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Political Economy Determinants of Public Investment Decision-making in Agriculture: Lessons from and for Africa

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INTRODUCTION

Public investments in agriculture in Africa can have profound effects on productivity in the sector. It is therefore important to understand how budgetary allocation decisions are made. For example, what are the reasons for persistent underinvestment in agricultural research on the African continent? A mere reference to ignorance of policymakers about the demonstrated contributions of agricultural R&D is not only inadequate by way of an explanation, but likely plain wrong in most cases.

Acemoglu (2012) eloquently discusses the "ignorance hypothesis" as an explanation for bad policies in developing countries. It is critical to determine how various forces, incentive structures, and characteristics of different actors, as well as political and economic institutions, shape the public resource allocation process.

This paper addresses the question of what determines agricultural public expenditure policies in Africa. Specifically, it discusses what drives allocation to agriculture (as opposed to other sectors), as well as how resources are allocated within agriculture. The framework underlying this question considers how four key drivers affect the prioritization of public investments: (i) the budget process; (ii) the various incentives and attributes of actors—including politicians, bureaucrats, interest groups, and donors; (iii) characteristics of publicly provided goods and services themselves; and (iv) features of political and economic governance environments. Figure 1 summarizes the framework in an illustrative way. This paper will focus on the first three of the four drivers of public investment decisionmaking.

THE INFLUENCE OF THE DE FACTO AND DE JURE BUDGET PROCESS

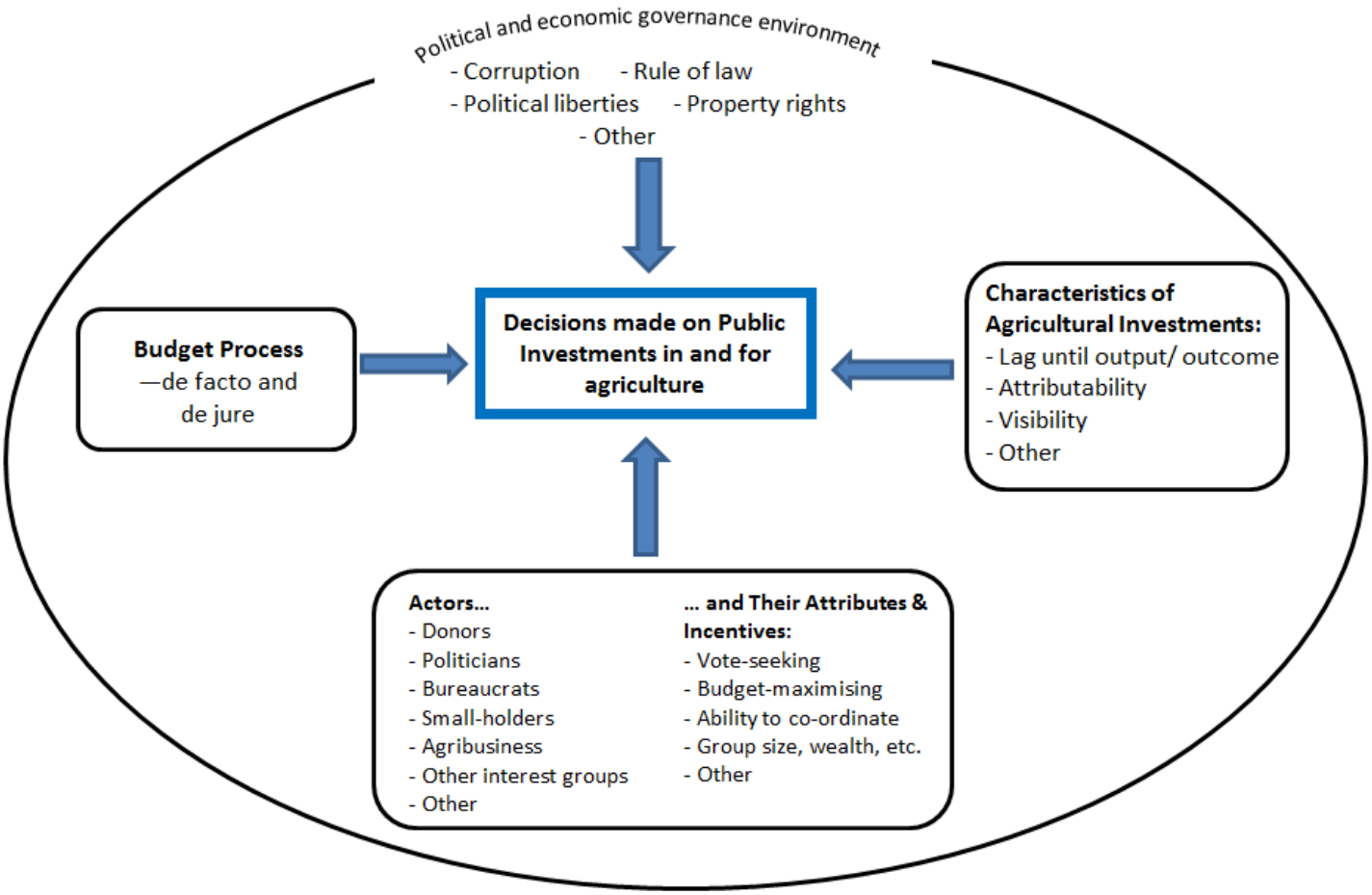
The first step along the formal agricultural budget process in African countries is the initiation of strategy formulation at both the national and sectoral levels. Agricultural sector strategy documents—for example, those emerging from the Comprehensive Africa Agriculture Development Programme (CAADP) process in African countries[1]—lay out objectives, constraints, and goals for the sector. For many countries, overarching policy guidance comes in the form of a medium-term expenditure framework (MTEF), a multi-year framework that allows countries to tie their current annual budgets to a rolling budget implemented over the coming years while maintaining the policy orientation of the budget within the sectors. With the overall policies outlined, the annual budget allocation process at the ministry level usually begins with the finance ministry providing expenditure ceilings to all the ministries. Within the constraints of these ceilings, each ministry makes its resource allocation decisions.

We must, however, consider to what extent these formal procedures provide a complete or accurate guide to how decisions are actually made. McKie and van de Walle (2010) contrast constitutional, legal, and formal bureaucratic stipulations on how the budget process is *supposed* to work in various African countries with how it *actually* works. Institutions exist that are designed to realise horizontal accountability mechanisms in the budget process, such as parliamentary budget committees and external auditors, as well as those that create vertical accountability down to the citizens, such as civil society groups with budget oversight responsibilities and—most directly—elections. However, these institutions are plagued with (i) legal constraints (for example, unduly tight legal limitations on the scope and discretion of external auditors); (ii) capacity constraints (for example, the nonexistence of parliamentary budget offices that understand technical budget reports); and (iii) political constraints (for example, those on contested elections in authoritarian environments).

These legal, capacity, and political constraints combined can conspire to render the accountability mechanisms for budget processes ineffective or absent, thus allowing bureaucrats and politicians to diverge from formal procedures with little penalty.

[1] CAADP was launched in 2003 as one of the seven initiatives of the New Partnership for Africa's Development (NEPAD), a program established in 2001. The objective underlying the creation of CAADP was to spur broad-based economic growth through agricultural development in Africa and to support governments in identifying and implementing the requisite public expenditures and other public policies in and for the sector.

FIGURE 1—THE PUBLIC EXPENDITURE DECISIONMAKING PROCESS AND THE FACTORS INFLUENCING THIS PROCESS



While McKie and van de Walle (2010) do not focus their African case studies specifically on agriculture, their work is indicative of how formal and de facto processes may lead to distinctly different investment outcomes for key sectors like agriculture. Studies that explicitly examine the budget process as it pertains to agricultural ministries and agencies in developing countries question the relevance of these formal procedures in understanding decisionmaking in reality. For example, Uddin and Tsamenyi (2005), in discussing a Ghanaian agricultural state-owned enterprise tasked with marketing farmers' commodities, point to substantial departures from standard budgetary procedures.

Annual budgets rarely underwent regular reviews and control procedures were not followed in practice. The reality was that the government oversight agency with the responsibility of monitoring the operation and performance of state-owned enterprises was compromised because the enterprise's board members were politically connected at the highest levels. The oversight agency's formal authority could not compete with the state enterprise's informal political power.[2]

A considerable amount of development assistance targeted at improving budgeting processes and the implementation of agricultural policies is preoccupied with improving the formal planning and budgeting systems. The case discussed above suggests that it is precarious to use formal processes to arrive at a complete understanding of how allocations within the agricultural sector are determined. Development partners must therefore develop a better understanding of how informal processes influence how investments are made. A more detailed discussion of the way development partners would need to adjust their contributions is beyond the scope of this brief, but remains a useful topic for in-depth examination.

The budget process as independent from systematic influence

There exists a body of work that rejects the notion that various interests influence how public expenditures are apportioned. The

[2] If both entities had aligned interests, this would have been a case of informal power reinforcing formal authority.

"garbage can" budgeting model, which comes from the organizational sciences literature, proposes that budget decisions are essentially a random process resulting in unpredictable outcomes. Although the "garbage can" theory has been extended and refined (1986), studies comparing its applicability to alternative models find little support (March and Olsen 1976; Weissinger-Baylon 1986; Davis et al. 1966; Reddick 2002 and 2003).

At the other extreme, the budgetary model of incrementalism implies high predictability. It describes budget makers as backward-looking and changes in budget allocation as incremental. In the strictest form of the model, it describes the allocations as increasing or decreasing by the same proportion each year. Neither of these concepts leave room for actors to have much effect by lobbying for changes in allocations or policies. There is some evidence that incrementalism drives the direction of public spending in Africa, typically applied to the recurrent budget (Fölscher 2007b). With the portfolio of agricultural budget from domestic sources tilted far more toward salaries than from donor sources, which have much higher shares of capital investment, it is to be expected that incremental budgeting is more pronounced in domestic spending. Incrementalism has been viewed in Africa as a compromise solution to avoiding budget conflicts between agencies, and has also been the default outcome of input-based budgeting systems, while performance-based resource allocations would force the portfolio away from incrementalism (Fölscher 2007a and 2007c).

Budgetary trade-offs

A general and intuitive notion is that there is a point at which budgetary trade-offs are necessary given conflicting demands and scarce resources, and governments, including the legislative and executive branches as well as the ministries, are faced with tough decisions. The body of literature on budgetary trade-offs suggests that scarce resources do not always imply that the explicit and conscious trading off of different sectoral or programmatic investments against each other automatically happens (Domke et al. 1983). According to this body of work, especially in the absence of coherent planning, long-term investment decisions may be made too much in isolation from each other to be an outcome of concrete trade-offs across programmes, even while at the margin and in the short term such explicit and conscious trade-offs can be found to take place.

A promising avenue for further research is the application of existing theoretical and empirical frameworks for analyzing budgetary trade-offs to the case of agricultural public investments versus other expenditure categories in the developing country context. Specifically, it would be useful to develop an understanding of the political positions of ministries of agriculture as opposed to other ministries (education, industry, and so on) in any potential trade-off battles. Various assessments have pointed to the technical weakness of agriculture ministries in Africa (e.g. IEG 2007); however, there is only anecdotal evidence regarding agriculture ministries' political weakness. This casual evidence suggests that agriculture ministries tend to have relatively limited political clout in many African countries and are not always highly regarded by ministries of finance, thus may come short in conscious trade-offs in spending allocation across sectors. However, little to no research has been undertaken on this topic.

Budget implementation

The passage of the final budget—however it is arrived at—is not the end of the budget process, as there is still the implementation and execution of that budget, which may or may not go as planned. Discrepancies between the approved budget and the executed budget can come in the form of leakages, or they can occur because of a lack of capacity to execute or because of changing priorities in the middle of the fiscal year. A review of Nigerian agricultural expenditures finds that over the 2001–2005 period, 21 percent of the approved budget at the national level was never spent (Mogues et al. 2012). In the case of agriculture, the release of funds usually corresponds to the fiscal year and not to the agricultural seasons, sometimes resulting in a lack of funds for seeds during the planting season or irrigation services during the dry season. Measuring execution problems and leakages and determining at what stage they occur is essential. A public expenditure tracking survey (PETS) can assist with this. There are as yet hardly any PETS on the agricultural sector, although several such surveys and analyses emerging from them exist for social sectors, especially health and education.

POLITICAL ECONOMY OF ACTORS—ATTRIBUTES AND INCENTIVES

The policymaker as a benevolent social planner

Out of the criticism of incremental resource allocation or "garbage can" theories emerged the rational choice budgeting model (Reddick 2002). Instead of policymakers and their budget decisions being perceived as random or backward-looking, they are viewed as forward-looking, and decisionmakers are seen as driven by rational expectations. One conception of the budget allocation process prevalent in the literature borrows from the economic theory on consumer demand, offering an economistic view of public resource allocation undertaken by a benevolent and "autocratic" (in the sense of "unencumbered") social planner seeking to maximize aggregate welfare.

The interface between politicians and bureaucrats

Other distinct branches have developed, including those that depart from the notion of an unencumbered policymaker. One such branch emerging from the literature proposes that certain actors in the public sector are budget-maximizing individuals, and other actors are vote-seeking. Tridimas (2001) presents a blended model of the benevolent social planner maximizing a social welfare function, but also maximizing electoral support by factoring in voters' preferences over different types of public spending. Niskanen (1971) brings out the interaction between bureaucrats as maximizers of their government budgets, and policymakers as vote-maximizers.

Interest groups and collective action

The collective action literature identifies which characteristics of interest groups, in the broadest sense of the term, affect their ability to press for public policies, including investments, subsidies, and other public interventions, that are favorable to them (Becker 1983). However, as pointed out in work on Zimbabwean business associations representing commercial agriculture, these self-interested actions may benefit not only the economic groups in question but also have positive spillover effects for the wider agricultural sector (Taylor 1999).

One factor facilitating collective action is the spatial concentration of group members, which facilitates coordination and mutual monitoring of actions (Olson 1985). Small-scale agriculture in Africa is strongly characterized by spatial dispersion of farmers in contrast to the relative physical proximity of urban citizens to each other. Moreover, access to transportation and communication infrastructure facilitates intragroup coordination and organisation, which in Africa are inferior in rural areas as opposed to urban areas. Another critical element in collective action is group size. For any given level of spatial concentration and access to transport and communication infrastructure, it is harder to coordinate larger groups than smaller groups (Olson 1965).

In most African countries, the agricultural and rural populations are substantially larger than urban populations, resulting in another inherent disadvantage among the former in organising appeals for pro-agriculture policies.[3]

An interesting phenomenon in the policy process is the seeming existence of a status quo bias among policymakers, such that policies that have outlived their usefulness appear to often fail to be discontinued. Dynamics of policy persistence are very familiar in agriculture, for example, when agricultural input subsidies are not removed even after they begun to outlive the initial efficiency-enhancing objectives for which they were instituted. Policies also may stay in place after they have served—or failed to serve—equity and poverty reduction goals. Fernandez and Rodrik (1991) present a framework that explains why governments favor the status quo. Coate and Morris (1999) explain the persistence of policy through the way in which the lobbying power or effectiveness of the policy beneficiaries increases after the policy is instituted.

Targeting public investments

A key question in the political economy of policymaking is whether politicians are more prone to channel resources to their traditional supporters, or to transfer resources to less closely aligned segments of the population. An important consideration underlying the latter is that core supporters are already likely voters for one's own party, whereas politically less committed citizens are more readily affected by receipt of state resources (Dixit and Londregan 1996; Lindbeck and Weibull 1987).

A counter hypothesis proposes that a governing party is more likely to tilt public resource allocation toward its core supporters. This rests in part on the notion of higher uncertainty associated with the political returns to economic investments in less known, uncommitted voters. If incumbent governments are risk averse, they may choose to invest resources in a constituency that yields less variable electoral results (Cox and McCubbins 1986). Another argument supporting this hypothesis is that public goods and transfers to any given area potentially affects not only choices made by voters between alternative parties, but also the likelihood of a citizen to engage in voting as opposed to not voting. It may therefore be more effective to target resources to localities with historic support for one's own party, as one can more easily draw on local networks in such areas to increase turnout, and therefore votes for the party, than one could in opposing party supporting localities (Cox 2009).

Empirical investigation of how public agricultural resources were allocated in Mozambique can be related to this framework. The governing party in Mozambique, Frelimo, used various methods over the decades to gain stronger support among constituencies traditionally backing the opposition Renamo party. Frelimo has historically derived its political strength from urban areas, and the opposition Renamo from rural areas (Reaud and Weimer 2010). One approach to co-opt opposition constituencies led to increased resource allocation to the agricultural sector. A new type of transfer from central government to the districts had initially been conceived to have diverse eligible sectors for spending.

[3] The earlier discussed anecdotal evidence on the low political power of agriculture ministries may well emanate from the lack of political power of farmers vis-à-vis urban interests, as explained in this collective action literature. As mentioned, this is an important but underinvestigated question.

However, central guidelines were quickly altered, calling for a large share of these funds—approximately half—to be allocated for agricultural development (World Bank 2011). De Rosario (2011) argues that these funds, channeling agricultural and other resources to rural areas, were intended to boost Frelimo's popularity in rural areas.

A second approach by the ruling party to gain more favor with traditionally opposition-supporting populations had implications on how resources *within* agriculture were allocated (geographically). Do Rosario (2011) details several instances in which the government channeled public expenditures in agriculture to those provinces, districts, and municipalities in which it had previously lost elections. One example given is a big push by the government to rehabilitate four large sugar farms. The sugar farm public investments in the Renamo strongholds were actively used on campaign platforms in the 1999 elections, with distinctly positive subsequent electoral results for Frelimo (do Rosario 2011).

Targeting of Renamo areas for public investments in agriculture also occurred in the context of the Zambezi Valley Development, a large-scale agricultural program. All priority districts receiving support through this program had elected Renamo in 1999 by a wide margin. Finally, the Food Production Action Plan, a significant agricultural initiative launched in 2008 to counter the effects of the food price crisis, targeted as priority areas locations that had voted for Renamo in the 2004 elections (do Rosario 2011).

Research in Ghana on the geographic targeting of fertilizer vouchers found results quite consistent with the vote-buying hypothesis implicit in the study on Mozambique. This analysis concluded that districts in Ghana in which the ruling party had lost in the previous presidential elections were more likely to receive a greater number of vouchers than other districts; and a greater extent of loss by the governing party led to further increased access to fertilizer vouchers (Banful 2011).

Politics and agricultural investment

Most theories of how political dynamics can help determine agricultural investment choices are premised on the existence of and interface between multiple political actors. However, political considerations can be important drivers of the types and modalities of public investments. Berhanu (2012) presents a case study of agricultural extension investments in Ethiopia. As posited in this study, the choice to place a strong emphasis on agricultural extension originates from a dual set of objectives rooted in Ethiopia's political economy. Despite the lack of political contestation in the country, various potential challenges to the regime's hold on power would be thwarted by two mechanisms, both of which would be affected by the expansion of extension.

One mechanism is that of spurring on agricultural growth, keeping rural smallholders invested in the existing government and providing extension to push forward the use of modern inputs to contribute to such growth. The other mechanism is the wide reach and deep penetration into rural society by the state in order to secure control of the rural areas. The deployment of a large number of public sector extension agents to rural villages was to serve the second purpose (Segers 2008).

International development aid

The importance of donor aid in developing countries' economies can be overwhelming, especially in very small economies or in countries in or emerging from conflict. For example, in 2008/09, net development assistance as a percentage of gross national income reached as high as 78 percent in Liberia and 41 percent in Burundi (World Bank 2011b). How might aid flows influence the composition of public spending in a developing country, and more specifically the allocation of public resources to supporting the agricultural sector?

The first and most obvious way is by establishing requirements regarding how particular aid resources are to be spent. However, imposing mandates on how development assistance is to be allocated toward agriculture versus other sectors does not necessarily mean spending patterns will reflect these mandates. Concerns about aid fungibility were articulated as early as the 1960s (Hicks 1963; Singer 1965; Carlin 1967).[4] Analysis in developing countries find that pronounced aid fungibility is present in agricultural aid (Pack and Pack, 1993). Cross-country panel analysis by Feyzioglu et al. (1998) shows that agriculture is the only examined sector that is characterized by full fungibility—when considering both total agricultural spending and agricultural capital spending separately. However, results are mixed: in some other studies, no fungibility is identified (e.g. Pack and Pack 1990). The influence that donor investments may be able to exercise over public financial allocations can thus be compromised by fungibility.[5]

A second way through which aid exerts influence on spending composition, and one that became more prominent with the ad-

[4] Aid fungibility is said to exist when aid intended to fund a particular purpose, e.g. agricultural development, actually ends up funding this purpose only partially or not at all, because domestic resources initially also planned to contribute to agricultural development are reduced by part or all of the amount of the aid disbursement and are instead used for other activities.

[5] There are also other causes of weakened donor influence over agricultural allocations. These include lack of co-ordination and coherence across donor projects, as was found in the case of agricultural aid to Tanzania (Cooksey, 2012), and in the case of development assistance in Ethiopia (Borchgrevink, 2008).

vent of both budget support and structural adjustment loans, is by underwriting plans on how to allocate overall government budgets. During the 1980s and 1990s, the time of economic crises and structural adjustment, examples of World Bank and International Monetary Fund (IMF) influence on budget tightening are well documented. Ghafoor et al. (2000) provide evidence through cross-country panel analysis that expenditures on 'economic affairs' (an aggregate of some sectors, including agriculture) increased. Similarly, Gyimah-Brempong (1998), in a cross-country study of African economies during the 1970s and 1980s, found that expenditures on economic affairs were either protected or increased. Fan et al. (2008) undertake similar analysis but with greater disaggregation of sectors. Here, there is evidence that the conditionalities of structural adjustment programs dramatically affected the share of spending on the agricultural sector.

CHARACTERISTICS OF PUBLIC INVESTMENTS AND SERVICES

Attributability of policies and investments

Even if citizens know which policies and investments would be best for their welfare—and this is at times not the case due to informational challenges—it is often difficult to attribute the creation or improvement of certain services to the actions of policymakers. Incorrect or imperfect attribution, in turn, dampens policymakers' political incentives to undertake efforts to improve services and infrastructure and drives the prioritisation of investments.

The attribution challenge is affected by various characteristics of public investments and services (Keefer and Khemani 2005). Visible infrastructural investments, including direct transfers such as fertilizer vouchers, are more easily connected to the efforts and spending decisions of public officials. In contrast, less visible public investment, for example quality improvement in agricultural extension, is harder to identify in this way.

Temporal features of investments

In addition to the visibility of the type of provision, another characteristic affecting the ease of correct attribution is the extent to which there is a lag between the time when resources are allocated to provide a service, and the time when the service is created. The longer this temporal gap, the harder it is to trace the service back to decisions made by politicians.

Investments in agricultural research are known for the long temporal lag between the public investments and welfare outcomes, or even intermediate outcomes such as development and adoption of new agricultural technology.

- First, a long lag breaks the link between politicians' decisions and public officials' resource allocations.
    - Second, even if the attribution problem did not obtain, in systems in which political decisionmakers do not have reason to believe that they will stay in power for long, they realize that the political gains to be made by investing in agriculture are small, and therefore lower incentives to undertake these investments.
    - Third, a long time span create opportunities for things to go wrong, such as collapsing commodity prices.

This feature of certain types of agricultural investment creates disincentives for politicians to undertake such investments, and explains the dogged persistence of underinvestment in agricultural research in Africa. At any rate, notwithstanding the evidence of the impact of potential agricultural growth, African agricultural research public spending as a share of agricultural GDP is a staggeringly low 0.6 percent, and has been stagnant at this level for past 40 years (Beintema and Stads 2011).[6]

CONCLUSIONS, WITH A FOCUS ON CAADP AS A DRIVER OF INVESTMENTS

Despite the diversity of conceptual approaches to analyzing the factors that drive public expenditure allocations in Africa, some conclusions can be drawn for development interventions, policymaking, policy dialogue, and future research.

One of the important contributions from the political economy literature discussed in this paper is what characteristics of interest groups significantly influence public investments and other public policies that would affect them directly, and how. This evidence should be taken to account when designing interventions to strengthen cooperatives' and farmer groups. Such interventions are usually undertaken with technical benefits in mind, but such support, designed in line with what is known about how interest groups boost their political weight, may also have important indirect benefits for smallholders by increasing their power and collective action ability to press politicians on agricultural policies.

When considering the intangible investments of agricultural technology and scientific knowledge, it is important to focus on relevant and feasible strategies to overcome impediments and disincentives to increasing investments in agricultural R&D. Impediments arise from the long lag time between investments and

[6] This question has not yet been analytically examined through empirical research to the best of our knowledge. It is a useful area for investigation.

knowledge creation combined with short political cycles, the relative political invisibility of this form of investment, and the other phenomena discussed in this paper. This can be done by learning from empirical cases in which these disincentives are very much in place, as well as from developing countries that have managed to sustain a relatively high commitment to agricultural technology development over a prolonged period of time.

Although the descriptions and models of the budget process presented at the outset may be inadequate for representing how public investment decisions are actually made, useful insights can still be gleaned from them for development activity and policy dialogue. Elements of incrementalist behavior in public administration may militate against dramatic portfolio shifts even if evidence on the impacts of public investments may recommend such shifts. A certain degree of chaos may also be present in the budget-making process, so that dialogue with what appear to be one or a few important decisionmakers may be less effective than what would be expected if the actual process followed a neat formal structure. Thus, the efficiency of policy dialogue can be enhanced if the participants are aware of the extent to which noise, or path dependency, in spending patterns helps shape the process through which public resource allocation decisions are made.

Finally, the framework discussed in this paper can be fruitfully used to understand how specific major initiatives in agriculture in Africa affect agricultural investments and their magnitude, characteristics, and distribution.

An interesting case in this respect is CAADP. Recently, IFPRI researchers empirically examined the role of CAADP on agricultural policy processes and investments. In an extensive qualitative study of CAADP and the African Peer Review Mechanism (the latter also a NEPAD initiative), Zimmermann et al. (2009) analyzed ways in which CAADP has affected the agricultural policy process, based on case studies in Ghana and Kenya and a shorter appraisal in Uganda. The study explores how the participation of different stakeholders was affected by CAADP. The researchers found that participation in CAADP processes was weaker than is usually the case in countries' agricultural policy processes. Prior to the near-final roundtable stage of CAADP, only a few experts and technical staff had substantive involvement, with nontechnical and non-governmental actors only beginning to feature during the roundtable.[7] Another paper, which takes the abovementioned case study on Ghana to greater detail, concludes that the expertise and evidence that CAADP intended to bring to bear on the national policy making process had minimal impact in improving the quality of investments (Kolavalli et al. 2010).

Benin (2012) examines African public expenditure to agriculture in general, and adherence to CAADP agricultural expenditure guidelines in particular. Specifically, the research brief examines agricultural expenditure magnitude over time, relative to total expenditure, and relative to agricultural GDP, for the years before and after establishment of CAADP in 2003 and for different subregions and countries in Africa. Benin (2012) presents some interesting findings.

- There are clear differences among subregions. In sub-Saharan Africa, and particularly in eastern and southern Africa, agricultural spending is higher in the CAADP period than before; whereas in northern Africa the reverse is the case.
- During the CAADP period under analysis (2003–2009), western Africa was the most successful in meeting the CAADP target of allocating at least 10% of public expenditures to agriculture. That this subregion has also made the greatest advances in the CAADP process suggests the influence of CAADP on spending magnitudes in the sector
- All of the results comparing spending before and after CAADP establishment should be taken with caveat, since pre-CAADP the definition of what falls under agriculture was narrower, so some of the increases seen could be a feature of changes in accounting.

These three studies authored or co-authored by IFPRI researchers shed light and provide informative insights through qualitative and descriptive quantitative data analysis on how CAADP may have influenced policy processes, policies, and investments. They do not, however, explicitly employ political-economic or public-choice theoretical frameworks in the analysis, although scope to do so exists in the future research agenda. As a final reflection, this research brief offers some tentative and as yet untested ideas on how the theories, organised in this brief into a conceptual framework and discussed in light of empirical evidence on Africa in the literature, may relate to IFPRI studies on CAADP.

Did CAADP induce more—or just more visible—agricultural expenditures?

[7] The CAADP process can be broken down into eight more or less sequential stages, from the launch of the process, to stocktaking analyses, to the roundtable stage, in which stakeholders endorse the CAADP "compact", to the fundraising and implementation stage. The process is detailed in Zimmermann (2009), pp. 56–59.

The findings of Benin (2012) that the CAADP process has likely had an impact on what was included in African countries' national accounts as 'agriculture' may in fact stem from two drivers.

One driver is a re-definition of agricultural expenditures by NEPAD in the CAADP context that was subsequently adopted by some countries. Another driver relates to the phenomenon discussed in this research brief concerning incentives to undertake those expenditures that allow for greater attributability to policymakers through greater visibility.

Looking at this phenomenon from another perspective in the context of the CAADP process, greater incentives may exist to increase expenditures, and in particular to meet the 10 percent target. These incentives may influence both actual spending and efforts to make this spending more visible through accounting adjustments. Clearly, both explanations for changes in national accounting of agriculture can co-exist. A first step to determine the extent to which the second hypothesis is part of the explanation would be to examine whether systematic efforts by countries to redefine 'agriculture' are made to broaden the definition, and to examine the timing of these redefinitions vis-à-vis the timing of stages of the CAADP process reached by the respective countries.

Was CAADP the necessary jolt away from incrementalist budget processes?

One of the above-discussed theories of the budget process and the corresponding empirical evidence in the literature on Africa suggests that incrementalist tendencies may play a role in how resources are allocated across sectors and agencies as a way of limiting bureaucratic conflict about how to spend scarce funds. If there have in fact been greater provisions to agriculture as indicated in Benin (2012), and if this would hold even after using the same definition of the sector over time, it would be worth examining whether the CAADP process provided the necessary jolt—and political licence—to move away from incrementalist approaches. This would warrant, as an initial descriptive exploration, an overlay of countries' engagement with CAADP on a year-to-year time trend of public expenditure on agriculture.

How has CAADP's reconfiguration of the political influence of interest groups affected investments?

From the perspective of the effort to apply the political-economic frameworks to CAADP, the particular process through which CAADP aims to achieve improved agricultural investments is critical. For example, one of the principles of NEPAD, which are intended to be applicable to all its initiatives including CAADP, is the fostering of the participation of a wider range of stakeholders in the agricultural policymaking process.

As discussed earlier, Zimmermann et al. (2009) arrives at the conclusion that the CAADP process in the cases examined actually led to a narrowing, rather than the intended widening, of participation of stakeholders in the agricultural policy process. Although the analysis discussed in this paper is not always couched in the language of participation, many of the models are centrally concerned with the extent to which various groups and agents have the ability to participate in the policy process and are able to influence the direction of policies and the type and magnitude of investments.

Future analysis could advance the literature significantly in various ways.

- First, examine in greater depth the effect of the CAADP initiative on the influence of key types of economic, social and political groups on agricultural public investment decisionmaking.
- Second, use concepts discussed in this research brief on which features of groups enhance their weight in public policy.
- Subsequent analysis could examine what the conclusions to the first question indicate about the direction of investments to and within agriculture as a consequence of the CAADP process' consequences for empowerment of different groups.

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