POLICY BRIEF

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This brief contains an overview of the main findings and recommendations from a PhD. project titled: “Poverty Alleviation as a platform for elite configuration? The case of the cotton sector in Benin”, which has been undertaken between October 2008 and June 2013. The study focuses on the relationship between cotton sector reforms and elite configurations in Benin.

1. Introduction

The study originates from the assumption that there is a mutually constitutive relationship between elite configurations and the various outcomes of development initiatives such as the cotton sector reforms in Benin.

The project focuses on the comprehensive liberalisation reforms of Benin’s cotton sector, a process which has developed during the last 20 years. The main objective of the study has been to understand how various elite groups relate to and influence the reform initiatives and their intended and unintended outcomes, and how elite configurations are, in turn, affected by them.

In order to attend to the overall objective, the study has addressed the following research questions:

1) How is the legitimacy and authority of the various existing and emerging elites involved in the cotton sector constituted?

2) How are the cotton sector’s different local and regional types of elites, for example economic, political, and bureaucratic, related to each other as well as to national elites?

3) What are the wider structural changes, if any, in terms of elite configuration related to the cotton sector reforms?

These questions were explored during nine months of anthropological fieldwork in various sites in Benin, as well as through desk studies. The main methodological approach in the field was semi-structured as well as informal interviews with various (elite and non-elite) stakeholders within the cotton sector, as well as with national elite figures. Also participant observation and various networking techniques were employed in order to gain an in-depth understanding of the intricate workings of elite production and - relations in Benin in general and the cotton sector in particular.
Key findings include the argument that development initiatives such as the reforms of the Beninese cotton sector have both intended and unintended consequences, and that the latter may be more significant than the former, depending on the particular context and concurrent processes into which such initiatives are integrated.

The study also concludes that the outcomes of the Beninese cotton sector reforms are not a reflection of deep-rooted cultural determinants, but rather of several complex, consecutive and concurrent processes and struggles over capital and power.

Moreover, the study argues that although permeating informal institutions exist and thrive, formal institutions and legal-rational practices matter in Benin, and they are employed as a central part of everyday strategies.

2. Background

In Benin, cotton and elite configurations have historically been closely related. From the late 1970s onwards, cotton has been Benin’s main source of income and a significant factor in politics. Up until recently, cotton constituted around 80% of the country’s exports and 40% of its GDP, and it has been estimated that approximately 25% of the population in one way or another depended on cotton for their livelihood, particularly in the rural areas in the North.

Although cotton has been grown in West Africa for centuries, it was only in the late colonial period that it became an export commodity in Benin, as an actual cotton industry was established by the French colonial state during the 1950s and 1960s.

After independence in 1960, a national educated elite that had emerged under colonialism became the political elite. The cotton industry was at the time a state-driven ‘integrated chain’, where, since 1983, a single parastatal company, ‘Société Nationale pour la Promotion Agricole’ (SONAPRA), was in charge of all critical functions, including the provision of inputs, marketing, and ginning (processing of seed cotton). Furthermore, through SONAPRA, farmers were guaranteed a fixed sales price and access to key inputs, including seeds, pesticides, fertilizers and credit.

In the mid-1980s, cotton replaced oil palm as the country’s main cash crop, which meant that cotton became the political elite’s primary source of rents for formal and informal redistribution and personal consumption.

Declining world market prices on cotton therefore intensified an economic crisis in the late 1980s, which destabilised the regime, which eventually succumbed to strong internal and external pressure for economic and political reforms.

This resulted in a regime change and democratic elections in 1991. Subsequently, various development initiatives and policies, to a large extent pushed by the IMF and the World Bank, were introduced during the 1990s. This included liberalisation and privatisation reforms of key productive sectors, most notably the cotton sector, which was set in motion in the early 1990s.

The stated goals of those reforms were to: 1) Liberalise and privatise the sector; 2) Increase production and farmers’ incomes and reduce poverty in rural areas, and; 3) Strengthen producers’ organisations.

Thus, the reforms were intended to transform the state-owned integrated chain into a private integrated chain, managed by the three so-called ‘families’ of the sector – which are the producers, the input suppliers and the ginners. This road was chosen in order to preserve the central coordination advantages of the old francophone system, while at the same eliminating the ‘inefficiencies’ and politically driven rent-seeking of a state-controlled system.

However, making such profound changes to the most important productive sector in the country has obviously been no straightforward task. The process has been prolonged, and the reforms have had both intended and unintended outcomes.

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3. Empirical findings

Despite an almost completely privatised cotton chain, a highly reformed institutional landscape, and the emergence of numerous new actors, the cotton sector is today characterised by serious problems and challenges, and the reforms have produced a number of unintended outcomes. Furthermore, the cotton sector elite is today to a large extent constituted by private actors, until very recently dominated by one single actor in particular:

- The Beninese cotton chain is today highly politicised. It is employed as a political tool in election campaigns, as well as in building and maintaining formal and informal alliances and networks. It is also characterised by numerous conflicts within and between the three ‘families’.

- The most significant outcome of the reforms is probably the fact that the former state monopoly has now been replaced by a private near-monopoly, with a single actor, local businessman Patrice Talon, dominating the chain entirely, from the provision of inputs to the processing of seed cotton.

- Finally, where the stated objectives of the reforms included a more efficient management of the chain, economic feasibility and improved revenues for cotton farmers, these objectives have not been met. In fact, where the prospects of the reforms initially engendered a significant increase in production, the sector has since 2005 experienced a radical decline in production, and farmers increasingly abandon cotton production. Cotton producers cite ‘bad management’, internal conflict, a credit system which places all risks on producers resulting in decreases in income, expensive and often ineffective pesticides, and severely delayed payments for seed cotton as the main reasons behind this development.

4. Theoretical arguments

- Over the recent years, the development world has seen an increased focus on cultural factors influencing the outcomes of various development initiatives, particularly on the African subcontinent: It is often assumed that the outcomes of such initiatives are generally directed by an inherent ‘African culture’. In contrast, this study concludes that the implementation of development initiatives have both intended and unintended outcomes, but that, at least in the case of the cotton sector reforms in Benin, these outcomes are not a reflection of deep-rooted cultural determinants.

- Instead, the project demonstrates how the reforms are the result of several complex processes and struggles over capital and power. In the reformed Beninese cotton sector, these outcomes are more often than not an expression of what I call ‘situational clientelism’, rather than of primordial ties and loyalties. By situational clientelism I mean patron-client
relationships that are more transactional than durable, not as simple, one-time transactions of corruption, but somewhat temporary relationships of mutual obligations, which are formed as a part of a strategy in the pursuit of different kinds of resources.

- I do not argue that more enduring loyalties do not exist or that culture is without importance. But culturalist theories on ‘politics in Africa’ suggest that politics in Africa are based almost exclusively on informal institutions and practices, and that formal institutions are simply ‘mock institutions’ with no real relevance. In contrast to this perspective, this study argues that formal institutions and legal-rational practices (such as elections) matter. In fact, such formal institutions matter to the extent that they are employed as a central part of everyday strategies, and are objects of conflict, even though they exist alongside widespread informal institutions and practices.

- Furthermore, we should avoid the assumption that there is a common political culture permeating all African societies and informing all policy initiatives throughout the continent. Regional, national and local structures and mechanisms often differ significantly, as do the outcomes of development initiatives. An example is the reforms of a number of West African cotton sectors, which have all had very different trajectories and consequences⁵.

5. Recommendations

- Although poverty alleviation is generally an overall objective of development initiatives, the inclusion of local elites in this process is highly recommended. In any case, their dispositions and interests are likely to direct the trajectories and outcomes, so acknowledging this from the outset may actually counteract problems and negative unintended outcomes later on in the process.

- It is recommended that both informal and legal-rational institutions and their respective significance and relevance to policies and their implementation are considered. Assuming that it is an either/or issue is likely to be counterproductive.

- It should not be assumed that democracy and liberalisation in itself will result in economic growth and/or poverty alleviation.

- The most conducive solution in each case depends on the particular socio-economic and socio-political structures of the society in question. Cultural factors may have real

significance to the outcomes of policy initiatives, but they are not necessarily as important as they have received credit for during the last 20 years.

**Suggested further readings**


