

ORIGINAL ARTICLE

Tobacco, contract farming, and agrarian change in Zimbabwe

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Abstract

The growth of smallholder tobacco production since 2000 has been one of the big stories of Zimbabwe's post-land reform experience. Yet the implications for agrarian change, and the consequences for new relations between farmers, the state, and agribusiness capital have rarely been discussed. The paper reports on work carried out in the Mvurwi area of Mazowe district in Zimbabwe with a sample of 220 A1 (smallholder) farmers and 100 former farmworkers resident in compounds on the same farms. By going beyond a focus on operational and business dimensions of contract farming, the paper concludes with reflections on the implications for understanding agrarian relations and social differentiation in those areas of Zimbabwe where tobacco growing is now significant, with lessons more broadly on the political economy of contract farming, and the integration of agribusiness capital following land reform.

KEYWORDS

contract farming, land reform, tobacco, Zimbabwe

1 | INTRODUCTION

Tobacco production has become central to patterns of accumulation by small-scale farmers in some new land reform areas in Zimbabwe, particularly in the wetter Highveld areas. This has occurred through engagement with agribusiness, including through contracting arrangements, as well as direct sales to companies and auction floors. The tobacco industry has been transformed following the radical land reform in 2000, with production now taking place among a far wider group of often small-scale farmers, resulting in new relations between farmers, labour, agribusiness capital, and the state. This paper examines the implications of this transformation, and asks who wins and who loses from this major reconfiguration of the agrarian landscape. Understanding these patterns of agrarian change, and the accommodations as well as conflicts with diverse forms of capital in the context of tobacco

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production, sheds important light on the post-land reform agrarian setting, offering hints of longer-term dynamics of social differentiation and class formation, as well as linkages between farming, capital, and the state in Zimbabwe.

More generally, the case offers an insight into agrarian transition following land redistribution, highlighting different paths of accumulation and differentiation. In his review of particular national and historical paths of agrarian transition, Byres (1991, 1996) argues that agrarian transitions to capitalism from below are possible if the state and an organized peasantry can challenge the power of capitalist, landlord classes. In South Africa, Neocosmos (1993) argued that a democratic state could facilitate “accumulation from below”, and others have made the case that this is occurring on the margins, although without significant support (Cousins, 2013). Mamdani (1987) explores paths of accumulation in Uganda, contrasting accumulation from below with accumulation from above. He shows that there is no clear separation between different paths of accumulation; indeed, the role of the state, including bureaucrats and political patronage networks, may be significant in influencing change, as well as on-farm production.

What role does contract farming and alliances with capital play in agrarian transitions? Contracting has been hailed as a “win-win” solution for small-scale farming in Africa (Glover, 1984; Kirsten & Sartorius, 2002; World Bank, 2007). Providing credit, inputs, extension support, and guaranteed markets, contracting arrangements with agribusiness companies potentially address many of the constraints of smallholder operations, offering opportunities for the emergence of petty commodity production and a dynamic of accumulation from below. As Oya (2012) points out, much of the literature on contract farming has focused on operational and business issues, and the particular design and consequences of contracts, often framed by the concerns of new institutional economics. There has been less analysis on the implications of new relations created by contract farming in outgrower arrangements, and the adoption of contracted crops more broadly, for patterns of agrarian transition. This paper builds on earlier work compiled by Little and Watts (1994) that emphasized the political economy of contract farming, and its diversity. Numerous case studies of contract farming across Africa have explored the consequences for smallholders—including, for example, in Kenya (Ochieng, 2010), Senegal (Maertens & Swinnen, 2009), and Ghana/Cote d'Ivoire (Daddieh, 1994). There is a huge diversity, dependent on the type of crop and its market destination, the structure of ownership and the relationship to buyers, the form of contracts, the extent of competition in the market, and the scale of operation (Oya, 2012). A key question is whether contract farming is a major driver of differentiation, and so offers a distinct route to accumulation and transition to rural capitalism, as suggested by de Janvry (1981) for Latin America, or whether contract farming largely benefits existing elites, while smallholders continue to struggle, as shown by White (1997) in Indonesia.

In Zimbabwe, contract farming has been promoted by the state and a wide range of agencies, and was the basis of a highly successful expansion of smallholder cotton farming from the 1980s, until price crashes and widespread side-selling in a privatized market undermined confidence (Poulton & Hanyani-Mlambo, 2009). Contracting of outgrowers, in a very different setting, is also central to the major sugar operations in Zimbabwe's south-east Lowveld, again highlighting differential patterns of accumulation by sugar producers on relatively small plots (Mlambo & Pangeti, 1996). With a few exceptions (e.g. Jackson & Cheater, 1994; Scoones, Mavedzenge, & Murimbarimba, 2016), studies of contract farming in Zimbabwe have not taken a wider agrarian political economy view. While the importance of tobacco production, and the role of contract farming, in the post-land reform era since 2000 has often been commented on (Moyo, 2014), a wider assessment of the implications of this phenomenon for interpreting the political economy of land reform outcomes has not been attempted. In Zimbabwe, multiple interpretations of post-land reform agrarian dynamics are evident. Moyo and Yeros (2005) argue that a revolutionary transformation occurred, led by a mobilized peasantry, although Moyo and Chambati (2013) also point to the importance of alliances with the state and across classes. Scoones (2015) highlights a contested process of both accumulation from above and below, and argues that this is playing out in different ways in different parts of the country. This paper explores this dynamic in one area in the Highveld, where land reform has been extensive, and where tobacco has come to dominate smallholder production.

Zimbabwe's controversial land reform of 2000 transferred over 10 million hectares of land to around 146,000 smallholder farm families (in so-called A1 resettlement areas) and 23,000 medium-scale farms (A2 resettlements) (Moyo, 2011, p. 146). It was an unprecedented shift in agrarian structure from one characterized by a dualistic system of around one million “communal” small-scale peasant farms and around 6,000 large-scale commercial farms. About 2,000 of these

large-scale farms grew tobacco and supplied the majority of the tobacco to the auction floors. Before 2000, tobacco production was around 200 million kilograms per annum, but this dropped dramatically after land reform, as these farms were taken over through sometimes violent invasions. From a low point of 48.7 million kilograms in 2008, tobacco production has rebounded dramatically, with 216 million kilograms selling at an average price of US\$3.17 being recorded in 2014 (TIMB, 2014). Zimbabwe is the fifth-largest producer of flue-cured Virginia tobacco in the world after China, Brazil, India, and the United States (USA), and the largest producer in Africa. Tobacco contributed about 11% to total gross domestic product (GDP) in 2014, valued at US\$685 million, with 106,456 registered growers, and almost 86,975 delivering to markets (TIMB, 2014), with around a third from Mashonaland Central Province (BDO, 2015). Most tobacco is produced by small- and medium-scale farmers, including many in the post-2000 resettlement areas. The new settlers on small-scale A1 farmers who are the focus of this paper have taken over the old large farm infrastructure, and employ workers still living in farm "compounds". These highly labour-intensive operations of small-scale, non-mechanized, flue-cured Virginia tobacco production are dependent on this workforce. Small-scale resettled farmers have managed to increase production dramatically, although questions of quality have emerged, as buyers have become more discerning.¹

This rebound has been facilitated by the presence of a wide range of contracting companies, including new entrants. The Chinese company Tian Ze, part of the state-owned China Tobacco Company, has been especially important (Lixia, Zhao, Mukwereza, & Xiaoyun, 2015). After 2000, a space opened up when Western nations imposed sanctions, and Chinese companies took advantage of this, gearing their businesses towards the new post-land reform context, with contracting arrangements across resettlement areas. Since then, many more players have entered the market, and other long-established players have re-engaged. The Tobacco Industry Marketing Board (TIMB) notes that there were 16 companies operating in the Zimbabwean market in 2015 (TIMB, 2015, p. iv). China dominates the global market for tobacco, with 44% of total global tobacco consumption of all types occurring in China (TMA, 2015, p. 51). China has been the largest export destination for Zimbabwe's tobacco at 43% in 2013, although declining to 35% in 2014 (TIMB, 2014). Tobacco producers globally are concerned that WHO health warnings and consumer shifts to e-cigarettes, will reduce demand in China, as has happened elsewhere (TMA, 2015). For now, however, demand remains strong, although there has been an observed shift in buying trends. Until a few years ago, Chinese buyers were accepting large volumes of lower-quality tobacco for their local manufacturing, but today the demand is only for the highest quality, resulting in disappointing prices for many in 2015, although plans to establish a Chinese-owned cigarette factory in Zimbabwe may result in a shift in demand for different grades.²

Based on a study carried out in Mvurwi area, Mazowe district, Mashonaland Central province between 2013 and 2015, this paper seeks an understanding of the way in which tobacco production generates opportunities for "accumulation from below" by certain groups of farmers, asking who wins and who loses from the major reconfiguration of the agrarian landscape due to land reform. The implications of the resulting social differentiation are explored, highlighting a differentiated process of accumulation, with diverse engagements with farm labour and capital through hiring, contracting, and marketing arrangements. The paper thus contributes to the wider debate around agrarian transition, and the particular role of contract farming. Focusing on emerging patterns of social differentiation, the mediating role of state actors and agribusinesses is also touched on. We focus on small-scale A1 farmers, some of whom are engaging in contract farming, and explore the contrasting fortunes of the compound-based farmworkers living in the same area.

2 | UNDERSTANDING AGRARIAN CHANGE IN ZIMBABWE'S LAND REFORM AREAS

Our studies are centred on three A1 resettlement areas near Mvurwi town in Mazowe district, occupied by a total of 220 households, each with their own homesteads and plots. Originally, the area was made up of three large-scale

¹In 2015, total production was slightly down at 198.9 million kilograms, realizing an average price of US\$2.95 per kilogram. Registered growers declined to 97,635, of whom 75,392 delivered tobacco. A total of US\$586 million worth of tobacco was sold in the marketing year (TIMB, 2015, p. iv).

²Retrieved September 20, 2016 from <https://www.newsday.co.zw/2015/12/04/china-to-set-up-a-cigarette-plant-in-zim/>

farms. These were invaded in 2000, expelling the white landowners. A core group settled at that time and their land was later pegged as part of “fast-track” land reform. Others have settled since, as in recent years more households have been given land, often illegally or for informal payment, along the edges of the formal allocations. Alongside the resettlement families, there are 370 farmworker families living in this area in four worker compounds. At land reform some remained in the compounds, while others gained access to new land alongside other settlers. In our study area, half the compound residents are original workers from the three large-scale farms, while the rest were displaced from 25 other farms from Mazowe district and beyond, where new owners of medium-scale A2 land reform farms expelled former workers, as they restructured their operations. “Farmworkers”, as described in this paper, represent households resident in the compounds; some work for new resettled farmers, while others have other livelihood occupations, with all having some access to small plots of land near the compounds.

During 2013–2015, we undertook a detailed study of agriculture and broader livelihoods of both new A1 settlers (sample, $N = 220$ households, the full population) and former farmworkers living in compounds ($N = 100$, a random sample of the 370 households), based on a household survey. Qualitative studies were also carried out, including informal interviews, participatory farm mapping, individual and household biographies, and participant observation, particularly around tobacco farming and marketing. We also traced the flow of tobacco from the farms to the markets, via contractors or other routes, and spent time on the auction floors in Harare talking to key actors. Our more qualitative work explored, for example, the role of the state and agribusinesses in mediating access to resources linked to tobacco production, and so influencing processes of accumulation and agrarian change.

We undertook “success ranking” exercises with small groups of A1 farmers, involving both men and women. The group was asked to rank all A1 households according to their definitions of “success”. During the discussions, we settled on three groups that allowed us to stratify the sample, and differentiate the households according to local criteria. The criteria that informants used were asset ownership and accumulation (notably cattle, but also cars and other vehicles were mentioned), educational levels, access to off-farm income (including remittances and local businesses, including cattle sales, house rentals, and transport), labour hiring levels, and maize sales, and tobacco income. The “success ranks” are thus a composite rank based on local perceptions. The ranks were in turn related to data collected during the surveys (see the tables below), which confirmed the relationship between the composite ranks and key indicators of production, asset ownership, social and educational status, and investment. As in other studies in Zimbabwe and elsewhere (Mushongah & Scoones, 2012; Scoones, 1995), the ranks, validated in this way, therefore proved a useful basis for subsequent stratification of the sample, and exploration of patterns of social differentiation.

In 2014, 71% of A1 farmers and 35% of “farmworkers” were engaged in tobacco production, producing on average 1,750 kilograms and 704 kilograms, respectively. We were interested in exploring how tobacco production, and particularly contracting arrangements, linked to wider patterns of social differentiation and local perceptions of “success”. In exploring “accumulation from below”, we are unable to document changes over time, but instead offer a picture of social differentiation based on a “snapshot” (although with data on cropping over 5 years) at a period 10–15 years following land reform. This, however, does offer some indications of the dynamic, relational process of class formation, including the relationships among households and with labour, and the patterns of ongoing investment.³

In the final section of the paper, we offer a tentative typology of emerging groups, based on the analysis of the existing data. These overlap with the local definition of “success groups”, but not completely so, and are suggestive of processes of class formation in the area. In this typology, we take processes of accumulation suggested by our analysis as our starting point, emphasizing those that are driving observed patterns of social differentiation and

³The “success group” classification offers a basis for stratification, and for identifying some central elements of social differentiation when allied with the household survey data. Based on individual households and a single time point, however, it does not fully address processual and relational dimensions of change. But by looking comparatively across groups, as well as at processes of investment, accumulation, labour hiring, and so on, key drivers of social differentiation and class formation are nevertheless highlighted. These are explored further in our tentative typology at the end of the paper, which extends the success group classification to a more dynamic analysis centred on differential patterns of accumulation.

putative class formation in the area. This remains speculative, but helps us point to some of the potential dynamics of agrarian change following land reform, especially those resulting from the widespread adoption of tobacco growing and the role of agribusiness contracting in this. This helps us move from a static assessment to a more tentative but dynamic analysis, in turn posing questions about the longer-term processes at play. This has implications for policy, as well as further research, as we describe in the conclusion.

3 | MVURWI AND THE TOBACCO BOOM

Mvurwi is a small town around 100 km to the north of Harare. Before land reform it was a sleepy, rather run-down service centre for large-scale farming in the district, with input suppliers, transporters, and others working for large-scale commercial operations, which were mostly owned and run by whites.⁴ Black workers from these farms would come and buy goods in the limited number of shops, and relax in the bars and food outlets. Fifteen years after land reform, the town has been transformed. It is a buzzing centre, with a growing population, and vibrant markets supplying the large numbers of farmers who have moved on to the surrounding farms. They require some similar services, but also others, and many are investing in the town's businesses and real estate. The town also has several tobacco-contracting firms based there, including Mashonaland Tobacco Company and Zimbabwe Leaf Tobacco, where they have agents, depots, and collection centres. The total flows of income from tobacco sales in 2013 and 2014 across all producers in Mazowe district were US\$52 million and US\$56 million, based on 14.4 million kilograms and 16.7 million kilograms of production (TIMB, 2013, 2014).

Before land reform, tobacco was an important crop on the large-scale farms. In 1996–1997, for example, 107 large-scale farms grew flue-cured tobacco on 8,157 hectares in Mazowe district, producing 18,782 tonnes. This represented 39% of farms growing crops in the area, and 17.3% of the cropped area. The Mvurwi Intensive Conservation Area contained 64 of these farms, where 84% of farms grew tobacco (alongside maize and other crops), on average producing 216 tonnes per farm on a total of 6,085 hectares (Sukume, Mavedzenge, Murimbarimba, & Scoones, 2015, pp. 12–13). While tobacco growing was important to the income flows on these farms, its coverage was modest, representing only 2.3% of the total area of large-scale farmland, as 86.4% of the land area was not cultivated at that time, being largely allocated to beef production for the then lucrative European export market. Tobacco did not dominate the farm landscape and the local economy in the same way as it does today. Large volumes from each farm were transported directly from the farm's curing barns to the auction floors. But today everyone is selling smaller amounts, and there is a demand for transport and other support.

There are now 16 contracting companies operating nationally (TIMB, 2015).⁵ These include new locally-run companies (Boost Africa, Chidziva Tobacco Processors, Curverid Tobacco, Gold Leaf Services, and Leaf Trade Company), larger, new entrants linked to international players, including Tribac (a subsidiary of Japan Tobacco, working with locally owned agent, Shasha Tobacco), Tian Ze (China Tobacco), and Midriver Enterprises (a Chinese company), as well as more established players (such as Northern Tobacco, linked to British American Tobacco) and Mashonaland Tobacco Company (a subsidiary of the US company, Alliance One International), Intercontinental Leaf Tobacco, TSL Classic Leaf, and Zimbabwe Leaf Tobacco (ZLT). ZLT is the most common contract in the Mvurwi area. It was established in 1956, operates under ZimLeaf Holdings, and is now a subsidiary of the US company Universal Leaf Tobacco, the largest tobacco trading company in the world, with interests in the Harare-based tobacco processing company, Casalee.

Agribusiness capital in the area thus takes on many forms, with firms of different origins, and with different motivations, business models, and ownership structures. It is a highly competitive business context, but one that has become prone to market abuse through side-selling, price setting at floors, and inappropriate grading in recent

⁴Retrieved September 20, 2016 from <https://zimbabweland.wordpress.com/2016/05/16/1654/>

⁵From Zimtrade Company Profiles (<http://www.zimtrade.co.zw>) and company interviews, Harare.

years. All growers must be registered by the TIMB and have grower numbers, but there are also non-producers who use these numbers to trade in tobacco. While this is illegal, close regulation by the TIMB is impossible, and companies must rely on their own agents, debt collectors, and close links with state enforcement agencies to ensure that contracts are honoured.

With the collapse of the formal economy during the 2000s, until stabilization in 2009 through the abandonment of the local currency and the adoption of the US dollar, the state did not have much involvement in this emerging dynamic between new farmers and contracting firms and private auction floors. The massively increased number of producers, contractors, and buyers meant that the TIMB was very stretched. Meanwhile, the Tobacco Research Board continued some research, including on curing techniques, but with limited funding, until close relationships were developed with China Tobacco in the late 2000s.⁶ Beyond these agencies, the state has been largely absent in the post-land reform period, and without resources and capacity it could not do much. State functionaries—whether agricultural extension workers or the police—are, however, involved in tobacco value chains, through helping to establish and negotiate contracts or enforce them. This often occurs through direct links with companies rather than as part of mandated work, and may at times involve additional payments and incentives. The state, together with agribusiness, is therefore important in mediating access to contracts, and so has an influence on the outcomes. However, as we show below, regulations controlling contracts are often not followed, and farmers have diverse ways of gaining access to markets.

4 | PATTERNS OF SOCIAL DIFFERENTIATION

Tables 1–5 offer an overview of the sample, across the A1 and compound-based farmworker households, differentiating “success groups” in the A1 farms. Data were collected at a household level, although many activities are differentiated by gender and age within households. Eighteen per cent of the A1 households and 34% of farmworker households were defined as “female headed”, where a husband had passed away, or where the home had been established by a woman independently.⁷ Our focus in this section is on the patterns of difference among A1 farmers and the contrasts with farmworkers.

Table 1 offers a basic profile of household heads, including educational achievement and age, as well as origins, while Table 2 presents production and sales data for maize and tobacco for 2014, alongside data on landholdings and use. Table 3 focuses on off-farm income earning, including remittances, and Table 4 provides data on asset ownership.

In terms of educational achievement, A1 household heads are broadly similar across “success groups”, with younger SG3 households having a slightly higher level. Farmworker household heads, by contrast, have had much less formal education. Around 60% of A1 households came from nearby rural areas at land reform (mostly the Chiweshe communal area) or had previously been resident in towns, including Mvurwi, Mazowe, and Harare, often with a communal area home too. Previous (and some current) jobs included various civil servants (including teachers, agricultural extension workers, etc.) and security services (including current and former members of the police, the army, and the Central Intelligence Organisation). Such occupations were most evident among SG1 households. Former farmworkers living in the compounds came from ten different farms, with only half from the A1 survey farms, suggesting a considerable turnover and movement of compound residents since land reform. Thirteen per cent were of non-Zimbabwean origin, with most from Mozambique and Malawi, and a few from Zambia. “War veterans” (a wide term including

⁶This has involved the re-equipping of laboratories, as well as exchange visits for staff. Fellowships have been offered to Tobacco Research Board staff, who have been seconded to Yunnan in China, the base for Tian Ze, to assist with building Chinese research capacity in tobacco production, based on Zimbabwean experience.

⁷High rates of male mortality were noted in discussions, particularly due to HIV/AIDS. As mobile populations, farmworkers include a larger proportion of unmarried women with families compared to the A1 farms.

TABLE 1 Household social profiles and backgrounds of A1 (across success groups, SG, where SG1 is the most “successful”) and farmworkers (FW) (averages)

	A1 (N = 220)			Farmworker (N = 100)
	SG1 (N = 48)	SG2 (N = 99)	SG3 (N = 73)	
Educational level of household head (% above form 2)	54	51	58	19
Age of household head (% above 50 years)	42	48	33	40
Previously rural farmer (%)	27	46	30	0
Previously in town (%)	32	33	34	0
Previously civil servant (%)	15	9	18	0
Previously security services (%)	17	10	7	0
Previously farmworker (%)	9	11	11	100
Of the above, war veteran (%)	21	11	12	0

Source: Mvurwi household survey, 2014.

TABLE 2 Average landholdings and agricultural production across all households^a

	A1-SG1	A1-SG2	A1-SG3	FW
Land area allocated (hectares)	5.4	5.6	5.6	0.6
Land area cultivated (hectares)	3.6	3.7	2.4	0.6
Maize production (kilograms), 2014	4,805	2,931	2,232	419
Maize sales (kilograms), 2014	3,279	1,384	973	0
Tobacco production (kilograms), 2014	1,338	1,460	880	246

^aLand areas were derived from surveys undertaken during land allocation and consultation of maps. Estimates of maize production and sales—measured in 50 kilogram bags and 10 kilogram buckets—were derived from recall each year soon after the harvest season. All tobacco is sold, and totals were based on recall.

TABLE 3 Other sources of earned income (percentage of households involved)

	A1-SG1	A1-SG2	A1-SG3	FW
Remittance income	13	17	16	15
House rental	23	13	16	0
Cattle sales	33	39	22	1
Transport business	19	10	10	0
Local piece work	8	8	14	44
Vegetable sales	27	52	49	34
Building, thatching, and carpentry	12	24	32	54
Fishing	8	11	22	19
Woodcarving	0	6	8	3

former liberation war fighters and others) were prominent among SG1 A1 farm households heads, and absent among the farmworker population.

Land allocations were similar across A1 success groups, reflecting the standardized allocation under “fast-track” land reform. Cultivated land in A1 farms was higher for SG1 and SG2 households and lower for SG3 households, due to lack of equipment and labour for clearing and cultivating. Compound-based farmworkers all had small plots,

TABLE 4 Asset ownership (average numbers, or percentage of households owning)

	A1-SG1	A1-SG2	A1-SG3	FW
Cattle ownership (numbers)	9.8	6.9	4.7	0.5
Goat ownership (numbers)	2.9	1.9	1.6	0.9
Car/truck ownership (%)	47.9	23.2	30.1	2
Bicycle ownership (%)	58	60	59	35
Tractor ownership (%)	16.7	4.0	0.0	0
Plough ownership (%)	81	77	67	2
Cultivator ownership (%)	50	35	26	0
Ox cart ownership (%)	67	60	45	0
Brick house, with asbestos or zinc roof (%)	77	71	51	0

TABLE 5 Assets purchased in the past five years (2009–2014; numbers purchased or percentage of households purchasing)

	A1-SG1	A1-SG2	A1-SG3	FW
Cattle purchased (numbers)	1.2	0.9	2.1	0.2
Cars purchased (%)	27	19	21	0
Bicycles purchased (%)	25	35	44	23
Tractors purchased (%)	8	2	0	0
Cell phones purchased in past 5 years (numbers)	3.4	3.2	3.8	1.6
Solar panels purchased (numbers)	1.1	1.1	0.9	0.8
Water pumps purchased (%)	0.25	0.52	0.34	0.2
Ploughs purchased (%)	23	24	30	0
Cultivators purchased (%)	6	21	16	0
Ox carts purchased (%)	17	19	21	0

some allocated by the former farmer, some carved out more recently. But these were very small, averaging only 0.6 hectares. In the A1 areas in 2014, maize production and sales were highest among SG1 farmers and lowest among SG2 farmers. Involvement in tobacco production differs across success groups, with 78% of SG2 farmers producing tobacco in 2014 (averaging 1,877 kilograms), while 65% and 66% of SG 1 and 3 households produced tobacco (averaging 2,071 and 1,339 kilograms). Farmworkers produced very little tobacco by comparison (overall average 246 kilograms, although 704 kilograms among the 35% who produced it). However, maize production averaged 40% of total family needs in 2014, estimated at 1,000 kilograms per annum, for a family of six.⁸

In terms of other income-earning options, remittance income from children or husbands (mostly from South Africa) was relatively limited for A1 farmers, with on-farm production dominating. The former farmworkers also received some remittances from children or other family members working in Harare or abroad. For A1 SG1/SG2 households, house rental, cattle sales, and transport businesses were important sources of off-farm income, while for SG3 and farmworker households, the portfolio of off-farm activities was similar, including temporary piece work, vegetable sales, building/carpentry, fishing, and woodcarving.

The patterns of agricultural production and income earning are reflected in asset ownership. With the exception of bicycle ownership, which is similar across success groups, all other asset indicators are lower among SG3 households compared to SG1, with SG2 being intermediate.

⁸The average household size on our A1 sample was 6.1 persons, while for farmworker households it was 4.8.

Across these data, we see a pattern of differentiation within and between groups, but also some convergences; for example, between poorer A1 SG3 households and farmworkers. This pattern of social differentiation is driven by a range of factors, but agricultural production is central. This is complemented by off-farm income, but this is relatively limited, and remittances, unlike in some other areas in Zimbabwe, are relatively insignificant. Tobacco production is central to this story. Those able to afford inputs, gain access to contracts, and grow sufficient maize to cover food needs can profit significantly from tobacco. Tobacco production across all A1 farmers and all farmworkers is significantly correlated with cattle ownership, for example.⁹ Table 5 shows the pattern of asset purchase in the period from 2009 (and the dollarization of the economy).

The data show some important patterns of accumulation, focused on agricultural production (including cattle, ploughs, cultivators, ox carts, and water pumps, for example). This was especially among SG2 and SG3 households. Many richer A1 households had acquired such items in previous years, and had now switched to other investments, including buying high-cost items such as cars, trucks, and minibuses and real estate in nearby towns, having exhausted immediate investment opportunities locally. Investments in more rural homes, including in improved building quality, was evident, as was a continued focus on accumulation of cattle. Almost all households, including compound-based farmworkers, had invested in what are now regarded as “basic” requirements, including cell phones and solar panels. Here, we have focused on new investments, and not sales, depreciation, and indebtedness. Credit is limited, with only 4.5% of A1 households receiving agricultural loans, while the 19% of households that were contracted by tobacco companies had costs removed from sales. Sales of assets were concentrated among cattle owners, with 32% of A1 households selling an animal during 2014, mostly to pay for school fees or funerals. Sales of other assets were minimal; no vehicles or farm equipment were sold, for example. While some basic investments in farm equipment and other basic goods can be seen as necessary for simple reproduction of a rural farm household, much of this investment links to patterns of expanded reproduction, and so becomes a process of accumulation that drives social differentiation. The move to off-farm investments, and other businesses that can capitalize on the rural economy (such as minibuses and tractors for hire), is indicative of such processes. This process of accumulation from below—derived from own-production agriculture, notably tobacco—is occurring across groups. Tobacco output is significantly correlated with cattle purchases, for example, among all A1 and farmworker households.¹⁰ Accumulation of assets is, however, concentrated among SG1 and SG2 households given greater tobacco output; while asset-poor SG3 and former farmworker households are investing, accumulation is less, highlighting an emerging pattern of differentiation among households in the area, driven in large part by tobacco production.

This section therefore has highlighted the dimensions of the current pattern of social differentiation across “success groups” and between A1 farmers and compound-based farmworkers. It has also shown how this is related to agricultural production, notably of tobacco. Patterns of accumulation, through investment in a range of items that contribute to both simple and expanded reproduction, are also different across groups, and again are related to tobacco production. In the following sections, we go beyond the demonstration of patterns of differentiation to explore the underlying relationships and processes, and ask whether contract farming is a significant driver of social differentiation in the area.

5 | CONTRACT FARMING

How farmers relate to agribusinesses is a key dimension of tobacco farming. This may be through taking up contracts with companies, selling directly on auction floors, or selling to buyers indirectly. Given the pattern of differentiation we have seen, and the importance of tobacco production as an explanatory variable, what difference do such farmer–agribusiness relationships make; and, in particular, what difference does contract farming make?

⁹Spearman's rank correlation at 5% significance.

¹⁰Spearman's rank correlation at 5% significance.

Across our A1 sample, 19% of households were involved in a formal tobacco contract with a company in 2013–2014 (down on previous years, due to disputes with the contracting companies),¹¹ while none of the former farmworkers were. Contracted growers represented 25% of SG1 households, 22% of SG2 households, and 11% of SG3 households in 2014, highlighting that contracting is less likely for poorer A1 households. On average, A1 farmers who were being contracted in 2014 produced 2,718 kilograms of tobacco, while those growing but not being contracted produced 1,417 kilograms. Of those being contracted, 29% were SG1, 52% were SG2, and 19% were SG3 households. However, those who were not formally contracted very often sold to contracting companies, and all those who were contracted were also involved in direct sales outside contracts. The market is thus highly complex, and is made more so by the illegal, covert arrangements linked to side-selling to middle men, price setting at auction floors, and grading decisions by buyers. Today, having the right connections, and access to cash, makes a difference in markets, and those without can lose out significantly.¹² Here, we see the intersection of processes of accumulation from above and below, in ways that are conditioned by local political contexts.

In 2014, there were four companies contracting in our study sites, namely ZLT (52% of contracts with A1 farmers); Chidziwa (29%), Boost Africa (17%), and TRIBAC/Shasha (2%). In 2014, ZLT was preferred by the majority, although by 2015, due to default rates being high, many had shifted to Boost Africa. The company provides inputs to the farm, including fertilizers, chemicals, and coal for curing. Some contractors provide an additional cash amount for the payment of hired labour. Transport to the Harare floors is also provided for a fee of US\$10 per bale. A reforestation levy, and an obligation to develop on-farm woodlots, is also applied, as the environmental costs of flue-curing are significant and local sources of woodfuel are declining. As Little and Watts (1994) describe, “living under contract” has many pressures: there are new risks, as well as new opportunities.

To apply for a contract with ZLT, for example, A1 farmers need to, at least formally, produce proof of landownership in the form of an “Offer Letter” or an affidavit; have proof of registration as a tobacco grower; show a production history based on TIMB records; show a letter of recommendation from a local extension worker; have access to own curing facilities in the form of a five-tier barn with a V-slot furnace or the new Rocket Barn; and have access to adequate draft power. In addition, the applicant has to be a member of a peer group of between five and 11 growers, to aid in input deliveries as well as agronomic support by Mvurwi-based support staff. This excludes particularly poorer farmers and farmworkers, although some in both groups have managed to gain contracts, as negotiations are flexible, while those with contracts do not always fully comply. Contracts are usually for one hectare of tobacco production, limiting the amount of inputs that can be secured. Again, some have managed to negotiate coverage of larger amounts, while others spread their inputs thinly over larger areas, undermining leaf quality in the process. Table 6 offers a profile of contracting and non-contracting farmers in our A1 sample, showing that across a range of criteria the groups are similar, with the exception of the presence of a tobacco barn on the farm (a notional criterion for the contract), the proportion receiving fertilizer (the result of the contract), and the proportion with a farming qualification (possibly a proxy for links with state agricultural extension agents who often help to set up contracting arrangements).¹³

Farmers get into contracting arrangements for different reasons. There are broadly three groups among the A1 farmers. First, there are those who do not meet the criteria and cannot get a contract even if they would like one; usually those who are poorer and without the resources to commit, or with insecure tenure, having only arrived recently, mostly in the SG3 group and all farmworkers. Second, there are those who market directly to auction floors and organize all their own transport, inputs, and other services. These are generally richer SG1 A1 farmers, who may have been contracted in previous years, but have chosen to sell independently, and who have the resources such as their own

¹¹TIMB (2014) records higher levels of contracting, with an estimated 56% of growers contracted, representing 76% of output, but in December 2015, the Mvurwi TIMB office also noted a significant decline in grower registration.

¹²This was a recurrent theme of discussion with tobacco growers, extension workers, and others during interviews in November 2015 and April 2016, when everyone pointed to the decline in market probity in the past two seasons.

¹³Those without tobacco curing barns on their farms share with neighbours or hire space for curing. Larger barns, originally used by the large-scale commercial farmers, are also used on a collective basis. Those without contracts must purchase fertilizer on the open market, as do many contracting farmers too.

TABLE 6 Profiles of contracting and non-contracting A1 households, all growing tobacco

	Contracting (N = 42)	Not contracting (N = 178)
Allocated land (hectares)	5.5	5.5
Cultivated land (hectares), 2014	3.1	3.2
Permanent workers employed (numbers)	0.8	0.8
Temporary workers employed (numbers)	4.1	4.5
"Offer Letter" (%)	93	85
Tobacco barn (%)	78	48
Older than 50 (%)	54	38
Education more than Form 2 (%)	46	55
"Master Farmer" qualification (%)	24	13
Tobacco fertilizer acquired (%)	98	57
Agricultural credit acquired (%)	15	2

truck to transport tobacco to Harare. Third, there are those who are keen to up-scale their tobacco production and are prepared to take the risk of entering a contracting arrangement and meeting the criteria, as in the case of many SG2 A1 farmers.

In Table 7, we present data on asset ownership and investment, selecting from the criteria presented earlier in Tables 4 and 5. Here, we see some more significant differences, with those contracting having higher asset ownership levels (except for cars) and showing greater levels of investment (except for cell phones). While in part this is explained by the entry barriers to contracting, which may exclude poorer households, taking only SG2 households the contrasts are even greater, with contracted households, for example, both owning (10 versus six) and purchasing (1.2 versus 0.8) more cattle. Gaining access to a contract is an important route to accumulation for SG2 households that do not have the resources to sell independently.

How does tobacco production have an impact on the growing of other crops, notably the core staple, maize? This is important, as changing patterns of cash crop production can affect food security, and so the opportunities for basic reproduction, as well as wider accumulation. Figure 1 shows the pattern of maize and tobacco production and sale between the 2010 and 2014 season for contracted and non-contracted households.

There has been a decline in average maize production across households over this period. While this in part reflects rainfall patterns, the decline is sharper for contracted households. Tobacco production has increased across both groups of households, but the increases have been more dramatic for the contracting group, given access to fertilizer and other inputs. In terms of crop mixes, contracted households have shown a greater switch to tobacco, while non-contracted households have a smaller, if growing, proportion of tobacco on their farms. Other crops grown by both groups (in rank order) include sweet potato, Irish potato, groundnuts, sugar beans, soya, and sunflowers. These are grown in small amounts, and the levels of production are broadly comparable between contracted and non-contracted groups.

TABLE 7 Asset ownership and investment patterns among contracted and non-contracted A1 households

	Contracted	Not contracted
Cattle owned (numbers)	9.4	6.1
Cattle purchased in past 5 years (numbers)	1.6	1.3
Tractor owned (%)	11	4
Ox cart owned (%)	89	47
Cars owned (%)	28	31
Cell phones purchased in the past 5 years (numbers)	3.3	3.5
Solar panels purchased in the past 5 years (numbers)	1.2	0.9
Water pumps purchased in the past 5 years (numbers)	0.7	0.3

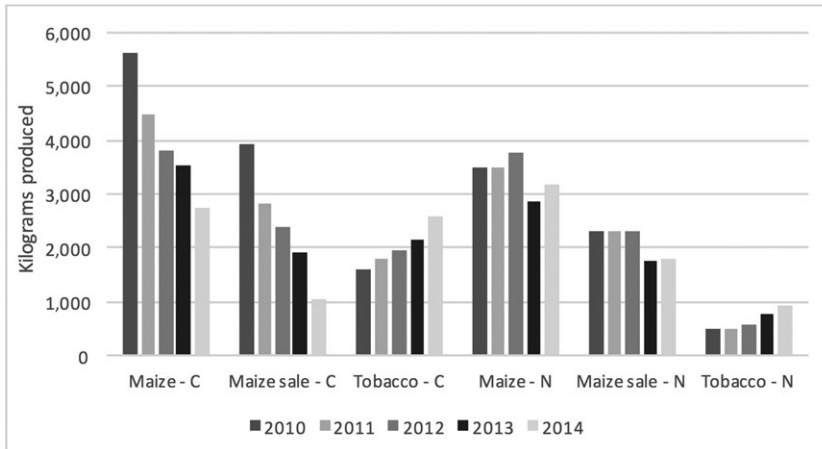


FIGURE 1 The production/sale of maize and tobacco (kilograms) by A1 contracted and non-contracted households in the 2010–2014 seasons: C, contracted households in 2014; N, non-contracted households in 2014; total sample, 220 households

Source: A1 field survey

Across all A1 households, on average more than a tonne of maize was produced in each season for which we have data; a total sufficient for household self-provisioning. In addition, on average 2.8 tonnes of maize were sold (see Table 2). Over the five seasons studied, those contracted retained proportionally more maize in three years, and notably more in the two most recent years. Tobacco income is therefore a supplement to food production, especially for richer households, even if less maize is being grown than in the past. Despite declines, this is sufficient for local food security, with significant quantities retained and surpluses regularly sold. This is the case on average even for poorer SG3 A1 farmers, who produced, for example, 2.2 tonnes of maize, and sold 419 kilograms of maize and 880 kilograms of tobacco in the 2014 season. By contrast, compound-based farmworker households, while almost producing sufficient maize for self-provisioning in 2014 on average (973 kilograms), sold no maize and only 246 kilograms of tobacco on average. For these households, other off-farm work, notably piece-work labour, is important, establishing a class-based dependency relationship between new farmers and farmworkers still resident in the compounds, a theme to which we now turn.

6 | FARMERS AND WORKERS: NEW RELATIONSHIPS

Previous sections have shown how tobacco production is a key driver in a process of social differentiation occurring in the study area. This is in turn affected by access to contracts, which allow especially SG2 farmers to accumulate. This is predominantly a process of accumulation from below, although mediated by relations with the state and agribusiness. SG1 and SG2 households in particular are engaging in a process of expanded reproduction and accumulation, including investing in off-farm assets and income-earning opportunities. SG3 households, while still benefiting from tobacco production, are less successful accumulators, and while relatively richer, are similar in important respects to the compound-based farmworkers. As we discuss further below, this emerging pattern of differentiation is generating nascent rural classes, ranging from an emergent rural bourgeoisie to petty commodity producers (SG1 and SG2) to those who must rely on a wider array of livelihood sources, including selling labour. This relationship between successful farm-based accumulation and labour is an important one, and we must ask whether the success of some groups is on the back of the exploitation of others.

As shown in Table 8, the patterns of labour use by those A1 households being contracted and those not are not dramatically different. All have some permanent labour, and hire some temporary male and female labour both from

TABLE 8 Structure of the A1 farm workforce by success group (SG)

		SG1	SG2	SG3
Permanent workers	Male	0.6	0.5	0.4
	Female	0.4	0.2	0.1
	<i>Total permanent</i>	1.0	0.7	0.5
Temporary workers	Male compound	2.2	2.2	1.4
	Female compound	2.6	1.9	1.3
	Male local	0.6	0.5	0.4
	Female local	0.4	0.3	0.4
	<i>Total temporary</i>	5.8	4.9	3.5

the compounds and the local area. However, how these different groups engage with the tobacco economy is different, and has an influence on class relations and patterns of accumulation. SG1 households hire more labour, both permanent and temporary, while SG2 households hire fewer workers and SG3 households hire the least. Temporary hired labour is mostly from the compounds, with a relatively even balance of men and women, while labour hired from other A1 (mostly SG3) farms (about 15–20% of the total temporary labour force) shows a slight bias towards men. Temporary labour is very task specific, and may involve (for tobacco production) hiring for planting, weeding, fertilizing, harvesting, curing, sorting, baling, transporting, and so on. Many tasks require substantial skill—including, for example, curing, and grading leaf. Here, the former farmworkers living in the compounds have been crucial, although resettled farmers are fast developing skills themselves. In order to gain premium prices and not have tobacco rejected or graded as low quality, considerable skill has to be applied. Most new A1 and A2 farmers had no prior skill in tobacco production, so this has had to be learned—mostly from workers.

How former farmworkers have been incorporated into the new agrarian system has been the subject of much debate in Zimbabwe (Hartnack, 2009; Magaramombe, 2010; Moyo, Rutherford, & Amanor-Wilks, 2000). The simple narrative that workers were displaced (often *in situ*) and that they remain unemployed is not supported by the evidence (Chambati, 2011). As time has passed, there have had to be some accommodations, which differ across farms. There are at least four livelihood trajectories observed among our sample of compound-based workers.

First, are those who have managed to secure plots on the new resettlement farms. Given the antagonism that often occurred between land invaders and resident farmworkers, the proportion in our sample is surprisingly high. 8.6 per cent of A1 farmers defined their previous occupation as farmworker (Table 1), although not necessarily from the same farm. A number joined invasions on other farms, to avoid recrimination from their former employer. This group, partly because of their considerable skill in tobacco production, can be found across all “success groups”.

Second, there are those who have gained permanent employment on the new farms. These are often the more skilled workers (former managers and others), and they are very often men. Others have gained permanent employment, as new farmers hired in from the compounds in preference to taking on the extra responsibilities and liabilities of hiring relatives, and this includes women employed as maids and so on.

Third, there are those who take up temporary work on the surrounding farms. From the data from our A1 sample, this is a considerable number (Table 8, representing 1,019 temporary hirings by the 220 A1 households).¹⁴ However, the pay is low and the work is not permanent, so they have to seek other livelihoods too. Compound-based farmworkers are engaged in a range of activities, including food crop production on small plots where, in 2014, 420 kilograms of maize was produced on average, contributing substantially to household food needs. They also grow tobacco and sell on to traders or join with other A1 farmers in marketing to auction floors. While production is small due to the limited areas (averaging 246 kilograms in 2014), it does provide a cash income, often complemented by the growing of food, and other off-farm jobs.

¹⁴Including local hires from A1 households, as well as local compounds and those from further afield.

Fourth, there are those who are really struggling without employment, and must eke out a living in very harsh circumstances. Some can return to communal areas, but many have no communal home, having been migrant labourers from Malawi, Mozambique, or elsewhere, often several generations ago. Some are involved in a range of often illegal activities, including gold panning, hunting, sex work, and so on. This includes younger people living in the compounds. Land reform happened 15 years ago, and those who were just very small children at that time are now young adults, often living in extended households with their parents. They do not have the premium skills of their parents, having never worked as farmworkers themselves, but they are trying to establish their own independent livelihoods, and must combine a range of activities to make ends meet.

In other words, just as “farmers” are not a uniform group, so “farmworkers” are also highly differentiated, occupying a range of shifting class positions, and relating to the tobacco economy in different ways, with differences depending on ethnicity (and migration origin, often several generations before), gender, and age. The category “farmworker” is often a misnomer. This is not a classic rural proletariat, as new livelihoods have emerged following land reform; instead, this group represents, in many respects, a version of those who are diversifying and struggling in the A1 areas, but in this case under different, often more precarious, circumstances. With small plots allocated, and others leased or informally/illegally occupied, and with substantial skills in tobacco production, many are accumulating in agriculture in their own right, usually combined with selling labour and off-farm work.

With access today to the same educational institutions as others,¹⁵ some in the younger generation have been able to improve their lot substantially. In our sample, there are cases of farmworkers' children being lawyers, teachers, or businesspeople, and others sending remittances home to the farm compound. The old “domestic government” of the pre-land reform farm, with its restricted practices and limited horizons and opportunities, has gone. This has been replaced by a much more dynamic context. While very often precarious, it also offers opportunities. How this unusual relationship between former farmworkers and smallholder producers with allocated farms will evolve remains uncertain. Certainly the A1 farmers, especially those with larger areas under tobacco (notably SG1 and SG2 households), are heavily reliant on farm labour, as growing flue-cured Virginia tobacco is a skilled and labour-intensive undertaking. Conflicts between A1 farmers as employers and workers exist, but currently labour supply is sufficient to satisfy demand. As former farmworkers seek out alternative livelihoods, including farming, they become more similar to the asset-poor SG3 households, who equally sell labour to richer tobacco-growing farmers in the area.

7 | TOBACCO AND PATTERNS OF AGRARIAN CHANGE

As we have shown, in the Mvurwi area, tobacco has become an important source of accumulation, but tobacco production and contracting has to be understood in the context of the wider agricultural economy, and its complementarity with the production of other crops, livestock, and off-farm income earning. Accumulation occurs in different ways, with important implications for class relations (particularly, as discussed above, with labour) and wider agrarian transition. Here, we try to make sense of the wider dynamics at play that underlie the snapshot patterns highlighted by the data, and identify four contrasting groups, suggestive of different emerging agrarian classes. This allows us in turn to characterize the relationship between tobacco production, contracting, differentiation, and accumulation, suggesting hints of the longer-term agrarian dynamics at play.

How are these processes highlighted at the level of an individual household? The C family is typical of a contracted household, but one complementing contracted production with direct sales to auction floors (for more details, see Sukume et al., 2015). They occupied the land in 2001, as part of a land invasion. They began planting tobacco in 2003, with a contract from Shasha Tobacco for one hectare of production. They later switched to ZLT, and since 2009 have added more land under tobacco. In the 2013–2015 seasons, they added two hectares to the

¹⁵In our study areas, primary and secondary schools have been established since land reform, often making use of old farm houses and buildings. In the past, farmworkers' children were educated on farms, often in very basic conditions, and rarely beyond primary level.

contracted one hectare, producing 43, 57, and 32 bales, with prices averaging US\$3 per kilogram.¹⁶ Their non-contracted tobacco was sold at Boka Auction Floors and Tobacco Sales Floors in Harare. The contract arrangement involved support valued at US\$1,200, including ten 50 kilogram bags of fertilizer, four 50 kilogram bags of ammonium nitrate, seed, and agrochemicals. A US\$500 cash advance for the hire of tillage and labour was also supplied. They did not take up the option of coal at US\$230 per tonne, preferring instead to harvest wood from the nearby woodlot for “free”.

In addition to the contract-related inputs, they purchased fertilizer from Windmill in Harare, seed from Kutsanga outlet at Boka Auction Floors, and agrochemicals in Mvurwi. In addition to family labour, Mr C hired one permanent worker (at US\$40 per month, plus accommodation and food, and a small plot). This worker spent around 22 person-days in the 2012–2013 season on tobacco-related activities, complementing around 462 person-days of family labour spent on tobacco. He also hired seven skilled temporary workers from the nearby compound over the equivalent of 225 days at US\$4 per day for tobacco-related work, as a vital addition to the tobacco workforce.¹⁷ This is now the only source of labour, as the permanent worker, a former farmworker on the farm, has now left. Mr C explained how the worker had become interested in tobacco production on his small plot, and did not want wage work. He now rents land from others in the area, seeking out his own path of accumulation independently and without selling labour. Prior to 2009, Mr C hired tractors from government schemes (the District Development Fund and a nearby communal area irrigation scheme) for early tillage, and relied on bulk transport with a group for auction sales. Since then, he has hired locally, as many people have bought tractors and trucks, offering a cheaper and more flexible option, and from 2013 he has used his own tractor, purchased from tobacco sales proceeds.

In the 2012–2013 season, the net income from tobacco was estimated at US\$6,938 through a simple farm budget model (Sukume et al., 2015, p. 50).¹⁸ This was supplemented by sales of maize (five tonnes, US\$1,400), sugar beans (one tonne, US\$1,200), and sweet potatoes (40 buckets, US\$200). Tobacco sales have allowed various purchases, including a car and diesel pump in 2010, a tractor in 2012 (reconditioned during 2014), and a motorcycle in 2014. The family have also purchased cattle, as well as making regular expenditures on school fees, house improvements, and groceries. The garden that developed following the purchase of the pump is now producing large volumes of cucurbits, tomatoes, and cabbages for sale, and is managed by Mrs C. The tobacco business, combined with maize, has resulted in significant boosts in income for the family, and demonstrates a pattern of accumulation from below. Mr C comments, “We came with nothing, but now we are living well!”¹⁹

This is just one case, illustrating how tobacco income—through tobacco contracting as well as direct sales—can boost incomes and drive accumulation. But how does this case compare with others, and how can we understand this dynamic of production and accumulation in the wider agrarian setting? Below, we outline a simple typology emphasizing the underlying processes generating differential accumulation and class formation (intersecting with age and gender) as a result of tobacco production in Mvurwi area.

7.1 | The accumulators

This group—classified by local informants as SG1—consists of those with sufficient resources to grow tobacco and sell it on their own. In the recent past, they may have had contracting relationships with companies, but many have found it possible to operate independently because of sufficient resources accumulated, although 25% retain contracts on

¹⁶A bale of Virginia flue-cured tobacco averages 100 kilograms in Zimbabwe.

¹⁷Person-days of work were estimated during in-depth interviews with farmers, differentiating between different tasks. A work day was calculated as 8 hours, and divisions of work between different tasks was based on recall (for the detailed results and methodology, see Sukume et al., 2015, p. 50). In Zimbabwe, around 500 person-days per hectare is expected for the production of tobacco; far higher than Brazil (149) or the USA (284), where mechanization has occurred (BDO, 2015, 34–35).

¹⁸The simple enterprise budget was based on recall estimates of cash inflows and outflows for the tobacco enterprise (Sukume et al., 2015, p. 50). Inflows included tobacco sales and contract cash advances, while outflows included expenditure on contract inputs, fertilizers, agrochemicals, tillage, and labour (based on a work day and wage rate calculation—see above).

¹⁹Interview, Mvurwi area, November 29, 2015.

small areas. Tobacco income has been invested in tractors and transport vehicles, allowing households to cultivate effectively and transport tobacco to the auction floors. SG1 farmers balance tobacco farming with commercial maize farming, so they spread their risk in terms of agriculture. Many also have other businesses, including tractor hire and transport, but also house rental, as some have invested in real estate in Mvurwi, Mazowe, and Harare from tobacco proceeds. This group is generally older, male, more educated, and sometimes with jobs in town, or at least pensions and other resources—sometimes remittances from children abroad—to draw on, which helps the path of accumulation. This group hires permanent labour, and also uses a temporary workforce hired from the locality as well as from the compounds. As the tobacco operation has become more sophisticated, some A1 farmers have farm managers, drawn from the skilled workforce who previously worked on the large-scale farms. Links to state officials, agribusinesses, and political networks become important for gaining access to some resources, notably fertilizer, and so accumulation from below combines with accumulation from above for this group.

7.2 | The aspiring accumulators

This group is dominated by those in the SG2 category, and includes a number with formal contracting relationships with companies, such as the C family profiled above. They do not have enough resources to produce and sell independently, but are prepared to commit significant land areas to tobacco to fulfil contracts, and take on the associated risk. The contracts to which they commit require certain volumes and so they allocate at least one hectare of land to tobacco. Many also plant more, and spread the inputs from the contractors across a larger area. SG2 farmers produced the most tobacco of the A1 farmers in 2014 (Table 2) on larger areas. These farmers combine contracting with independent sales. However, fewer SG2 households have their own transport (23%, Table 4), and they must work as groups and hire transport to the tobacco floors, often from their SG1 neighbours. SG2 farmers generally have a larger proportion of their farms allocated to tobacco, and so less to other crops, including maize. However, on average, SG2 farmers manage to produce more than a tonne of maize per year (Table 2 for 2014), and so, even on smaller areas, have enough for self-provisioning, if lower sales levels. Many also complement tobacco production with small-scale commercial horticulture, often run by women, and so have diverse sources of income. They hire labour, both locally and from the compounds, but have a smaller permanent workforce compared to the accumulator group. In terms of off-farm sources of income, this group combines traditional local occupations, such as building or brickmaking, with cattle sales, and some with small transport operations (Table 3). Off-farm work is less capitalized, and usually skill or craft based. Women are involved in vegetable growing, trading, and craft making. With fewer capital resources and less access to finance, a contracting relationship is often essential. However, while aspiring to greater things, this group is certainly accumulating from below, and shows a significant level of purchase of assets, including cattle, solar panels, and cell phones, as well as agricultural and other inputs.

7.3 | The peasant producers

Not everyone is accumulating to the extent of these other groups, and for some a more classic peasant production system is evident. This group is typified by those classified by local informants in the top half of SG3. This does not mean “subsistence” production, as all are engaging in the market, but the production system features a dominance of own-family labour (although with some hiring in of temporary piece work), and production that is spread across a variety of crops, including tobacco. Most in this group will not be in a contracting relationship with a company. Instead, they sell tobacco independently, often as part of a group. Total production levels are significantly lower (Table 2), as well as the scale of inputs used. However, they would like to get a contract, and will approach contractors each year. There has been a large movement from this group to the other two accumulator groups in the past few years, as almost all A1 farmers, when they occupied the land from 2000, could be broadly classified in this group.²⁰

²⁰Discussions at success group ranking workshops, Mvurwi sites, 2013.

These categories are thus far from static, and the drive to accumulate, with contracting seen as an important route to this end, is ever present, both in people's own commentaries as well as in observed practices. Everyone can see success around them, and tobacco is the symbol of this, although some are having their doubts about its sustainability and diversifying into other high-value crops. The "peasant producer" group thus has a more diversified cropping base, but they do sell maize and other crops (including soy beans, groundnuts, sugar beans, and so on), as part of a wider portfolio of livelihood activities. Off-farm income is derived from, *inter alia*, trading, local building work, vegetable sales, and craft work (Table 3).

7.4 | The diversifiers and strugglers

There are a number of SG3 households that are not producing in the way the peasant producers manage, and are clearly struggling. This group does not engage in cropping for sale (or if so very little, and not usually tobacco, but mostly maize) and often produces insufficient maize for self-provisioning. Such farmers have to diversify income-earning activities, often with a clear gendered division of labour, across activities including building, carpentry, thatching, fishing, and some craft making (for men) and vegetable sales, trading, pottery, and basket making (for women). They rarely hire labour, and will often be the ones labouring for others, as temporary labourers on nearby farms, often competing with the more skilled labourers from the compounds, whose livelihood activities are very similar (see above). Some members of this group have given up and left the new resettlements over time, returning to the communal areas, where there is more social support, or to towns, to take up low-paid employment. This group has a mix of ages, but some are young families, finding it tough to get going, and without a network of support from others in the more elite groups. Unlike in the communal areas, the kin-based village groupings that provide support—for ploughing, inputs, and so on—are currently less evident in the new resettlements. Most arrived independently during the land occupations, or with friends and neighbours, bound by a desire to acquire land. A more individualized pattern of production has emerged; this benefits the accumulators, but sometimes leaves those struggling behind. Church groups and other forms of affiliation do exist, and serve some functions of social support, but do not replicate the "traditional" social relations of production in the communal areas; although as resettlement communities are established, cross-generational, kin-based grouping are emerging over time.

These categorizations, of course, miss the differential trajectories of accumulation within households, across genders and generations. As noted above, this is an important dynamic, with some youth failing to make it and often remaining within increasingly large accumulator households as dependents, even after marriage. Some women may be tobacco farmers in their own right, but tobacco accumulation is predominantly a male phenomenon, with men often taking on the tobacco business, and associated investments from the proceeds. For example, very few women own tractors or trucks, or have bought cattle or invested in real estate in their own right as a result of the tobacco boom. Women may well benefit, through improved living conditions, investments in education, and funds for their own business, but the marital contract within households becomes key in negotiating access to these resources (O'Laughlin, 1998). This paper has not covered the gendered dimensions of the tobacco boom, and this deserves further study.

Clearly, there are many overlaps between the categories suggested here; there is much fluidity, with mobility up and down over time. Intersecting differences cutting across class, gender, age, and other dimensions makes neat categorizations difficult (Bernstein, 1996, 2010). Here, we are interested not just in static patterns, but also dynamic processes in relation to patterns of reproduction and accumulation. The categories suggested above have resonance with earlier classifications. For example, with reference to the 1980s, Cousins, Weiner, and Amin (1992) offered a class-based categorization of communal area farmers. They identified an emergent rural bourgeoisie (similar to the accumulators identified here), petty commodity producers (comparable to the aspiring accumulators and some peasant producers), and worker-peasants (cutting across groups, as on- and off-farm work is combined with production). Our "diversifiers and strugglers" are equally similar to what Bernstein (2010) refers to as "classes of labour", engaged in a diversity of activities beyond agricultural production.

8 | CONCLUSION

Following land reform, tobacco production has transformed agrarian relations in the Mvurwi area in Zimbabwe. A pattern of differentiation is observed, with contrasting patterns of accumulation occurring across smallholder A1 farmers. This has been influenced by engagements with agribusiness capital, including through contract farming, but also through direct sales to contracting companies and auction sales on the floors. The role of farm labour is central, given the labour intensity of flue-cured tobacco production. New relationships are emerging among A1 farmers, and between A1 farmers and compound-based farmworkers. The state has facilitated the emergence of new contracting relationships with agribusiness, including the Chinese, from the early 2000s, and these have influenced opportunities for accumulation, suggesting an interaction of processes of accumulation from above and below. Access to contracts and negotiations over floor prices and grading are influenced by access to money and connections, which can facilitate deals.

The case of tobacco farming in Mvurwi thus provides a particular insight into the dynamics of agrarian change in a post-land reform setting, and how different rural classes—of both producers and labourers and combinations of the two—negotiate their roles in a fast-growing commercial sector, based on an export cash crop. A differentiated view of all categories—“farmer”, “agribusiness”, and “labour”—is needed to get a sense of these complex dynamics. Among A1 farmers, we identify four groups, each accumulating from below through tobacco production, but involving different relationships and processes. Contracting is important for some, especially for those unable to operate independently, and who are able to negotiate contracts successfully. In this case, however, this is neither a distinct path of accumulation nor one only available to elites. Many farmers combine contracting with independent sales, while others without contracts sell tobacco via intermediaries. Evidence of extended reproduction and accumulation of a significant group of A1 farmers (SG1 and SG2 households make up 67% of the sample, for example) is seen from the purchase of farm assets, including the building of homes, purchase of rental properties, and the buying of cattle, tractors, cars, carts, and items such as cell phones and solar panels. Other “peasant producers” who are not accumulating significantly at present are aiming to, and tobacco production, and in turn contracting support, is seen as a route to achieving this. However, around 17% of our A1 sample (representing half of the SG3 group) is struggling, and must combine a rather more limited commitment to tobacco with other agriculture and off-farm activities, including selling labour.²¹ This is similar to the patterns seen among compound-based farmworkers, who themselves are increasingly differentiated, with diverse livelihood strategies.

Tobacco production is clearly central to this story of social differentiation, but must be balanced against production of food crops, notably maize. Those who contract grow more tobacco and less maize, for example, while most still produce sufficient maize for self-provisioning during the years studied. Off-farm income, and access to other sources of income, is also important for not in understanding who can accumulate, and who cannot, with off-farm jobs, and increasingly other local businesses, ranging from transport to house rental, having an impact on people's ability to profit from tobacco or avoid contracting arrangements, and accumulate from tobacco independently. Off-farm opportunities are increased in tobacco-growing areas, as there is greater demand for a range of services, and there are greater employment opportunities.

Relationships with labour are important too, with dependent relationships evolving. These are complex, and always under negotiation, and they differ farm by farm. However, overall, the reliance on farm labour—not just for labour power, but crucially for skill—of those who are accumulating is clear, and this inevitably results in tensions over working conditions, pay, and access to land for compound-based households.

What do these patterns tell us about likely longer-term patterns of agrarian change? The tobacco boom has provided a significant group of land reform beneficiaries the opportunity to accumulate. This has had spin-off effects in the rural economy—generating employment, and resulting in investments of different sorts and changes in the local

²¹The extent of accumulation, driven by tobacco production, exceeds that found in the drier mixed farming areas of Masvingo (see Scoones et al., 2010, 2012).

economy as small towns like Mvurwi grow. It has also generated class-related conflicts and dependencies both in relation to compound-based farmworker households and with others in the A1 areas who are struggling to reproduce. The weak kin-based social relations within new resettlement communities limit the redistributive effects of a “traditional” moral economy, and mean that there are genuine losers, as well as winners, from the land reform.

There are inevitable limits to accumulation, set by environmental factors (and especially the supply of wood for curing), market conditions (and changes in the world market, health concerns, the demand for higher-quality leaf, and price shifts), social-political relations (and the ability to negotiate within markets), and limited land areas (today, more land is occupied and cultivated compared to the past, yet demand for land continues, from youth, former farmworkers, and others). In the A1 areas, successful households attract others, particularly from the communal areas, and household sizes expand as others are taken in.²² Surplus income can be invested in basic social reproduction—including maintaining rural homes, and investing in education, healthcare, marriage of children, and so on—as well as production—including livestock, farm equipment, inputs, transport, and so on—but again there are limits to the herd sizes and capital items and other inputs that can be bought. A key question will be where the next round of investment will end up. Here, the relationship between countryside and towns, especially small towns, becomes important, as accumulators build urban/peri-urban housing for rent and private schools as business ventures, and sink capital into other urban-based businesses, potentially a source of employment for the next generation. This is only beginning now, but the data show that this is a trend to watch.

These economic transformations also feed into and are built upon social and political dynamics. Successful A1 farmers—very often well educated, and with links to urban areas—are important social and political actors, often seen as leaders in local political formations (mostly within the ruling party, ZANU-PF), but also in other groupings, such as churches and business associations. How alliances are struck with farmworkers—in all their forms—as well as those A1 farmers who are struggling will be significant, as new forms of agrarian politics emerge on the back of the tobacco boom.

This paper started with a question: who wins and who loses from the major reconfiguration of the agrarian landscape due to tobacco farming? Through a detailed analysis of patterns of social differentiation linked to highly varied class formations, we have shown how a focus on agrarian relations is key to understanding the patterns of agrarian change currently unfolding in the post-land reform agrarian setting in Zimbabwe. Tobacco and contracting relations with agribusiness are important factors, but a wider picture is needed of both on- and off-farm livelihoods in order to understand the emerging linkages between farming, capital, and the state in Zimbabwe's resettlement areas.

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²²In our sample, SG1 households have on average 6.3 resident members, while SG3 households have 5.3.

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