

Agricultural Transformation to Meet 21st Century Demands in Sierra Leone



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**At The Technical Workshop
Sierra Leone Conference on Development and Transformation
Held on December 4 -7, 2011 at the Bintimani Hotel
Freetown, Sierra Leone**

Some basic questions I want us to consider in our discussion:

- What kind of agriculture sector do Sierra Leoneans envisage for the country within the next 10 to 20 years, and beyond?
- What are the challenges to be confronted?
- What sacrifices are people willing to make to transform the nation's agriculture sector?
- What are the most appropriate policies and programs to be adopted in pursuit of these national objectives?
- What is expected from our country's political leadership?

Agriculture's Importance in the Economy:

- Contribution to GDP: 32% - 50% +
- Arable land account for ~ 74% of country's total land area.
- Only 36% of arable land is under cultivation.
- Employs 68% of population.
- Employment by Gender:
 - Men: 49%
 - Women: 51%
- Average farm size: 2.7 ha
-
- ** Thus, Sierra Leone has huge potential for economic growth via the agriculture sector.

Contributions of Agricultural sub-sectors to Agricultural GDP

<u>Sub-sector</u>	<u>Agricultural GDP</u>
Crops	75%
Fisheries	21%
Livestock	4%
Forestry	9% – 13% (Since 1984)

A Century of Agricultural Policy

- Government Emphasis on:
- Increasing Rural incomes
- Food self-sufficiency
- Promotion of agricultural exports

Colonial-era Policy Emphasized :

- Provision of stable prices to producers
- Improvements of agricultural production methods
- Timber production, exports, and forest conservation
- Tried to limit upland cultivation by farmers
- Introduced a policy in the 1930s to increase rice production to meet the growing demand for rice in Freetown, mining areas in the north and eastern part of the country.
- Agricultural Department published its first agricultural policy statement in 1936 after the government realized that domestic food production was going to be its major task.
- Policy of 'big push' was implemented in the 1940s by increasing mechanized rice cultivation on drained and reclaimed swamps. Very expensive program that ended up in failure.

From 1961 to the Present:

- Dramatic shift in the government's agricultural policy shortly after achieving political independence in 1961.
- Government's 'White Paper' argued that while the vital research work must be continued and expanded, much more money must be spent on switching the emphasis from advisory services to actual direct supervision of productive effort.
- 1974 National Development Plan gave the agriculture sector higher priority more than ever before in the history of the country.

Agriculture's share of Government Expenditure

<u>Period</u>	<u>% of total Expenditures</u>
1922-55	0.88 - 3.13
1960/61- 76/77	2.59 - 7.10
2009	7.5

Note:

The Maputo Declaration of 2003 adopted by African leaders to boost the continent's agricultural production required that African governments must allocate at least 10% of their annual budgets to agriculture sector.

Compare Government Expenditures by Sector

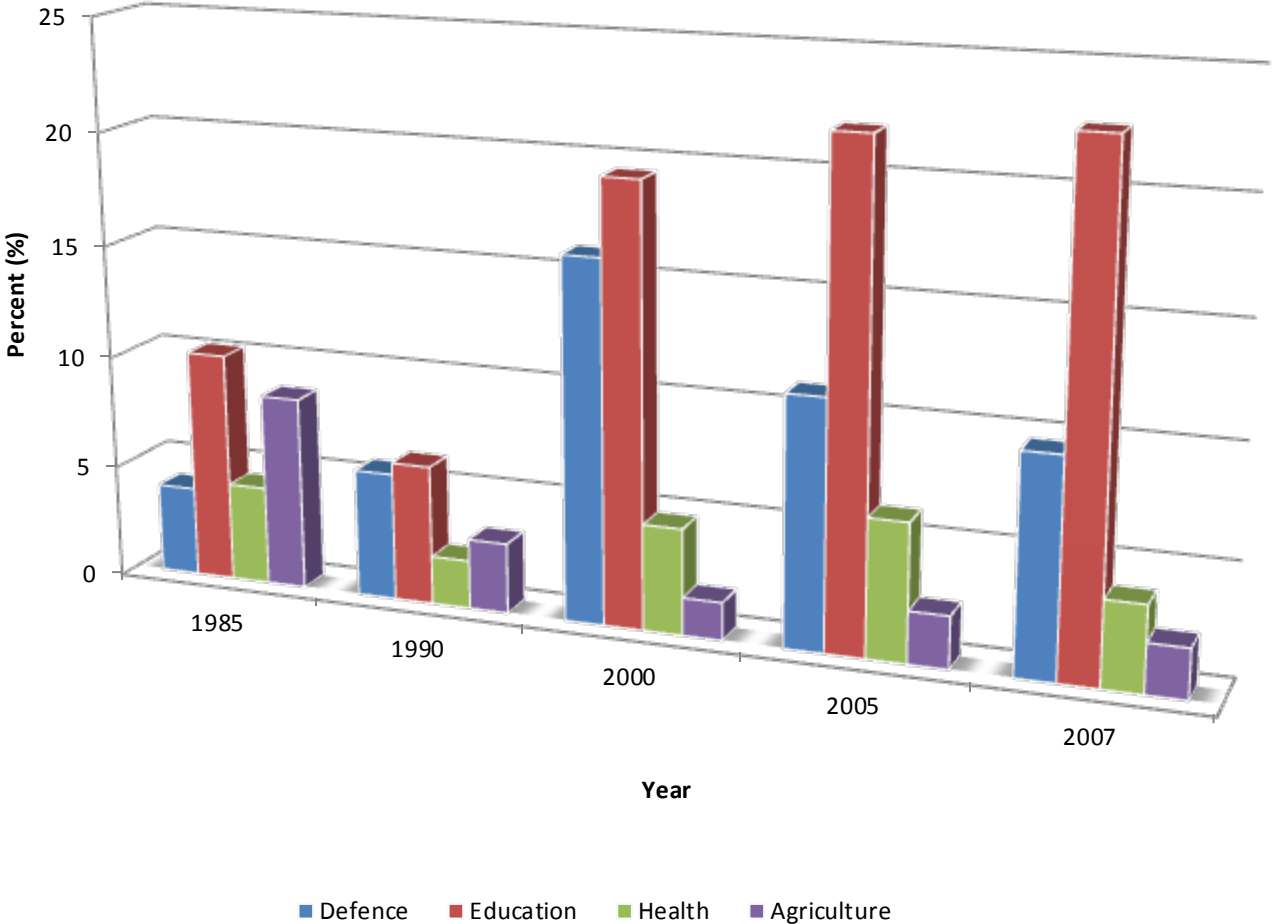
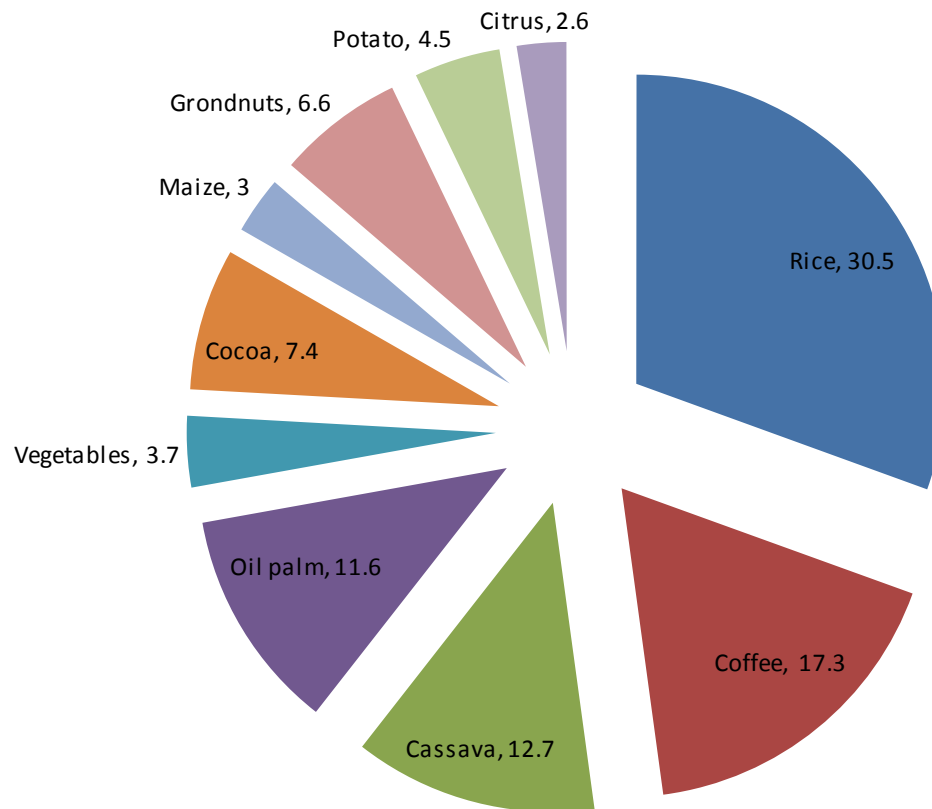


Figure 7.1. Recurrent government expenditure by sector in Sierra Leone, 1985 – 2007

Source: CSO and IMF data.

Notes: 1985 and 1990 refers to 1985/86 and 1990/91, respectively.

Figure 7.3. Distribution of crops by acreage in Sierra Leone in 2004 (in Percent)



Source: Based on data from GoSL/SSL (2006). *2004 Population and Housing Census—Agriculture Report*.

Table 7.3. Arable and cultivated land by ecosystem in Sierra Leone

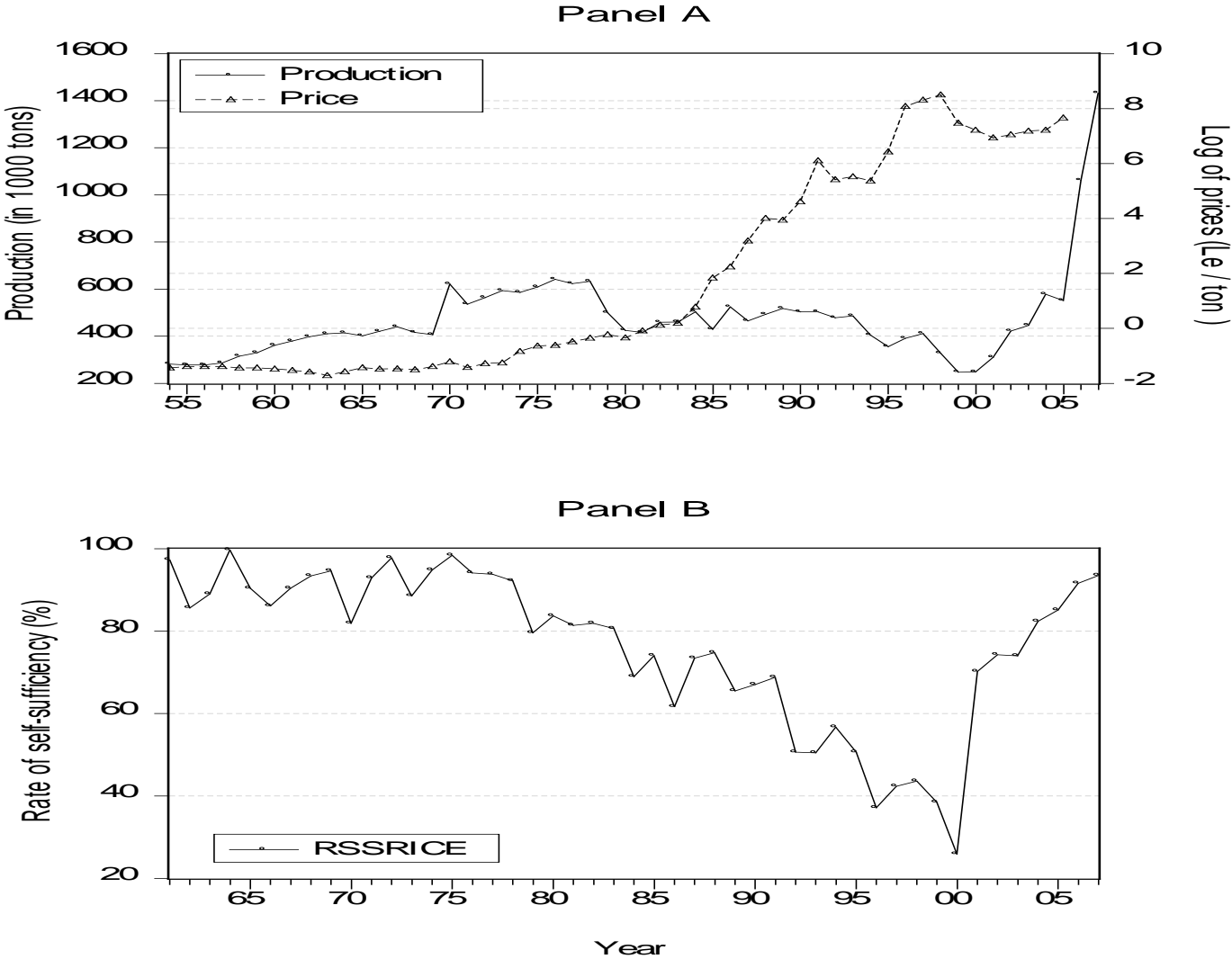
Table 7.3. Arable and cultivated land by ecosystem in Sierra Leone				
Ecology	Area (ha)	Percent of arable land	Yield (MT / ha)	
			Current	Potential
Upland	4,200,000	78.28	0.8 – 1.2	4.0
<u>Lowlands:</u>	1,165,000	21.72	1 – 4.0	>1.0
Inland valley swamp	690,000	12.86	1.4 – 1.9	3 – 4.0
Mangrove swamp	200,000	3.73	3.0	3.0a
Bolilands	145,000	2.70	1.0	>1.0
Riverine grassland	130,000	2.42	3 - 4	3 – 4a
Total arable land	5,365,000	100.00	0.8 – 4.0	>1.0
Other land	1,870,000	--	--	--
Total national land	7,235,000	--	--	--

Notes: a. Yields could be maintained or increased with proper farm management techniques. --. Figures not available.

Source: GoSL/Ministry of Agriculture, *Special Programme for Food Security*, October 4, 2001. Freetown, Sierra Leone. Appears in Kargbo (2011).

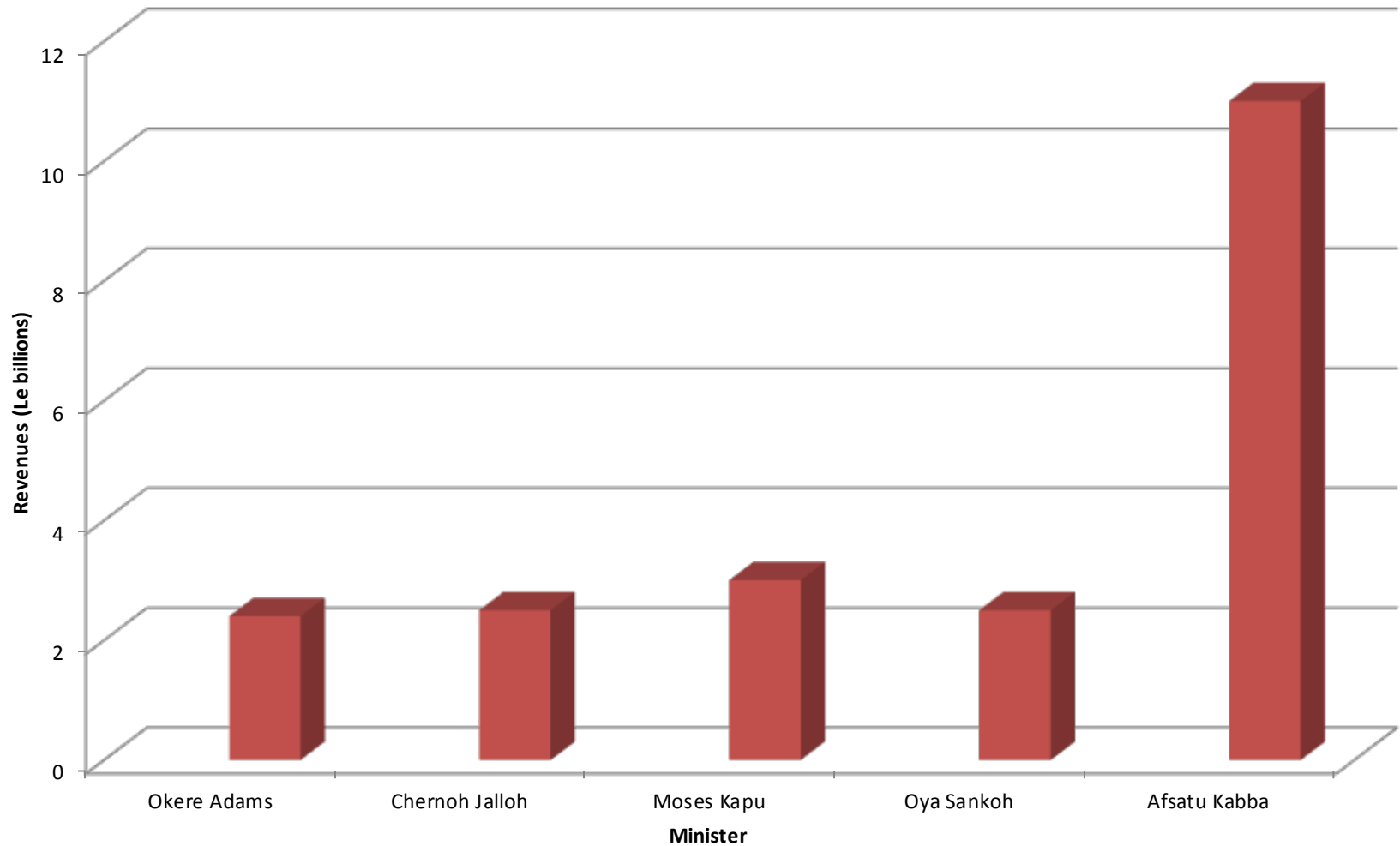
- Rice - the staple food, is grown by over 95% of the farmers in the country.

Figure 7.4. Domestic production, retail prices and rate of self-sufficiency for rice in Sierra Leone 1954 – 2007



Notes: Panel A: Rice production and prices. Panel B: Rate of self-sufficiency (%). Source: GoSL, WARDA and IMF data. Appears in Kargbo (2011).

Figure 7.5. Annual revenues generated by Ministry of Fisheries and Marine Resources in Sierra Leone, 1996 - 2010.



Source: Based on Government data published by *Awareness Times*. Appears in Kargbo (201).

Agricultural Prices and Supply Response

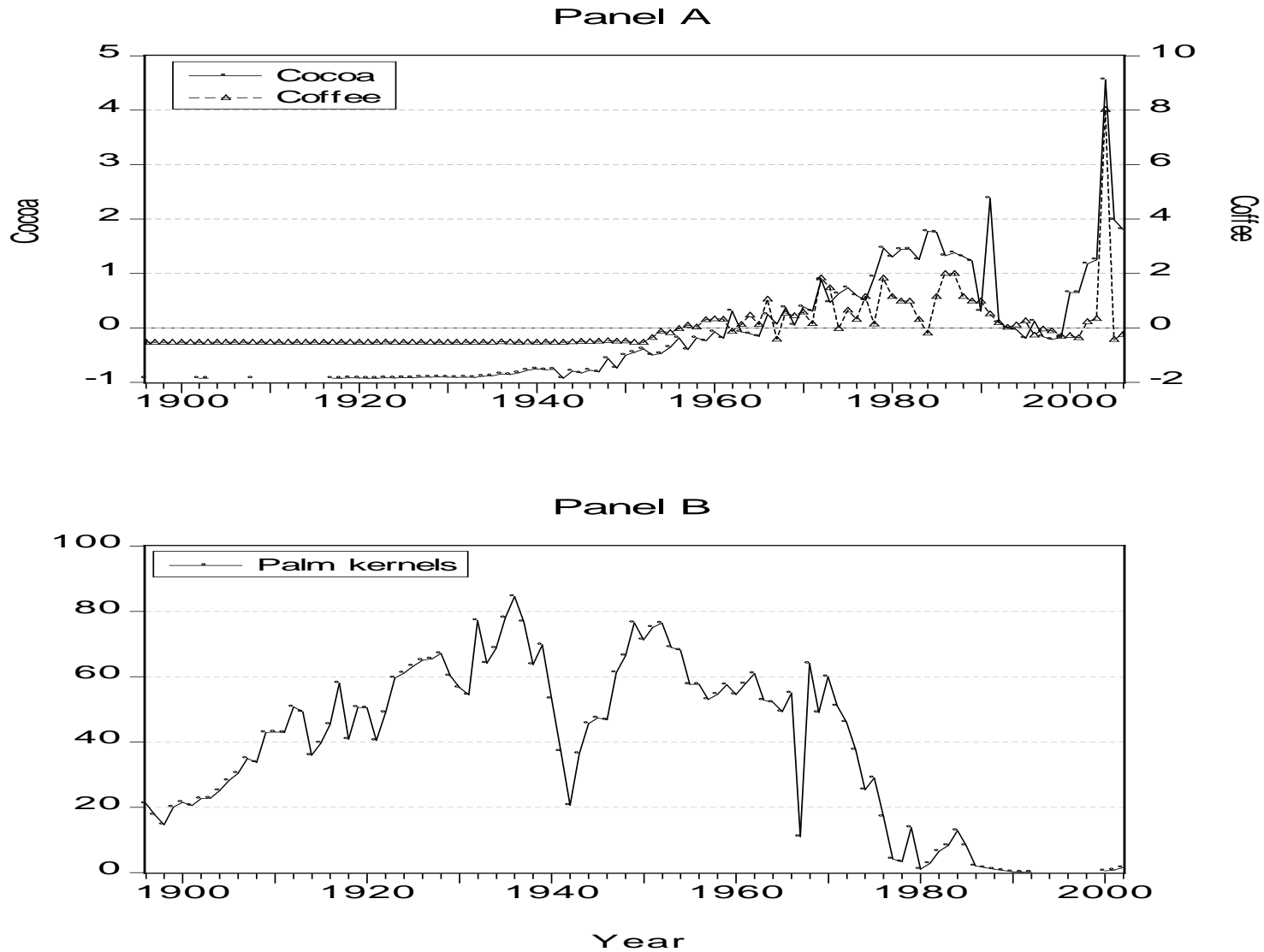


Figure 7.6. Domestic production of agricultural exports in Sierra Leone, 1896 – 2004 (in 1,000 tons).

Source: Levi (1976), FAO and CSO/SSL data. Appears in Kargbo (2011).

Notes: The data in Panel A is normalized to mean zero with one standard deviation.

Agricultural Prices and Supply Response

Panel C

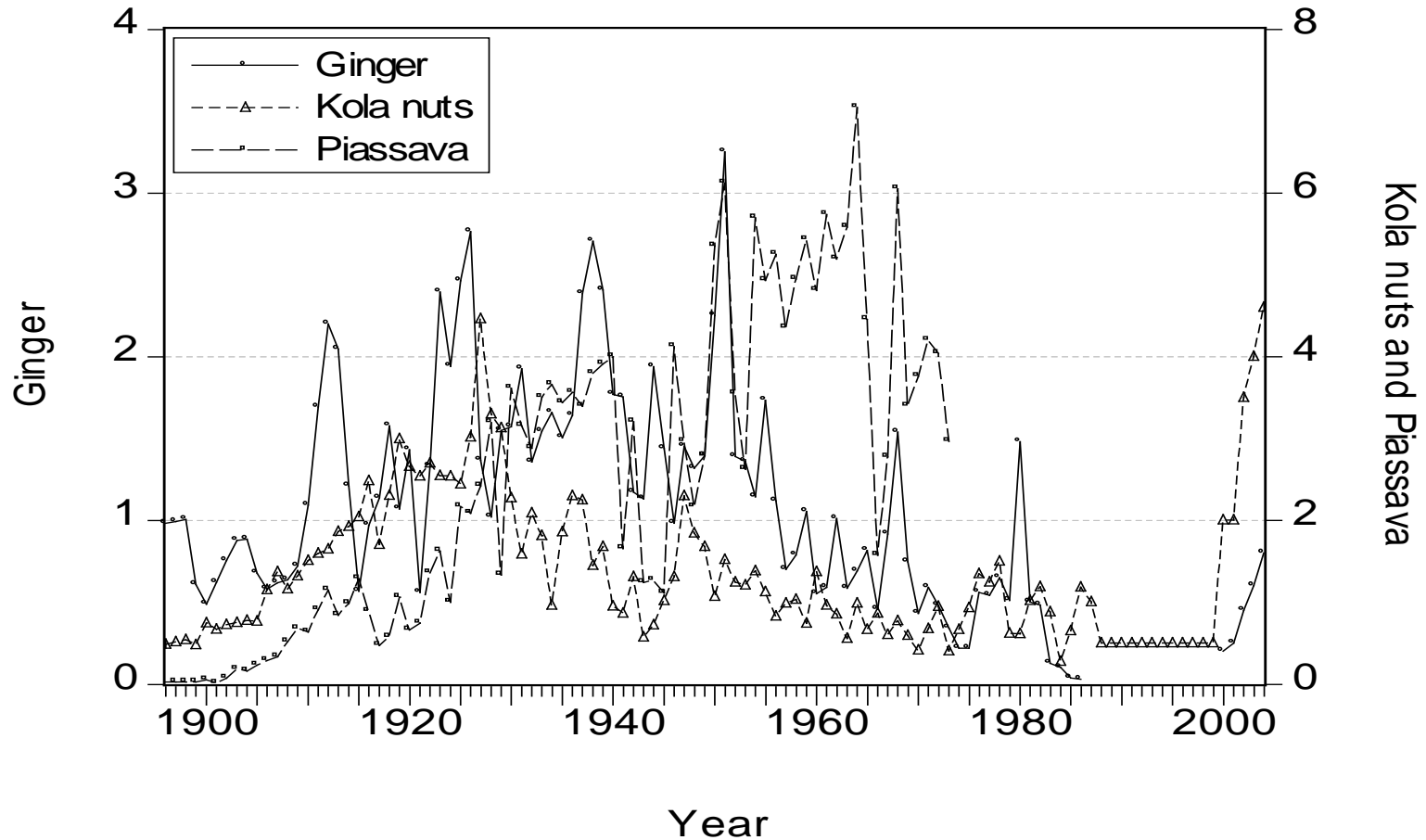
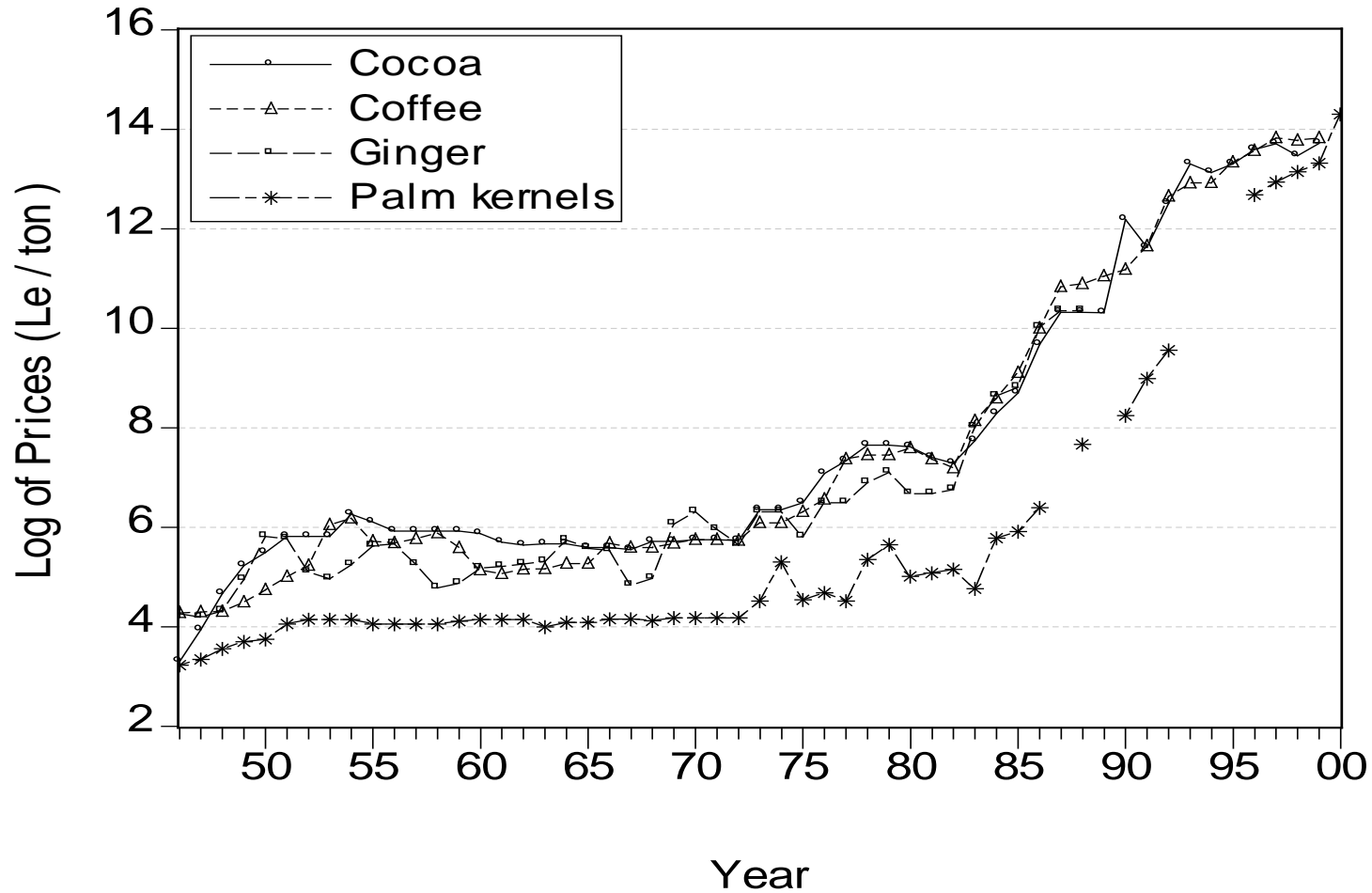


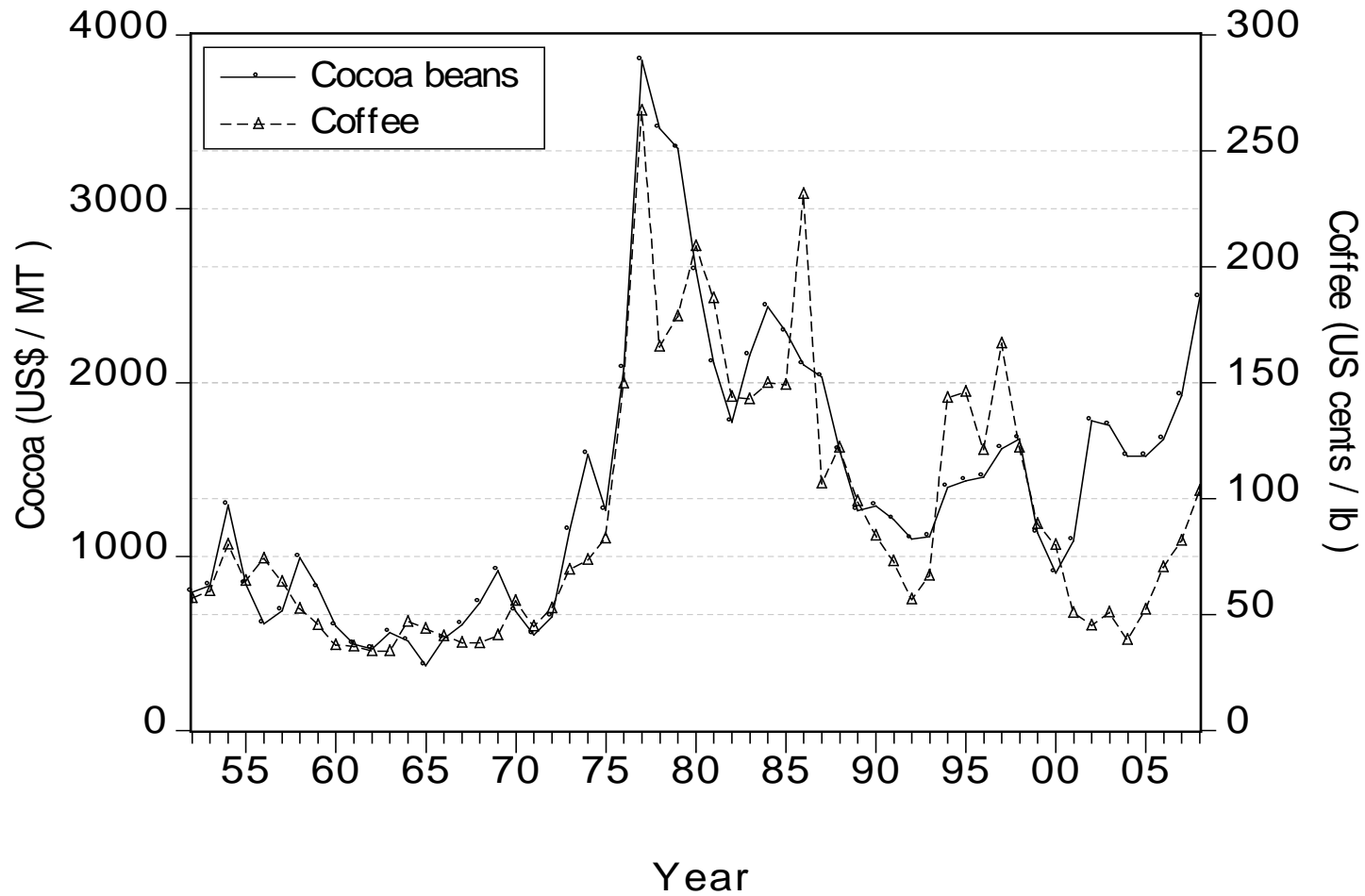
Figure 7.6. continued

Figure 7.7. Producer prices for agricultural exports in Sierra Leone, 1946 - 2000



Source: Levi (1976), FAO and CSO/SSL data. Appears in Kargbo (2011).

Figure 7.8. International agricultural commodity prices, 1952 - 2008



Source: IMF data. Kargbo (2011).

Table 7.4. Sierra Leone: cost structure of major SLPMB exports, 1978 – 83 (Figures per ton)

	Year				
	1978/79	1979/80	1980/81	1981/82	1982/83
Coffee					
Average export price, f.o.b. (Le)	2694.8	2973	2334.7	2176.45	2861.81
Average producer price (Le)	1714.7	2016	1792	1419.67	1863.21
Buying agent's commission (Le)	78.11	66	66	45.1	67.78
Export duty (Le)	427.74	943.18	817.14	579.71	655.97
Other charges (Le)	59.88	54.01	66.77	211.42	235.85
Producer prices as % of export price	64.8	67.8	76.7	65.2	65.1
Agent's commission as % of export price	2.9	2.2	2.8	2	2.3
Duty as % of export price	15.8	31.7	35	26.6	23.2
Other charges as % of export price	2.2	1.8	2.9	9.7	8.2
Cocoa					
Average export price, f.o.b. (Le)	3516.2	3046	1805.92	2294.23	2419.66
Average producer price (Le)	2128	2128	1792	1459.9	1510.75
Buying agent's commission (Le)	91.24	74	66	38.89	67.95
Export duty (Le)	879.05	1066.1	632.07	611.63	587.2
Other charges (Le)	59.88	54.01	66.95	207.26	221.4
Producer prices as % of export price	60.5	69.8	99.2	63.6	62.4
Agent's commission as % of export price	2.6	2.4	3.6	1.7	2.8
Duty as % of export price	25	35	35	26.6	24.3
Other charges as % of export price	1.7	1.7	3.7	9	9.2

Table 7.4. Sierra Leone: cost structure of major SLPMB exports, 1978 – 83 (Figures per ton)					
Table continued	Year				
	1978/79	1979/80	1980/81	1981/82	1982/83
<u>Palm kernels</u>					
Average export price, f.o.b. (Le)	302.2	416.6	244.2	248.28	216.34
Average producer price (Le)	162.2	204.1	204	162.5	177.77
Buying agent's commission (Le)	27.5	31	27.5	27.5	27.5
Export duty (Le)	30.22	41.66	24.42	24.7	19.25
Other charges (Le)	48.62	49	57.1	192.71	224.11
Producer prices as % of export price	53.8	48.9	83.5	65.5	82.1
Agent's commission as % of export price	9.1	7.4	11.3	11	12.7
Duty as % of export price	10	10	10	10	8.8
Other charges as % of export price	16.1	11.8	23.4	77.6	103.6

Source: SLPMB, *Annual Reports*, and World Bank (1984). Appears in Kargbo (2011)

Macroeconomic Policy Reforms and the Agriculture Sector

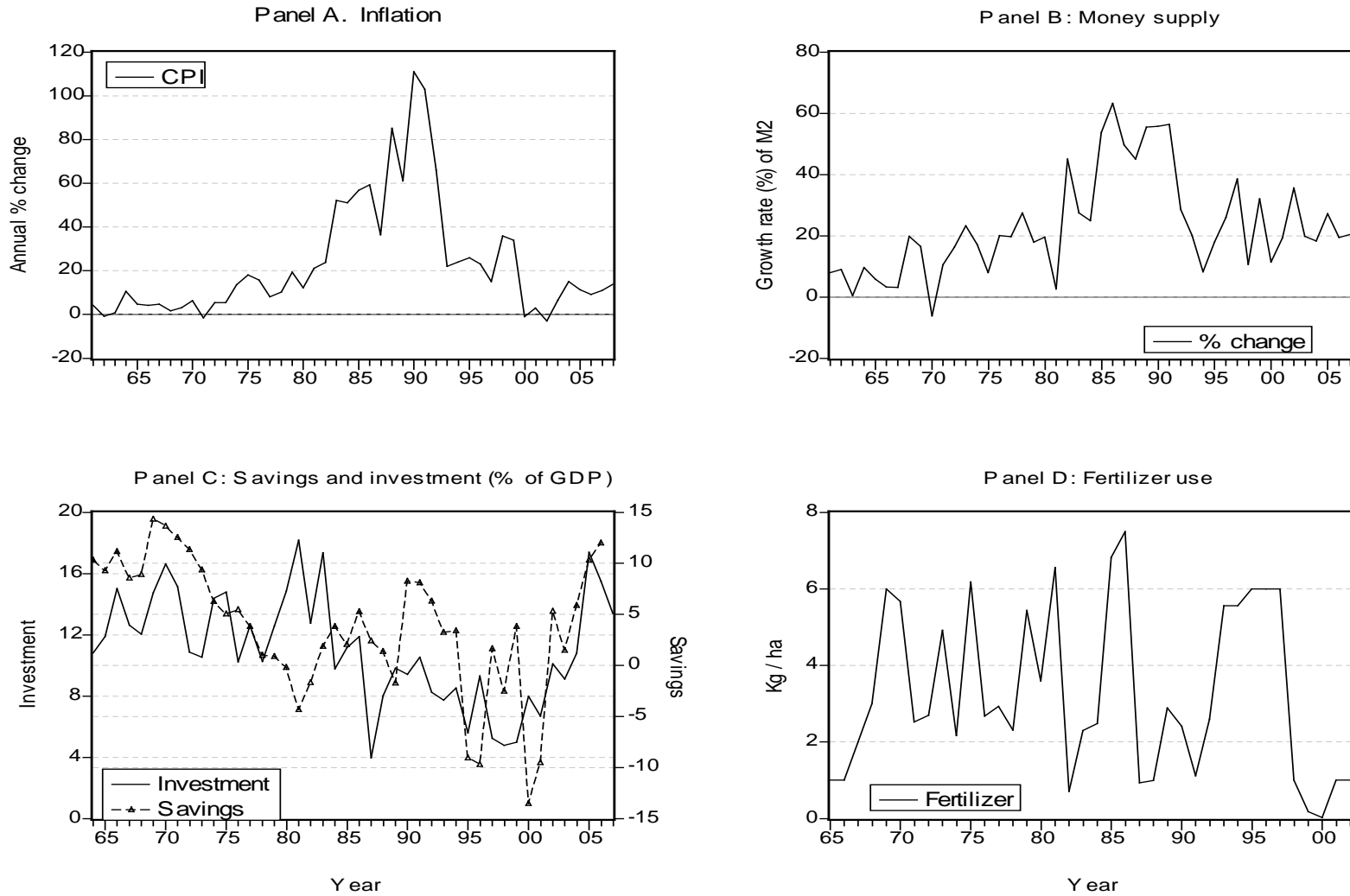


Figure 8.1. Selected macroeconomic indicators in Sierra Leone, 1960 – 2008

Source: World Bank and IMF data. Appears in Kargbo (2011).

Figure 8.2. Per capita domestic agricultural production and terms of trade in Sierra Leone, 1960 – 2008

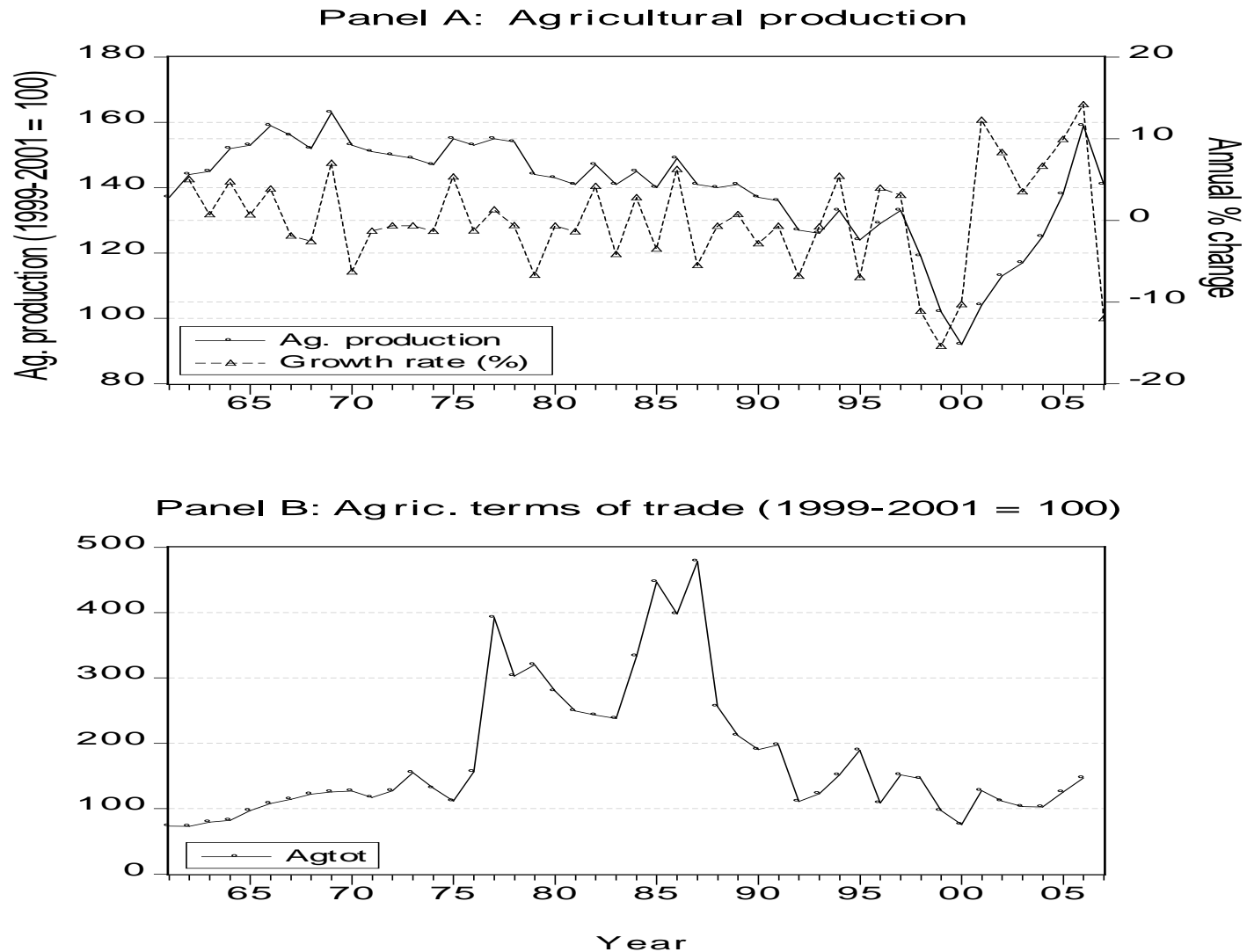
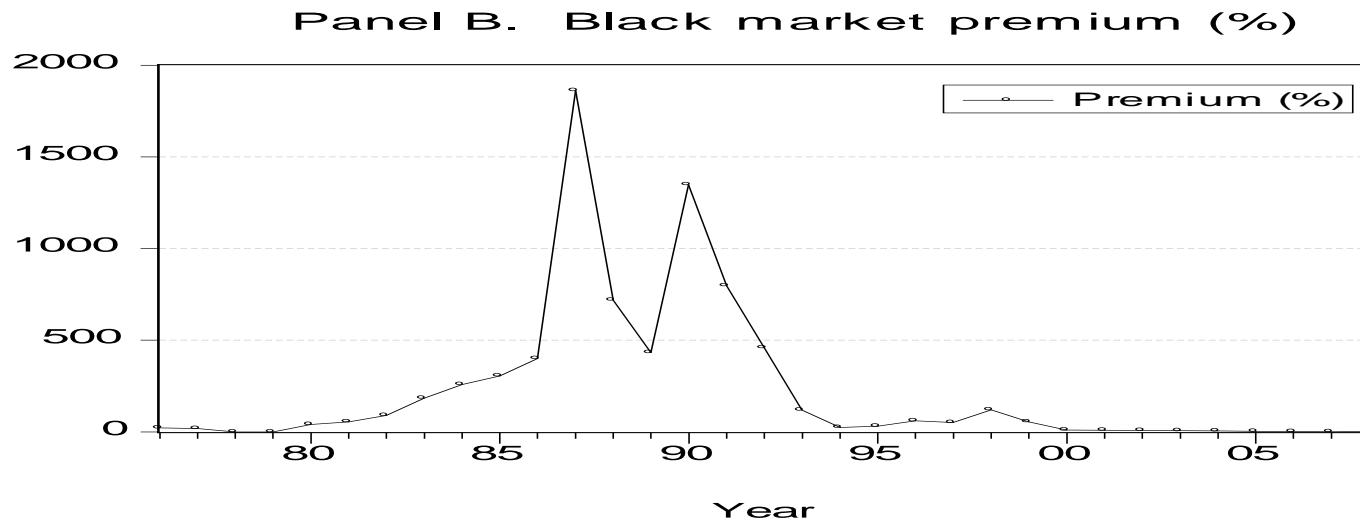
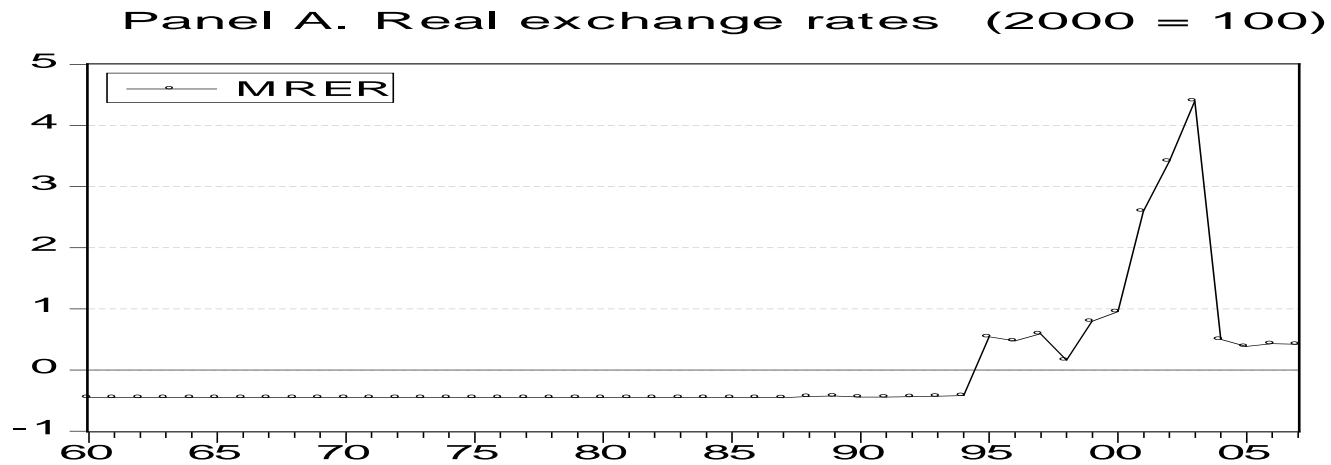


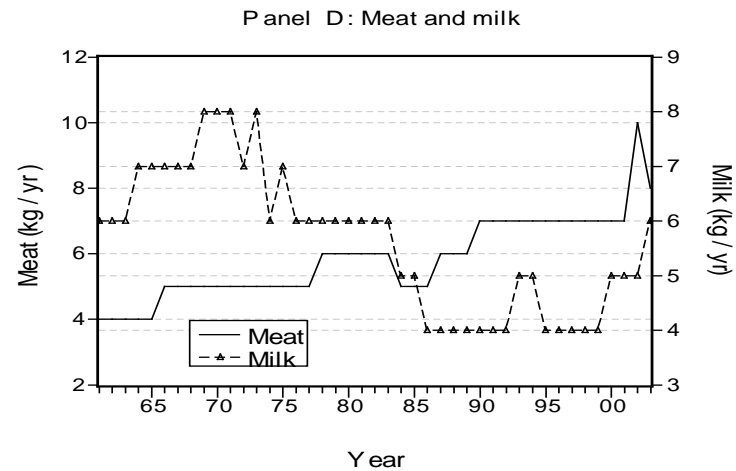
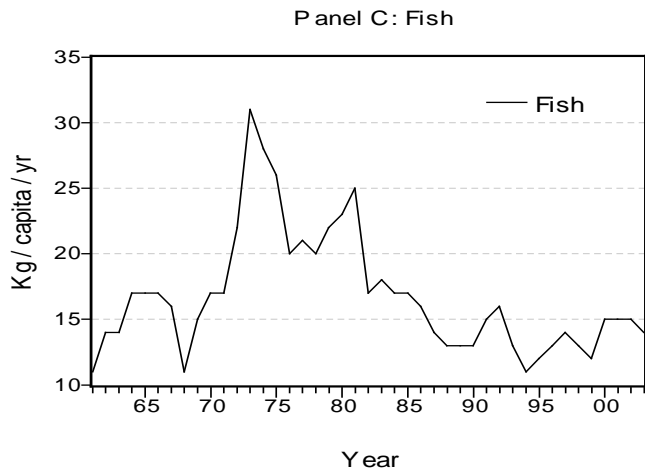
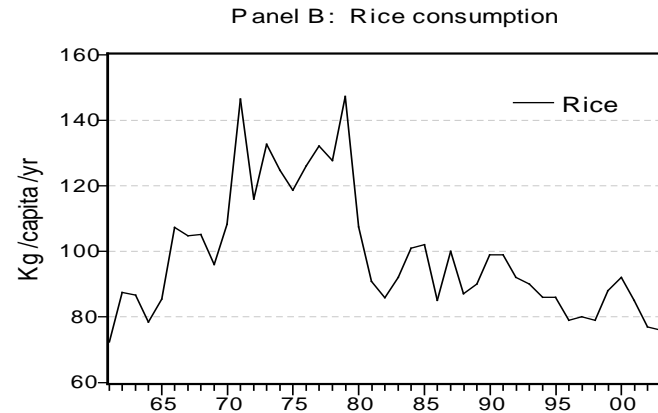
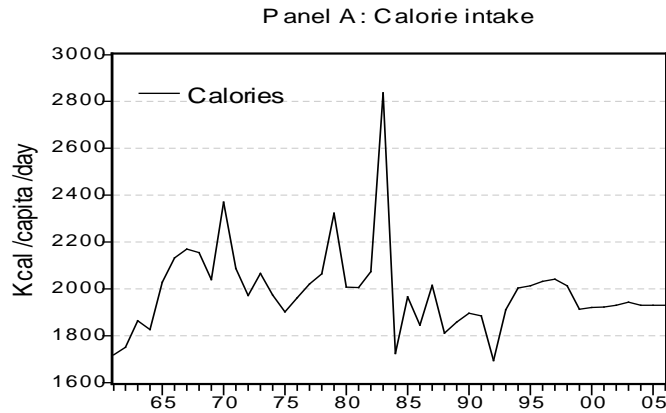
Figure 8.3. Real exchange rates and black market premium in Sierra Leone, 1960 – 2008



Source: GoSL, World Bank and IMF data. Appears in Kargbo (2011).

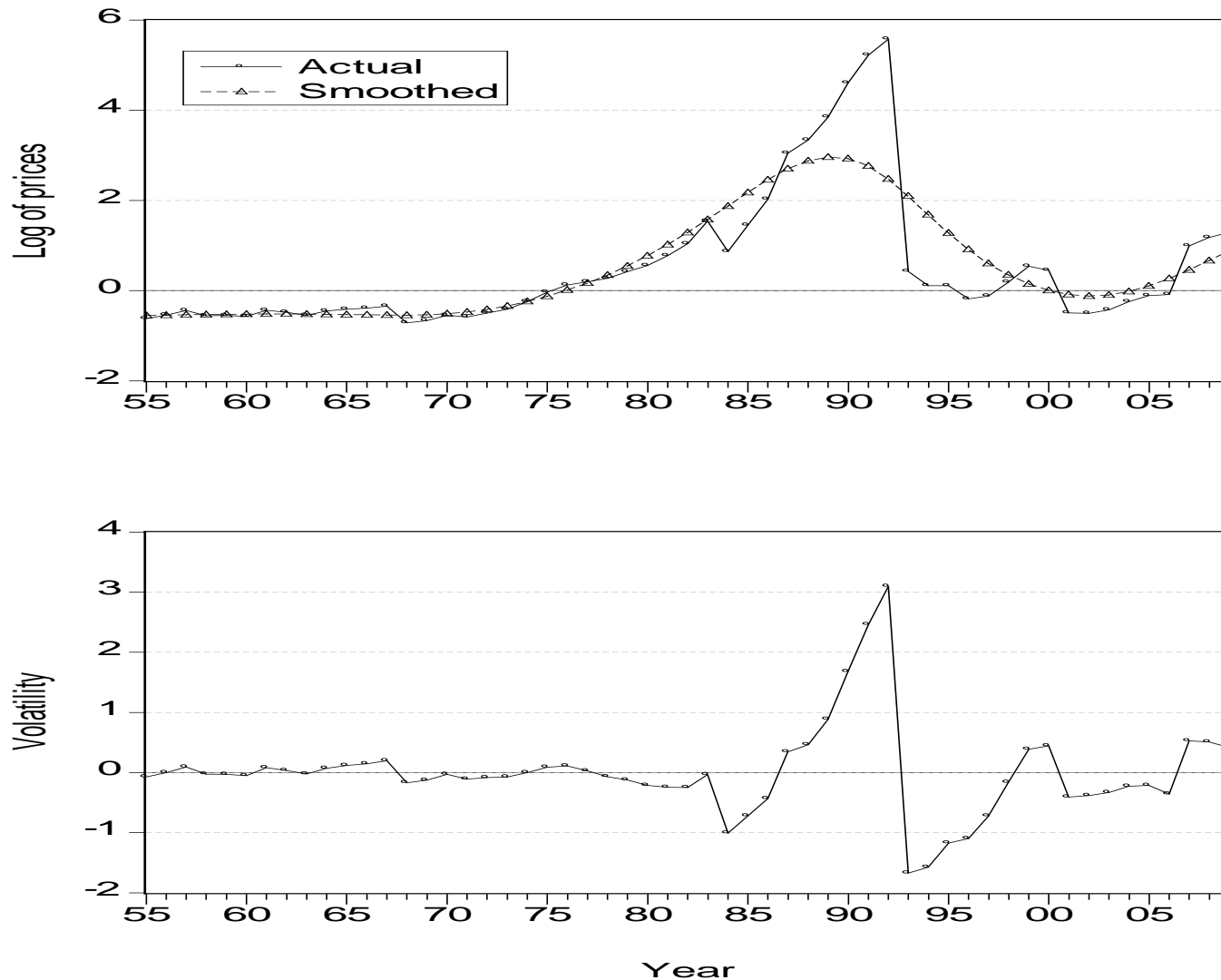
Notes: The graph in Panel A is normalized with mean zero and one standard deviation

Figure 10.1 . Food consumption in Sierra Leone, 1960 – 2005.



Source: Based on data from FAO, WARDA, CSO/SSL, and Alieu (2005). Appears in Kargbo (2011).

**Figure 10.2. Nominal food prices in Sierra Leone, 1955 – 2009.
(1990 = 100)**



Source: Based on data from ILO and CSO/SSL. Appears in Kargbo (2011).

The Model

- The supply function for a Cash crop in Sierra Leone could be specified as:

$$Q_t = f(P_{it}, P_{jt}, RER_t, RAINFL_t, POLINST, TIME)$$

Where:

- Q_t is the quantity of commodity produced in a particular year, t ; for $t = 1, 2, \dots, n$.
- P_{it} = the real producer price for commodity. A significant positive coefficient for P_{it} indicates that farmers respond positively to price changes in Sierra Leone.
- P_{jt} = real price of substitutes or complementary crops.
- RAINFL = annual rainfall in Sierra Leone, and represents the availability of moisture since the country depends on rain-fed agriculture.
- POLINST is an indicator for political instability or dummy variable for war period with 1991-2002 = 1, and 0 otherwise.
- TIME represents technological changes that affect domestic production over time.

Empirical Estimates of Supply Response For Cash Crop

Table 7.5. Regression estimates of supply elasticities for agricultural commodities in Sierra Leone, 1955 – 2005

Explanatory variables	Dependent variables			
	Cocoa (1955-2005)a	Coffee (1955-2005)	Palm kernels (1956 – 92)	Ginger (1956-86)
Constant	3.583 (1.993)b	-6.058 (1.341)	16.488 (2.280)	-5.958 (0.927)
Rainfl	-0.622 (3.056)*	0.597 (1.164)	-1.148 (1.315)	1.526 (1.976)***
Ginpri	--	--	--	-0.295 (1.663)
Ricpr	--	--	--	-0.963 (2.826)*
Cofpri(-6)	0.035 (0.603)	-0.108 (0.745)	-1.511 (5.109)*	-1.115 (2.648)**
Cocpri(-7)	0.067 (1.167)	0.072 (0.501)	--	--
Time	0.034 (6.411)*	0.038 (2.932)*	-0.036 (1.535)	0.017 (0.690)
RER	-0.132 (3.612)*	-0.137 (1.498)	-0.505 (3.036)*	1.333 (5.400)*
Polinst	-0.288 (2.216)**	-0.918 (2.807)*	-0.606 (1.543)	0.570 (3.480)*
Repak	--	--	0.932 (3.142)*	--

R ²	0.744	0.350	0.903	0.803
Adjusted R ²	0.710	0.262	0.882	0.743
SER	0.283	0.711	0.652	0.470
D-W statistic	2.098	2.313	1.588	1.794
F-statistic	21.397*	3.951*	43.532*	13.424*
LM: $\chi^2(1)$	0.307	5.319**	1.248	0.246
LB Q-statistic	(20) = 20.338	(20) = 16.435	(16) = 21.050	(15) = 15.403
ARCH: $\chi^2(p)$	(1)=1.976	(9)=13.053	--	(1)=0.0004
WHET: $\chi^2(p)$	(11)=20.796**	(11) = 36.475*	(11) =14.063	(13) = 9.021
JB statistic	0.490	11.249*	0.715	1.991
RESET	F(4,47)=1.756	F(1,50) =0.046	F(1,34) =1.864	F(5,26) = 1.546
Chow test	(1990) =4.229*	(1990)=1.899***	--	--
No. of obs.	51	51	35	31

Notes:

a. Refers to estimation period. b. The number in parentheses refers to the absolute t-value. * Significant at the 1.0% level; ** Significant at the 5.0% level. *** Significant at the 10% level. Ginpri is the real producer price for ginger; Ricpr is the real retail price for rice; Cofpri(-6) = real producer price for coffee with 6-year lag; and Cocpri(-7) is the real producer price for cocoa with 7-year lag. All variables (except Polinst and Time) were converted into logarithms.

LM is the Lagrange multiplier test of residual serial correlation. ARCH and WHET are tests for heteroscedasticity based on Engle (1982) and White (1980), respectively. L-B Q-statistic is a test on the correlograms of the residuals to check for serial correlation. The number of lags is in parentheses. J-B statistic tests for normality in the residuals. RESET is a test for specification error. The breakpoint Chow test is used to verify whether the coefficient vector is constant over the sub-samples, with the year used as a breakpoint being in parentheses. The degrees of freedom for the other tests are in parentheses adjacent to the distributions.

Source: Kargbo (2011).

Table 7.7. VEC estimates of agricultural supply response in Sierra Leone, 1958 – 99

Commodity	Rainfl	Ginpri	Ricpr	Cofpri	Cocpri	RER	Cofqty	Cocqty	Ginqty	Constant
Coffee (1958-99)a	3.373 (5.904) b	--	1.727 (7.312)	-1.326 (5.900)	0.354 (1.380)	-1.168 (5.025)	1.000	--	--	-32.916 (6.309)
Cocoa (1959-99)	6.993 (2.067)	--	--	1.531 (1.334)	-2.290 (1.671)	0.112 (0.302)	--	1.000	--	-54.958
Ginger (1958-86)	-1.412 (8.633)	0.458 (2.933)	2.858 (6.718)	-0.253 (1.544)	--	-2.398 (10.651)	--	--	1.000	--
Adjustment coefficients										
Coffee	-0.053 (0.905)	--	-0.233 (0.646)	-0.025 (0.093)	-0.002 (0.008)	0.382 (1.309)	-0.650 (3.694)	--	--	--
Cocoa	-0.126 (5.336)	--	--	0.073 (0.786)	0.109 (1.098)	0.115 (1.003)	--	-0.008 (0.265)	--	--
Ginger	0.118 (1.577)	0.026 (0.144)	-0.085 (1.174)	0.173 (1.776)	--	0.118 (2.186)	--	--	-0.446 (2.352)	--

Notes:

Refers to estimation period. b. Number in parentheses is the absolute t-value. -- Means data not available. Cofqty, Cocqty, and Ginqty refer to the quantities of coffee, cocoa and ginger produced, respectively. See table 7.5 for definition of other variables. Appears in Kargbo (2011).

Table 7.8. Short-run estimates of supply response for agricultural commodities in Sierra Leone, 1959 – 2000

Independent variables	Dependent variable		
	Coffee (1960-2000) ^a	Cocoa (1962-2000)	Ginger (1959-1986)
Constant	0.020 (0.027) ^b	0.266 (1.178)	0.478 (0.490)
Δ Rainfl	0.453(-1) ^c (2.191)**	-0.130(-1) (0.975)	1.141(-2) (2.359)**
Δ Ginpri	--	--	-0.545(-1) (3.368)*
Δ Ricpr	0.155(-1) (1.205)	--	1.196(-2) (2.537)**
Δ Cofpri	-0.872(-1) (2.796)*	-0.500(-1) (4.501)*	0.710(-1) (2.242)**
Δ Cocpri	--	0.536(-1) (6.731)*	--
Time	0.002 (0.166)	-0.003 (1.067)	-0.009 (0.663)
Δ RER	0.524(-1) (2.008)**	-0.069(-2) (2.090)**	-0.091(-1) (0.262)
Polinst	-0.555 (1.784)***	0.051 (0.488)	0.401 (2.233)**
Δ Cofqty	-0.662(-1) (3.716)*	--	--

Table 7.8 cont. (pg: 31)

ΔCocqty	--	0.341(-2) (3.754)*	--
ΔGinqty	--	--	0.247(-2) (1.447)
EC	-0.476(-2) (1.844)***	-0.675(-1) (4.135)*	-0.619(-1) (2.279)*
R ²	0.494	0.595	0.572
Adjusted R ²	0.368	0.469	0.358
SER	0.667	0.259	0.469
D-W statistic	1.942	1.256	2.105
F-statistic	3.911*	4.740*	2.671**
LM: χ^2 (1)	0.097	5.356**	0.310
LB Q-statistic	(24)=23.443	(23)=27.824	(15)=11.003
ARCH: χ^2 (p)	(4)=5.792	(7)=11.331	(1)=1.454
WHET: χ^2 (p)	(15)=15.046	(15)=23.629	(17)=15.177
JB statistic	0.947	0.179	0.247
RESET	F(1,40)=0.876	F(5,34)=6.967*	F(1,27)=0.263
Chow test	(1990)=0.402	(1990)=3.287*	--
No. of obs.	41	39	28

Notes. See Table 7.5 for definition of variables.

Source: Kargbo (2011).

Table 7.15. VEC estimates of supply response for rice in Sierra Leone, 1964 – 2005

RIQD	RICPR	PWHIT	RER	RAINFL	CONSTANT	TREND
1.000	1.128 (1.875) ^a	-0.680 (1.944)	-1.052 (1.780)	-0.034 (0.079)	-6.055	-0.055
<u>Adjustment coefficients</u>						
-0.019 (0.774)	0.137 (0.903)	-0.680 (1.944)	-1.052 (1.780)	-0.034 (0.489)	--	--

Notes: a. Refers to absolute t-value. -- Not available.

Source: Kargbo (2011).

Table 7.13. Short-run estimates of supply response for rice farmers in Sierra Leone, 1963 – 2006

$$\begin{aligned} \Delta \log \text{RIQD} = & -1.192 + 0.069(-1) \Delta \log \text{RICPR} + 0.014 \text{ TIME} \\ & (0.470) \quad (1.739)^{***} \quad (0.504) \\ & + 0.090(-1) \Delta \log \text{RAINFL} + 0.023(-1) \Delta \log \text{RER} + \\ & (1.805)^{***} \quad (0.272) \\ & + 0.096(-1) \Delta \log \text{RIQD} - 0.024 \text{ POLINST} \\ & (0.496) \quad (0.463) \\ & - 0.076(-1) \Delta \log \text{PWHIT} - 0.893(-1) \text{ EC} \\ & (0.883) \quad (3.245)^* \end{aligned}$$

R ²	0.361	WHET: χ^2 (15)	17.245
Adjusted R ²	0.193	JB statistic	0.923
SER	0.149	RESET	F(7,37) = 1.726
D-W statistic	1.943	Chow test	(1990) = 1.489
F-statistic	2.141**	No. of obs.	44
LM: χ^2 (1)	0.013		
LB Q-statistic	(17) = 13.945		
ARCH: χ^2 (1)	2.286		

Notes: Regression was corrected for serial correlation with the autocorrelation coefficient being 0.872. * Significant at 1% level; ** Significant at 5% level; and *** Significant at 10% level.

Source: Kargbo (2011).

Table 8.3. VEC estimates of per capita agricultural and food production in Sierra Leone, 1966 - 2005

Sector	DAP	DOFP	PFOOD	RAINFL	RER	DOINF	DINV	Constant	Trend
Agriculture	1.000	--	0.107 (1.840)a	1.173 (1.892)	0.036 (2.606)	0.007 (2.354)	-0.141 (1.354)	-14.014	-0.007 (1.329)
Food	--	1.000	-0.010 (0.406)	-0.849 (5.840)	0.167 (2.837)	0.003 (1.826)	0.851 (1.783)	--	--
Adjustment coefficients									
Agriculture	-0.084 (1.739)	--	-2.614 (2.337)	-0.391 (2.100)	0.235 (0.251)	-120.568 (2.468)	-0.305 (0.962)	--	--
Food	--	0.120 (4.163)	-2.274 (3.091)	-0.026 (0.189)	-1.289 (2.242)	-48.778 (1.354)	0.132 (0.595)	--	--

Notes: Number in parentheses is the absolute t-value. -- Means data not available.

See Table 8.2 for definition of other variables.

Source: Kargbo (2011)

Table 7.9. Previous estimates of own-price supply elasticities in Sierra Leone

Author	Agricultural commodity				
	Palm kernels	Cocoa	Coffee	Ginger	Piassava
Saylor (1967) (1950 - 62)a (1931 - 39) (1922 - 39) (1949 - 63)	0.602 - 0.951 0.207 0.059 --	-- -- -- 0.404 - 0.906	--	--	--
Levi (1976) (1946 - 72)	0.80	5.9 - 6.6	1.5 - 3.4	--	--
Kargbo (1992) (1966 - 87)	0.507	0.576	2.046	0.016	0.387
Kargbo (1992) (1968 - 87)c	<u>Rice</u>				
		<u>AR</u>	<u>OR</u>		
	Short-run	0.153	0.392		
	Long-run	0.283	0.605		
Kargbo (1994) (1965 - 90)	<u>Food*</u>				
	0.099 - 0.109 (2SLS)b				
	0.019 - 0.102 (OLS)				
Strauss (1984) (1974 - 75)	<u>Food item</u>	<u>Elasticity</u>			
	Rice	0.11			
	Oils and fats	0.02			
	Fish and animal products	0.09			
	Root crops and other cereals	0.10			
	Miscellaneous foods	0.15			

Notes: a. Refers to estimation period. b. Estimation by two-stage least squares (2SLS). c. OLS estimates. The OLS estimates for rice are within the Nerlovian framework. -- Data not available. *. Refers to food aggregate. Smith and Strauss (1986) reported elasticities in the range of 0.09-0.11 for the following food items: rice, oil & fats; and fish & animal products. AR = acreage response; and OR = output response.

Source: Kargbo (2011).

Table 7.17. Sources of agricultural information used by gender in Sierra Leone (Figures in %) *

Sources used	Male	Female
Blood relations/Neighbors	10.0	33.3
Agricultural Research Institute	50.0	33.3
Agricultural Training Institution/School	60.0	42.9
Extension Agents		
Mass media	60.0	33.3
	20.0	0.0

* Figures do not add up to 100% because some respondents gave multiple responses.
 Source: IAR, *Research Report 1994-99*. Appears in Kargbo (2011).

Table 7.18. Factors perceived as constraining farmer access to agricultural information in Sierra Leone - (Figures in %) *

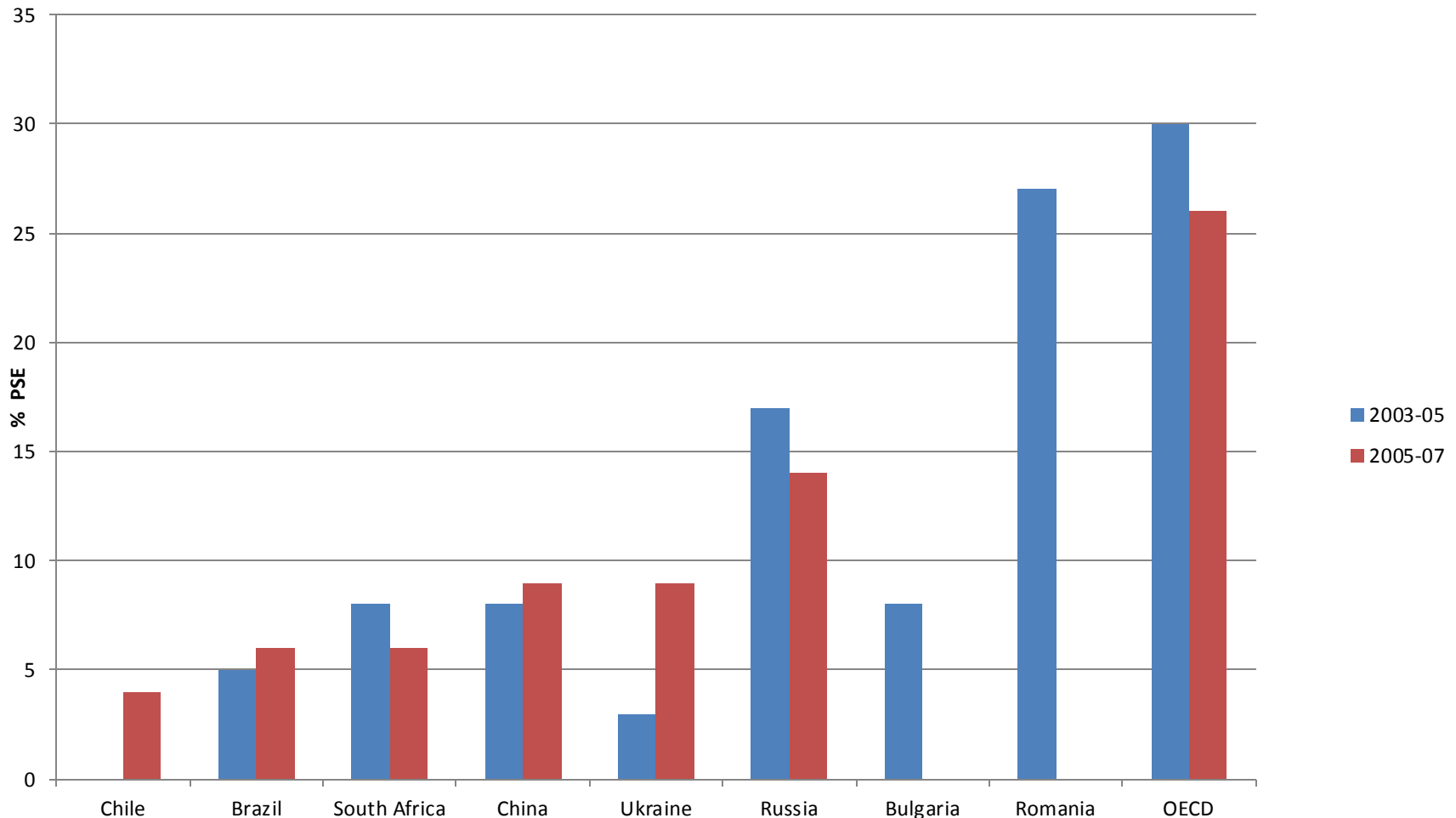
Factor	Male	Female
Few extension workers	77.4	61.5
Few extension activities	68.1	25.0
Lack of radio	29.0	26.9
Transportation problems	25.8	25.0
Illiteracy	9.7	15.4
Language barrier	6.5	13.5
Remoteness	6.5	13.6
Ill-health	3.2	9.6
Heavy work-load	9.7	1.9
Poor mass media facilities	3.2	3.8
Ignorance about source of information	6.5	0.0

* Figures do not add to 100% because some respondents gave multiple answers.

Source: IAR, *Research Report 1994 – 99*. Appears in Kargbo (2011).

Government Assistance to Agriculture

Figure 8.10. Producer support estimates as percent of gross farm receipts in the OECD and Emerging Market Economies, 2003 - 07



Source: OECD data. Appears in Kargbo (2011).

Note:

The Producer Support Estimates (PSE) entails the estimated financial value of government policy transfers from consumers and tax payers to producers. It is expressed as a percent of gross farm receipts, and PSE is very useful in analyzing changes in the level of support over time and for comparison between countries (OECD 2009a,b).

The largest providers of farm subsidies in 2006 (in US\$ Billions)

European Union	US\$138
Japan	US\$41.0
United States	US\$29.0
South Korea	US\$25.0

Concluding Comments

- Farmers in Sierra Leone are responsive to price changes, and the long-run supply response is higher than the short-run response.
- The results tend to suggest the existence of spare capacity in the agricultural sector, and that increasing producer prices, coupled with non-price facilities can lead to increased productivity per acre.
- These findings have significant policy implications that involve a reallocation of resources within the agricultural sector and intersectoral resource transfers during adjustment of production.
- Because of the importance of agriculture in Sierra Leone's economy, macroeconomic and agricultural policy reforms can be complimentary in enhancing economic growth.
- The implementation of appropriate agricultural pricing and exchange rate policies, combined with institutional and infrastructural development is required to achieve sustainable agricultural growth in Sierra Leone.

Concluding Comments: Continued

- Policymakers should pay close attention to the potential impacts of their policies on relative prices, resource allocation and profitability of the farm sector, agribusiness and other enterprises.
- Shocks to food prices, interest rates and inflation put agriculture in a cost-price squeeze.
- Changes in agricultural prices and rainfall patterns are sources of macroeconomic and agricultural instability in Sierra Leone.
- Over reliance on the free market or exclusively on the government for solutions to the country's problems tends to miss the point.
- The main challenge facing policy makers is to fashion policies that make both the free market and government/state work more efficiently.
- Thus, competent management of the economy needs detailed analysis of the available information over time, combined with visionary leadership provided by policymakers