



POST-INDEPENDENCE LAND REFORM IN ZIMBABWE:

Controversies and Impact on the Economy

Edited by

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Chapter Four

Impact of Land Redistribution on Large Scale Commercial Agriculture

Maxwell Mudhara

Introduction

Before the land reform program, agriculture played a pivotal role in the economy of Zimbabwe, contributing 20 percent of the GDP. In addition, the sector also ensured food self sufficiency and food-security at all times through production of staple food crops such as maize, wheat, sorghum, millets, oilseeds, livestock and fruit and vegetables. Considerable progress had been made in the production of commodities in which Zimbabwe has some comparative advantage and earn foreign exchange, e.g., sugar, cotton, citrus, horticulture, beef, tobacco, paprika, soybeans, and groundnuts.

The land reform program implemented in Zimbabwe since 2000, has raised questions on the ability of the country to restore agricultural production to the levels achieved before the program. The implementation of the program has seen a phenomenal structural change in the country's agricultural sector. The greatest transformation has occurred in the large scale commercial (LSC) farming sector. About 4,500 commercial farmers existed before the fast track reform programme, occupying 11 million hectares of land, which represented 30 percent of the country's land area. Smallholder farms, comprising a million households, owned 21.5 hectares which was 54 percent of the land area in the country. Smallholder farms comprised of small scale commercial, resettlement areas, and the communal areas. The large scale commercial farmers were the dominant players in the economy owing to their having favourable agro-ecological potential of the areas in which their farms were located, superior infrastructure and better machinery and equipment. The agricultural setting obtaining in Zimbabwe before the land reform programme was not amenable to sustainable development of the country. The LSC farming sector had, because of the small number of people controlling resources in that sector, compared to the national population, on its own failed to transform Zimbabwe from being a CARL, i.e., a country with abundant rural labour, to being a developed one. Instead, the majority of the population was getting poorer due the poor resource base from which they derived their livelihoods. According to Tomich et al (1995) the defining characteristic

of CARLs is that the countries have more than 50 percent of their labour force is engaged in agricultural and other rural activities. In Zimbabwe, 75% of the population derived its livelihood from agriculture. This is a high percentage when compared to developed countries¹⁸ CARLSs also have low per capita income and low farm labour productivity. Most of the inhabitants are in poverty and are constantly food insecure. Tomich et al (1995) noted that these countries have to reach structural transformation turning point, i.e., the point when the absolute size of the agricultural labour-force begins to decline before threats from poverty, low incomes and food insecurity can be eliminated. In Zimbabwe, it was evident that the status quo, in terms of land ownership patterns could not lead to a transformation of the country from a CARL to a developed one. The relative proportion of the labour-force in agricultural activities was increasing as there was no significant growth in the industrial sector. Agriculture is supposed to be the driving force for the growth of the manufacturing sector through increase demand for manufactured goods for consumption. This demand for manufactured goods would, in turn, increase the productivity of labour and resulting in the manufacturing sector hiring some of the labour engaged in agriculture. To cope with the higher demand for labour and the escalating wage rates agriculture will move towards machinery dependent agriculture and cause increase demand for machinery from the manufacturing sector.

The setting of the agricultural sector, and its accompanying land ownership pattern, which was not facilitating economic transformation, made restructuring of the whole sector through the land reform programme logical. At least to start with, with the right support mechanism, it was theoretically possible that the industrial sector in Zimbabwe will soon be driven by the growth of the new farming sector. The policies that needed to turn the vision into reality are key to the success of this program.

While this chapter concentrates of the commercial agriculture, this has to be done in the context of the evaluation of the whole land reform program in the country.

The Fast Track Land Reform Program

Probably no one in Zimbabwe disputes the fact that the land reform program was necessary. The Herald (18 December 2003) reported that, in a survey of 1,44 respondents coming from both rural and urban areas, the Mass Public Opinion found that 67.7 percent considered the land reform justified. What is contested is the modality of doing so. The program was essential, both, for the country's political stability and economic development. If properly planned and provided with adequate resources, it is possible to restore agricultural production and get agriculture back of the driving seat of the economy within five years.

New farmers were also allocated plots on land that had been lying idle. This negland, when eventually brought into production, will result in a real growth of the agricultural sector. In the short term, it is critical that the arable land that we acquired be brought back into production as soon as possible. However, it can

¹⁸ For example, in the USA only two percent of its labour force is engaged in agriculture.

that, in the short to medium term, as farmers try to convince that they are by using the land allocated to them, will focus on "easy" crops such as maize, ops are not difficult to grow and knowledge on their production is readily.

thousand households under the A1 resettlement model as of 31st July 2003. The uptake of A2 million hectares were allocated to thousand households under the A1 resettlement model as of 31st July 2003. The uptake of A2 beneficiaries was 97 percent. As for the A2 resettlement model, corresponding figures were 1,672 farms amounting to 2.2 million hectares for 30 applicants had applied to be beneficiaries of the A2 scheme. The take-up rate for 42 model was lower than for the A1 model. The national average take-up for A2 was 66 percent and ranged from 42% in Manicaland Province to 100 cent in Matabeleland South. Failure by some 34 percent of applicants to take up ir allocations implied a considerable amount of land lying fallow and unused. The uptake of A2 farms was attributed to the failure by officials to inform successful licants; applicants being discouraged by the lack of developed infrastructure on r farms; resource constraints; and the location of the farms in zones which were ng contested in court.

In terms of the manner in which it was envisaged, the land reform program was supposed to have minimum negative effect on agricultural performance of the country. Land reform was meant to enhance the performance of the agricultural sector. Land that was supposed to be included in the fast track land programme was of the following categories, derelict land and under-utilised land; land under multiple ownership; foreign owned land; and land near with communal areas. Land that was to be excluded from the programme fell into the following categories:

- Plantation farms engaged in the large-scale production of tea, coffee, timber, citrus fruits, sugar cane etc.
- Agro-industrial properties involved in the integrated production, processing and/or marketing of poultry, beef and dairy products and seed multiplication;
- Properties with Export Processing Zone (EPZ) permits and those with Zimbabwe investment Centre (ZIC) certificates;
- Farms belonging to church or mission organisations;
- Farms subject to Bilateral Investment Promotion and Protection Agreements.

However, given the pace at which the reform program was implemented, some of the guidelines laid down for implementation of the land reform program were not necessarily followed. The LSCF argued that, contrary to the guidelines, some farmers with one farm had the single farms taken away. Those with multiple farmers also often had all the farmers taken way. Some government authorities have indicated that farmers who might have lost their farms in this manner could also be allocated new farms if they so applied.

The Plight of Large Scale Commercial Farmers

The reform programme, implemented through various legislation, LSC farmers were given 90 day notices to vacate their farm houses. In some cases land was first invaded before the farmers were served with the necessary documents pertaining to compulsory acquisition. Some of the occupations tended to involve some violence or threats of violence. It was criminal for farmers to remain on the farm after the expiry

of the notice period. Therefore, farmers were obliged to vacate their premises. The whereabouts of the farmers who had their farms compulsorily acquired has been subject to such debate in the media, with different constituencies presenting contradicting figures. This has been particularly true in the case of the farmers who migrated to Zambia. Generally, upon eviction, farmers initially sought refuge in the urban centres for safety. Some bought houses and apartments to live in while waiting for the situation to "cool" down. Reports indicate that farmers were invited to invest in Zambia and Mozambique. A few went to Australia. New Zealand and South Africa to be engaged as farm managers. Exploring for locations of settle was done individually rather than as associations or groups. Therefore, there is no record of the number of farmers who have either applied or succeeded in getting permits to set business in the countries that could be possible destinations. The CFU, which was the union for LSC farmers, remained functional, albeit with limited number of staff. The union also pursued various avenues for remedying the "mistakes" of the land JAG, set up after the land reform program also claimed to reform program. represent the interests of the evicted farmers and seek ways of addressing the "injustices" perpetrated on its members. The continued existence of the organisations serving the LSC farmers is indicative of the presence of farmers remaining in the country. Therefore, it can be assumed that the majority of the LSC farmers remain in Zimbapwe hoping to be accommodated on the land at some stage or even be able to get their farms back. Most are still have custody of title deeds to the farms they used to own.

The Land Review Committee reports indicated that, as at 31st July 2003, some 1,323 white LSC farmers remained on the farms with 1,377 farms, amounting to 1,175,607 hectares. This land holding constitutes about three percent of land in the country, excluding land held by corporate entities. This would mean that the LSC farmers now occupy 22 percent of the land they used have. However, these figures were not verified. Figures 1 and 2 show the distribution of farms before and after the land reform program.

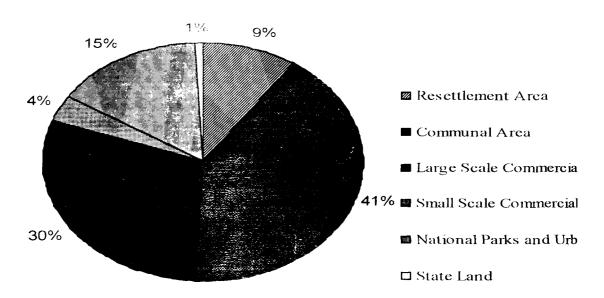


Figure 1. Land distribution among farming sectors as at June 2000

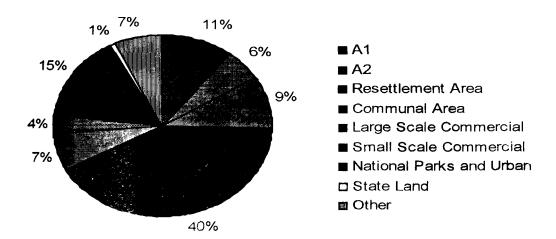


Figure 2. Land distribution among farming sectors as at June 2003

* Other refers to land that has been acquired for resettlement under models A1 and A2 but has not been taken up by the beneficiaries.

The land reform program has led to considerable transformation of the landscape of land ownership patterns in the country. The LSC farmers owned 30 percent of the land area prior to the reform program, but only occupied 6 percent after the program implementation. The program did not change the percentage of land occupied by the communal area farmers, old resettlement farmers and small scale commercial farmers. The A1 farmers, set in similar manner as communal area farmers, now occupy 11 percent, while A2 farmers occupy 6 percent of the land area. There is potential of this proportion of land occupied by A1 and A2 model farms to increase as seven percent of the total land area acquired for purposes of resettlement has not been taken up by the potential beneficiaries allocated the plots. This emerging scenario means that the ability of Zimbabwe to improve the contribution of agriculture to the country's Gross Domestic Product (GDP) lies on the ability of the A1 and A2 farmers maintaining the productivity of land to levels achieved before the land reform or even improving upon the levels previously attained by the LSC farmers.

Machinery and Equipment

LSC farms were highly mechanised with tractors, combine harvesters, and other equipment. Upon eviction, LSC farmers moved most of the working equipment away from the farms. Most of the movable equipment was moved to auction floors or taken in for storage. Some of the machinery has been place on sale. However the low capital base of the new farmers means that only a few can acquire the machinery immediately. Of necessity, the equipment will lie idle for a considerable length of time, unless they are brought into use through some directive from government.

In an effort to ensure that all farm machinery in the country was used productively and to address the critical shortage of farming equipment on the new farms, government passed a law to the effect that all working equipment had to be brought into use. The same law allowed the prosecution of the owners of such idle equipment if they failed to make any of the equipment available to potential buyers. The impact of the law on the availability of tractors for tillage and other critical operations will only be determined at the end of 2003/04 agricultural season. However, that chances of the law succeeding are already limited as the CFU, representing the interests of the evicted farmers has indicated its intention to challenge the law. CFU argues that the law infringes on the basic rights of its members.

In addition to efforts to bring the equipment that was previous on the acquired farms back into use by the new farmers, other efforts to acquire additional equipment are needed and some are being worked out.

Impact on Commercial Agriculture

As noted above, LSC farmers contributed significantly to the GDP of Zimbabwe. Table 1 shows the contribution of LSC farmers to the production of selected crops. The table shows that LSC farms were dominant in soybeans and tobacco production. They also contributed 40 percent of the maize produced in the country. Since the maize produced in the communal areas is meant for subsistence consumption, the proportion that LSC farmers contributed to marketed maize was more than their contribution to aggregate national production. Table 2 shows that area, production and yields levels achieved in the various farming sectors between 1999 and 2001.

Table 1. Proportion of maize production that the LSC farms produced

Crop	Percentage contribution
Maize	40
Soybeans	96
Cotton	20
Tobacco	96

Source: Utete, 2003

In assessing the impact of the land reform program on commercial agriculture, a common understanding of commercial agriculture is needed. Broadly, commercial agriculture is the agriculture conducted not for satisfying subsistence requirements, but for generating maximum profit. Since A1 model farmers were modelled on the communal area setting, it can be assumed that the A1 farmers will first and foremost be producing to satisfy their subsistence requirements, as is characteristic of communal area farmers. A2 farmers, with their varying farm sizes, are supposed to be commercial farmers. Therefore, commercial agriculture after the land reform program, refers to farming by the LSC farmers remaining in the farms and the A2 farmers.

Considering that A2 farmers and the LSC farmers now occupy a combined 12 percent of the land, compared to the 30 percent that the LSC farmers occupied before the onset of the land reform program, an optimistic projection would indicate that commercial agricultural production would decrease by at least 60 percent. However, factoring in the resource constraints that A2 farmers face, in the short to medium term, their productivity levels can be expected to be 50 percent of that of the LSC farmers they displaced. This would increase the projected reduction in commercial agricultural production to 70 percent. However, it should not be interpreted that agricultural production in Zimbabwe will decline by 70 percent. This is far from it, as the A1 farmers, occupying 11 percent of the land, with a possibility of increasing to 18 percent, will be expected to fill the gap that the departure of the LSC farmers would have created.

Given that the exported commodities, these commodities were largely produced by the LSCF, except for cotton, their production was vulnerable to the implementation of the fast track land reform program through its disruption of commercial agriculture. New farmers, some with very little farming know-how and limited resources, took over the farms. These factors also contribute to further losses in commercial agricultural production.

Production Potential of the New Farmers

Maize falls into the food crops category and its production area is likely to be increased. The major hurdle is that of low yields. Communal area farmers were achieving yields of 800 kilograms per hectare compared to 4,000 kilograms per hectare that the LSC farmers were achieving. Therefore assuming that the large scale farmers will remain producing maize on 20 percent former LSC farming areas and 80 percent is planted by the A1 and A2 farmers. If the yield achieved by the A1 and A2 farmers is estimated at 1,000 kilograms per hectare, total maize production would decrease by 25 percent. Given the low yield level they are anticipated to realise, maintain the production levels that used to be produced on the acquired LSC farm, A1 and A2 farmers would need to plant three hundred percent of the land that the LSC they replaced used to plant to maize. The second option is for the new farmers to realise maize yields of 3,000 kilograms per hectare. Both options are no easy tasks. From this analysis it can be envisaged that there will be a shortfall maize production in the country.

In Zimbabwe, winter wheat is grown under irrigation. The land reform program adversely affected wheat production in a variety of ways. First, some of the irrigation infrastructure is no longer functional and needs to be rehabilitated. A total of 200,000 ha of irrigation land has been developed out of a total potential of 550,000 ha irrigable land. Currently 120,000 ha are functional. Therefore, 80,000 ha need rehabilitation, i.e., 40 percent of the irrigated land. Some 30 percent of the irrigated land now is in A1, A2 and the indigenous large scale commercial farms. Once all the potentially irrigable land has been developed, the country will have great potential for improving wheat production. In the immediate term, if all irrigable land was to be planted to winter wheat, it can be assumed that its production will decrease by at least 40 percent. Further reductions can be anticipated to emanate from low yields resulting from the limited know-how that the new farmers have.

Tobacco and cotton are export crops that generate desperately needed foreign currency. Tobacco requires specialised knowledge to produce it and new farmers might not rush into its production. However, experience has shown that, with price adequate incentives, the indigenous farmers are willing to produce tobacco. Again, as shown in Table 2, their major limitation has been the low yields they realise per unit area. Whereas LSC farmers were realising yields above 2,500 kilograms per hectare, communal area and resettled farmers were achieving yields below 900 kilograms per hectare. There is a shortfall of 1600 kilograms per hectare in the amount of tobacco produced by the new farmers. Therefore, there is potential of tobacco production surpassing the level achieved before the fast track program required 300 percent increase in the area that LSC farmers used to plant to tobacco on the acquired farms. However the increase in production will not be instantaneous as farmers will have to go through a learning curve. Indeed, as expected, tobacco production declined, mostly because of reduction in the area planted to the crop due to the lack of knowledge on the part of the new farmers. Eventually, the new tobacco farmers will increase the area under the crop. In addition, as the benefits from agricultural extension begin to bear fruit, the yields will increase and more tobacco will be produced.

The dominance of the smallholder farming sector in cotton production would suggest that there would be minimal disruption its output levels as a result of the land reform program. Prior the fast track land reform program, the smallholder farmers produced more than 80 percent of the seed cotton. Therefore, everything else being equal, the total cotton crop should be at least 80 percent of the production before the land reform. If the new farmers take-up cotton production, the pre-land reform production levels are likely to be exceeded. Indeed, 2001 production estimates suggest that, overall, production increased by 16 percent, even though there had been a three percent reduction in production in the commercial farming areas. The smallholder farmers had low resource levels and are a heavily reliant on external funding sources for producing cotton. Such funding bottlenecks, which might be unrelated to the land reform program, can result in significant reductions in cotton production levels. Indeed, a variety of teething problems seem to be creeping into the agricultural sector, and these have had a negative impact of cotton production. Due to shortage of funding 250,000 tonnes were produced in the 2002/03 season, representing 50 percent of previous levels.

Soya beans is another crop where the LSC farmers were producing 96 percent of the crop prior to the land reform program. While LSC farmers realised yields of about 2,400 kilograms per hectare, they highest yield that resettled farmers achieved was only 1,200 kilograms per hectare while communal area farmers were realising 1,000 kilograms per hectare. To at least maintain soybeans production to pre- land reform program levels, new farmers would need to double the area that LSC farmers used to plant to soybeans on the acquired farms. New farmers need the knowledge to be able to increase their yields to levels that LSC farmers achieved. They area require harvesting machinery to reduce yield losses before harvesting and irrigation to supplement the crop during mid-season droughts.

It has been recommended land on which enterprises that require considerable investment, e.g., seed producing farms, dairy farms, plantations and estates, should not be compulsorily acquired. It has been reported that 185 farmers, which were

mainly in the dairy industry, were delisted in Mash East alone in pursuit of the stated objective. This recommendation was based on the need to maintain production levels of such commodities and also to ensure that the huge investments on these farmers recoup their costs. If this policy is adhered to, it would imply that the land reform program could be achieved with little disruption in the production levels of such critical commodities.

A multiplicity of factors has a bearing on agricultural performance so that it is difficult to conclusively determine the immediate effect of the land reform program on agricultural production. Of note is the unstable macro-economic and adverse weather conditions that prevailed during the 2002/2003 agricultural season. The season was not favourable as the country experienced drought in most areas leading to depressed production. The government had also not mobilised adequate financial and other resources required for effective use of the land. This tended to exaggerate the negative effects of the land reform program.

General indications are that there was appreciable production performance especially in the A1 model farms. These farmers largely depend on their own draft power and thus could start farming soon after being allocated the plots, unlike the A2 farmers who require traction power which has to be hired. A1 model farm beneficiaries made full use of the land allocated to them. The productivity of the new farmers could be improved through timely provision of adequate tillage services and agricultural inputs and farming know-how. In 2003-04 inputs were in short supply and unaffordable, which might depress production levels in this season.

Policy Options for Reviving the Agricultural Sector

A number of policies and instruments need to be put in place for the new farmers to contribute to agriculture, e.g., policies with respect to land tenure, institutional setting, human capacity and skills development, human capacity and skills development, markets for agricultural products, irrigation, agricultural inputs and financial services.

Land Tenure

Regarding land tenure, the leases or other forms of legal title for the beneficiaries of the A2 model requires clarification. With secure title, farmers will have an incentive to invest on their farms and to use the farms productively. Some of the farms had no infrastructure when they were sub-divided and require infrastructure to be developed, i.e., living quarters, roads, conservation works. Security of tenure will instil confidence in the farmers to invest. Secure tenure is more critical for the A2 farmers who have individual units and can not depend on communal security. The type of tenure will also determine farmers' accessibility to finances. However, there is need to guard against the buying out of land from the poor farmers by the rich.

Institutional Framework and Agricultural Markets

A well structured institutional framework that will allow the growth of agriculture under the new realities is needed. As noted above, without a proper financial institution, cotton production decreased by 50 percent when this could have been avoided with a financial institution positioned to serve the farmers. Loans will be required both for short and long term financial needs. Long term finance is required for capitalisation and land improvement where farmers were given plots on virgin land. The private sector has been active in the provision of short-term credit. They should be encouraged and be given the space to continue doing so. The Zimbabwe government set up the Land Bank, taking over from AFC's functions. Given adequate resources, the Land Bank will be able to fulfil the demand of the agrarian The success derived from the Land Bank will depend on its level of capitalisation, the ease with which the new farmers, who do not have collateral, will be able to acquire finance. An Agricultural Marketing Council has been suggested to oversee the marketing functions. It should be pointed out that the council will be useful is it serves to stimulate the marketing environment by, among other things, promoting competition in the market. The Irrigation, Engineering and Agricultural Mechanisation Department in the Ministry of Lands, Agriculture and Rural Resettlement could promote irrigation development, rehabilitate the non-functional units and design new irrigation projects to ensure maximum use of the irrigation potential in the country.

Farmers' access to well functioning and integrated markets is going present the right incentives for them to produce for the market. Efficient markets require good infrastructure, e.g., roads and storage facilities. Parastatals will have a function to perform when the marketing system if being developed. However the parastatals should be allowed to compete with private agencies to increase vibrancy in the market and in the process, reward high prices to farmers.

Human Capacity and Skills Development

Development of the farming skills of the farmers is one of the major challenges of the land reform program. The raising of the yield levels that new farmers realise should be a deliberate policy of the government. New farmers will require know-how to enable them to put resources to good use. Most of the farmers in A2 were not farming before acquiring their farms therefore would need to be educated on how to grow the crops that are suitable for their agro-ecological regions. To improve the production of the A1 farmers who might have been engaged in farming, effective extension is required. Table 2 shows the yield deficits of the communal area farmers from that of LSC farmers. While current models for providing extension in the communal areas might work where farmers are settled in villages, the challenge will be in designing effective extension mechanisms for A1 and A2 farmers who may not be settled in villages. The second challenge will be to equip the extension workers, recently recruited for the purpose of serving the new farmers, with the knowledge necessary for meeting the diverse agricultural activities that the new farmers are set to engage in.

In addition to the strengthening the extension delivery system, research and development support extension efforts. New and appropriate crop and livestock varieties should be generated through research. The new technologies should then be transferred and adapted through extension, training and on-farm demonstrations. The government should take advantage of the existence of various institutions that can conduct research in the country. These institutions should compete for research funding through a stakeholder-controlled Agricultural Research Fund.

Agricultural Mechanisation

With the anticipated increase in labour costs and declining availability of skilled and semi-skilled labour on many new farms, also due to the effects of HIV/AIDS, farmers will need to gear themselves to substituting labour with mechanisation and to using labour-saving technologies. In the short to medium term, mechanisms for providing machinery for land preparation and for harvesting are going to be important. District Development Fund (DDF), which has hitherto provided tillage to smallholder farmers at a cost, needs to be recapitalised to meet the immense tillage requirements. Its pool of combine harvesters should also be strengthened. Wheat yields have been lost when harvesting of the crop has been delayed due to the unavailability of combine harvesters. Farmers are also discouraged from growing soybeans due to the high labour requirements. Nevertheless, the private sector should be given room for participating in the business of providing machinery and equipment for hire.

Irrigation

Zimbabwe is vulnerable to droughts and grows winter crops, both of which necessitate the development of irrigation. As mentioned above, 40 percent of the developed irrigation is not working and need rehabilitation. There is also potential to develop 350,000 hectares of irrigation. The government has established the Irrigation Support Fund for providing finance to rehabilitate irrigation. The potential to rehabilitate irrigated land has been compromised by the manner in which the new farms have been parcelled out. In most cases sub-divisions were done without taking cognisance to the existing infrastructure. Single irrigation entities were often allocated to many owners. Therefore, the new tenants would need to put new equipment for the new plots.

Besides bringing additional land under irrigation, there will also be need to impart know-how to plot owners on irrigation use and thus increase productivity. This has to be accompanied by training of extension specialists.

Agricultural Inputs and Financial Services

After being given land, new farmers will require inputs such as seeds, machinery, and fertilisers and agro-chemicals to enable them to utilise the land. They will also require appropriate equipment. The shortage of agricultural inputs has been one of the bottlenecks to the success of the land reform exercise. Measures to ensure a competitive environment in input provision would ensure that inputs are availed at reasonable prices. The government has mandated the GMB to supply some agricultural inputs such as fertilisers and seeds, at least the short term. Input provision is not the core business of the GMB and, in the long run, could be a source

of frustration for the private sector. Room should be created for private sector participation in this market. A stable macro-economic environment will partly act as a stimulant to the participation of the private sector.

Machinery has been moved off the farmers. Most of the farms have no machinery as the new owners do not have finance for purchasing the equipment. The government has positioned District Development Fund (DDF) as the provider of tillage services in the country. DDF has 76 tractors, of which 45 percent are normally working. This fleet is grossly inadequate for the county's traction requirements, especially with the entrance of new farmers. It is estimated that 40,000 tractors would be required for DDF to meet its obligations. This should be accompanied by an improvement of the productivity of each unit. Currently DDF tractors plough 2 hectares per day. The capacity of DDF could be increased to 5 hectares per day by reducing the time spent travelling to and from the depot. The participation of the private sector could also augment DDF efforts.

Seed and fertilisers have been in short supply due to increased demand, on one hand, and lack of incentives on the part of suppliers due to the controlled pricing policy, on the other. Shortage of foreign currency has also resulted in limited importation of ingredients required for the manufacture of some inputs.

Production can be stimulated by letting the private sector participate and stimulating competition in the industry so as to stimulate investment by new farmers. In the short term, new farmers will require a stable market. This necessitates the continued existence and active participation of GMB in the market, at least, until farmers become familiar with the marketing system.

Conclusion

The fast track land reform program has seen the replacement of white commercial farms with smaller and more numerous units of A1 and A2 farms. The LSF have largely remained within the country, however some have moved or continue to move to other countries. The farmers took away their movable assets from the farms so that the new farmers have to buy their own machinery and equipment.

Naturally, agricultural production was disrupted by the reform program. In the short term, agricultural production is going to decrease as yield will be low and some land will lie idle as resources are mobilised to improve production. In the medium to long term, the land reform program is capable of increasing agricultural production to level above the pre-land reform levels. In the long run, the economy could also be transformed from being a CARL to being a developed country. However, several measures will need to be taken to ensure that the desired effect of the reform program is achieved.

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