreign power, or hostile political regime. The endpoint of successful agricultural transformation is conceptually when agriculture is “fully” integrated into the economy. This corresponds to Timmers’ (1988) “fourth stage,” where in terms of labor and financial markets, the agricultural economy is fully integrated into the rest of the economy; in the absence of such a development, our endpoint is set to “today” (roughly 2020, due to data availability).

Our research suggests that it would be a fruitful avenue for future research to include more cases of successful (rather than failed) agricultural transformation. This would increase the possibility of refuting the main hypothesis (finding a case for Quadrant 2). As a first step, we select four cases representing different levels of success in agricultural transformation. This limited pool allows us to refute our hypothesis with reference to one (Taiwan) or possibly two (the partial success of Ethiopia) cases. Possible future cases include Malaysia, Brazil, and the Republic of Mauritius. Despite the limited number of cases, we are able to test our proposed hypothesis and generate new insights. In addition, a deep understanding of the four case studies is valuable in its own right, advancing our knowledge of the relationship between political leadership and agricultural transformation.

### *Data Sources*

We use five main sources for the data on the four dimensions of effective leadership. For the “vision” dimension, we rely on qualitative sources, primarily political and policy documents, as well as previous research on

the case studies. For the dimension of “commitment,” we use two sources that indicate a commitment to agriculture: data on agricultural public spending (APS) and data on the nominal rate of assistance (NRA) to the agricultural sector. The main data source for APS is the Statistics on Public Expenditures for Economic Development database (IFPRI 2019), and for NRA, we employ a dataset compiled by Anderson and Nelgen (2013), complemented with national statistics as needed. We explore the “time-frame” dimension by drawing on national development plans and data on leadership tenure lengths. Lastly, to capture “inclusiveness,” we draw on the World Income Inequality Database (UNU-WIDER 2022), complemented by sources on poverty and redistribution. Together, these qualitative and quantitative data generate a rich set of data to which we can apply our analysis.

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# The State of Agricultural Transformation in Taiwan, China; the Philippines; Ethiopia; and Malawi

**Abstract** In order to gain a nuanced insight into the causal connections between political leadership and agricultural transformation, the book studies four empirical country case studies. The cases include both successful and unsuccessful cases of agricultural transformations. This chapter outlines the first step of our empirical inquiry and takes stock of the state of the agricultural transformation in our four cases. This includes the well-known successful agricultural transformation in Taiwan, China (1950–1980), the failed agricultural transformations in the Philippines (1946–2020) and Malawi (1964–2020), and the mixed record of Ethiopia’s agricultural transformation (1994–2020).

**Keywords** Agricultural transformation • Ethiopia • Taiwan • The Philippines • Malawi

## 3.1 THE STATE OF AGRICULTURAL TRANSFORMATION

Our definition of successful agricultural transformation is based on the agricultural sector in a country meeting the two criteria—showing increased productivity sustained for at least 25 years that has resulted in sustained income increases for the majority of farm/rural households. In the case of Taiwan, it is clear with hindsight that these two criteria have been met. Taiwan is a well-known success in terms of its economic transformation, transforming from a low-income, low agricultural productivity

to a high-income, industrialized country in a matter of decades. It is also generally acknowledged that the country experienced a successful agricultural transformation and that it played an important role in overall economic transformation (Booth 2002; Andersson 2003; Tsakok 2011; Gunnarson 2016).

During the period of transformation (early 1950s–1980s), agricultural productivity significantly increased. Between 1946 and 1970, the rate of growth of productivity (on a gross-value-added basis) averaged 3.2 percent per year, and agricultural labor productivity is estimated to have grown by an annual rate of 3.6 percent between 1953 and 1968 and 4.2 percent between 1968 and 1978 (Tsakok 2011). As such, the case of Taiwan meets our first criteria for successful agricultural transformation: that there was a sustained productivity increase in agriculture for at least 25 years. The second criterion is also met, as the productivity increase was accompanied by increases in rural incomes. The benefits of growth were shared broadly, and income equality improved, with the Gini coefficient decreasing from 0.56 in 1953 to 0.33 in 1964 and to 0.28 in 1972 (Tsakok 2011). In addition to increased income equality, there was an increase in access to education and health services in rural areas, and overall, all socioeconomic indicators improved dramatically from the 1950s through the 1970s (Tsakok 2011). As such, it is clear that Taiwan meets our two criteria for successful agricultural transformation; it has become a high-income, industrialized economy.

In the case of Malawi, it is equally clear that our two criteria have not yet been met. To date, there has been no significant increase in agricultural productivity, and any periods of improvement have been short-lived booms. Aggregate economic growth has been volatile, and there has been no sustained period of agricultural growth. Years of negative growth (shrinking) in agricultural value added in Malawi include 2022, 2016, 2015, 2006, 2005, 2001, 1994, 1992, 1990, 1981, 1980, 1973, 1970, and 1968 (World Bank 2023a). The main challenges to increasing agricultural productivity include rapid population growth, increasingly small farms, and slow overall growth. In light of the fast population growth and diminishing farm sizes, it is difficult for smallholder farms to meet even the most basic subsistence requirements. In addition, off-farm employment opportunities are limited, leading to over-employment in agriculture, putting further downward pressure on agricultural labor productivity (Mangani et al. 2020).

Malawi is also the most tobacco-dependent economy in the world, and falling tobacco prices have negatively affected its agricultural development, lowering incomes and creating external imbalance (Prowse and Grassin 2020). As a result, Malawian agriculture is a low-productivity sector, and the Malawian economy is one of the poorest in the world—it is on par with the world’s conflict-torn economies despite having experienced no major conflict in the independence era (Dercon 2022). The combined effect of these factors is that there has been no opportunity for sustained income growth for Malawi’s population, whether urban or rural. Poverty is widespread, and in 2019, 70 percent of the population still lived beneath the World Bank’s poverty line for extreme poverty (2.15 a day in USD2017 PPP; World Bank 2022). The 82 percent of Malawi’s population that live in rural areas (World Bank 2023b) have not experienced significant income increases. As such, Malawi does not meet our two criteria for successful agricultural transformation.

For the Philippines and Ethiopia, the situation is more complex, in contrast to the relatively easily identifiable case of successful agricultural transformation in Taiwan and the lack thereof in Malawi. In the Philippines, the Green Revolution did generate a relatively long period of increased agricultural productivity; the average annual growth of agricultural value added was 4.2 percent in the 1960s and 3.6 percent in the 1970s (Briones 2021). Since then, however, it has dropped to below 2 percent (Briones 2021), and years of negative agricultural growth include 2021, 2020, 2016, 2009, 1998, 1985, 1984, 1983, 1974, and 1964 (World Bank 2023a). The low rate of agricultural growth has been linked to decreasing farm sizes due to population growth and failed attempts at land reform.

One of the most significant efforts to redistribute land, the Comprehensive Agrarian Reform Program (CARP), was implemented in 1988, with the objective of giving land to the tiller and ensuring its more equitable distribution through a ceiling on all agricultural holdings and redistribution in excess of the ceiling. However, the program did not meet its redistribution objectives, and research shows that CARP reduced agricultural productivity by 17 percent (Adamopoulos and Restuccia 2020). The country’s poor rural infrastructure also contributed to its low agricultural productivity (Llanto 2012). Therefore, despite the increased agricultural productivity linked to the new seeds of the Green Revolution in the mid-1960s, the Philippines has not seen extended periods (25+ years) of sustained agricultural productivity.



Alongside the country's unequal distribution of land, the fruits of any agricultural improvements there have been have not been broadly shared among the population of the Philippines. Income inequality has been persistently high, standing at 0.49 in 1957, and it remained at 0.42 in 2018 (UNU-WIDER 2022). Overall, there has been a decrease in poverty in the Philippines, with less than 3 percent of the population living in extreme poverty (2.15 a day in USD2017 PPP) and about 18 percent at the poverty line of 3.65 USD/day (USD 2017, PPP); this is significant progress as 39 percent of the population lived in extreme poverty in 2006 (World Bank 2023a). Nevertheless, rural poverty remains a major problem.

In 2023, over 25 percent of the rural population lived below the national poverty line, compared to 11 percent of the urban population (Custodio and Sombilla 2023). The slow rate of rural poverty reduction is causally linked to the experiences of slow structural transformation and slow/limited rural transformation (IFAD 2016; Huang 2018). Overall, the rural population in the Philippines still suffers from significant poverty and low incomes (Custodio and Sombilla 2023). Coupled with the lack of sustained productivity increase in agriculture, this leads us to classify the Philippines as a failed agricultural transformation, despite the bursts of improvement connected to the Green Revolution and the recent reduction in poverty levels. Despite its significant advantages during the earlier years of the Green Revolution, the Philippines is still a lower-middle-income country in a region of dynamic economies.

The Ethiopian case shares some similarities with the Filipino case in the sense that while there has been improvement in the agricultural sector, it has not (yet) generated a successful agricultural transformation. In terms of the productivity increase in agriculture, studies suggest that there has been a substantial increase since at least 2003 (Bachewe et al. 2018) and starting already in the mid-1990s (Rohne Till 2021). From 1995 to 2018, total crop production in Ethiopia increased six-fold at an average annual rate of 9.6 percent. The production growth has been intensive (yield increases) and extensive (bringing more land under cultivation) in nature; from the early 2000s, however, intensive growth has dominated. This growth is mostly driven by land-saving technological change, although there are some signs of recent labor productivity increase (Bachewe et al. 2018; Rohne Till 2021). In the last 25 years, the agricultural sector has only experienced negative growth in the drought year of 2003 (World Bank 2023a).

The increase in agricultural productivity coincides with poverty reduction, and extreme poverty has decreased from 69 percent in 1995 to 27 percent in 2015 (World Bank 2023b). Poverty has decreased in both urban and rural areas (World Bank 2023b). This suggests that agricultural growth has benefited at least some segments of the rural population. However, there are at least two sub-groups of Ethiopian smallholders: (1) a group with access to relatively large plots located in areas with more favorable agroecological conditions and/or market connectivity, and (2) a group that does not have access to these favorable traits. The former group, which Mellor (2017) calls “small commercial farmers” (SCFs), is more likely than the latter to both drive and benefit from agricultural change.

Mellor (2017) defines SCFs as rural households with enough land to produce sufficient income to exceed the World Bank poverty line for extreme poverty, market most of their produce, make almost all of their income from farming, and typically have access to farms that are between 0.75 and 5 ha in size. These farmers make up 54 percent of the rural population in Ethiopia, using 77 percent of the land (Mellor 2017).<sup>1</sup> However, factoring in the small proportion of large-scale farmers, this implies that at least 40 percent of the Ethiopian rural population is trapped in near-subsistence farming. This group is likely unable to benefit significantly from the ongoing agricultural transformation. In addition, regional differences also influence who benefits from agricultural change. In Ethiopia, the central regions of Oromia and Amhara account for the bulk of the increase in agricultural production. These regions have likely benefited from their central location (close to the main market of Addis Ababa), their favorable agroecological climate (Sebastian 2014), and their comparatively larger farms. While the majority of the country’s population resides in Oromia and Amhara, more than a third of Ethiopians live elsewhere. Based on this, we cannot conclude that the majority of rural households have experienced sustained and significant income increases. In sum, the Ethiopian case can be understood as a partial success, having met one of the criteria. Productivity has increased for over 25 years (despite the year-long contraction of the agricultural sector in the drought year of

<sup>1</sup>Mellor (2017) suggests that the SCFs should be the target group for policies that promote agricultural transformation, while the other group of farmers needs to be supported in other ways. Mellor (2017, p. 50) argues that the main long-term solution to poverty among this group is to facilitate the out-migration to non-farm jobs.

2003), but this has not been accompanied by sustained income increases for the majority of rural households.

### 3.2 AGRICULTURE, CLIMATE CHANGE, AND RESILIENCE

While not included in our definition of successful agricultural transformation, a factor of ever-increasing importance for agriculture is the role of climate change and the pressures this creates for a country aspiring to successfully transform their agricultural sectors. We thus offer this short note on the matter. Climate change has and will continue to have a large impact on agriculture, and in many low-income countries, the sector may be particularly vulnerable to climate change, given that in these settings, agriculture often relies on rain and has low capital intensity (Hassan 2010). African settings may be particularly vulnerable; research has found that agricultural income is sensitive to changes in precipitation and temperature and that countries in sub-Saharan Africa are more sensitive to these changes than other places (Amare et al. 2023).

Given its particular vulnerability to climate change compared to other sectors and its potential to exacerbate the climate crisis (FAO 2013; ICAI 2023), the agricultural sector is key to climate action. Work in this realm is complex, given the double aims of increasing agricultural productivity and enhancing adaptation and resilience to climate change (Lipper and Zilberman 2017; ICAI 2023). Despite the complexity, increasing the sector's resilience is essential to reduce its vulnerability to the impacts of climatic shocks (FAO 2013; Vernooy 2022). There are various ways for communities to build resilience to climate-induced shocks—this can occur by either preserving the pre-shock state, resisting or absorbing the shock into the system, or transforming the system (Rohne Till et al. 2024). Much work has been done in this area—some under the banner of “climate-smart agriculture” (cf. FAO 2013; ICAI 2023)—and more is needed.

While there is no inherent tension between continued agricultural expansion and environmental sustainability (Wiggins 2000; Reij and Smaling 2008), it is clear that adaptation to climate change is an important, complex, and potentially costly dimension of the path toward successful agricultural transformations.

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## CHAPTER 4

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# Visions of Agricultural Transformation

**Abstract** In this chapter, we explore the visions of agricultural reform in our four case studies. We present a brief background to the country's contexts and their agricultural sectors, as well as an exploration of the visions of the national leadership and their specific envisioned reforms for the agricultural sector. The chapter shows that leaders in all four countries, at least for some periods, have had visions to transform the agricultural sectors. However, the nature, content, and stability of these visions have varied across the case studies.

**Keywords** Political leadership • Agricultural reforms • Agricultural policy • Ethiopia • Taiwan • The Philippines • Malawi

### 4.1 VISION: TAIWAN, CHINA

Taiwan's rise from the ashes of war and geo-political insecurity to its place as a highly productive and competitive economy within a generation is an unlikely story, not only because of its speed but also because of who led the transformation: General Chiang Kai-shek (CKS). Defeated and humiliated by Mao's People's Liberation Army (PLA), he fled to the island of Taiwan on December 10, 1949. His flight came at a critical point for the island, freed from 50 years of Japanese rule. Under constant threat of invasion by the PLA, CKS imposed martial law, which was only lifted in 1987,

12 years after his death on April 5, 1975. Though defeated, he was determined to make “new history” and to build the nation in Taiwan along the lines suggested by Sun Yat Sen’s (n.d.) vision, as stated in his Three Principles of the People. In his diary, CKS wrote (May 7, 1949), “With a ray of hope and my allegiance to Dr. Sun Yat Sen, I will continue my struggle without fail” (Fenby 2003, p. 493). And he did. We focus here on his vision as a leader.

In 1949, Taiwan was heavily rural, with its farming population accounting for slightly more than 50 percent of the total population. While the legacy of Japanese colonization (1895–1945) is debated (Booth 2007), Taiwanese agriculture benefited from 50 years of Japanese agricultural development efforts. From 1920 to 1939, factor productivity grew at 2.5 percent per year (Tomich et al. 1995, p. 319). The Japanese invested in raising the productivity of rice and sugar, in particular, as these were the crops they most wanted to obtain from Taiwan for their industrializing and increasingly militaristic economy (Andersson 2003). The Colonial Japanese Government had also undertaken tax reform, invested in infrastructure and agricultural technology (research and extension), and developed cooperatives. Moreover, it did not hesitate to use coercion when it saw doing so as necessary to get farmers to adopt more productive technologies.

### *The Leader and His Vision: CKS as a Leader and Statesman*

CKS and his Kuomintang (KMT) government were inspired by Sun Yat Sen, who was, in turn, inspired by Lincoln’s ideal of good government.<sup>1</sup> Sun Yat Sen’s “principle of people’s livelihood” was reflected in the KMT’s platform as the “equalization of landownership and ... the regulation of capital.” However, he proposed “peaceful methods ... of social and economic reform, nationalization of transportation and communication,

<sup>1</sup>Specifically, Sun Yat Sen was inspired by Western democracy. When he spoke of democracy, he was referring to the kind of government eloquently stated by Lincoln in his Gettysburg Address (Nov 19, 1863) that spoke of government of, by, and for the people. He envisioned China becoming a republic based on the “rights of the people” as opposed to being ruled by an emperor, as had been the case for thousands of years. Sun Yat Sen has the distinction of being revered as father of modern China by both the Communists and the Nationalists. He is enshrined as Father of the Nation in the Republic of China, is widely regarded as a pioneer of the revolution, and mentioned in a preamble to the Constitution of the People’s Republic of China.



direct taxation, and socialized distribution or cooperative societies” (San Min Chu I: 52, 65, 134, 170–171). What he did not accomplish on the mainland, he wanted to accomplish in the Province of Taiwan.

Sun Yat Sen’s Three Principles of nationalism, democracy, and people’s livelihood were the guiding philosophy for CKS and his KMT government and its vision. The first principle, nationalism, under Sun Yat Sen, meant an anti-Manchu stance and restoring control of government by the majority, the Han people. In Taiwan, it meant the KMT regaining control of the mainland.<sup>2</sup> The second principle, democracy, meant a government of the people along Western lines, explaining CKS’s staunch anti-communism. The third principle, advancing the people’s livelihood, was reflected in the platform as a vision of a prosperous China, including in rural areas. The Republic of China under Sun Yat Sen was in constant turmoil, incessantly fought over by warlords, with millions on the edge of survival. In Taiwan, with the return of peace, a top priority was redistributing land to poor farmers and promoting agriculture. CKS was keenly aware that one of the major reasons he lost China to Mao Zedong was Mao’s promise to the peasantry that he would implement land reform. CKS’s political base was urban, much too narrow; China was, at the time, predominantly rural. He tried land reform in China (1933/34), but it failed (Taylor 2009, p. 107). Getting it right in Taiwan was critically important. It was urgent for his government to “take the land to the tiller” issue away from the communists. According to a land survey undertaken in 1920–1921, 90 percent of farm households owned 40 percent of the land (Myers and Ching 1964, p. 559). Based on this, CKS developed a vision to launch a successful land reform effort that would rebuild agriculture, Taiwan’s economy, and the people’s livelihood along lines that Sun Yat Sen would definitely have approved of.

In terms of the specific political changes envisioned by CKS, promoting equitable and high-productivity agriculture was a key priority and exemplified by the land reform, which occurred in three stages between 1949 and 1953 (Shen 1971, p. 56–64). The land reform was implemented with the assistance of the Sino-American Joint Commission for Rural

<sup>2</sup>“For Chiang, the unification of China under the Kuomintang was more than a matter of personal ambition. It was a sacred trust” (Furuya 1981, p. 171). He never gave up hope that he would regain the mainland. Even in the darkest days, at the end of October 1949, on his birthday, he wrote: “I have spent my past life in vain. I have suffered ignominy. However, I should not be worried ... I must heighten my vigilance so that I can revive China and reestablish the republic” (Fenby 2003, p. 493, 496).

Reconstruction (JCRR).<sup>3</sup> Two important features of the JCRR's functioning were that (1) its professional staff enjoyed a relatively high pay scale, allowing it to recruit, retain, and incentivize competent staff, and (2) it had foreign and local experts (Shen 1971, p. 9–36, 241–242). With the JCRR<sup>4</sup> and the help of substantial US assistance until 1965 (4 billion USD, of which 60 percent or 2.4 billion was military in nature and 1.64 economic; Ho 1987), the KMT government also invested heavily in public goods and services in agricultural and rural areas. This focused on investments in technology transfers, market access, and property reforms (Tomich et al. 1995; Chang 2016; Shen 1971).

In addition to the focus on rural development, the KMT leadership also focused on reconstructing urban areas, as much of the country's infrastructure and industrial capacity was heavily bombed and destroyed during WWII. The policies focused on growing and supporting urban industry. In addition, the rural non-farm sector became increasingly important by the early 1980s. Overall, the KMT's macro and trade policies were focused on promoting a virtuous circle of growth between agricultural and non-agricultural sectors. There was a significant resource transfer from a growing agricultural sector to non-agricultural activities. The resource transfer to develop non-agricultural activity averaged 22 percent of agricultural output for the period 1950 to 1955 to 14 percent for the period 1966 to 1969 (Tomich et al. 1995, Table 10.3).

In sum, the vision of CKS and KMT for Taiwanese development was ambitious and far-reaching and placed the agricultural sector at the center, at least in the first decade of reform. The urban sector also remained important—first its recovery, and later its growth—and as a successful agricultural transformation *de facto* took place, agriculture's centrality in the political vision diminished.

<sup>3</sup>The JCRR was created in 1948, China Aid Act, Public Law 472, while the KMT was still on the mainland. It then operated in Taiwan in the 1950s–1960s; became the Council of Agricultural Planning and Development in 1978, until it was merged with the Council of Agriculture in 1979. Lee Teng-Hui, President of Taiwan (1988–2000), worked with the JCRR as an agricultural economist in the 1950s.

<sup>4</sup>Shen, Tsung-Han (38, Tab 5-1) has somewhat different figures for only economic aid. Total is USD 1,492.4 million of which agriculture and natural resources received 6.8 percent, and JCRR 0.71 percent.

## 4.2 VISION: THE PHILIPPINES

The struggle for inclusive transformation of the Philippines has had many starts and stops. Immediately after winning independence from centuries of Spanish rule (1521–1898), it became a US colony (1902–1946) and was under Japanese occupation for part of that time (1942–1945). Under Spanish colonial rule, there were frequent revolts against the friars who amassed huge tracts of land and imposed tithes, taxes, and indulgences on the impoverished peasantry. The peasantry was chronically undernourished and bound to servitude by usury: “usury is the heavy chain with which 90 percent or more of the Christian Filipinos are bound in slavery to the four percent or less. This four percent is the cacique, a moneyed class from which bosses, local headmen, and politicians come. Usury is the curse of these islands, and very few are the Filipino fortunes that do not stand upon that base” (Mayo 1925, p. 9–10).<sup>5</sup> Essentially, the cacique class took over much of the land after the Spanish friars left (Hamilton-Paterson 1998, p. 36), and whole families fell into peonage once they had contracted debt (Mayo 1925, p. 27, 39). It was among this majority that guerillas were formed: anti-Japanese groups were known as Huks, and pro-communist and anti-government groups were known as the PLA.<sup>6</sup>

It is against the above historical backdrop that the long-standing plight of the peasantry and the struggle for inclusive transformation of post-WWII Philippines must be understood. Under US political and economic pressure, the fight of the landless peasantry for land reform and economic opportunity was vilified as communist. Official Filipino policy was to crush communism, although eight out of the eleven presidents since 1946

<sup>5</sup> Mayo points out that there are three distinct groups of people in the Philippines: two minorities, the mountain people of the Island of Luzon or the Igorots; the Moros or Mohamedans of the southern islands; and the majority, the Christian Filipinos.

<sup>6</sup> The Hukbalahap, initially known as Hukbong Bayan Laban sa Hapon, meaning “The People’s Anti-Japanese Army,” underwent a name change following World War II, becoming Hukbong Mapagpalaya ng Bayan, or “The People’s Liberation Army.” They eventually evolved into the Philippines Communist Party, operating as an anti-government guerrilla force. While their official name shifted, they remained widely recognized as the Huks. Originally peasants from Central Luzon, the Huks had deep historical ties to the Spanish *encomienda* system, a land grant system established in 1570 to reward conquering soldiers in New Spain and the Philippines. Over time, this system transformed into a mechanism through which landlords could exploit peasants. During the nineteenth century, Filipino landlordism flourished under Spanish colonization, leading to further instances of abuse (Goodwin 2001).

advanced measures to ameliorate the agrarian conditions of the impoverished peasantry. After seven decades, however, low productivity and extensive poverty still prevail despite the Philippines' agriculture sector experiencing a 15-year period (~1965–1980) of sustained productivity growth with the introduction and spread of the Green Revolution in Asia. This case study concerns the repeated attempts and missed opportunities of Filipino leadership to achieve a successful agricultural transformation, a foundation for an inclusive overall transformation.

### *The Leaders and Their Vision: The Recurrent Goals of Filipino Leadership*

The vision of Filipino leadership over the decades can be summed up in four recurrent goals. The first goal was to get rid of communism in the Philippines. As a close ally to the US, the Filipino leadership fought the Huks, who, after WWII, became the foot soldiers of the PLA, the Communist Party of the Philippines. The second goal is to improve the fate of the rural majority—poor and indebted peasants—by reforming agrarian conditions, in particular through land reform. The third goal, good governance, was pursued by fighting corruption and promoting government efficiency and honesty in public service. Indeed, from Roxas (1946–1948) to Aquino III (2010–2016), leaders expressed the wish to be “closer” to the governed.<sup>7</sup> The fourth goal is making markets and the private sector work. Given their market orientation, only two governments were concerned about leveling the playing field: Cory Aquino (1986–1992) and Ramos (1992–1998) took measures to break up monopolies, oligopolies, and cartels set up under the 20-year Marcos regime (1966–1986).

The most far-reaching vision of the Filipino leadership was Marcos' vision for his “new society” (*Bagong Lipunan*), which encompassed all the above goals. Specifically, it included the five big promises he made when he declared martial law (September 21, 1972): to end poverty and create equality, end hunger and drive development, end corruption and enact justice, end deception and promote truth, and end violence and usher in

<sup>7</sup>It is noteworthy that the Aquino III government joined the group of countries which signed up to become a member of the Open Government Partnership. The objective of this group is for government to promote transparency, empower citizens, fight corruption and empower new technologies to strengthen governance. See World Bank (2015).

peace (Promises of a New Society). In hindsight, 30 years after Marcos' regime, it is clear that these promises remain largely unfulfilled.

In terms of specific reforms, like most newly independent developing countries in the late 1940s to 1960s, the Philippines adopted an inward-looking, import-substituting, industry-first development strategy (Balisacan et al. 2004, p. 267–268). While most countries had moved away from that strategy by the late 1970s, the Philippines remained inward-looking into the 1990s. For decades, this strategy discriminated against agriculture, undermining overall economic and agricultural growth. Key instruments of the anti-agriculture bias included high protection for capital-intensive import-substituting industries, high protective tariffs, overvaluing of the domestic currency, marketing bans, and monopolies (World Bank, Oct. 1987, p. 5). In addition, the main vision for the agricultural sector was to achieve rice self-sufficiency through policies focused on the following: subsidizing private goods, such as hybrid seeds, fertilizers, and other chemicals, and irrigation (but not research and extension services), dissemination of market information for farmers and processors, and establishing a rural marketing infrastructure (WBG 2007). There have also been repeated attempts at land reform, often announced with much fanfare (e.g., as by Marcos and Aquino). However, decades in, these reforms have not succeeded in creating a unimodal structure of farm ownership.

In sum, while the peasantry and the rural sector were often part of the national vision, their place in this was often volatile and, at times, lacking. This can be seen from the policy record of ineffective land reform, persistent anti-agriculture and pro-large farmer bias, a drive for rice self-sufficiency, and an emphasis on subsidizing primarily private inputs to the detriment of increased investment in public goods and services.

### 4.3 VISION: ETHIOPIA

The twenty-first century has, in many senses, brought an increased optimism about the prospects for African economic development. Ethiopia, with its average annual GDP per capita growth of over 6 percent from 2000 to 2020 (IMF 2020), is often at the forefront of this optimism. While the gains have been challenged by the ongoing conflict in the Tigray region since the end of 2020, the period of economic growth from the early 1990s onward was marked by significant improvements. The period was accompanied by the tripling of per capita GDP, halving the share of

the population living in extreme poverty and bringing about significant improvements in the population's living standards and health (World Bank 2023a).

Ethiopia remained marked by a traditional economic structure centered on ox-plow agriculture well into the twentieth century, and little effort was made to alter this before the 1950s. Under the last Emperor of the Imperial regime (Emperor Haile Selassie I, in power from 1930 to 1974 and, apart from the Italian occupation, 1936 to 1941), some efforts were made to move from a subsistence economy to a more modern economy based on a modern agricultural sector and a growing industrial sector. This led to the adoption of the first national five-year plan in 1957. However, misguided policies, poor provision of public goods, and a protracted civil war also limited economic progress throughout the twentieth century, both under Haile Selassie and the communist Derg regime, which violently took control of the government in 1974 and remained in power until 1991. When the Ethiopian People's Revolutionary Democratic Front (EPRDF) took over from the transitional government (1991–1994) in the early 1990s, Ethiopia was a war-torn and famine-plagued country (Cheru et al. 2019; Manyazewal and Shiferaw 2019; Shiferaw 2019). Since then, the country has seen a strong economic recovery with 20 years of nearly uninterrupted growth (apart from the drought year of 2003) from 2000 to 2020.

The core of Ethiopia's economy, historically, has been the agricultural sector, which still accounts for nearly 65 percent of the labor force (FAOStat 2023). For much of this history, Ethiopian agriculture has been rain-fed, drought-prone, and traditional, leading to several instances of famine. The sector is still predominantly rain-fed and drought-prone (FAOStat 2023), but in many ways, it is no longer traditional. Fertilizer use has increased four-fold since the early 1990s, and there is increasing uptake of mechanization (albeit from a low level), and the country's large extension program has seen the dissemination of modern farming techniques (Davis et al. 2010; Rashid et al. 2013; Berhane et al. 2017). Overall, the Ethiopian agricultural sector has undergone a significant transformation in the last 25 years, during which agricultural output has increased six-fold and yields of its most significant crops have more than doubled (Rohne Till 2021).

*The Leader and His Vision: Zenawi's Vision  
for Ethiopian Agriculture*

The EPRDF and its leader, Meles Zenawi (President, 1991–1995 and Prime Minister, 1995 until his death in 2012), came to power with the support of the rural population, its principal political base (Diriba 2020). The central role of the rural population and the agricultural sector is strongly reflected in policymaking throughout the 1990s, including the Economic Policy for the Transition Period (1991), the Agricultural Development-Led Industrialization (ADLI) policy (1994), and the subsequent five-year development plans. Overall, these plans involved substantial state intervention in the economy and the agricultural sector as the center of economic growth. Zenawi (2012) explicitly described this policy trajectory (and the pursuit of state-directed development under authoritarian rule more generally) as an attempt at being an East Asian-inspired “developmental state.”

While the Ethiopian developmental state shares several characteristics with its East Asian counterparts—state intervention in many areas of the economy and the market, high levels of public spending, and a strong developmental vision for the nation—there are also differences. The two main differences are the more fragile and fragmented public support for the state’s development project in the case of Ethiopia, most likely linked to the population’s ethnic fragmentation and related tensions and its weaker bureaucracy (Chang and Hauge 2019). The agricultural sector remained in focus with Zenawi’s successor, Hailemariam Desalegn (Prime Minister, 2012–2018), but this has not been the case under Abiy Ahmed (2018–). In recent years, the focus has shifted to the urban sector, which is, for example, evident in the latest 10-year national plan, “Ethiopia: An African Beacon of Prosperity” (MOPD 2021; Anderson 2022).

In terms of the policy and specific reforms envisioned, the Ethiopian government’s pursuit of the ADLI development strategy was a cornerstone of its vision for the agricultural sector and its role in the economy in the 1990s and early 2000s. The ADLI is a macro-level development policy that aims to generate rapid agricultural growth to improve national food security and stimulate economic growth through forward and backward economic linkages (MOFED 2003). First implemented in the early 1990s, the strategy was considerably strengthened in 2002 and reaffirmed in subsequent development plans (MOFED 2002, 2003, 2005, 2010). In its first decade, the ADLI had a relatively narrow focus on providing

off-the-shelf fertilizer packages, improving access to inputs and credit, and providing extension services. However, it was reformulated in 2002 with the aim of improving its results for agricultural and aggregate growth (MOFED 2002). After 2002, the ADLI also included efforts to improve the broader market environment, reduce poverty, and combat food insecurity, including through an increased focus on the commercialization of smallholder agriculture, an expanded role for large-scale agriculture, increased support for infrastructure and rural welfare, and interventions tailored to address the specific needs of the country's varied agroecological zones (MOFED 2002; FAO 2003). Since 2015, the government has downplayed the role of the ADLI as a key policy for Ethiopia's economic transformation (MOFED 2015; MOPD 2021).

In sum, since the mid-1990s, Ethiopia has taken the first steps toward a successful agricultural transformation in conjunction with a dedicated focus on the agricultural sector by the political leadership, especially under Meles Zenawi. Founded on the ADLI strategy, the agricultural sector has remained the focus of economic policy for two decades, during which time the country's agricultural production and productivity significantly improved. However, Ethiopia has yet to experience a fully successful agricultural transformation since the productivity increases in agriculture have not been accompanied by sustained income increases for the majority of rural households. This lack of inclusion, waning political support for the agricultural sector (as seen in its smaller role in the national plans of 2015 and 2021, and its decreasing share of public spending; cf. Graph 5.1), and severe impediments to transformation (in the form of the ongoing civil war and a climate crisis) bring into doubt the possibility of sustaining the momentum for a successful agricultural transformation.

#### 4.4 VISION: MALAWI

Compared to many sub-Saharan African countries, Malawi is peaceful and democratic: it has not experienced conflict since its independence in 1964 and moved to become a multi-party democracy in 1994. Even so, it is one of the world's poorest countries, with over 70 percent of its population living in extreme poverty (World Bank 2023a). The first 30 years of independence were under the repressive regime of President Hastings Kamuzu Banda, who came to power following a political crisis that erupted soon after independence. Over time, Banda's regime became deeply repressive and authoritarian (Chinsinga and Chirwa 2011). Malawi reinstated



multi-party democracy in 1994, following pressure from donors and domestically (Chinsinga 2018); the country has since seen multiple regimes in power.

The economy has been through three broad phases: GDP per capita growth from 1964 to 1978, GDP per capita decline from 1979 to 2003, and the return of GDP growth from 2012, although the period since has been volatile (Prowse and Grassin 2020; World Bank 2023b). Throughout the independence era, Malawi's political leadership has been characterized by clientelism and a winner-takes-all system in which the state is captured by the incumbent's informal networks for personal gain and where emergent political forces are co-opted or suppressed (Chinsinga 2018; Prowse and Grassin 2020; Dercon 2022). Overall, democratization in 1994 has not changed how elites govern the country; Malawi's leadership has often sought to use the state as a means to control the country's wealth for themselves and to manage the crises this creates.<sup>8</sup>

In terms of the agricultural sector's role, Malawi is a small, resource-poor country and has few potential growth sectors other than agriculture. As such, agriculture is central to the country, the economy, and the people, which is reflected in the concentration on the sector in development strategies and policy reforms (Harrigan 2003). The sector is dominated by tobacco, and Malawi is the world's most tobacco-dependent economy, with tobacco accounting for over half of its total exports. From the 1990s onwards, smallholder production of burley tobacco has been dominant, a switch from the former dominance of estate farming during the 1960s and 1970s (Mangani et al. 2020). The sector's development can be broadly divided into three phases, as identified by Chinsinga (2018): (1) the estate-farm phase from 1964 to 1994, (2) the phase of failed smallholder-led commercialized agriculture from 1994 to 2009, and (3) a rhetorical focus on large-scale agriculture, from 2009 onwards. Overall, there has been no successful agricultural transformation in Malawi in the last 65 years: agricultural sector productivity remains at a low level, and the sector is undiversified, rain-fed, and vulnerable; the rural population has also not seen any significant improvement in income and living standards (Amare et al. 2023; World Bank 2023a).

<sup>8</sup>The most (in)famous example of such leadership may be "Cashgate" of 2013, which exposed how the national public expenditure software system had been systematically hacked, resulting in the embezzlement of 32 million USD. The scam was ongoing for years with software codes allegedly pinned to noticeboards in Capitol Hill (Prowse and Grassin 2020; Dercon 2022).

*The Leaders and Their Vision: Volatile and Uncoordinated  
Visions for Agricultural Transformation*

Given the centrality of agriculture in the economy, all of Malawi's leaders have recognized its importance, but their visions for transformation have mostly been fractured and short-term. Under President Banda, the focus was on the estate sector at the expense of smallholder agriculture. In the period Chinsinga (2018) identifies as the failed smallholder commercialization phase (c. 1994–2009), the focus was on achieving food security through smallholder farmers relying on the market. A key move in this phase was to allow smallholders to cultivate burley tobacco, which was previously not allowed (Harrigan 2001). While the initial response from smallholder farmers was promising, there were major obstacles to success, including land shortages (exacerbated by population growth), deterioration of tobacco prices, and the lack of support systems for independent growers comparable to those in the large-scale estate sector (Chinsinga 2018).

In the final period, the agricultural sector, focused on large-scale agriculture with some attention to smallholders, regained political attention. In this phase, the government recognized the centrality of agricultural transformation for Malawi's economy; this is evident, for example, in the development plans of the era and the high share of public spending dedicated to agriculture (far exceeding the Maputo declaration of dedicating at least 10 percent of public spending to agriculture). Even so, many challenges remain, and the fruits of this recognition are yet to materialize (Mangani et al. 2020).

The policy space for agriculture in Malawi involves many actors: the government, the international community, several agencies and ministries at the national, regional, and local levels, and civil society. In such a context, coordination and clear leadership are needed for success. This has not been the case for Malawi, and several studies have noted that the “competing” interests and policy goals of the government, on the one hand, and, very often, foreign donors, on the other hand, have been a key obstacle to successful reform (Harrigan 2003; Nkhoma et al. 2019; Mdee et al. 2021). Booth et al. (2005) also argue that conflicts between government and donors contributed to a stop-go policy environment, which exacerbated Malawi's problems.

The envisioned reforms for agricultural transformation in Malawi have been largely uncoordinated and unpredictable (Harrigan 2001, 2003;

Chinsinga 2018; Nkhoma et al. 2019; Mangani et al. 2020; Prowse and Grassin 2020). Their uncoordinated nature is linked to the problems noted above of the non-alignment or competing interests of the national government, foreign donors, and other national stakeholders. To date, there has been no determined leadership at the national level to mobilize the needed support from the public and private sectors, the community, and civil society around a comprehensive agricultural policy strategy to drive agricultural transformation in Malawi (Mangani et al. 2020). In addition, the policy environment for agricultural transformation is largely unpredictable, with ad hoc and frequently changing marketing and trade policies (Chinsinga 2018; Mangani et al. 2020).

In terms of the specific envisioned reforms, the most important reform of the Malawian agricultural sector is the very large “Agricultural Input Subsidy Programme” (AISP). AISP was initiated in 2005, building upon previous subsidy programs. This voucher-driven program was designed to provide smallholders with subsidized access to agricultural inputs, primarily fertilizers, to enhance maize production (Prowse and Grassin 2020). During its early years, the program yielded results, increasing maize production, despite donor concerns about its impact on the private sector and fiscal discipline (Dorward and Chirwa 2011; Arndt et al. 2016). However, the program was also costly in financial and political terms. Despite the partial successes of AISP in achieving short-term food security, it is politically difficult to manage successfully. Dercon (2022, p. 132) characterizes it as a system of “deliberate chaos,” where the combination of poorly functioning maize markets and the AISP put the government in control. When neither producers, consumers, or private traders know what is going on in the unpredictable environment, this strengthens the position of political leaders with insider information.

Overall, there has been a lack of commitment to long-term reform in the agricultural sector, and leaders have instead been engaged in short-term political bargains facilitated through patronage and clientelism. They have prioritized the distribution of immediate gains to maintain their hold on power rather than focusing on developmental or transformative efforts (Prowse and Grassin 2020; Dercon 2022). Overall, this has led to a shifting vision for the agricultural sector, heavily influenced by changes in the configuration of the political elite and their underlying interests and motivations, as well as by interactions with donors (Chinsinga 2018). Overall, this state of flux has not been conducive to establishing a coherent and far-reaching vision of agricultural transformation.

In sum, there has been no committed, long-term, or inclusive vision for the transformation of Malawi's agricultural sector. The envisioned reforms have been largely uncoordinated and unpredictable, and while the sector has been politically important, it has been as a source of political power, not as a source of broad-based economic growth and development, and no successful agricultural transformation has yet occurred in Malawi.

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## Turning Vision into Action: Commitment, Timeframe, and Inclusiveness

**Abstract** Following the book’s analytical framework, this chapter takes stock of how the leadership’s visions for agricultural transformations have been turned into action, in our four country cases. Specifically, the chapter explores three aspects of agricultural policymaking: commitment, timeframe, and inclusiveness. It explores the extent of Agricultural Public Spending and the Nominal Rate of Protection, the tenure lengths of the national leadership and national development plans, as well as the extent of inclusion, poverty, and inequality in the case countries.

**Keywords** Agricultural policymaking • Agricultural public spending • Leadership tenure • National development plans • Inclusion • Poverty • Inequality

While the previous chapter has shown differences in the leadership vision across our case studies, it has also shown that all the countries considered have, at some point, been led by those that, at least in rhetorical terms, have been committed to supporting agricultural transformation. Following our analytical framework, in this section, we take stock of how that vision has been turned into action. We examine three aspects of agricultural policymaking: commitment, timeframe, and inclusiveness.

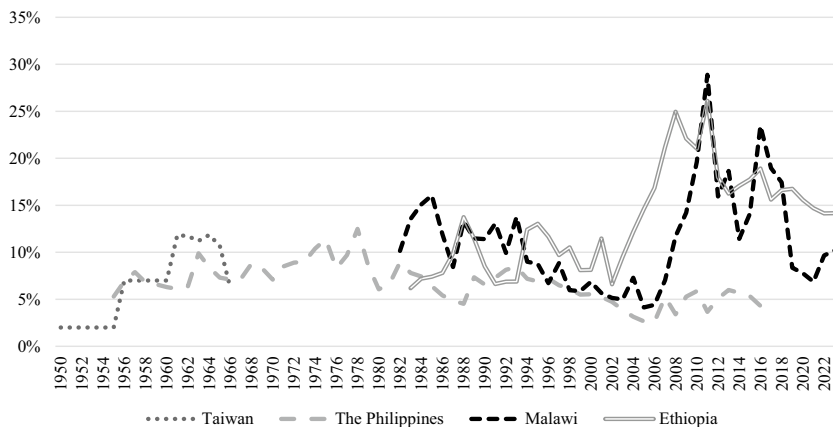
## 5.1 COMMITMENT

We explore the extent of leadership commitment to their vision of transforming the agricultural sector by examining two quantifiable indicators: the extent of APS and the NRA. While APS is one of many potentially effective forms of state intervention in the agricultural sector,<sup>1</sup> it is an important form to understand given both its assigned importance in countries that have had agricultural transformations (Johnson et al., 2003; Wiggins 2014; Mogues et al., 2015) and the emphasis on its centrality for agricultural transformations today (AGRA 2018; de Janvry and Sadoulet 2019). The NRA indicates the support given to the agricultural sector; it is obtained by calculating the ratio of total support to the value of production at an undistorted reference price (Anderson and Nelgen 2013). It is a useful measure for capturing a holistic picture of policy assistance to the agricultural sector as it includes a wide range of measures, including price support, payments based on output, payments based on input, and policies affecting factors of production.

Graph 5.1 tracks the extent of APS as a share of total government spending for our case countries. As a reference for interpretation, the Comprehensive Africa Agriculture Development Programme, signed by all 53 African Heads of State in 2003, stipulates an APS goal of 10 percent. While it is not a magic threshold, it could be considered “high.” Graph 5.1 shows that APS in Taiwan did not take off until after the land reforms. However, it increased rapidly after 1954 and stayed high for a decade before once again declining. The Filipino APS was relatively high and stable through the 1960s and 1970s but has since declined, and both the Ethiopian and Malawian APS commitments have been high but volatile.

A key aspect of the Malawi APS is that most of the spending (over 70 percent) has been channeled through the AISP, the country’s massive input subsidy program (Ghins et al. 2017), likely at the expense of types of APS that the literature suggests is more conducive to agricultural

<sup>1</sup> Such as, for example, policies on ownership of factors, public spending on general public goods (e.g., health, information), transfers from farmers (taxation), interventions on the domestic market of agricultural products and factors, and interventions on international trade of agricultural products (Federico 2005: 187).

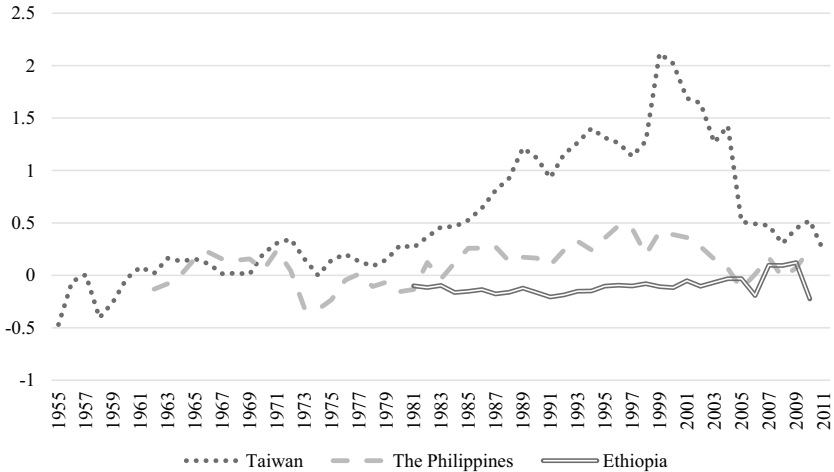


**Graph 5.1** Agricultural public spending as share of total public spending (%), 1950–2022. (Republic of China 1961/62–1980; World Bank 1968; Lee 1971; de Leon 1983; IFPRI 2019)

transformation.<sup>2</sup> The Ethiopian APS has mainly been directed toward extension programs and infrastructure; irrigation and agricultural R&D have not been prioritized (Rohne Till 2021). In the Philippines, the bulk of APS was seen in the 1950s and early 1960s and was mostly dedicated to irrigation; during the Marcos regime (1965–1986), it was dedicated to irrigation, credit, extension, and fertilizers (World Bank 1987; Balisacan et al. 2004). The Taiwanese APS focused on infrastructure, followed by agricultural R&D and extension (Wu 1994).

As regards the NRA, Graph 5.2 shows the extent of producer support to the agricultural sector in the four case countries. For Taiwan, we can see a strengthening of support to the agricultural sector, as is common for high-income countries (Anderson et al. 2008). In the Philippines, despite the relatively high and stable APS in the 1960s and 1970s, the NRA was volatile and did not correspond with APS. In Ethiopia, the NRA showed a slight worsening of the NRA under the Derg regime until 1991,

<sup>2</sup>The large body of evidence on the different impacts of various functional types of APS collectively suggests that spending on agricultural R&D is closely linked to agricultural growth (Fan et al. 2008, 2000; Mogues et al. 2012; Rosegrant et al. 1998; Thirtle, et al. 2003) and that the connection for input subsidies is weak (Allcott et al. 2006, Armas et al. 2011; López and Galinato 2007), with less agreement on the effect of spending on extension, irrigation, infrastructure and social safety (for a summary, see Mogues et al. 2012).



**Graph 5.2** Nominal rate of assistance, 1955–2011. (Authors’ calculations based on Anderson and Nelgen 2013)

followed by a slight increase from its lowest point of  $-0.21$  in 1991 to a short period of positive NRA in the 2010s. This pattern is in line with that seen in many low-income countries, which often have negative NRAs, partly because the agricultural sector is seen as a source of government revenue and export commodities are frequently taxed (Anderson 1995).

Overall, the Taiwanese commitment to the agricultural sector is evident in the development of APS and NRA. This commitment is evident at the national level (as in Graphs 5.1 and 5.2) and in the commitment shown to the vision by the bureaucracy (administrators and technical experts). The clearest example of this is the JCRR, a semi-autonomous and well-funded institution staffed by Taiwanese and US experts; the JCRR designed the overall strategy for transforming rural Taiwan and formulated and implemented yearly plans (Wu 1994: 152). The commitment to agricultural transformation in Taiwan, as seen throughout the government machinery, is in direct contrast to the case of the Philippines. In that case, the leadership’s vision to transform the agricultural sector was not translated to a commitment by the bureaucracy due to opposition from the powerful landlord class and the poor functioning of the main agricultural institutions (World Bank, May 1987: 4; 2006); this is reflected in the volatile and even contradictory developments of APS and NRA.

In Ethiopia, APS was substantially higher after the adoption of ADLI in the early 1990s, and it was especially high with the recommitment to ADLI in 2002. It remained so until 2012 and has since decreased—perhaps linked to the death of Zenawi and his strong support of agriculture and to the less important role of agriculture in the national policy frameworks after 2015 (MOFED 2015; MOPD 2021). Lastly, for Malawi, the lack of a stable, committed, long-term, and inclusive vision for agricultural transformation is also evident in the government’s policy commitment to the agricultural sector, which has been high but volatile and dominated by the highly politicized AISP.

## 5.2 TIMEFRAME

Being able to translate a vision for agricultural transformation into reality requires long-term, sustained effort. Building inclusive institutions for agricultural transformation, connecting the rural to the urban world, and enabling people to leave agriculture with skills and assets that make it possible to successfully integrate the agricultural and non-agricultural sectors are all significant, long-term transformations. Such transformations take at least 20 or 30 years to come to fruition—even up to 50 or 100 years (Timmer 2007). To better understand the timeframes under which the leadership of our case countries operated, we look at two indicators. First, for a bird’s eye view of the leadership’s time in power, we look at the countries’ heads of government and their term length. While historically, a lengthy time in power has in no way guaranteed success, it does give an indication of whether certain leaders had sufficient time in power to implement some (or all) of their visions for agricultural transformation. It also helps our exploration of whether the effective leadership has been perpetual (cf. North et al. 2009) and survived changes in individual leaders. Second, we look at each country’s main development plans to track the centrality of agriculture in these over time.

Table 5.1 sets out the heads of government and their term length in Taiwan, the Philippines, Ethiopia, and Malawi in our period of interest. The table shows that CKS was the leader of Taiwan for the entirety of the agricultural transformation in Taiwan (1950–1975) and that the KMT was the leading party for even longer (1950–2000). The Philippines has three distinct periods, none of which generated an agricultural transformation. From 1946 to 1961, leadership was traded between five different leaders from two main parties, and this was followed by over 20 years of

**Table 5.1** Heads of government and their term length in Taiwan, the Philippines, Ethiopia, and Malawi

Taiwan	Chiang Kai-shek, Kuomintang	1950–1975
	Yen Chia-kan, Kuomintang	1975–1978
	Chiang Ching-kuo, Kuomintang	1978–1988
	Lee Teng-hui, Kuomintang	1988–2000
	Chen Shui-bian, Democratic Progressive	2000–2008
	Ma Ying-jeou, Kuomintang	2008–2016
	Tsai Ing-wen, Democratic Progressive	2016–2024
	Lai Ching-te, Democratic Progressive	2024–
The Philippines	Manuel Roxas, Liberal Party	1946–1948
	Elpidio Quirino, Liberal Party	1948–1953
	Ramon Magsaysay, Nacionalista Party	1953–1957
	Carlos P. Garcia, Nacionalista Party	1957–1961
	Diosdado Macapagal, Liberal Party	1957–1961
	Ferdinand Marcos, Nacionalista Party	1965–1986
	Corazon Aquino, United Nationalist Democratic Organization	1986–1992
	Fidel V. Ramos, Lakas–NUCD	1992–1998
	Joseph Estrada, Laban ng Makabayang Masang Pilipino	1998–2001
	Gloria Macapagal Arroyo, Lakas–CMD	2001–2010
	Benigno Aquino III, Liberal Party	2010–2016
	Rodrigo Duterte, PDP–Laban	2016–2022
	Ferdinand Romualdez Marcos Jr, Partido Federal ng Pilipinas	2022–
	Ethiopia	Emperor Haile Selassie
Mengistu Haile Mariam, Derg		1974–1991
Tamrat Layne, EPRDF		1991–1995
Meles Zenawi, EPRDF		1995–2012
Hailemariam Desalegn, EPRDF		2012–2018
Abiy Ahmed, Prosperity Party		2018–
Malawi	Hastings Banda, Malawi Congress Party	1964–1994
	Bakili Muluzi, United Democratic Front	1994–2004
	Bingu wa Mutharika, United Democratic Front	2004–2009
	Bingu wa Mutharika, Democratic Progressive Party	2009–2012
	Joyce Banda, People’s Party	2012–2014
	Peter Mutharika, Democratic Progressive Party	2014–2019
	Lazarus Chakwera, Malawi Congress Party	2020–

Marcos rule; in the last phase, there were again multiple changes, with six leaders and six parties having ruled since 1986 until today. In Ethiopia, two leaders from the same party ruled for the first part of the country’s agricultural transformation (1995–2018), and in total, there were three

leaders and two parties during the whole period 1994–2020. Malawi instead shares more similarities with the Philippines, having experienced one period of power concentrated in one leader and one party from 1964 to 1994, followed by a phase of five leaders and four parties since 1994.

This overview of the leaders in our case countries and the length of their tenure sheds light on a possible connection between long-term leadership and successful agricultural transformation. Taiwan's experience of CKS's 25-year leadership and the KMT party's rule from 1950 to 2000 is a case in point. While the first period of KMT rule was undeniably authoritarian, this period also laid the foundation for the successful agricultural transformation. This longer leadership tenure could be vital but is by no means necessary for the success. In contrast, the case of the Philippines demonstrates that the mere timeframe or duration of leaders in office is insufficient to guarantee successful agricultural transformation success. Despite his extended reign, the agricultural sector failed to transform successfully during the tenure of Ferdinand Marcos. In addition, the numerous changes in leadership before and after Marcos' reign also did not lead to successful agricultural transformation.

There are some similarities in the experience of Ethiopia and Taiwan, albeit the former has occurred on a smaller scale. Zenawi, with his clear vision and prioritization of the agricultural sector, was, for a substantial period, laying the path for successful agricultural transformation in Ethiopia. Desalegn, who replaced Zenawi and was from the same party, at least partially followed in his footsteps. Conversely, Malawi shares some similarities with the Philippines, having experienced both the prolonged rule of Hastings Banda and the numerous leadership changes since 1994, with six leaders and multiple party transitions. While the length of tenure is of secondary importance to the quality of governance, this exercise shows that a long-term vision for and commitment to the agricultural sector could be facilitated by not overly rapid changes in leadership.

In summary, the cases of CKS and Meles Zenawi illustrate that extended leadership tenure can facilitate successful agricultural transformation and that frequent changes in leadership (as seen in later decades in both Malawi and the Philippines) failed to bring about the desired transformation in the agricultural sector. Long-term leadership, as exemplified by Ferdinand Marcos and Hastings Banda, is no guarantee of success, although it may be a factor of effective leadership for successful agricultural transformation.

Next, we turn to our second indicator of the leadership timeframes for transformation in our case countries, the centrality of the agricultural

sector in national development plans. The aim of our exploration is to estimate the importance assigned to the agricultural sector by the political leadership and to understand the relationship between the sector and the macro-level (non-agricultural) political and policy environment. This macro-level environment influences the conditions for all sectors of an economy, including agriculture.

In Table 5.2, the centrality of the agricultural sector in national development is ranked on a scale from 1 to 5: central (1), relatively central (2), neither central nor ignored (3), not central (4), and squeezed and/or ignored (5). This coding scheme is an indicative estimation of the centrality of the agricultural sector in national development and is not intended as a strict categorization. Rather, it offers a useful summary of the national vision at the time. In this exercise, “central” indicates that in the country’s development plans, agriculture is viewed as a key productive sector that is growing and contributing resources to the rest of the economy; “neither central nor ignored” indicates that the agricultural sector is acknowledged as a part of the economy, but not as a driving sector; and “squeezed and/or ignored” indicates that agricultural is either neglected or is only recognized to the extent it offers benefits to other sectors, not as a potentially dynamic sector in its own right.

Table 5.2 reveals that the Philippines has experienced no period when the agricultural sector was considered central in the nation’s development plans, and the Malawian sector experienced only one short period of three years in the early 1960s. While the Filipino plans often focus on relief for rural areas and poverty eradication, the transformation of the agricultural sector has not been given priority. These experiences are in contrast to those of Taiwan and Ethiopia, where the agricultural sector was given central priority for 12 consecutive years in Taiwan (1948–1960) and 24 years in Ethiopia (1991–2015). One aspect to mention for Taiwan is the importance of the JCRR. Given that it was semi-autonomous, with some independence from the government, the literature suggests that this made it more able to take a longer-term view (Thorbecke 1979: 202). This may have further enabled the successful agricultural transformation beyond the sector’s 12 years of centrality in the national plans.

In sum, our analysis of the leadership timeframes for agricultural transformation indicates that the leadership of Taiwan and Ethiopia had a prolonged commitment to agriculture during the early phases of agricultural transformation—no such counterpart is evident among the leadership in the Philippines and Malawi.



**Table 5.2** Role of agricultural development in overarching national development plans

	<i>National plan</i>	<i>Role of agriculture</i>	<i>Period</i>
Taiwan	<i>The Land Reform Program, including reductions of land rents (1949–1951), the sale of public land (1951–1954), and the Land-to-the-Tiller Program (1953)</i>	Central.	1948–1954
	<i>The Four-Year Development Plan</i>	Central: agriculture important along industry and export sector.	1953–1956
	<i>Taiwan's Second Four-Year Economic Development Plan</i>	Central: agriculture important along industry and export sector.	1957–1960
	<i>Taiwan's Third Four-Year Economic Development Plan</i>	Neither central nor ignored: agriculture important along industry and export sector.	1961–1964
	<i>Fourth Four-Year Plan for Economic Development of The Province of Taiwan</i>	Not central: industry and export sector prioritized.	1965–1968
	<i>The Republic of China's Fifth Four-Year Plan for Economic Development of Taiwan</i>	Neither central nor ignored: agriculture important along industry and export sector.	1969–1972
	<i>The Republic of China's Sixth Four-Year Plan for Economic Development of Taiwan, 1973–1976 (terminated in 1975)</i>	Not central: industry and export sectors prioritized.	1973–1976
	<i>The Republic of China's Six-Year Plan for Economic Development of Taiwan, 1976–1981</i>	Not central: industry and export sectors prioritized.	1976–1981
	<i>Ten-Year Economic Development Plan for Taiwan, Republic of China, 1980–1989</i>	Not central: industry, export, and service sectors prioritized.	1980–1989
The Philippines	<i>The Cuaderno Five-Year Program of Rehabilitation &amp; Industrial Development</i>	Neither central nor ignored: agriculture important alongside industry.	1949–1953

*(continued)*

Table 5.2 (continued)

<i>National plan</i>	<i>Role of agriculture</i>	<i>Period</i>
<i>The Five-Year Economic Development Program for FY 1955–1959</i>	Not central: industry prioritized.	1955–(1957)
<i>Five-Year Economic &amp; Social Development Program FY 1957–1961 (Romualdez Plan)</i>	Relatively central: agriculture one of three key areas along with manufacturing/mining and public services.	1957–1961
<i>Three-Year Program for Economic &amp; Social Development</i>	Neither central nor ignored: agriculture important along many other sectors.	1960–1962
<i>Four-Year Economic Program for the Philippines, FY 1967–1970</i>	Not central: industry and social development prioritized.	1967–1970
<i>Four-Year Development Plan FY 1972–1975</i>	Not central: the export sector and industry prioritized.	1972–1975
<i>Five-Year Philippine Development Plan, 1978–1982</i>	Neither central nor ignored: rural poverty relief a key concern but not agricultural development per se.	1978–1982
<i>Five-Year Philippine Development Plan, 1983–1987</i>	Neither central nor ignored: aims for balanced growth between agriculture, industry and services.	1983–1987
<i>The Medium-Term Philippine Development Plan</i>	Neither central nor ignored: agriculture important as one of five sectors (Agriculture, Natural Resources, Industry, Trade, and Tourism).	1987–1992
<i>The Medium-Term Philippine Development Plan</i>	Not central: industry, science and technology prioritized.	1993–1998
<i>Medium-Term Philippine Development Plan, 1999–2004</i>	Neither central nor ignored: agriculture one important sector for poverty eradication.	1999–2004
<i>Medium-Term Philippine Development Plan, 2004–2010</i>	Not central: export sector prioritized (with some focus on agribusiness sector).	2004–2010
<i>Philippine Development Plan, 2011–2016</i>	Not central: industry, infrastructure and financial sector prioritized.	2011–2016

*(continued)*

**Table 5.2** (continued)

	<i>National plan</i>	<i>Role of agriculture</i>	<i>Period</i>
	<i>Philippine Development Plan, 2017–2022</i>	Not central: infrastructure, urban development, human capital, and financial sectors prioritized.	2017–2022
Ethiopia	Various five-year plans under the Monarchy and Haile Selassie	Not central: industry prioritized.	1941–1974
	Various plans in the Derg period	Not central: industry prioritized.	1974–1991
	<i>Agricultural Development-Led Industrialisation Strategy</i>	Central.	1991–2002
	<i>Sustainable Development and Poverty Reduction Program</i>	Central.	2002–2005
	<i>Five-Year Plan: Plan for Accelerated Development to End Poverty</i>	Central.	2005–2010
	<i>Five-Year Plan: Growth and Transformation Plan</i>	Central.	2010–2015
	<i>Five-Year Plan: Growth and Transformation Plan II</i>	Not central: industry prioritized.	2015–2020
	<i>National 10-Year Plan: Ethiopia: An African Beacon of Prosperity</i>	Neither central nor ignored: Agriculture one of many prioritized sectors.	2020–2030
Malawi	<i>Malawi Development Plan 1962–1965</i>	Central.	1962–1965
	<i>Malawi Development Plan 1965–1969 and Statement of Development Policies 1971–1980</i>	Central role for large-scale farming/the estate sector; small-scale farming not central.	1965–1980
	<i>International Conference of Partners in Economic Development and Statement of Development Policies 1987–1996</i>	Ignored to squeezed.	1981–1996
		An era of relative policy vacuum regarding agriculture (cf. Harrigan 2005).	1996–2000
	<i>Five-Year Plan: Malawi Poverty Reduction Strategy</i>	Relatively central: agricultural development viewed as key to reduce poverty.	2000–2005

*(continued)*

**Table 5.2** (continued)

<i>National plan</i>	<i>Role of agriculture</i>	<i>Period</i>
<i>Five-Year Plan: Malawi Growth and Development Strategy</i>	Neither central nor ignored: Agriculture one of many prioritized sectors.	2005–2010
<i>Five-Year Plan: Second Malawi Growth and Development Strategy</i>	Neither central nor ignored: Agriculture one of many prioritized sectors.	2011–2016
<i>Five-Year Plan: Third Malawi Growth and Development Strategy</i>	Relatively central: agriculture viewed as the first of five key development areas.	2017–2022

Sources: Ethiopia: MOFED (2002, 2005, 2010, 2015); MOPD (2021); OECD/PSI (2020). Malawi: GoM (1962, 1964, 1971, 1983a, 1983b, 2005, 2011, 2017); Harrigan (2005). Taiwan: ILO (1957); Ministry of Economic Affairs (1961); Council for International Economic Cooperation and Development (1965, 1969); Council for Economic Planning and Development (1974, 1976, 1980, 2012). The Philippines: National Economic and Development Authority (1949, 1977, 1982, 1986, 1993, 1999, 2004, 2011, 2017); National Economic Council (1955, 1957, 1959; 1971); Presidential Economic Staff (1966)

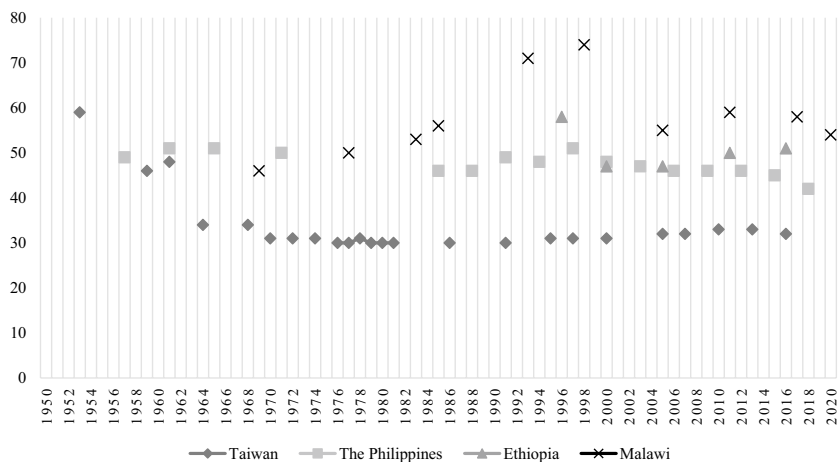
### 5.3 INCLUSIVENESS

The third aspect of our analytical framework of turning vision into action to achieve successful agricultural transformation is the extent to which the leadership and their reforms have been inclusive. We attempt to capture this by exploring changes in poverty, income inequality, and land inequality.

As regards poverty, the spectrum of success is very wide across our case countries. Malawi is still incredibly poor; in 2019, 70 percent of the population still lived under the World Bank poverty line for extreme poverty (2.15 USD per day in 2017 PPP). Poverty in Malawi is high, persistent, and uneven. Improvements have also been uneven, and the last decade has seen some segments of the population escaping poverty while others fell into poverty. Reasons include recurrent climate-related challenges, slow economic growth, and slow growth in agricultural and non-farm sectors (World Bank 2022). In Ethiopia, poverty is still a major problem, with 27 percent of the population in extreme poverty in 2015. However, this trend is going in the right direction, down from 69 percent in 1995. The consistently high economic growth since 2003 has contributed to poverty reduction, and poverty has decreased in both urban and rural areas (World Bank 2023b). However, the current conflict in Ethiopia risks undermining the progress achieved in poverty reduction.

The situation is very different in our Asian cases, where extreme poverty was virtually eradicated in Taiwan, and under 3 percent of the population in the Philippines lives in extreme poverty (World Bank 2023a). In Taiwan, 1.5 percent of the population lives under the national poverty line, which is over ten times higher than the World Bank poverty line (Ministry of Health and Welfare 2014; CIA 2023). While the Philippines has also made progress in eradicating extreme poverty, many forms of poverty are still widespread. Using the poverty line of 3.65 USD/day (2017 PPP), 18 percent of the population still live in poverty, and significant progress is a recent phenomenon; 39 percent of the population lived in extreme poverty in 2006. Underemployment is a major contributor to poverty, and in-work poverty is widespread as a result of a lack of productive job opportunities, low labor productivity, and low levels of education and skills (World Bank, Jan 2016: 12, 15, 50).

A similar pattern to that of poverty can also be seen for inequality levels, with clear success in Taiwan, progress but from an adverse starting point in Ethiopia, slow progress in the Philippines, and a lack of progress in Malawi. This pattern is shown in Graph 5.3. The Gini coefficient for Taiwan came down from a high of 0.59 in 1953 to 0.30 in 1970 and has remained under 0.33 since. In 1996, the Ethiopian Gini coefficient was at



**Graph 5.3** Gini coefficient for Taiwan, The Philippines, Ethiopia, and Malawi, 1950–2020. (UNU-WIDER 2022)

0.58, decreasing to 0.47 in the early 2000s and since increasing somewhat to 0.51. In the Philippines, the Gini has hovered in a span of 0.46–0.51 throughout the period, with a recent decrease to 0.42 in 2018. The Gini in Malawi has been high and volatile, peaking at 0.74 in 1998 and remaining at 0.54 in 2020.

A key feature of Taiwan's success in achieving an inclusive agricultural transformation was the implementation of land reforms in the early 1950s. These were implemented in three steps: Reductions of land rents (1949–1951), public land sales (1951–1954), and the Land-to-the-Tiller Program (1953). Together, these efforts affected 24.6 percent of the cultivated area and 47.9 percent of the farm households, redistributing over 208 750 ha of land (Thorbecke 1979). The Ministry of the Interior was responsible for implementing the reform and worked closely with the JCRR, the Land Bureau at the provincial level, and other provincial institutions such as the Land Bank, the Provincial Food Bureau, and local governments down to the county level. The country's army of bureaucrats and technocrats had to devise and implement rules for every stage of the reform to develop mechanisms allowing speedy resolution of disputes and for the detection and correction of loopholes and errors.

The land reform regulations were written to prevent the re-concentration of land ownership. The long and complex process involved, among other things, going through all land records to obtain an accurate profile of land distribution, undertaking fieldwork and paperwork to assess yields, issuing ownership certificates, and making compensation payments to the original owners. The land reform is often praised for the skill with which the reform was thoroughly planned and the process conducted at a deliberate and orderly pace, minimizing conflict between landlords and tenants (Ho, 1987: 48). The land reform made owners of the former tenants, ownership they could claim in terms of the Torrens registration system (Chang 2016). This comprehensive reform package and investment had a transformative impact. The progress in the decades following the land reforms was impressive; agricultural output rose by nearly 140 percent from 1952 to 1972, and mass hunger was eliminated (Tomich et al. 1995: 331).

The Philippines also experienced land reform but with limited, if any, success. The first land reforms began during the US occupation but faced challenges due to a lack of farm infrastructure and administrative expertise. Progress was slow, with reforms occurring mainly in response to insurgent threats (Overholt 1976). Further attempts were made during the era of martial law under Marcos, with limited land reform enacted in

1972. It was designed to cover 14 percent of cultivated land but only came to affect about 3 percent due to costly subsidies and an ill-designed credit scheme (Esguerra 1980). The most large-scale attempt at land reform was President Aquino's CARP in 1988. While the CARP attempted to address land reform comprehensively, it led to rice shortages, discouraged entrepreneurship in agriculture, and was costly. Despite these barriers, President Ramos continued its implementation, accelerating the effort in the early 1990s and extending it for another ten years before the end of his term (Manapat 2010; Adamopoulos and Restuccia 2020).

CARP distributed 4.8 million hectares—16 percent of the nation's land—to almost three million beneficiaries. However, only approximately 53 percent of the land was distributed through individual title; the remainder was distributed through collective land ownership, and, overall, the program failed to accomplish its land distribution goal when it expired in 2008 (World Bank 2020). Of the land reform area potentially covered under three administrations, only 3 percent was distributed under Marcos, 59 percent under Aquino, and 27 percent under Ramos. Landless laborers were doubly hurt by the Marcos decree—they were excluded as beneficiaries of land reform, and landlords did not want to rent them land for fear of losing it (Balisacan et al. 2004: 249). Thus, as implemented, land reform proved to be a major factor undermining the efficient operations of land markets, smallholder incentives, and capacity to invest in agriculture. Specifically, two broad sets of problems undermined the promise of land reform in the Philippines: the opposition from politically powerful groups and institutional and political factors, specifically the poor design and implementation of land reform.

Land is also a contentious issue and source of inequality in Ethiopia and Malawi, but in these countries, there has been no attempt to solve that through land reforms. In Ethiopia, all land is state-owned, following the Public Ownership of Rural Lands Proclamation of 1975, implemented by the socialist Derg government, and still in effect. This declares all rural lands to be “the collective property of the Ethiopian people”; prohibits hiring labor to cultivate holdings; dictates that local peasant associations as the way of agrarian organization; and grants each peasant family so-called “possessing rights” to a plot of land not to exceed ten hectares (Provisional Military Administration Council 1975). No other redistributive land reform has been pursued, and all land has remained state-owned since. In this system, most farmers obtain land through administrative allocation, and there have been both policy and legal efforts to strengthen the

stability in tenure (longevity) and land transfer rights. However, tenure security is even so limited in Ethiopia (Teklu 2014). Another key problem of land in Ethiopia is that, in fact, most farmers have access to far less than 10 hectares of land; the average farm size decreased from 1.4 ha in 1977 to 1.0 ha in 2012 (Headey et al. 2014). In Malawi, there has also been no experience of redistributive land reform, and some previous research argues that the dynamics of agriculture in Malawi are not inclusive but instead shaped by unequal access to land, rent-seeking behavior by land-owners and political leaders, and political capture of food production (Mdee et al. 2021). Key problems include the overreliance and encouragement of the tobacco sector, leading to tobacco production displacing maize production and thus impacting food security. There has also been the mistargeting of extension services where the extension service focuses on a few input-intensive recommendations for the richest segments of smallholders who received credit and ineffective use of land in the estate (large-scale) agricultural sector (Harrigan 2003; Mdee et al. 2021).

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# Political Leadership and Agricultural Transformation in Taiwan, China; the Philippines; Ethiopia; and Malawi

**Abstract** This chapter discusses the main findings of the exploration of political leadership and agricultural transformation in the four country case studies. It finds that the one case of successful agricultural transformation—Taiwan, China—has seen a vision embracing the centrality of agriculture anchored in the national development plans (long timeframe), the steering of APS toward areas most conducive for agricultural transformation (commitment), and efforts to share the fruits of the agricultural transformation broadly among the population (inclusiveness). In contrast, the leadership in the Philippines and Malawi did not demonstrate such a stability of vision, nor committed resources in a long-term and inclusive fashion toward the sector—leading to a lack of agricultural transformation. The Ethiopian case represents a more mixed result.

**Keywords** Political leadership • Agricultural transformation • Ethiopia • Taiwan • The Philippines • Malawi

## 6.1 THE CASE OF TAIWAN, CHINA (1950–1980)

The study of the vision, and the actions to turn that vision into reality, in Taiwan shows that CKS and his KMT government laid the foundations for Taiwan's successful agricultural and overall economic transformation

through bold reforms in agriculture and through macro and trade measures to rebuild a devastated urban sector and to generate labor-intensive growth. The government thus generated synergistic and equitable growth between the agricultural and non-agricultural sectors.

The case shows that despite his infamous and roundly criticized character flaws and a humiliating defeat in mainland China, CKS was able to achieve lasting socio-economic success once he was in a country at peace and supported by substantial foreign aid and an able administration. In this new situation, CKS and his son Ching-kuo did three things differently, and these had a decisive impact on Taiwan's "miracle" development. First, CKS was able to establish price stability and work with competent government machinery extending beyond friends who were personally loyal. In mainland China, he was not able to control hyperinflation and was accused of surrounding himself with only mediocre and corrupt people. In Taiwan, his government was able to manage disagreements and work out effective compromises.

Second, CKS prioritized broad-based agricultural growth in Taiwan, whereas his base of support on the mainland was primarily urban and, therefore, very narrow. He appreciated their expertise and was able to allow the JCRR to fulfill its mission of transforming Taiwan's agriculture. With the help of the JCRR, the CKS government was able to successfully re-orient (toward industry) the incentives and resources of the landlord class, which had been dispossessed in the land reform. Through rural development, he thus succeeded in broadening his base of support, something he failed to achieve during his "Ten Golden Years" from 1926 to 1936. Third, though still dictatorial, CKS and his son strengthened multi-party democracy in Taiwan. For example, they appointed a non-party member (Henry Kao, a native Taiwanese) as mayor of Taipei. Kao had criticized CKS and the KMT (Taylor 2009: 543). However, they still wanted to maintain substantial control. Freedom of the press and of political organizations remained limited. They would tolerate criticisms only within the political structure they had set up. However, an opposition that would advocate for Taiwan's independence or organize an opposition party was not allowed (Taylor 2009: 558). Although the constitution sets out a two-term limit for the head of state, CKS was elected four times as president in 1954, 1960, 1966, and 1972.<sup>1</sup> CKS's son Chiang Ching-kuo

<sup>1</sup>The Shanghai Communique was issued on February 27, 1972, when the US normalized relations with the People's Republic of China, which from then on was to represent China at the UN and at the UN Security Council. Being made aware of this, Taiwan had withdrawn from the UN before the Communique, in October 1971.

(April 27, 1910–January 13, 1988) followed in his father’s footsteps. He succeeded his father as premier (1972, 1978) and was president until his death in 1988. While still authoritarian like his father, he further loosened control over the media and free speech, making Taiwan a more open society. He also opened high-level positions in government to Taiwanese of Han descent (as opposed to mainland Han), including his successor, the Taiwanese Lee Teng-hui (1923–), a graduate of four universities, Kyoto, Taiwan, Iowa State, and Cornell.

In sum, then, did the Taiwanese leadership matter? Yes, CKS and his leadership of the KMT government mattered for the agricultural transformation. It promoted the agricultural transformation of Taiwan, thus laying the foundations for Taiwan to become one of the four Asian Tigers.<sup>2</sup> To date, few countries have achieved such success. Taiwan had decades of continuous broad-based growth under the leadership of Chiang’s KMT government. This leadership was able to fully utilize three major advantages that they did not have on the mainland: peace and substantial financial and institutional support. A disintegrating China proved to be an inimical environment for implementing Sun Yat Sen’s Three Principles of the People. In Taiwan, a country at peace and without warlords, CKS and his KMT government were able to build a nation that realized two of Sun Yat Sen’s principles: democracy and a livelihood for all people.<sup>3</sup>

## 6.2 THE CASE OF THE PHILIPPINES (1946–2020)

The Philippine case with respect to agriculture has shown that national leadership for agricultural transformation clearly matters, for better or for worse. Overall, the Filipino leadership was not able to mobilize the financial and political resources required to launch a transformational land reform. Further, the government was unable to complement land-specific

<sup>2</sup>The four Asian Tigers are Hong Kong, The Republic of Korea, Singapore and Taiwan. They were all low-income developing countries at the end of WWII. Today, they are all high-income countries.

<sup>3</sup>The third principle, the Principle of Nationalism, which became CKS’s dream of militarily unifying China under Sun’s vision, remains unfulfilled (for Sun Yat Sen, it was the principle of unifying the country against the Manchu rulers; for CKS, it was against the communists). Will future Taiwan leaders succeed where CKS failed? Only time will tell.



measures with support services, including land titling, public infrastructure and market access, research, extension, and education services. The Filipino leadership has, in some instances, had visions for agriculture that were like those put forward in countries that experienced successful agricultural transformations. However, when tested against the harsh realities of a socio-economic structure that benefits from high inequity and tolerates deep poverty, these visions have not been translated into action.

Three examples of problems that have hindered success include the following. First, there has been a bias against smallholders. When the leadership financed public goods in agriculture, this favored larger farmers. The funding of private goods also, predictably, mostly benefited larger farmers, for example, in the form of subsidized credit and other production inputs. Under its rice self-sufficiency policy, the parastatal National Food Authority monopolized all rice and maize marketing. In the 1970s and early 1980s, opportunities to sell at the government's floor producer prices had to be rationed because of a lack of funds. The rationing was in favor of larger farmers at the expense of small farmers, who had to sell on non-official markets and for less (Balisacan et al. 2004: 246–247).

Second, there has been a lack of forceful measures to promote shared prosperity. For example, in the years of relatively strong macroeconomic, price, and political stability as well as high growth of 5.4 percent per year (2002–2006), in 2006, the incidence of poverty (in percent terms) actually increased from 30 in 2003 to 32.9.<sup>4</sup> Measured at the 2 USD/day poverty level, poverty declined slightly from around 43 percent in 2003 to 42 percent in 2012 (World Bank 2018). It is clear that the high inequality deeply embedded in the country's inherited socio-economic structure has blunted the poverty-reducing power of growth. Third, partly as a consequence of the other factors, agricultural productivity has been low and stagnant for 30 years, despite a good start with the adoption of Green Revolution technologies in the mid-1960s. Despite some progress, agriculture continued to underperform under the regimes of all Filipino leaders, up to and including those of Rodrigo Duterte and Ferdinand Romualdez Marcos Jr, and rural poverty remained widespread. The burden of failed agricultural transformation is evident in widespread rural

<sup>4</sup>Other poverty estimates based on different calculation methods yield similar increases in poverty incidence over this period. For example, World Bank calculations yield an increase from 31.1 percent to 32.9 percent over this period, while Balisacan (2008) calculated an increase from 26.0 percent to 28.1 percent using consumption-based measures.

poverty. Farmers and fishermen remain among the poorest in the rural areas, and the rural poor have been unable to break out of the vicious circle of low agricultural productivity, low-skilled jobs, high vulnerability to climatic and market shocks, and low incomes.

In sum, did the Filipino leadership matter for the failed agricultural transformation? Yes, the leadership mattered. The Filipino leadership's vision was not that different from that of their more successful counterparts in Taiwan and Ethiopia: the leadership has often emphasized the importance of the rural sector and of inclusive, poverty-reducing growth. However, in terms of commitment, long-term outlook, and inclusivity, the differences have been stark; the leadership did not succeed in turning the vision into action. Key problems include the fact that Filipino implementation has been undermined by vested interests, a lack of mobilization of resources and restructuring in the distribution of land, wealth, and opportunities, and protracted conflict. As such, it seems as though the great potential of the Philippines remains largely unrealized as a result of the repeated inability of leadership.

### 6.3 THE CASE OF ETHIOPIA (1994–2020)

The Ethiopian case shows a mixed record of progress toward agricultural transformation, and the nature of leadership has changed over the last 30 years. In terms of the agricultural transformation, a significant production and productivity increase has taken place since the mid-1990s, with a six-fold increase in agricultural production and a doubling of yields for the most important crops (Rohne Till 2021). Most of this is attributable to smallholder farmers, who account for over 95 percent of production and arable land (Rohne Till 2022a). This has been coupled with a decrease in extreme poverty, improved caloric intake, and increased income per capita (Rohne Till 2022b). However, despite this achievement, poverty is still persistent in many regions and among many segments of the population. Furthermore, limited access to infrastructure and services is still evident in many parts of the country (Diriba 2020). While the first criterion of a successful agricultural transformation has been met in Ethiopia (sustained productivity increase), the second criterion (benefiting the majority of farm households) has not—at least not yet.

Turning to the aspect of effective leadership, the case study shows that the country's leadership was more effective in its efforts to transform the agricultural sector in the first 20 years of transformation (roughly

1995–2015) than after. The 1995 to 2015 period, mostly under the leadership of Meles Zenawi, was a nearly two-decade period of explicit focus on agricultural development by the national leadership, with a vision for the agricultural sector as the driving sector of the economy and a strong commitment to turning that vision into action. This commitment is evident in the central role of agriculture in the national plans and the amount and allocation of APS, targeting productivity-increasing areas, such as infrastructure and extension services, over subsidies. After the mid-2010s, the role of the agricultural sector has been downplayed in national development plans, and the share of APS in total spending has decreased. In terms of inclusiveness, this appears to have been mostly lacking throughout the entire period studied. While increased agricultural production and productivity have been concurrent with poverty reduction and decreased inequality, so far, the poorest and those in the least favorable areas in terms of market connection and agroecological circumstances have not been included in the process (cf. Rohne Till 2022b).

In the post-2015 period, the effectiveness of leadership in terms of its commitment, long-term orientation, and inclusiveness in agricultural transformation efforts has been weaker. In addition, several challenges threaten the continued success of Ethiopian agriculture and the economy, including significant security challenges due to its ongoing civil conflict and political exclusion. Other critical issues include slow progress in structural transformation, remaining poverty, low levels of urbanization, and underdeveloped manufacturing sectors.

In summary, Ethiopia has not yet had a successful agricultural transformation. In the last 30 years, there has been a productivity increase but no broad-based successful transformation. We propose that the Ethiopian experience of successful agricultural transformation and effective leadership best can be understood in two separate time periods: a period of effective leadership and significant progress toward successful agricultural transformation in roughly 1995–2015, and a period of less effective leadership of the agricultural sector post-2015 and a slowing down of progress toward successful agricultural transformation, especially as the inclusive element is not being met. Based on our analysis, we argue that the government's efforts in the first sub-period to place the agricultural sector at the center of the country's national plans, pursuing the ADLI strategy, and commitment in terms of public spending were instrumental in laying the foundation for a successful agricultural transformation. While Ethiopian leaders' vision for the agricultural sector under ADLI is not per se unique

to Ethiopia, the role of the agricultural sector in the country's development strategy and the efforts to implement these do appear particularly prioritized. A re-orientation toward leadership with a clear vision for and commitment to the agricultural sector will be needed to turn this foundation into a fully successful agricultural transformation.

#### 6.4 THE CASE OF MALAWI (1964–2020)

Malawian political leadership has undergone two distinct periods: the long, oppressive rule under Hastings Banda from 1964 to 1994 and the short-termism and opportunism of the many leaders in the 1994 to 2020 period. In the more recent period, many observers see this constant reshuffling of elites as not leading to significant changes in governance but merely altering who has had the opportunity to benefit personally (Prowse and Grassin 2020; Dercon 2022). Neither of these periods has led to a successful agricultural transformation, and neither saw success in the pursuit of committed, long-term, inclusive reform of agriculture. In terms of vision, the later years have seen an increased focus on smallholder farming, compared to the earlier focus on the large estate farms, and there has been some recognition that agricultural transformation will be needed to achieve the country's broader development goals (cf. "Vision 2063" in GoM 2020). However, to date, no leadership has emerged to turn that vision into action.

Chisinga (2018) highlights that one of the core problems in achieving agricultural transformation in Malawi has been the primacy of politics and political alignment above ideas and visions. In such an environment, it is very difficult for political leaders to forge ahead with the reforms that are needed to implement a certain vision. In Chisinga's view, agricultural transformation can only be achieved if difficult and long-term issues, such as land tenure, ownership, and food security, are addressed in a manner that creates win-win scenarios for the key stakeholders. This argument is similar to Dercon's call for a "development bargain" between political leaders that places the country's development at the center and to Mangani et al.'s (2020) call for a "coalition of the willing" to lead and drive the country's agricultural development.

Matters are further complicated by Malawi's heavy reliance on aid and the complex relationship between Malawi leadership and international donors, as discussed by Harrigan (2003) and Mdee et al. (2021). The outcome has been an ad hoc, self-serving, and fragmented approach to

agricultural development. The lack of a unified vision, or one clear vision to lead the others, also shows in our analysis as an overarching challenge. Instead of a clear vision focused on long-term investment and an inclusive approach, the vision for the agricultural sector in Malawi has been haphazard and changing, giving way to the politicization of the implemented reforms (cf., the input subsidy program). Under this leadership, Malawian agriculture has remained of low productivity, rain-fed, vulnerable, and heavily reliant on the tobacco sector and has not been transformed into a thriving sector for broad-based development.

In sum, the Malawi case is another Popperian white swan: it is a case of a lack of effective leadership and a lack of successful agricultural transformation. While it cannot be used to refute our hypothesis that effective leadership is necessary for successful agricultural transformation—as Malawi has not had a successful transformation—it is consistent with our hypothesis.

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## Concluding Remarks: Toward a New Research Agenda

**Abstract** This chapter summarizes the book’s main findings and claims. Based on the analysis of the agricultural transformation of Taiwan, China (1950–1980); Ethiopia (1994–2020); the Philippines (1946–2020); and Malawi (1964–2020), the hypothesis that effective political leadership is necessary for successful agricultural transformation still stands. With this, this chapter aims to initiate a new research agenda, where the political economy of leaders is included as one important factor impacting agricultural transformation. The chapter proposes that integrating the role of leadership and its interaction with the socio-political system is a fruitful—indeed crucial—addition to the hitherto more common approach of focusing only on the sectoral structure of the economy in the process of an agricultural transformation.

**Keywords** Agricultural transformation • Political leadership • Research agenda

This book is a first step in the direction of systematically studying whether there are common features in the role played by leadership in successful and unsuccessful agricultural transformations. Within our analytical framework, the four case studies suggest a number of leadership characteristics that are conducive to successful agricultural transformation. These characteristics

include political will (vision), ability to turn vision into reality in terms of action (being able to use the public apparatus for change, e.g., public spending), and ability to operate with a long-term approach (long time frame) and a broad-based approach (including most rural households in vision and action).

Taiwan is the only one of our four cases exhibiting the kind of leadership where all these characteristics have been present, and only this case has had a fully successful agricultural transformation. While such correlations cannot prove causal links in all contexts, we believe this work makes a strong case for political leadership and agricultural transformation being causally linked, and we specify the economic causal links entailed. Therefore, we hypothesize that leadership that exhibits at least some of these elements is a necessary—though not sufficient—condition for successful agricultural transformation. Our work also sheds light on whether certain characteristics may be inimical to successful transformation. Here, our research suggests that a lack of inclusion—evident in the Philippines, Malawi, and Ethiopia—is a true hindrance to success. Ensuring that the fruits of increased agricultural productivity are widely shared among the population is a key aspect of successful agricultural transformation—and a factor on which the leadership needs to take a decisive stand.

Our main research question is whether the above political leadership at the national level is necessary to achieve successful agricultural transformation. We set out to answer this by constructing a conceptual framework on effective leadership, defining our criteria for successful agricultural transformation, and applying the Popperian methodology of conjecture and refutation. With this methodology, we set up the hypothesis that political leadership is necessary, though not sufficient, for successful agricultural transformation in low-income countries; we then attempted to refute it. Using our four case studies and recalling our methodological quadrant, we can see that there are four possible combinations of political leadership and agricultural transformation. Cases in Quadrants 1, 3, and 4 are consistent with our hypothesis, but the combination in Quadrant 2 is inconsistent; that is, a combination of successful in agricultural transformation and inadequate political leadership would refute our hypothesis. Figure 7.1 displays the methodological quadrant with the four case studies.

The Taiwan case shows that leadership does matter, and the case is in Quadrant 1: effective leadership and successful agricultural transformation. It does not refute our hypothesis that effective leadership is



**Fig. 7.1** Political leadership and agricultural transformation in the four case studies

		Political Leadership	
		Effective	Inadequate
Agricultural Transformation	Success	<b>1</b> TW ET1	<b>2</b>
	Failure	<b>3</b>	<b>4</b> MW PH ET2

necessary for successful agricultural transformation; it is consistent with this position. The case of the Philippines combines inadequate leadership and failed agricultural transformation and is therefore in Quadrant 4. It does not prove that effective leadership is necessary, but it is consistent with that position: it shows that a lack of leadership did contribute to failure. Malawi is in Quadrant 4, having experienced inadequate leadership and failed agricultural transformation. Like the Philippines, this does not prove that effective leadership is necessary, but it is consistent with this position, as it shows that lack of effective leadership did contribute to failure. The case of Ethiopia and its mixed record of agricultural transformation and leadership is best interpreted as two separate sub-periods: a period of effective leadership and progress toward agricultural transformation (1995–2015; ET1) and a period of less effective leadership and stalling progress toward successful agricultural transformation (ET2). We place ET1 into Quadrant 1 and ET2 into Quadrant 4. Ethiopia is then a mixed case that shows that leadership matters and is nuanced. It is not only a one-time event that effective leadership emerges, but a dynamic process that can shift over time and requires a long timeframe for true success. The Ethiopian experience, therefore, does not refute our hypothesis.

To refute our hypothesis, we would need to find a case of successful agricultural transformation without effective leadership. So far, none of our four cases is able to do this, but further work would be needed to find such a case. Following the spirit of Popperian inquiry, we hope that these findings will inspire future research to enhance the understanding of leadership's role in agricultural transformation. Countries that are potential candidates for future research, given their experiences of agricultural transformation and the nature of their national leaderships, could include Malaysia, Brazil, and the Republic of Mauritius. Based on our current

research, we cannot refute the hypothesis that effective leadership is necessary for successful agricultural transformation, so we accept our hypothesis until a refutation is found. In sum, we argue that effective leadership at the national level is key to achieving successful agricultural transformation and that further research that explores this hypothesis would make a major contribution.

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# INDEX<sup>1</sup>

## A

- Agricultural Development-Led Industrialization (ADLI), 37, 38, 51, 74
- Agricultural Input Subsidy Programme (AISP), 41, 48, 51
- Agricultural Public Spending (APS), 3, 17, 48–51, 49n2, 74
- Agricultural Sector
  - Ethiopia, 2–4, 16, 19, 36, 49, 51, 53, 54, 58, 75, 80, 81
  - Malawi, 2–4, 16, 19, 39, 40, 42, 48, 51, 53, 54, 62, 80, 81
  - The Philippines, 2, 3, 16, 19–24, 34, 35, 49, 50, 53, 54, 80, 81
  - Taiwan, China, 2, 2n1, 3, 15, 16, 19–24, 32, 48–50, 53, 54
- Agricultural transformation, i, v, 1–7, 11–16, 19, 29–42, 47–52, 54, 60, 69–76, 79–81
- Analytical approach, 2, 11–17

## B

- Banda, Hastings Kamuzu, 38, 40, 53, 75

## C

- Climate change, 24
- Commitment (to agricultural transformation), v, 3, 5, 13, 14, 17, 41, 47–62, 74

## E

- Economic development, 17, 35
- Effective political leadership, 2
- Ethiopia, 2–4, 16, 19–24, 35–38, 49, 51–54, 58, 59, 61, 62, 69–76, 80, 81
- Ethiopian People's Revolutionary Democratic Front (EPRDF), 36, 37

<sup>1</sup>Note: Page numbers followed by 'n' refer to notes.

**I**

Inclusiveness (of agricultural transformation), 2, 3, 13, 17, 47–62, 74  
 Inequality, 22, 58, 59, 61, 72, 74

**K**

Kai-shek, Chiang (CKS), 29–32, 51, 53, 69–71, 71n3  
 Kuomintang (KMT), 30–32, 31n2, 32n3, 51, 53, 69–71

**M**

Malawi, 2–4, 16, 19–24, 38–42, 48, 51–54, 58–62, 69–76, 80, 81  
 Marcos, Ferdinand, 34, 35, 49, 52, 53, 60, 61, 72

**N**

National development plans, 3, 17, 54–58, 74  
 Nominal Rate of Assistance (NRA), 17, 48–50

**P**

The Philippines, 2, 3, 16, 19–24, 33–35, 33n5, 33n6, 49–54, 59–61, 69–76, 80, 81  
 Political leadership, 1–7, 11, 13, 15, 16, 38, 39, 54, 69–76, 80, 81

Popper, Karl, vi, 3, 12, 14, 15  
 Popperian methodology, 3, 14, 15, 80  
 Poverty, i, 17, 21–23, 23n1, 34, 36, 38, 54, 58, 59, 72–74, 72n4

**R**

Research agenda, 4, 15, 79–82  
 Resilience, 24

**S**

Successful agricultural transformation (SAT), vi, vii, 1–5, 11–16, 19–22, 24, 32, 34, 38, 39, 42, 53, 54, 58, 71–76, 79–82

**T**

Taiwan, China, 2, 2n1, 3, 15, 16, 19–24, 29–32, 48–54, 59, 60, 69–76, 80  
 Timeframe (of agricultural transformation), 2, 13, 17, 47–62

**V**

Vision (of agricultural transformation), 2, 3, 12–14, 16, 29–42, 69, 72–75

**Z**

Zenawi, Meles, 37–38, 51, 53, 74