



Success and Power of Research



The role of research in informing policy and development interventions: 24 years of REPOA's experience



The Vice President of the United Republic of Tanzania, H.E Samia Hassan Suluhu graces the 24th Annual Research Workshop (24th ARW) which was organized by REPOA in April this year.

The Citizen Reporter

Research in general, and particularly policy research plays a significant role in public policy discourse and development planning around the world. This is evident in the presently developed countries, which commands over half of the global share of nearly 8,000 think Tanks.

Africa has only 8% of these think tanks. Like the rest of African countries, Tanzania have only few think tanks, in the form of independent research organizations, university research bureaus, and specialized sector-based research agencies. REPOA is among the few independent research organizations that has occupied an active space in the evolution of policy making in Tanzania and in the broader evolution of the development paradigm since its establishment in 1994.

Over this period, REPOA and its associates and collaborating institutions, have contributed to enhancing research capacity, expanding the scope of research in promoting evidence-based policy dialogue, and influencing policy development in

Tanzania. Three areas of policy and capacity contributions are discerned. These are explained here in turn.

Positioning in International Discourse and National Policy Concerns

The international discourse on development has changed over the years: From growth and development in the 1960s to a basic needs approach in the 1970s to neoliberal policies under Structural Adjustment Programmes (SAPs) in the 1980s and back to poverty concerns from the 1990s. After the decade of implementing the SAPs in the 1980s, the development paradigm shifted to poverty and social concerns in the mid-1990s, exhibited by the Copenhagen Summit of 1995 and later the World Bank's Comprehensive Development Framework (CDF) of 1999. These were also followed by the Millennium Development Goals of 2000. The concerns on unsustainable debt led to the tying of debt relief to the preparation of acceptable Poverty Reduction Strategy Papers based on the CDF from 2001. The second generation of PRSPs started to address

growth concerns and in recent times there is increasing realization of the centrality of growth with transformation as depicted in debates on the post-2015 development agenda. Developments in policy concerns resonated to these global developments. Over the past two decades, economic growth concerns have dominated the debate, and this debate has recently drifted towards structural transformation to deliver on a more inclusive development.

At the national level, policy developments have also shifted over the last two decades. The earlier emphasis on structural adjustment programmes gradually faded away, as policy concerns were turned to address poverty through the National Poverty Eradication Strategy (NPES) in 1997 and the Tanzania Development Vision 2025 in 1999. NPES was a medium-term strategy that outlined causes of poverty and policy actions for delivering desired growth targets and reducing income poverty by 50% by 2010. The Vision articulated desires to eradicate abject poverty and achieve a middle-income status by 2025. The establishment of REPOA coincided

well with these policy concerns over poverty and placed research priority on various dimensions of poverty and capacity building on poverty analysis. Development policies around poverty have since shifted over time, driven in part by policy research, and in part by the influence of stakeholders embedded in the political economy. Policy research has responded to these shifts, influencing the direction of policy change over time.

The first PRSP was developed along with a comprehensive poverty monitoring system in 2001 which provided for independent research and analysis. The activities and the research fund were managed by the Research and Analysis Working Group (RAWG) of the National Poverty Monitoring System to which REPOA functioned as the Secretariat. RAWG coordinated implementation of a research programme that informed PRS progress towards its targets and proposed policy changes and interventions based on research findings. Research gaps and priorities were identified through a consultative process, a process that made its research very relevant and the result-

ing outputs very influential to the policy development processes.

One of its key outputs was the Poverty and Human Development Report (PHDR). The First PHDR (2002) provided the first overview of the status of poverty by following the progress against targets set in the PRS indicators, analysed geographical disparity of poverty, urban poverty, the macro-micro linkage and vulnerability. It called for the need for deeper understanding of the nature and quality of growth and its transmission mechanism to effect poverty reduction.

The resulting research contributed to the shift from PRS to MKUKUTA in which growth was recognized as an important driver of poverty reduction. In 2003, an addition was made on the analysis of governance more broadly, covering issues of corruption and accountability in social service delivery. REPOA's research programme of REPOA (2004-2009) was geared to addressing poverty alleviation in the context of broader issues of the nexus between growth and poverty; agriculture and environment; vulnerability and social protection; and socio-political and cultural issues. Governance, technology and gender constituted important cross-cutting agenda.

The implementation of this research programme contributed to the second generation of PRS (MKUKUTA I for 2005-2010) which contained the three clusters of growth and income poverty; quality of life and social wellbeing; and governance and accountability. REPOA's research became increasingly aligned to addressing fundamental policy needs for identifying constraints to economic growth, enhancing productivity and quality of growth, enhancing transformative potential of social protection, and promoting governance reforms to enhance accountability and service delivery to enhance growth for sustainable poverty reduction.

Further studies illuminated the nature of rural growth employment and labour productivity, demographic factors, and conceptualization of the link between economic and social policy. Deeper understanding of generalized insecurity and conceptualization of in-formalization influenced the thinking towards a view that social protection can contribute to transformation by strengthening the human and system capabilities and productive competencies. In 2009, studies renewed the policy discourse on active industrial policy, specifically on the role of the state in a developing market economy. The fundamental proposition on a developmental state stressed the importance of a clearly defined vision, a long-term development strategy, maintaining macroeconomic stability and ensuring good governance, along with a strong



REPOA's Executive Director, Dr. Donald Mmari.

political leadership and competent civil service. The MKUKUTA II, a successor development framework for 2010/11-2014/15 and the First Five Year Development Plan (FYDP) 2011/12-2015/16 embraced some of these elements, stating the significance of well-functioning institutions and markets, good governance, and economic efficiency promoted by public investment in key infrastructure and public-private partnerships.

A major concern over emancipating the poor from poverty is transformation of agriculture and the rural economy where most of the people of Tanzania lives and derives a livelihood. This concern is an old challenge with which the leadership has grappled since Independence through a series of reform experiments. The challenge of transforming agriculture and the rural economy continue to be high on the research agenda.

The objective is to achieve a high productivity and competitive agricultural sector driven by smallholders and a complementary interaction between smallholders and large scale farming. The research carried out on various value chains such as coffee, sugarcane, cashew nuts, sisal, and horticulture indicate that transformation of agriculture can be realized by engaging innovative institutional and organizational arrangements that will reduce transaction costs, maximize efficiency in technology transfers, and integrate producers into the value chains in ways that benefit them. The current research programme extends analysis to the drivers of effective structural transformation, including strategic use of natural resources, competitive institutional and policy environment for industries and trade, accountable and inclusive governance for equity and transparency, and transformative social protection.

Addressing the Local Economy and Local Government Reform

The local government reform agenda in Tanzania began in 1996, aimed at streamlining central-local government relations within the broader context of public sector reforms for improving public service delivery. The reform agenda was translated into the Decentralization Policy Paper of 1998 based on decentralization by devolution (D by D) and implementation through the Local Government Reform Programme (LGRP). The reform addressed devolution of political, administrative and financial decision-making powers and duties from the central to the local government levels.

Consistent with the decentralization policy, REPOA's research on local

government and service delivery in the late 1990s and the subsequent collaborative research programme with the Chr. Michelsen Institute (CMI) of Norway on local government reforms from 2002 to 2012 provided significant inputs into the local government reform process. The ten-year programme followed the implementation and development of the reforms with a view to documenting processes of change and impacts of the LGRP I and II, and to provide key stakeholders with feedbacks and lessons learned from implementation of the reform. Policy decisions by some local government authorities (LGAs) and linkages between governance and accountability benefited from this research. Research provided information on drivers of power and the institutional process underlying

the budget process and more inclusive planning at sub-district levels. The continuing research in this area has informed the government on areas where decentralization policy has well been implemented and where there are still challenges that requires further strengthening and policy reviews.

Capacity Building in Research and Policy Analysis

The first mandate of REPOA during its establishment was to develop policy research capacity in Tanzania, particularly on poverty analysis. At the time of REPOA's establishment in 1994, many researchers opted for short-term consultancy projects, and others had no interest or resources to engage in policy relevant research. REPOA's capacity

building programme was targeted at young researchers, and this was done through research grants under the Open Competitive System (OCS).

In this system, researchers were also encouraged to team up with senior researchers to facilitate learning by doing, augmented by rigorous mentoring at different stages of the research. A stringent quality assurance system, including anonymous peer reviewing, open seminars, and oversight by the Technical Advisory Committee (TAC) strengthened capacity development and ensured high quality outputs that were eventually published and increasingly demanded in policy dialogue forums. Tailor-made training programmes on research methodologies, writing skills, and research-user skills such as budget analysis and expenditure tracking became increasingly important in REPOA's portfolio. This experience resulted in a collaborative post-graduate diploma programme on poverty analysis, run jointly by REPOA, ESRF, and the ISS. The programme ran for eight years and was funded by UNDP. REPOA has since continued to provide tailor-made trainings, some embedded into the research programmes, such as training on research methods and data collection, and others on stand alone basis, such policy analysis and evidence informed policy making for policy analysts, and various media trainings on data use and dissemination.

Conclusion

This summary article suggests that the past two decades have shown that the role of research in influencing policy has increased, serving as a bridge between government policymaking and citizen needs. Over the period the need for a dynamic policy making process has increased following the forces of globalization and demands for strengthening the bridge between research and the quality and effectiveness of the policy making process.

There period have been marked technological dynamics in accelerating the spread of information and the technological revolution, the increased demands for openness and transparency, the increasing complexity and technical nature of policy issues, including the integration of global and regional commitments, the increased societal demands for elected government and public officials to deliver development results to the citizens and the non-state actors, and the need for timely and concise information and analysis. These dynamics indicate that development challenges will continue and think tanks will be expected to generate timely and accessible policy oriented research that effectively engages policymakers, the press and the public on the critical issues facing Tanzania and the region as a whole.

REPOA has responded well to the policy and development needs of Tanzania in line with current developments in the country, and those reflected in the regional and international development agenda, such as East African Community Vision, Agenda 2063, and the Sustainable Development Goals (SDGs).



Tabora Regional Commissioner, Hon. Aggrey Mwanri contributes to the discussions on the Local Economic Development at the 24th Annual Research Workshop (24th ARW) which was organized by REPOA in April this year.



Institutional Innovations and Barriers to Competitiveness: Case Studies of Smallholder Farmers in Tanzania



Structure of production historically designed around estate production made it difficult for commercial feasibility of sisal farming under conditions of low global demand and low prices.

By Donald Mmari

The book examines the Tanzania's policy path and institutional reforms aimed at increasing efficiency and productivity in agriculture since independence and their outcomes. It further examines the potential of various forms of institutional innovations in building competitiveness of smallholder farming.

Drawing from three case studies in the coffee, sugarcane, and sisal subsectors, the book shows that while some policies and interventions after independence contributed to the poor performance in export crop production, structural adjustments and trade liberalisation did not reverse the performance as envisaged. This paradox leads the author to argue that collective efforts of market and non-market institutions is crucial for addressing market failures and other policy and institutional rigidities that impede the competitiveness of smallholder farmers.

In the coffee subsector, the changing dynamics in the production and consumption of coffee around the globe significantly affected the market position of Tanzanian coffee. The dynamics includes the dramatic increase in world coffee production, led by Brazil and Vietnam, the latter emerging as the second largest coffee producer, and the collapse of the International Coffee Agree-

ment's (ICA) quota system in 1989 which led to decline in coffee prices; and the technological evolutions in coffee roasting and blending that has enabled substitution between coffee grades without affecting quality in the coffee cup. The three factors created bifurcation of coffee markets into mainstream and high-quality specialty markets, but Tanzania became squeezed in the middle market position and rendered uncompetitive. The book recommends re-design of intermediary coordination of coffee value chain involving state and market institutions to enable coffee growers to reposition competitively in the specialty coffee niche markets.

In the sisal subsector, the structure of production historically designed around estate production made it difficult for commercial feasibility of sisal farming under conditions of low global demand and low prices. The re-introduction of smallholder sisal growing is a notable institutional innovation led by the private firm, but the nature of partnership between the private firm that play a lead role as a processor and marketer of sisal fibre on one hand and the smallholder growers on the other hand requires countervailing powers to mediate the transaction process between the two parties, particularly with respect to land rights and contractual obligations of both parties.

This intermediation will provide

incentives for the firm to cut operating costs and to increase the share of market price available to farmers, and the farmers will be induced to increase productivity, and hence the efficiency of the value chain that is crucial for its competitiveness.

In the sugarcane subsector, the reforms in the global sugar industry, particularly within the European Union and the change in the framework of international sugar

agreements have exposed Tanzania sugar producers to more efficient producers around the world. The domestic demand for sugar outweighs domestic supply, necessitating the need for sugar imports, sometimes from cheaper producers. This situation means that local producers of sugar must increase production and efficiency in order to fill the domestic sugar deficit and to compete with efficient produc-

ers around the globe. Smallholder growers of sugarcane, commonly known as outgrowers are important actors in the sugar value chain, as they contribute significant proportion of sugarcane supplied to sugar mills in Kilombero and Mtibwa.

However, the current farming practice by outgrowers is fragmented, constrained by limited access to credits and improved inputs; poor crop husbandry; and market uncertainty due to constrained plant capacity and/or strained partnership between outgrowers and milling company. A combination of these factors translates into low productivity of sugarcane by outgrowers, which reduces not only sugar output but also sugar production efficiency. The book recommends the review of existing institutional arrangement governing relationship between outgrowers and milling companies to ensure adequate and stable supply of cane; effective design of outgrower's intermediary organizations; and land regime and use planning that will facilitate vertical coordination of outgrowers by pooling their land in a manner that will allow for economies of scale for large investments in irrigation and improved farming practices for raising productivity and efficiency across the value chain.

The book concludes that, the multitude of constraints that face smallholder farmers requires inter-related interventions and investments that do not occur spontaneously and often exceeds the abilities of firms and individuals within the conventional market framework. Thus, non-standard institutional arrangements are key, and these requires state and market actors working together to design and implement strategic institutional solutions tailored to the peculiarity of different commodity value chains.



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