Are employment development and agro-processing growth incompatible goals?

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This paper explores the scope and limitations for employment development through agro-industrialisation drawing on production, processing, policy in Southern African soy agro-processing.

Recent discourses on the scope for employment development through agro-industrialisation has seen a revival of three important strands of literature: increased value added through agroprocessing, production and employment development through trade-led growth, and a range of supply-side constraints. Alongside the more macroeconomic theoretical discussions regarding the role of and scope for agriculture in economic development, a set of microeconomic debates have explored the differences between agricultural production chains and produce, land reform and other sources of uncertainty for rural production, as well as developments in domestic and global demand for agricultural produce. These theoretical and empirical debates have helped shift the policy discourse towards measures seeking to overcome particular supply constraints or to generate incentives for increased and improved supply. Policy discussions have included, amongst other supply-side questions, a focus on phytosanitary measures, the need to improve access to irrigation and other inputs to farming, investments into transport and export infrastructure, and support for (export) market access.

Though undeniably important for business sustainability, these debates and policy measures present a narrow and insufficient picture of the industry challenges and contribute only one perspective to questions of employment development. This paper focuses on two under-researched aspects that seek to contribute to debates on agricultural development in general, and specifically the employment debate. These are: the role of the regional market in terms of the scope for developing supply and demand linkages within and beyond agriculture; and the centrality of labour to both production and consumption in alternative.

The paper is structured as follows: the first section reviews how agriculture is currently conceptualised within value chain, trade and supply-side frameworks. The second section considers the limitations of these frameworks for exploring employment development and

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1 Fieldwork was conducted as a joint effort across researchers from multiple institutions. Zambia fieldwork was carried out in Zambia by Miselo Mwansa (CSID/WITS) and Gillian Chigumira (TIPS/WITS), in South Africa by Lotta Takala-Greenish (WITS), Kasper Vrolijk (TIPS), and Gillian Chigumira (TIPS/WITS), and in Zimbabwe by Walter Chambati (AIAS) and Sam Moyo (AIAS). An earlier draft of this paper and preliminary fieldwork findings was developed by Lotta Takala-Greenish and Kasper Vrolijk (DSA 2015). This text and any errors are my own.
creation in agro-processing and the production and consumptions linkages within and beyond agriculture. This section draws on a case study of the soy production and processing linkages across South Africa, Zambia and Zimbabwe. The third section outlines how a focus on regional market development from both supply and demand perspectives together with a concerted focus on employment development can provide interesting theoretical and policy insights. The paper contributes to a more nuanced understanding of the power relations that shape the scope for sustainable employment development. These raise new questions about the actions and approaches to be taken at the enterprise, industry and policy levels.

**Key words**: regional industrialisation, labour, global value chains, soy, South Africa

**References:**


