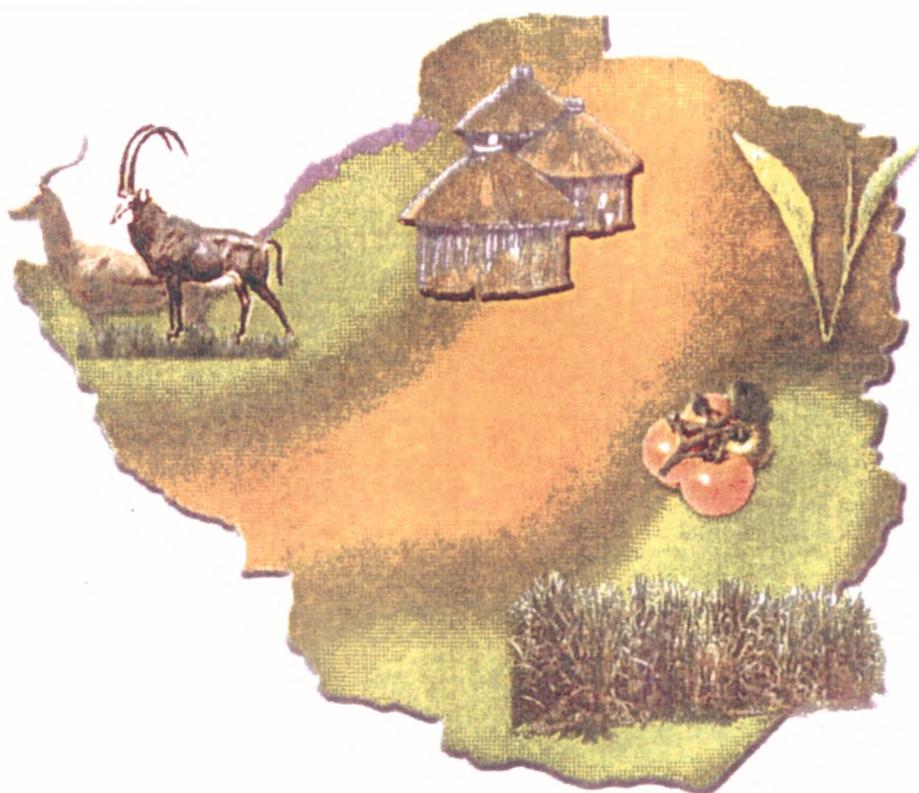


# **New Agrarian Contracts in Zimbabwe**

## **Innovations in Production and Leisure**

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## Preface

Zimbabwe's longstanding partition between commercial land, communal land, and natural areas is fast collapsing. As a consequence new forms of agrarian production and trade are emerging, chiefly, out-grower schemes, share-cropping, community-based tourism, and small-scale game conservancies. This volume explores the social dimensions of these arrangements and, in particular, the ways in which they represent contracts between stronger and weaker parties. To what extent do those contracts exploit weaker parties, such as, out-growers? To what extent do they confer economic security on those same parties? Finally, how do these contracts – in the midst of economic crisis – reshape development, conservation, and land-use writ-large in rural Zimbabwe? This volume includes all the papers presented at the workshop, as well as an one additional piece each by Joseph Mtisi and David McDermott Hughes.

## Table of Contents

Programme		page 2
Introduction	by David McDermott Hughes	3
Contact information for authors		6
1. <i>Resettlement and contract farming in Zimbabwe: the case of Mushandike,</i>	by Vupenyu Dzingirai	8
2. <i>Green harvest: the outgrower tea leaf collection system in the Honde Valley, Zimbabwe</i>	by Joseph P. Mtisi	21
3. <i>Unequal exchange: pricing of communal tea outgrowers' green leaf in the Honde Valley, Zimbabwe,</i>	by Joseph P. Mtisi	39
4. <i>Making and/or breaking bonds: aspects of contract sugar schemes and land reform in Zimbabwe,</i>	by Edmore Mufema	59
5. <i>"Rural Landlords, rural tenants and the sharecropping complex in Gokwe, Northwestern Zimbabwe, 1980s- 2000,"</i>	by Pius Nyambara	73
6. <i>Rezoned for business: how ecotourism unlocked black farmland in eastern Zimbabwe,</i>	by David McDermott Hughes	90
7. <i>When tourists cross boundaries and peasants don't: inequality and regional metaphors in the Great Limpopo Conservation Area,</i>	by David McDermott Hughes	114
8. <i>'Tame game, not wildest Africa!': small-scale game ranching in the context of land reform in Zimbabwe,</i>	by Eira Kramer	136
Rapporteur's report	by Edmore Mufema	156

# Resettlement and Contract farming in Zimbabwe: the Case of Mushandike

by

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## **Introduction**

Until the introduction of the structural adjustment programme, post independent smallholder agriculture in Zimbabwe's resettlement schemes was dominated by the state (Bratton, 1994). Inspired by the experiences of the socialist countries which had played a key role in the predominantly land based liberation struggle, the state played, for most resettlement schemes, the role of manager, deciding how, when and what was to be grown (Mumbengegwi, 1987). The state could afford to do this because it was the source for all inputs, from seeds fertilizers, pesticides and herbicides. This high-handed managerial role was complemented by another sophisticated one: control of marketing. Eager to get as much as possible from the peasants and doubting the ability of peasants to conduct marketing, the state cast itself as the only purchaser of resettlement produce. To capture grain from peasants as well as reduce wastages, the state installed, as everywhere in Africa, marketing depots, filling up these with state functionaries (Bates, 1981; Berry, 1984; Scott, 1998). For various reasons including those relating to the collapse of socialism, the state's dominant role in resettlement agriculture has, now, been dismantled and from its ruins has emerged a new regime based on partnership with private business. With inputs in hand and assured markets for every crop sown under contract, private business promises a lighter yoke to the smallholder. While these partnerships now mark the landscape and continue to multiply with each new resettlement scheme, there is very little research problematising them. Even though there is a rich corpus of knowledge about contract farming elsewhere (Watts and Little, 1994; Barnett, 1984), we still do not know how these contracts are framed. There remains an agenda to unravel how these contracts are formed as well as to illuminate their nature. Could it be that these contracts are ambiguous on obligations of buyers and clear on obligations of growers? And what has been the impact of these contracts on the growers? These are pertinent questions as those touching on the significance of these contracts on the Zimbabwe's unfolding resettlement and land reform programme.

This paper represents an attempt to understand these new relationships in the context of land resettlement in Zimbabwe. In particular, I seek to understand how these agrarian contracts are framed, and what this framing means for smallholders. But I also seek to understand whether contract farming can complement and enrich the ongoing land reform and resettlement programme, which has tended to be mechanistic and state driven. My conclusion is that in spite

of the rhetoric, contract farming emerges as a mechanism to reorient smallholder agriculture in ways that answers to the needs of private business. The politics of ambiguity and clarity in agrarian contracts and the increased surveillance through placement of local level agents constitute the strategic instruments for this reorientation of agriculture. The attempt to interlock smallholder agriculture with industrial needs and operations in turn generates bitterness among smallholders who remain in the partnership for theft and other alternative legalities that side-marketing, etc, and for lack of viable alternatives. The condition where smallholders become tied to private business] arises and persists in part because there lacks a mechanism to restrain private business in ways that simultaneously protect smallholder interests or at the very least. The utility of contract farming as a vehicle for improving smallholder agriculture even in the new resettlement schemes of Zimbabwe will depend on the degree to which farmers reorganize to become a force to engage private business. The material for the paper comes from Mushandike, a planned resettlement scheme where Cannors, a big agri-business concern, is enticing unorganized people into amorphous contracts for perishable products and non perishable crops [beans and tomatoes] from which it is easy to make a case for the company but predictably difficult to make peasant claims or restitution from it.

### **Mushandike Resettlement: A short Background**

Mushandike is a planned resettlement scheme in Masvingo, a semi arid province that has been the focus of state-initiated agricultural development seeking to modernize smallholder agriculture. Its members randomly selected [by lots] and, as private business wishing to control smallholders through community control would painfully discover, scarcely share common backgrounds. The smallholders who number 445 households (for the entire scheme, but 49 for the study village) come from the surrounding densely populated hilly districts constituting the province. These districts or reserves, into which Africans were colonially concentrated and protected (Arrighi and Saul, 1973; Hughes, 2001), include Chivi, Masvingo, Nyajena and Mapanzure.

From its inception, Mushandike represented a nationalist project in which farmers existed for the state. The new settlers were mandated to industriously produce commodities for the good of country and to justify the war of liberation, whose bloody battlefields included the hills and valleys of Mushandike<sup>1</sup>. Each farmer had 1,5 hectare plots, each located in one of the three blocks devoted to a particular crop determined by the state. The seeds [for cotton, maize and wheat] fertilizers, pesticides, water were all advanced by the state, which recovered the costs through a stop order system. This arrangement ensured not only that settlers produced but also that they did so in ways that met the requirements of the state. Paradoxically, many settlers did not mind being state-laborers. Their contention was that they were not remunerated well even as laborers. In Mushandike, the state, through its various marketing arms which included the Cotton Marketing Board [now Cotton Company of Zimbabwe] and Grain Marketing Board bought smallholder produce at preset prices, and after deducting multiple costs (which included transport, levies, inputs) passed the balance (where applicable) to the producer. This irked peasants and, as I shall show in the paper later on, would be the source of friction even with those private companies displacing the state but inheriting its infrastructure.

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<sup>1</sup> Interview with Chief Charumbira, Mushandike, 25/7/2002.

Smallholders lived in numbered homesteads, which were slotted in lineal villages modeled after the colonial villigisation programme of the sixties (Drinkwater, 1989). This form of organisation, which was also mapped, enabled the state to pin point and access those individuals believed to be lazy, growing the wrong crop or investing in immovable property. Although not one settler had the permission to stay in the scheme revoked by the state, many, including those with prior claims to Mushandike, were aware that their chance of a peaceful sojourn depended on their being in step with the state. And if there is any reason the smallholders would welcome the private sector in the framework of contract farming, it is because they needed a break from the state's continuous precepts about resettlement tenure and tenuous conditions.

In Mushandike, as indeed in all other resettlement schemes, the state was never far away and invisible. It was represented by the department of Agriculture and Extension whose motorized staff, reduced risk through timely provision of technical advice (on diseases and pest control and coordinating marketing to the state) and also enforced the block system which devoted a single crop to all plots constituting a block. But it was the Resettlement Officer who epitomized the state, because on him rested the formal power to expel settlers from the scheme. Far from facilitating smallholder agriculture, these officers gave weight to nationalist objectives, ensuring that resettlement agriculture smoothly reflected its needs. And quite unpredictably, the same contingent of agrarian functionaries would in the 90s transfer their loyalty to private business, which displaced the state in smallholder agriculture. In Mushandike, state agricultural officers now welcome and mingle with contract farming managers from agribusiness firms.

If resettlement as a nationalist project was tolerable in the early formative years of resettlement when liberation war memories were still fresh, it became increasingly unacceptable to the new farmers wanting to accumulate personal wealth. As in other places where state control is pronounced, this lack of fit between what smallholders wanted and imagined about resettlement and what they practically realized ultimately generated discontent and rebellion even if this was of hidden nature (Hyden, 198; Hart, 1982; Scott, 1992). Thus at night, when visibility was difficult and when all the state officials were asleep and retired to their removed compound overlooking the scheme, or during those days when the functionaries were absent, perhaps attending to their family needs or participating in the many workshops on rural development held in the town of Masvingo, embittered farmers crossed, with their loaded and covered carts, the Tokwe River in the west to sell grain to the food deficient areas which include Chivi, Shurugwi and Charumbira<sup>2</sup>. Tenants also, transferred their labour and effort to dry-land farming within the scheme and secretly rented their plots to colleagues able to do farming without credit support from the state. In the village as many as a third of the tenants leased their land to the urban dwellers of Masvingo. It is also for this reason that some farmers reversed their settlement in favor of those places in the margins, including the Zambezi Valley, Gokwe and the Lowveld (Nyambara, 2001; Dzingirai, 1999; 1994). If there is anything smallholders learnt from this form of collectivization, it is knowing that champions of development including the state,

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<sup>2</sup> Residents of Chivi and Shurugwi confirmed these clandestine sales of grain which emerged in the 1980s (Dzingirai, 1992). I also recall, as a young man, my own parents dealing, in the 1980s, with these sellers who by the break of day would have crossed the Tokwe River to do business with Chivi people located 20km from the scheme.

can after all be beaten and cheated, if only victims can be brave, risky and smart<sup>3</sup>. It is a lesson that the producers would, in order to survive, reluctantly applied in the framework of new private sector-driven agrarian contracts.

Partly because of the shift to market economy, the state has partially withdrawn from Mushandike and other schemes and has been superceded by agri-business firms which traditionally preferred working with big commercial farmers. The firms would rather they did business within the framework of contract farming. This urban-based contingent desiring to work within this framework is varied and includes PANA, COTTCO, GMB and, Cannery, the subject of this paper.

A huge vegetable processing company which has been working with Mushandike growers since 1998, Cannery is located in the hilly town of Mutare, some 300km from the low-lying smallholder resettlement. For the company, Mushandike constitutes an agrarian frontier into which it is only expanding from other schemes and commercial farms bordering Mutare. The vision which the company has is of a landscape of contracts, one in which every small producer is networked to the company as its predictable producer. As the section below suggests, this is a vision, which can only be realised through a careful manipulation of symbols. In the section below, I discuss how the company presents contract farming.

### **Cannery and contract farming**

Although the company constantly refers to the need for their formalisation and regularisation, Mushandike agrarian contracts are oral and verbal. Smallholders are promptly proffered starter packs (seeds, chemicals and fertilizers) by their company and their acceptance constitutes an indelible signature to the contract, locally known as *jendiremeni kondirakiti*<sup>4</sup>. These contracts are not memorialized or witnessed, nor are they accompanied with ritual formalizing them. This orality and simplicity is not an oversight on those who imagine and give form to the contracts. As I shall point in the essay, this constitutes a strategy to maximize company claims on the smallholders while reducing those of the smallholder: any formal and clear contract would provide a basis for smallholders to claim for redress and restitution, and this is what the company is anxious to avoid.

Like many other private companies that have targeted Mushandike and desperate to win smallholders, Cannery depoliticises contract farming by casting it as a gift<sup>5</sup>. The company says it provides the gift of contract because it is friendly to smallholders. As a friend it feels naturally obliged to extend its hand to another friend<sup>6</sup>. In some instances, the company cites contract farming as a gift intended to prepare for a great and fruitful relationship<sup>7</sup>. Presented in this way, contract farming is only important not for what it is but for what it makes or might make

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<sup>3</sup> Interview with Mr. D. Umbe, Mushandike, 22/7/2002. Through the essay, I have used false names for informants, in part to protect them from the state and the private companies with whom they do business.

<sup>4</sup> Corruption for 'gentleman contract'.

<sup>5</sup> 'Chipo chatinokupai' - Mr. Gavhu's field day address to smallholders, 17/6/2002

<sup>6</sup> 'Inwi muri hama dzedu, ndizvo tichikupai zvose izvi' Mr. Gavhu's address to smallholders, Mushandike, 17/6/2002.

<sup>7</sup> 'Izvi zvaitinoita kutsvaga ukama' - Mr. Gavhu's address to farmers, Mushandike, 17/6/2002

possible. Finally Cannery says it invites smallholders into contract farming to strengthen its relationship with smallholders<sup>8</sup>. It says that this invitation is the only meaningful, if not the only available, way the company can cement its old relationship with smallholders.

Whether presented as arising out of friendship, as an indicator of solidarity or as a mechanism to strengthen a relationship, the gift is always presented as making a difference in the recipient's life. The company claims that contract farming uplifts smallholders through a systematic modernization of agriculture. Contract farming, and even the most skeptical of smallholders would undoubtedly nod to this assertion, lays at the door of the farm, seeds, fertilizers, chemicals, and the ready market, in short all the essentials for commercialization of agriculture (Dzingirai, 1992). For the company this transfer of technology is not only important in assuring productivity but also in improving the dignity of the sector and the smallholder battered by years of colonial strangulation<sup>9</sup>. In Mushandike especially, this political element is obviously intended to resonate with smallholders who although no longer colonial subjects are still its victims. Thus from this perspective contract farming is not simply a gift but a dynamising one.

As I will show in the section below, contract farming is far more complicated than gifts, because it links smallholders to exploitative and uncontrollable markets. This simplified presentation of contract farming is intended to hide its exploitative nature. As I have indicated above, Mushandikeans are emerging from a protracted and bitter encounter with the state, and any outsider wishing to coerce or endear them must rely on effective strategies, including the use of metaphors and language. The presentation of contract farming in these terms allow for Cannery to reach an otherwise uncaptured or unreceptive smallholder peasantry. That the contracts are illusory becomes clear when one examines the nature of these contracts and how they serve to control smallholders.

### **The nature of contract**

#### **(i) The politics of ambiguity**

That the contracts are not intended to benefit smallholders is evident in the manner in which they are formulated. While acknowledging the inevitability of risk in growing perishable crops, the contracts are vague, if not silent about what the role of the company should be in the event of such problems arising. Thus the contracts do not commit the company to compensate the farmer when a proffered crop variety crushes under severe or unfamiliar weather conditions as the case below suggests.

In 1999 Cannery provided, for the first time, farmers with a new bean variety, Michigan. The crop did well, which was expected because the company eagerly provided fertilizers and extension services and admonished smallholders to irrigate the crop liberally for maximum results. Trouble started when the crop was near to maturity and when it seemed that the smallholders would be cash in from the crop. A two-day down pour of rain destroyed the entire crop. The loss was enormous, as one smallholder noted.

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<sup>8</sup> 'Urwu rubatsiro nderwekusimbaradza ukama'. Mushandike, 17/6/2002.

<sup>9</sup> Mr. Gavhu's address to smallholders, Mushandike, 17/6/2002.

*We were disappointed, because I did not get anything from my half-hectare crop. This is why I no longer want to grow beans for Cannors*<sup>10</sup>.

For a long time after the deed, the company did not show up in the field, a very serious error for smallholders used to some sort of comfort and assurance after an agricultural disaster. But while they could bear this neglect and in some sense expected it, they could not understand why the company continued to demand for the repayment of the inputs used for an inappropriate variety it introduced<sup>11</sup>.

In addition to making growers bear the risk of weather, the contracts do not oblige the company to compensate farmers whose produce perish while awaiting expected collection. This is quite clear from the 2000 case when smallholders lost tones of tomatoes while awaiting collection by the company. The incident, so deeply ingrained in social memory because it had no precedence and because each smallholder witnessed the daily rotting of tomatoes that had been staked at the homestead, caused huge financial losses on the part of the capital deficient farmers who had locally borrowed cash to cover both the monthly cost of water and labour. When it became clear that the company would not come, it was already too late and the market was already glutted<sup>12</sup>. During this difficult time in which five households secretly abandoned the scheme in favour of communal lands, farmers sold tomatoes below cost and when this failed, resorted to throwing the produce away. Despite the loss, the company refused to compensate farmers, only promising them better response next time<sup>13</sup>.

Moreover, the contracts are vague on the mode of payment. That is, the contracts are silent about where and when farmers receive their payment. Thus when they grew the tomatoes for the company in 1999, growers were not told when they would be paid, how they would be paid and when. Unsure about when they would be paid and where, growers have had to travel to the company depot, only to be told that the payment had not been processed. In one case, the growers' representative was told the money would be posted. In another case, the representative was told the Cairns would bring the check to the growers. While the practice is unjust because growers cannot make concrete plans, it protects the company, allowing it to process the payment of farmers at its own convenience.

Finally, the contracts do not make it the responsibility of the contract to pay for any commodities affected while within its custody. In 2000, smallholders whose tomatoes were fortunate to be collected by the company could not be paid because the tomatoes were said to be bad. Affected smallholders insist that the tomatoes were good at the time of collection, a point that would explain why the company agreed to collect them in the first place. If tomatoes were later rejected, it is because they later became so while under company care. The company however faulted farmers and refused to pay for the loss, an action that has led some farmers to demand a formal apology<sup>14</sup>.

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<sup>10</sup> Interview with Mr. Tunhira, Mushandike,

<sup>11</sup> Interview with Mr. Chapfuka, Mushandike, 30/6/2002

<sup>12</sup> Interview with Mr. VeVezera, Mushandike, 30/6/2002

<sup>13</sup> Address by Gavhu to farmers, Mushandike, 26/7/2002

<sup>14</sup> Interview with Mr. VeVezera, Mushandike, 16/6/2002.

Especially because doing so would entails loses on its part, the company has, rather predictably, refused to either correct the contracts. Smallholders have debated about instituting legal action against the company, but the realization that their agreements are vague and loose to make a strong case has prevented them from following this route. The matter is also complicated by the view, steeped in Mushandikeans social memory, that the legal system is intended to protect the educated and not the smallholder. And so it is that the smallholders remain locked in ambiguous contracts whose objective it is minimize their gains.

#### **(ii) The politics of clarity**

While they are deliberately ambiguous in order to reduce risk and loss on the part of Cannerys, the contracts are strategically clear on what the company demands and expects of the smallholders. These demands, which are constantly amplified and clarified at field days and other well-publicized village meetings, include that farmers must grow the crop variety offered by the company and not just any or from any one. They must also grow it according to standard, one that is set by the company<sup>15</sup>. Among others things this means that they plant the crop on specified date, use the required fertilizers, monitor the crops for pests and diseases and water liberally, harvest the crop on a due date, grade it and package it. In addition to ensuring that smallholders remain bound to the company, these demands ensure that the company timeously extracts a good product from the growers.

The fourth requirement is double-barreled because smallholders must sell crops only to Cannerys and not to what it morally terms as '*matsotsi*', (crooks) not because these traditionally cheat farmers of their crops but because they threaten contract farming, a gift binding the smallholder and the company. The company requires that the smallholders must accept the price it unilaterally sets. In 2002, the company set the prices of beans at \$175 per kg and \$20 per kg for tomatoes. While appearing good, the prices were half of what was offered on the parallel market. Even though the company has been quick to describe the prices it provide as just, because they are set through consultation with big commercial farmers and because the company is committed to smallholder agriculture<sup>16</sup>, smallholders rightfully find this demand unacceptable for two related reasons. First they hold that they are knowledgeable about costs of production, knowledge that is critical in determining any price. Secondly they hold that they make agriculture possible and therefore must be provided space and opportunity to input in pricing<sup>17</sup>. That the company has clung to its position and has not revised its requirements suggests that it considers these injunctions to be important in ensuring a predictable and cheap produce necessary for its own operations.

#### **Surveillance and control**

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<sup>15</sup> Interview with Mr. Tembani, Mutare, 12/7/2002

<sup>16</sup> Mr. Gavhu, Mushandike, 26/6/2002/

<sup>17</sup> Mr. Chivanda, 27/7/2002

Amplifying company position through meetings and demonstrations is not adequate to make the cunning and craft farmers comply with the contracts. As part of ensuring continued smallholder compliance, the company has developed a pervasive monitoring and control mechanism. The first form of control is internal and relies on social capital. Farmers are all organized in groups of which there is one in the village under study. Farmers are given inputs on condition that they persuade one another to honor their debts to the company or that they all market their produce to the company<sup>18</sup>. Since villagers must know and associate with each, the company hopes that they will use this intimate interaction to discipline each other in dealings with it. 'They expect us to be their ZRP'<sup>19</sup>. While it ensures the delivery of some produce to the company, this mechanism does not fully deliver full and desired results. This is mainly for two reasons. The first is that smallholders have gradually come to view Cannery as an enemy from which members should certainly shield one another<sup>20</sup>. The second reason is that smallholders while increasingly becoming a community with shared norms and beliefs, they are not as yet one. Unlike other resettlement areas where people migrate into as whole communities (Madzudzo, 1996), in Mushandike, smallholders share diverse backgrounds in part because they were drawn by lots and cast onto mapped villages. It is therefore difficult and sometimes dangerous for the groups to persuade each other to conform to a certain pattern. Farmer groups which represent Cannery and encourage smallholders to pay up their debts are often threatened with punishment by those who have been aggrieved by the company<sup>21</sup>. The dissatisfaction with social capital has shifted the company's position from one relying with internal forms of control to those that are externally reinforced.

The externally based form of control has taken the form of planting, within the midst of the resettlement scheme, '*munhu wavo*'<sup>22</sup>, or company agent reporting to the office in Mutare. The groundsman's role is cast as that of co-facilitating with AREX farming among farmers, teaching farmers to do proper farming and serving as a strategic link with the office<sup>23</sup>. In practice his function is mainly to reduce company risk. This he does by ensuring that farmers plant the right variety and on time, monitoring the health of the plants, alerting the company to take any remedial action of any diseases outbreak, which might affect crop production and delivery. But his most important function is preventing leakage of contracted products. This he does by policing and surveillance. With his red motorcycle, he crisscrosses the resettlement scheme, scanning the landscape for illegal marketers whose details are noted down in the computer. He surveys the crop and once it ripens, provides packing materials (sacks for beans and crates for tomatoes) and alerts the company to promptly dispatch a specified haulage truck to a specified location. All the time, he makes himself visible to the villagers, especially those whose crop is

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<sup>18</sup> Interview with Chivanda, Mushandike, 27/7/2002.

<sup>19</sup> Interview with Mr. Moyo, Mushandike, 27/7/2002. ZRP stands for the country's police, Zimbabwe Republic Police. The force is of course not very effective in controlling criminal behaviour, but the point of the informant is that Cannery is using local people to influence behaviour.

<sup>20</sup> Interview with Mr. Chidyamakono, 12/8/2002.

<sup>21</sup> Interview with Mr. Chivanda, 16/6/2002

<sup>22</sup> *Munhu wavo* does not simply describe another person. Rather it suggests a person who does not fit within the moral community of smallholders, one representing aliens while at the same time claiming to be part of it.

<sup>23</sup> In fact the company refers to him as '*mudumeni*', a corruption of demonstrator. Demonstrators used to be colonial agents for agricultural change.

ready, the point being to convey the notion that they are being watched for any possible mischief<sup>24</sup>.

Even though this appears quite exhaustive, the company is not altogether content with the results and is busy realigning its policy to keep farmers in control. In addition to the surveillance, the company also threatens the people with desertion. Thus it has been threatening smallholders with desertion should they continue to interrogate and contesting its marketing policy. Because smallholders do not mind about being deserted<sup>25</sup>, and because they sense the company to be desperate for cheap agricultural produce<sup>26</sup>, it is very likely that they will simply ignore the threats of desertion. Perhaps aware that this policy will not adequately work, the company is upgrading it to a more robust strategy organized around fear. I give two cases intimating this new direction. At a 2002 village meeting when farmers criticized the company for unilaterally fixing price and for treating farmers as small children, a Canners official threatened to auction the properties of defaulting smallholders, from chickens, donkeys, goats to cattle, a threat that was understood by smallholders who value and whose livelihoods depend on livestock. So worried were smallholders that they asked for the speaker to move to another matter on the agenda not involving auctions and attachments. At yet another meeting, the same official threatened to have jailed smallholders who contested the price set by the company and sold their produce to other lucrative markets. When it is considered jails are centers of extreme forms of violence, this threat, which is illegal because it is not based on law, constitute a very serious form of control especially to the vulnerable growers who understand it otherwise. I

### **Peasant views**

Before concluding this essay, it is useful to systematically document how peasants are viewing contract farming and how it is operationalised. Such a treatment will enable us to understand peasant behavior as well as enable us to chart the way forward for contract farming in the resettlement areas of Zimbabwe.

When it comes to contract farming, smallholders have an unresolved tension. On the one hand, contract farming has broken down the barriers and brought inputs closer to them as never before<sup>27</sup>. They now have access to fertilizers, seeds and most important of all, the technical know-how to grow these crops<sup>28</sup>, unlike their communal areas counterparts (Kinsey, 2000). For this, farmers are thankful, and indeed welcome private business. At the same time however, smallholders are upset by what contract farming is doing to them. They say that Canners buys their products for 'mahara', for nothing, and always according to a price they unilaterally set, a

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<sup>24</sup> The agent beliefs that if there is an reduction in side-marketing its because of me; 'I have locked these guys in by my visibility'. Interview with Tembani, Mutare, 12/7/2002.

<sup>25</sup> Interview with Mr.s. Simbi, Mushandike 2/6/2002.

<sup>26</sup> As one of the farmer noted, it is because Canners can't find cheap agricultural produce that it is coming to Mushandike.

<sup>27</sup> Interview with Mr. Dhubhe, Mushandike, 26/7/2002.

<sup>28</sup> Interview with Mr. Chapfuka, Mushandike, 13/6/2002.

situation that they claim has reduced them to being mere labourers for the company<sup>29</sup> or, as some say, to being impoverished slaves<sup>30</sup>.

Yet despite this corporate despotism, smallholders remain as partners to Canners. For the majority of such smallholders, this continued patronization of Canners is a function of poverty.

*I have many times thought of ending the contract, but poverty pushes one to work with crooks and robbers*

Among Mushandikeans, there is no doubt that this poverty arises not from laziness or fault of their own but rather from the perennial low prices offered by the company<sup>31</sup>. Indeed, it is this perception that leads them to regard Canners in criminal terms such as those used above. But how poverty actually causes continued relationship with Canners is not too clear; it seems however, that the condition prevents farmers from being self reliant in ways that enable them to raise their inputs or source appropriate markets. The situation is made worse by declining support from kinsmen, a trend that has been put in motion by the economic reform programme (Bouman, 1992). The second reason relates to the absence of viable alternatives as the remark by Mr. Mapingure suggests:

*The reason we continue to work with this despot Canners, is because there is no other contract to be signed.*

But there is a third reason explaining for the continued relationship between smallholders and the company. Smallholders say that the contracts allow them to grow beans and tomatoes which can be sold, consumed and even privately sold on the black market. As in other irrigation schemes, there is not even one single smallholder who does not confess to either side marketing or storing some of the contracted crops for their own use (Manzungu and van der Zaag, 1996). The town of Masvingo, the nearby business center, the adjacent drought stricken areas, the mobile indigenous businessmen – all those provide a ready or, as the smallholders say, a fast market for crops under contract<sup>32</sup>. The practice is so widespread that Canners estimate that it loses up to 50% of the crop to black market<sup>33</sup>. But having to prosper through theft, and having to undertake risk operations in order to be improving their welfare is an unbearable condition, one that smallholders are bitter about. Smallholders say it is undignified for them to have to conduct business in the darkness 'as if farming is criminal activity'<sup>34</sup>. That they reconcile themselves to this, and continue being parties to contract farming suggests their realization that they can accumulate and prosper resources mostly as thieves and criminals. But this is a hypothesis requiring further support.

## **Conclusion,**

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<sup>29</sup> Interview with Mr. Magevha, Mushandike, 28/7/2002.

<sup>30</sup> Interview with Mr. Mhitimi, Mushandike, 28/7/2002.

<sup>31</sup> Interview with Madasimbi, Mushandike, 26/6/2002.

<sup>32</sup> The term for fast markets is *kwekumanyisa*, a place where one quickly sells something.

<sup>33</sup> Interview with Mr. Tembani, Mutare, 12/8/2002.

<sup>34</sup> Interview with Vezera, Mushandike, 8/9/2001.

If there is anything major from this essay, it is that the new agrarian contracts have, as with the old state-peasant contracts, not introduced meaningful opportunities for Mushandike smallholders beyond improving access to inputs. The contracts, it seems, have done more to improve Cannery's control of smallholder agricultural production and to match the same production to its own industrial operation. This interlocking of agriculture to industrial operation has inevitably limited opportunities for the smallholder and the negative disposition to contract farming bears testimony to this. What does the case of Mushandike say about contract farming as a practice?

While it will be misleading to look at it as no more than an instrument to enslave smallholder agriculture, as a tool to extract as much as possible from smallholder agriculture with limited risks, contract farming is not apolitical and unproblematic as states and their new partners customarily represent them. As the case suggests, there are entrenched interests in the practice and it is these interests, which express themselves in the politics of ambiguity and clarity, one where the powerful strategically remain vague to reduce claims on them and correspondingly clarify contractual aspects to increase their claims on the smallholder. It is this politicisation of agrarian contracts, which engenders hostility of the smallholders, who however are disorganized and different to restrain Cannery. What does this all mean for resettlement, land reform in Zimbabwe? Can these agrarian contracts unlock opportunities for the newly resettled farmers, and in the process justify land reform and redistribution in Zimbabwe.

Resettlement farmers, especially because they are starting farmers will require some sort of partnership that makes possible the access to markets and inputs. In fact given the remoteness and inaccessibility of the new resettlement areas and the limited ability of government to remedy the situation, the degree to which these farmers will succeed will depend on their ability to mobilize these resources, and so some partnership with the private sector is not only desirable but also necessary. Simply unleashing private business on smallholder resettlement scheme does not automatically unlock the intended opportunities, in fact may make things worse, as the case study suggests too well. Part of the problem is that holders are small and are dealing with powerful and equipped partners whom they cannot restrain. The challenge therefore is to provide that capacity to smallholders and enable them to do business with the private sector on an equal basis. That means getting the different and individual farmers organized into associations, which protect collective interests. Experience elsewhere has demonstrated that community organizations work well when they in turn form alliances with other groups with similar interests, groups like trade unions, non governmental organizations, student movements, human rights groups, lawyers and academics. Perhaps by networking broadly beyond the field can smallholders tackle private business whose York has proved heavy. And perhaps it is such politics that will justify and edify land resettlement and land reform.

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