

**THE STATE AND AFRICAN PEASANT FARMING IN KATETE DISTRICT OF  
ZAMBIA'S EASTERN PROVINCE, 1964 – 1996**

**By**

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**A Dissertation Submitted to the University of Zambia in partial fulfilment for the  
requirements of the degree of Masters of Arts in History**

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## **Dedication**

Dedicated to the living memory of my father and mother, Moses Sakala and Esther Mwanza, respectively. To my wife and children Chisomo, Chipatso and Chikondi, thank you for your love and patience.

## **ACKNOWLEDGEMENTS**

I would like to thank all the people who, in one way or the other, helped me to make this study possible. My greatest gratitude goes to my supervisor Dr A. Tembo for tirelessly guiding and correcting this study. All the members of staff in the Department of Historical and Archaeological Studies are acknowledged for various help rendered to me during my studies.

## ABSTRACT

This study focuses on the relationship between the state and peasant farming impact of state in Katete district in Zambia's post-independence period from 1964 to 1996. The study begins with an examination of the status of peasant farming in the district on the eve of political independence from Britain as a way of setting the stage of the transition of peasant agriculture from colonial to independent Zambia. It demonstrates that, as the new Zambian government took over the reigns of political power from the imperial authorities in 1964, peasant farming in Katete district steadily developed.

The study then examines the role played by the post-colonial government in the development of peasant farming from 1964 to 1991 under the United National Independence Party (UNIP) regime, which introduced socialistic policies. Among the policies introduced were subsidised farming inputs such as seed and fertilizer, farming loans and state controlled markets. It was during this period that there was heavy state support to the peasantry to make the country self-sufficient in food production. This study argues that as a consequence of state sponsorship, a state-reliant peasantry had developed in the district by 1991 when the UNIP government left office.

The study addresses the effects on the peasantry of the economic reforms introduced by the new Movement for Multi-party Democracy (MMD) government when it came to power in 1991. The new economic policy characterised by the Structural Adjustment Programme (SAP) led to the privatisation of state-owned parastatals and the liberalisation of agricultural markets. This had detrimental effects on the government-dependent peasantry in Katete and beyond. Peasant farming in the district, this study argues, declined during this period due to lack of state support which farmers had become accustomed to during the previous regime.

**KEY WORDS:** Peasant farmers, liberalisation, farming inputs and peasant dependency.

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## **LIST OF ABBREVIATIONS**

<b>AFC</b>	African Finance Company
<b>ARMB</b>	Agricultural Rural Marketing Board
<b>ARPT</b>	Adaptive Research Planning Team
<b>BSACO</b>	British South African Company
<b>CIDA</b>	Canadian International Development Agency
<b>COZ</b>	Credit Organisation of Zambia
<b>CSB</b>	Cold Storage Board
<b>CSC</b>	Cold Storage Commission
<b>CSO</b>	Central Statistical Office
<b>CUSA</b>	Credit Union and Savings Association
<b>DCU</b>	District Cooperative Union
<b>DPB</b>	Daily Produce Board
<b>ECU</b>	Eastern Cooperative Union
<b>EPAD</b>	Eastern Province Agricultural Development Project
<b>EPCMA</b>	Eastern Province Cooperative Marketing Association
<b>FAO</b>	Food and Agricultural Organisation
<b>FNDP</b>	First National Development Plan
<b>FTC</b>	Farmer Training Centre
<b>GB</b>	Grain Board

<b>GDP</b>	Gross Domestic Product
<b>IMF</b>	International Monetary Fund
<b>INESOR</b>	Institute for Economic and Social Research
<b>IRDP</b>	Integrated Rural Development Project
<b>ITDG</b>	Intermediate Technology Development Group Project
<b>KCMU</b>	Katete Cooperative Marketing Union
<b>LB</b>	Lima Bank
<b>LINTCO</b>	Lint Company
<b>MAFF</b>	Ministry of Agriculture Food and Fisheries
<b>MAWD</b>	Ministry of Agriculture and Water Development
<b>MMD</b>	Movement for Multi-party Democracy
<b>NAMBOARD</b>	National Agricultural Marketing Board
<b>NAZ</b>	National Archives of Zambia
<b>NBFS</b>	National Beef Farming Scheme
<b>NCDP</b>	National Commission for Development and Planning
<b>NERP</b>	New Economic Recovery Programme
<b>NR</b>	Northern Rhodesia
<b>PCMU</b>	Petauke Cooperative Marketing Union
<b>PCU</b>	Provincial Cooperative Union
<b>PFS</b>	Peasant Farming Scheme

<b>SAP</b>	Structural Adjustment Programme
<b>SNDP</b>	Second National Development Plan
<b>SR</b>	Southern Rhodesia
<b>SR52</b>	Southern Rhodesia 52 (Seed Variety)
<b>T&amp;V</b>	Training and Visit
<b>TBZ</b>	Tobacco Board of Zambia
<b>TNDP</b>	Third National Development Plan
<b>UN/ECA/FAO</b>	United Nations/ Economic Commission for Africa/Food and Agricultural Organisation
<b>UNIP</b>	United National Independence Party
<b>WB</b>	World Bank
<b>ZADB</b>	Zambia Agricultural Development Bank
<b>ZCF</b>	Zambia Cooperative Federation
<b>ZNBC</b>	Zambia National Broadcasting Corporation

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## CHAPTER ONE: INTRODUCTION

### 1.1 Introduction and Historical Background

Agriculture, as one of the major economic activities in Zambia, has attracted a lot of scholarly attention. This has resulted in significant writings on peasant farming in the country.<sup>1</sup> Although previous studies on this subject provide a great deal of information, there is still no systematic, overall comparative study adequately dealing with the impact of state support to the peasantry in the post-independence period. Most of these writings have either been on whether the colonial state supported peasant farming or not.<sup>2</sup> The study posits that the development of a state-dependent peasantry was as a result of socialistic policies implemented in Zambia between 1964 and 1990. This has been done by looking at how the state supported peasant farming after independence and how this heavy state support affected peasant farming after it was withdrawn during the liberalisation period under the Structural Adjustment Programme (SAP). The peasant sector could not survive after liberalisation as a result of its reliance on the state which was no longer available.

The Eastern province is involved in a lot of agricultural activities such as crop production and animal rearing. Most of the districts in the province take part in these agricultural activities. The district under study, Katete derives much of its revenue from agriculture as the majority of

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<sup>1</sup>See, for example, Alfred Tembo, 'The Colonial State and African Agriculture Chipata District of Northern Rhodesia 1895-1964', M.A. Dissertation, University of Zambia, 2010; Simon Nkata, 'Settlement Schemes and labour Migration in Chipata District of Eastern Province of Zambia, 1951- 1976', M.A. Dissertation, University of Zambia, 1987; Chewe Mebbiens Chabatama, 'The Colonial State, The Mission and Peasant Farming in North-Western Province of Zambia: A Case Study of Zambezi District, 1907-1964', M.A. Dissertation, University of Zambia, 1990; Chewe M Chabatama, 'Peasant Farming, the State and Food Security in North-Western Province of Zambia', Ph.D Thesis, University of Toronto, 1999; Christopher W. Tembo, 'The Establishment and Development of Peasant Farming Schemes in the Eastern Province of Zambia: A Case Study of Lundazi District 1954-1978', MA Dissertation, University of Zambia, 1988 and Samuel N. Chipungu, *The State, Technology and Peasant Differentiation in Zambia. A Case Study of the Southern Province 1930-1986*, (Lusaka: Historical Association of Zambia, 1988).

<sup>2</sup> The underdevelopment scholars include Maud Munthemba, Kenneth Vickery and Colin Bundy to mention a few, these blamed the colonial state in undermining peasant farming. This was disputed by recent scholars like Alfred Tembo who argued that the colonial state supported peasant farming.

its population are peasant farmers. Peasants are farmers who mainly produce with the aim of feeding their families and selling the surplus.

The peasantry class of Katete district during the period under study consisted of uneducated or farmers with little education who mainly produced with the aim of feeding their families and selling the surplus. In their production activities, they mostly used hand-hoes, ox-drawn ploughs and in some instances, tractors. The peasantry has been described differently by a number of scholars. For instance, Colin Bundy notes that the peasantry class consists of small family producers who, with the help of simple equipment and the labour of their families, produce mainly for their own consumption and for the fulfilment of obligations to the holders of political and economic power.<sup>3</sup> Chabatama describes peasant farmers as those who successfully and consistently produce for use-value and exchange-value.<sup>4</sup> Chipungu, on the other hand, describes peasants as agriculturalists who control the land they work either as tenants or small holders and are organised largely in household units responsible for the production of use value and cash crops.<sup>5</sup> In this study, we will refer to peasant farmers as those who rely on the state for farming inputs such as seeds, fertilizer and they produce with the aim of selling the surplus and fulfilling their family obligation.

The peasantry as a class in colonial Zambia developed due to available markets brought by the mining industry and urbanisation. The peasantry was sustained and remained relatively food-secure as a result of being resilient, innovative and industrious.<sup>6</sup> The peasantry was also encouraged by the state after independence in 1964 in its effort to develop the rural areas and alleviate rural poverty.

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<sup>3</sup> Colin Bundy, 'The Emergence and Decline of a South African Peasantry', *African Affairs*, 71, 285 (1972), p. 371.

<sup>4</sup> Chabatama, 'The Colonial State, The Mission and Peasant Farming in North-Western Province of Zambia', p. v.

<sup>5</sup> Chipungu, *The State, Technology and Peasant Differentiation in Zambia*, p.3.

<sup>6</sup> Chabatama, 'Peasant Farming, the State and Food Security in North-Western Province of Zambia', p. ii.

Agriculture was the economic backbone of the Chewa people of Katete district in both the pre-colonial and colonial times. The local people grew maize as their staple. This was supplemented by various vegetables, beans, pumpkins, groundnuts and sweet potatoes.<sup>7</sup> Tobacco and cotton were also grown, mainly for domestic consumption and was used for trade with other communities.

After independence in 1964, the United National Independence Party (UNIP) government firmly believed that the existing agricultural policies which favoured European farmers needed to be removed. This was to be achieved by extending government support to African farmers who had experienced discriminatory policies at the hands of the colonial state.<sup>8</sup> The shift in policy was because agriculture was beginning to assume a new importance as a major contributor to national development. The government wanted to shift focus from subsistence production to that for the market to raise levels of income in rural areas.<sup>9</sup> This focus shift was seen in the development of state-owned farms and the increase of state support to small scale farmers (peasants). There was also a bias towards socialistic policies like providing farming inputs in the form of subsidised fertilizer, seeds and state owned tractors which peasant farmers could use at a small fee.<sup>10</sup>

To enhance agricultural development, Kenneth Kaunda's government made it clear that many people needed to be involved in the cooperative movement. Thus, the cooperative movement was launched by Kaunda at the Chifubu national rally in Ndola on 17 January, 1965.<sup>11</sup> The

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<sup>7</sup> Jim Pletcher, 'Ecological Deterioration and Agricultural Stagnation in the Eastern Province, Zambia', *The Centennial Review* 35, 2 (1991), p.7.

<sup>8</sup> Chipungu, *The State, Technology and Peasant Differentiation in Zambia*, p.84.

<sup>9</sup> S. M. Makings, *Agricultural Problems of Developing Countries in Africa* (London: Oxford University Press, 1967), p.6.

<sup>10</sup> Ian Goldman and Ian B. Holdwork, 'Agricultural Policies and the Small-Scale Producer' in Adrian Paul Wood, Stuart A. Kean, John T. Millimo and Dennis Micheal Warren (eds), *The Dynamics of Agricultural Policy and Reform in Zambia* (Iowa: Iowa State University Press, 1990), p.557.

<sup>11</sup> Edison M. A. Banda, 'The Impact of The Cooperative Movement in the Eastern Province 1947-1980s' in A. M. Kanduza, (ed.) *Social Economic Change in Eastern Zambia Pre-colonial to the 1980s* (Lusaka: Historical Association of Zambia, 1992), p.98.

development of the cooperative movement contributed to the growth of African commercial agriculture in the Eastern Province. This was also in line with the objectives enshrined in the country's First National Development Plan (FNDP) for the period 1966-1970 when the state wanted to pursue rural development through the use of cooperative societies.<sup>12</sup>

As a result of this, the Eastern Province Cooperative Marketing Association (EPCMA) was changed to the Eastern Cooperative Union (ECU) in 1973 which marketed and sold crops produced by peasant farmers. The ECU worked on behalf of the National Agricultural Marketing Board (NAMBORD) which had been established in 1969 following the merger of the Grain Marketing Board (GRB) and the Agricultural Rural Marketing Board (ARMB) in the same year.<sup>13</sup>

During the period 1975-1984, the marketing and pricing policy reflected a serious state commitment to rural development and a reduction in rural-urban inequality. Marketing subsidies were increased from which rural producers including those in Eastern province benefited.<sup>14</sup> Such practices and the general efforts through cooperative organisations and credit institutions indicated that the Zambian government was concerned with the social welfare that saw the rise of rural producers.

The Second National Development Plan (SNDP) devised for the period 1972-1976 showed this effort of the state as it laid emphasis on restructuring the sagging economy away from mineral dependence to agriculture.<sup>15</sup> The shift from mineral dependency to agriculture was as a result of the oil shock of 1973-74 and the failing copper prices.<sup>16</sup> The state identified agriculture as a sector which could improve the economy. In its effort to continue with rural development

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<sup>12</sup>

<sup>13</sup> Lovejoy Mulambo Malambo, 'Rural Food Security in Zambia', PhD Dissertation, Michigan State University, 1987. p.12.

<sup>14</sup> Ackson M. Kanduza, 'Introduction', In A. M. Kanduza, (ed.), *Social Economic Change in Eastern Zambia Pre-colonial to the 1980s* (Lusaka: Historical Association of Zambia, 1992), p.13.

<sup>15</sup> Malambo, 'Rural Food Security in Zambia', p.13.

<sup>16</sup> Patrick Eze Ollawa, 'Rural Development Strategy and Performance in Zambia: An Evaluation of past Efforts', *African Studies Review*, 21, 2 (1978), p.103.

through agriculture as the main engine of growth, the state initiated an Integrated Rural Development Programme (IRDP) in the Third National Development Plan (TNDP) in 1981.<sup>17</sup> The IRDP was to work with the district administrations in order to collect district, farm, and household data for 1980-1987 to show the effect of changes in produce price, and agricultural services on agricultural production.

The 1980s and early 1990s saw economic stagnation and deteriorating economic conditions in Zambia as copper prices did not fare well on the world market. This resulted in the introduction of the Structural Adjustment Programmes (SAPs) in 1983 as a way of improving the economy. The SAPs were imposed by the International Monetary Fund (IMF) on the Zambian government in order to pay the loans accrued in the 1970s.<sup>18</sup> The SAPs aimed at establishing and supporting formal institutions. They also included producer price reforms, removal of subsidies and liberalisation of internal and external trade. There was also severe devaluation of the kwacha, cost sharing for state supplied services, privatisation and restructuring of government institutions.<sup>19</sup> However, these SAPs were suspended by the UNIP government amidst food riots in 1987 as local people could not bear the hardships from these policies anymore.<sup>20</sup>

SAPs were later on implemented by the Movement for Multi-Party Democracy (MMD) which had taken over political power from the UNIP government in 1991 on the premise that they would solve the economic problems faced in the country. In its manifesto, the MMD promised to expand agricultural production and consolidate food security.<sup>21</sup> The implementation of SAPs led to the removal of subsidies in the agricultural sector and the liberalisation of markets.

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<sup>17</sup> Goldman and Holdwork, 'Agricultural Policies and the Small-Scale Producer', p.570.

<sup>18</sup> Chipungu, *The State, Technology and Peasant Differentiation in Zambia*, p.201.

<sup>19</sup> Kjell Havnevik, Deborah Bryceson, Lars Erick Birgegard, Prosper Matandi and Atakilte Beyene *African Agriculture and The World Bank. Development or Impoverishment?* (Uppsalar: Nordiska Afrikainstitutet, 2007), p.15.

<sup>20</sup> Gisela Geisler, 'Who is Losing out? Structural Adjustment, Gender, and the Agricultural Sector in Zambia', *The Journal of Modern African Studies*, Vol. 30, No. 1 (1992), p. 116.

<sup>21</sup> John M. Mwanakatwe, *End of Kaunda Era* (Lusaka: A Multimedia Publication, 1994), p.236.

The removal of subsidies on agricultural inputs caused fertilizer prices to rise sharply. Under this situation it was no longer economically feasible to use fertilizer by many peasant farmers eventually leading to low yields.<sup>22</sup>

Before the liberalisation of agricultural markets, real producer prices and levels of crop production were positively correlated. There emerged a negative correlation following the change in economic policy after 1991. By the end of the first term of MMD rule in 1996, the state of peasant farming in Katete was in disarray as peasants who had previously relied on state support for their agricultural enterprise could not find a readily available market for their produce following the privatisation of state-marketing agencies. This led to exploitation of peasant farmers by private buyers who offered low prices for agricultural produce.<sup>23</sup>

## **1.2 Statement of the Problem**

A number of scholars have written on African peasant farming. Underdevelopment scholars like Maud Muntimba and Colin Bundy argued that the colonial state did not support African peasant farming while recent scholars such as Alfred Tembo disputed this assertion by arguing that the colonial state was not always hostile towards African peasants. There is still no historical study adequately dealing with the impact of state support to the peasantry in post-independence Zambia. Therefore, lack of such a detailed historical study has created a gap in understanding the development of a state-reliant peasantry in Zambia. It is the aim of this study to address this gap.

## **1.3 Objectives of the study**

The objectives of the study are to:

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<sup>22</sup> Havnevik, Bryceson, Birgegard, Matandi and Beyene, *African Agriculture and The World Bank. Development or Impoverishment?*, p.15.

<sup>23</sup>

1. Examine the state of peasant agriculture in Katete district on the eve of independence in 1964.
2. Investigate the role played by the state in the development of African peasant farming in the post-independence period under UNIP government between 1964 and 1991.
3. Investigate the impact of Structural Adjustment Programme (SAP) on African peasant farming in the district under MMD government from 1991 to 1996.

#### **1.4 Rationale**

The study depicts the co-relation between government policies and the development of peasant farming in Katete district. The study demonstrates the impact of state policies in both the development and underdevelopment of peasant farming in Katete district. The period 1964 has been chosen as the starting point because that was when Zambia attained independence from Britain, a date which indicates a new beginning for peasant farming as the UNIP government began to reform the sector. The country witnessed new agricultural policies introduced by the UNIP government. The date 1996 has been identified because it marked the end of the first term of the MMD government which implemented sweeping changes in the agricultural sector through SAP following their ascension to political office in 1991. It is hoped that the study will stimulate further studies on the peasantry in modern Zambia.

#### **1.5 Geography of the area**

Katete district is one among eight districts in the Eastern province of Zambia. It is located approximately 500km from Lusaka, the country's capital city.<sup>24</sup> It shares an international boundary with Mozambique and borders the districts of Chadiza in the south-east, Chipata in the north-east, Mambwe in the north and Petauke in the north-west.

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According to the Central Statistical Office (CSO) of Zambia, in 1990 Katete district had a total of 896 villages which were composed of 27,408 households' 79,693 persons being male and 92,425 female.<sup>25</sup> The district is predominantly a rural district with over 95% of its population engaged in agriculture as the main source of livelihood.<sup>26</sup>

Politically, the district was divided into two constituencies by 1996: Mkaika and Milanzi. These two constituencies were further sub divided into 18 wards, each represented by elected councillors. Mkaika had eight wards while Milanzi had ten.<sup>27</sup>

The district experiences three seasons namely, the cool and dry season, the hot and dry season and the rainy season. The cool season starts in April and ends mid-August. On the other hand, the dry season starts in mid-August and ends in early November while the rainy season started in mid-November to early December and lasted up to March/April. The annual temperature in Katete ranged from 10 to 35 degrees Celsius while maximum temperature could reach 37 degrees Celsius. The mean annual rainfall ranges from 700mm to 900mm.<sup>28</sup> The soils and vegetation of the area were good for agricultural activities and that is why the Chewa people settled there.<sup>29</sup>

The district lies on the plateau area at altitude of between 800 and 1000 metres above sea level.<sup>30</sup> There are isolated hills in the central and southern part of the district. The most outstanding features in the district included the Mphangwe hills which are close to the centre (boma) and where most citrus fruits are grown. Other hills included Mwandafisi, Chiulukire,

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<sup>25</sup> Government of the Republic of Zambia (hereafter G.R.Z), Central Statistical Office (hereafter CSO), *Census of population and housing: preliminary report* (Lusaka: Central statistical office, 1990); See also G. Kasali, *Poverty reduction in Katete towards millennium development goals*, (Lusaka: Project report, 2000), p.12.

<sup>26</sup>

<sup>27</sup> G.R.Z, *Katete District council quarter report for councillors* (Lusaka: Local Government, 1997), p.11.

<sup>28</sup> G.R.Z, Ministry of Agriculture, *Annual Report for Katete district 1995* (Lusaka: Department of Agriculture, 1996), p 2-5.

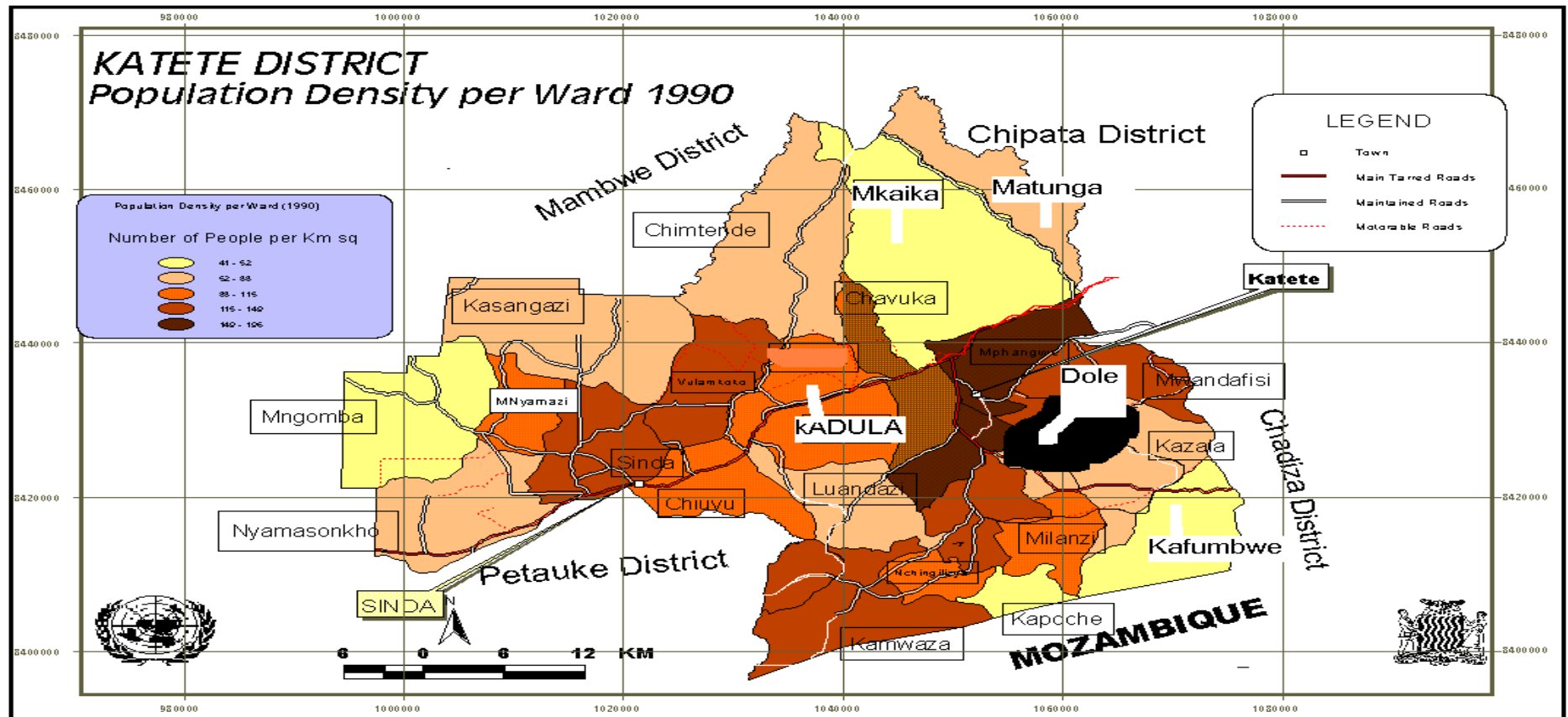
<sup>29</sup> See, for example C. G. Trapnell, *The Soils, Vegetation and Traditional Agriculture of Zambia vol 2 North Eastern Zambia ecological Survey, 1937-1941* (Bristol: Redcliffe press Ltd, 1943), p.2-4; Tembo, 'The Colonial State and African Agriculture, p.7.

<sup>30</sup>

Zimwanda, Mkulamwendo, Milanzi, Nchingilizya and Mwana Mphangwe. There is one forest plantation namely Mindolo in Milanzi constituency along the Mozambique-Chanida border road. There are perennial but seasonal rivers in the district and these run between the months of December to August. These include Katete, Mzime, Lupande, Mnyamanzi, Kapoche and Katiula rivers. The Katiula river flows into the Kapoche river which also later flows into Mozambique. The Mnyamanzi river flows into Lupande river which, in turn runs into Luangwa river in Mambwe district.<sup>31</sup>The geographical location of the district under study is shown on the map on page ten.

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<sup>31</sup> G.R.Z, Ministry of Agriculture, *Annual Report for block supervisor Katete District, 1995* (Department of Agriculture, 1996), p. 1-3.



## 1.7 Literature Review

A survey of literature shows that a lot has been written on peasant agricultural farming in different parts of the world. However, there is little comparative historical writing concerning the impact of state support to the peasantry in post-independence Zambia. This study took Katete district of the Eastern province as a case study in examining the impact of state support to the peasantry as well as to show what happens when such support is withdrawn due to a change in economic policy.

John Marsh and Christopher Ritson investigated the role of party politics in the agricultural sector in Britain. The two scholars, highlighted how government intervention in agriculture existed for a variety of reasons, a) primary motive lay in the belief that agricultural markets, left to themselves would result in an income pattern for the rural population which was socially unacceptable, b), they examined how political discontent could also affect agricultural policies and c) they noted that political parties which derive much of their support from the agricultural community feared that if they did not appear to support the farmer's interests especially in periods immediately preceding elections the support would be withdrawn.<sup>1</sup> This study enabled our research to understand why the state under the UNIP regime heavily funded peasant farming especially during election times. However Marsh and Ritson's work overlooked what would happen if state support was withdrawn from the farmers in Britain which our study does.

Peter Self and Hebert Strong examined agricultural policies and politics in Britain between 1945 -1961. The power of the state was enlisted to support British agriculture to guide its' development, and to supervise its efficiency. The work examined the post-war Labour government's role in the support of agriculture through state programmes of funding and

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<sup>1</sup> John Marsh and Christopher Ritson, *Agriculture Policy and the Common Market* (London: Chatham House, 1971), p.23.

guidance which continued despite many strains.<sup>2</sup> The work proved vital as it gave us a comparative basis in understanding the Zambian government's continued support to peasant agriculture in order to bring about food security.

Of significance to our study was Galvin MaCrone's, which discusses the extent of support given to agriculture by governments in Europe and the reasons commonly given to justify it. He argued that subsidies can have a profound effect on development in the agricultural industry, if correctly applied.<sup>3</sup> This work enabled our study to understand how agricultural subsidies were incorrectly used by the Zambian government during the 1964-1990 period. Peasants saw these subsidies as government charity, this led to perpetual peasant dependency on the state.

Other studies elsewhere were devoted to the role of cooperative societies in the promotion of peasant farming. Susan W. Almy studied co-operatives in North Eastern Brazil and observed that, they were societies which could be described as vertical, in which the horizontal organisation between peers was so weak that most active decisions were made by individuals occupying roles in the hierarchy rather than groups.<sup>4</sup> This study helped us to understand that cooperatives could only operate under certain conditions which was government support. If this support was withdrawn they could not survive. The farming cooperatives in north eastern Brazil failed mainly because of the lack of government support. The study formed the background to understanding the collapse of the cooperative movement in Zambia when state support was withdrawn after 1991.

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<sup>2</sup> Peter Self and Herbert J. Strong, *The Farmer and the State* (London: George Allen and Unwin Ltd, 1962), p.34.

<sup>3</sup> Galvin McCrone, *The Economics of Subsidising Agriculture. A study of British Policy* (London: George Allen and Unwin Ltd, 1962), p. 54.

<sup>4</sup> Susan W. Almy, 'Vertical Societies and Cooperative Structures: Problems in North-Eastern Brazil', in D. W. Attwood and B. S. Bariskar (eds), *Who Shares? Cooperatives and Rural Development* (London: Oxford University Press, 1977), p.231.

B. S. Bariskar examined ways in which the government of India in the 1971 census worked hard to promote rural development through cooperatives in the 1970s. This was done under the “operation food” programme which had been launched in 1970 to stimulate dairy development.<sup>5</sup> Bariskar explains that loans were granted to peasant farmers under various schemes of the central and state government in Gujrat, Similarly banks gave loans to small and marginal farmers as well as landless labourers for the purpose of farming. Our study benefited from this work in understanding how the UNIP government gave out similar loans to farming schemes and co-operative societies in order to spur rural economic growth.

Takyiwaa Muma investigated how the government of Ghana supported rural development through funding the co-operative movement. This was in the case of the salt cooperative in ADA District.<sup>6</sup> O. Adeyeye examined the credit co-operative of Esusu clubs of Nigeria and how they were state funded in order to develop the rural population.<sup>7</sup> These works show how African states believed that in order to develop rural areas, there was need to provide funding to co-operatives. Our work has benefited from these works by comparing how the Zambian state believed in profoundly funding the cooperative movement as a way of uplifting the livelihoods of the rural populace whose main economic activity was agriculture.

E.S. Clayton examined reasons why the British colonial government introduced measures to improve African agriculture in the colonial period. Clayton argues that agriculture remained the only base to spur economic growth in the colony (Kenya). To meet this need, the government encouraged a substantial increase in the production of foodstuffs in both African

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<sup>5</sup> B. S Bariskar, ‘Daily Cooperatives and Rural Development in Gujrat’, in D. W Attwood and B. S Bariskar (eds), *Who Shares? Cooperatives and Rural Development* (London: Oxford University Press, 1977), 121.

<sup>6</sup> Takyiwaa Muma, ‘The Salt Cooperatives in ADA District, Ghana’, in M Taylor (ed) *Development from Within: Survival in Rural Africa* (London: Oxford University Press, 1992), p.89.

<sup>7</sup> O. Adeyeye, *Cooperative Development through Institutional Adaption. The Nigerian Experience*. Cooperative information 46/2 (Geneva: ILO, 1996), 43.

and non-African areas.<sup>8</sup> This work is of significance to our study as it highlighted the importance of agriculture in the colonial period. This work is in line with William Allan's work. William Allan's, *The African Husbandman* proved useful to our study as it gave us a background to the development of African peasant farming in post-war Northern Rhodesia (colonial Zambia).<sup>9</sup> The study examined measures which were put in place by Britain to improve African agriculture especially after the Second World War as to make her colonies self-sufficient in food production. It also highlighted crops which were successful in this venture among which were groundnuts and tobacco. This study was useful as it provided us with information in understanding the shifting trends in government policy on agriculture in colonial Zambia, something which persisted after 1964. This is also discussed by John A Hellen in his study.

John A. Hellen examined reasons why the government of Northern Rhodesia introduced measures to improve African agriculture in the colonial period. He also examined attempts that were made during the colonial era in order to eradicate poverty in Northern Rhodesia through the development of peasant agriculture.<sup>10</sup> This work was of importance to our study as it emphasised the role agriculture played in development during the colonial period. Such government attitudes towards rural development continued after independence, which is the focus of this study.

Alfred Tembo and Simon Nkhata, examined the role of the colonial state in promoting peasant farming. Tembo argued that the colonial state promoted African agriculture in Fort Jameson district (Chipata) through its policies contrary to the view held by underdevelopment scholars

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<sup>8</sup> E. S. Clayton, *Agrarian Development in Peasant Economies: Some lessons from Kenya* (Oxford: Pergamon press, 1964), p.55.

<sup>9</sup> William Allan, *The African Husbandman* (Edinburg: Oliver and Boyd, 1965), pp.98-124.

<sup>10</sup> John A. Hellen, *A Rural Economic Development in Zambia, 1890-1964* (Munchen: Welt Forum Verlag, 1968), p.188.

that the colonial state was always against peasant farming.<sup>11</sup> Nkhata also argued that it was state policies which led to the emergence of African peasant farming in Lundazi district.<sup>12</sup> The two works explain how resettlement schemes helped to improve African peasant farming during the colonial period. The present study in part, also investigates the role of resettlement schemes in peasant farming in the post-independence period under the “go back to the land policy”. The settlement schemes are further highlighted by Magande.

Ngandu Magande argued that settlement schemes were successful although they could not bring about wholesale development of the rural people in a short period of time due to limitation in size. He further explained that such schemes, because of their selective nature, encouraged the widening of disparity between the successful and not very good farmers.<sup>13</sup> The significance of this study is that, it highlighted how the colonial and independent state helped to improve African peasant farming in the Eastern province through its policies of settlement schemes. However, this study did not look at the impact state support would bring to the peasant farmers in the schemes once it was withdrawn, which our study has done. However, this study benefited from Ngandu’s work by investigating the role of settlement schemes in the development of peasant agriculture in the study area.

In connection to the establishment of farming schemes,<sup>14</sup> Nkhata investigated how the Zambian government established settlement schemes from 1966. He argued that this move was to bring thousands of peasant households into the cash economy and to develop rural areas.<sup>15</sup> The end result was that a number of schemes were formed in the Eastern province like Zemba,

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<sup>11</sup> Tembo, ‘The Colonial State and African Agriculture’, p.4.

<sup>12</sup> Simon M.C. Nkhata, ‘Settlement Schemes and labour Migration in Chipata District of Eastern Province of Zambia, 1951- 1976’, M.A. Dissertation, University of Zambia, 1987, p.26.

<sup>13</sup> Ng’andu Peter Magande, ‘Some Economic Aspects of Small-Scale. Farming in Zambia. A Case Study of Ngwezi Settlement Scheme in Mazabuka District’, M.A. Thesis, Makerere University, 1975, pp.12-20.

<sup>14</sup> The difference between farming schemes and resettlement schemes was that the former was specifically for farming purposes while the latter was to settle populations which were over populated.

<sup>15</sup> Simon M. C. Nkhata, ‘Resettlement in Chipata District’ in A. M. Kanduza, (ed.) *Social Economic Change in Eastern Zambia Pre-colonial to the 1980s* (Lusaka: Historical Association of Zambia, 1992), p. 120.

Kazimule, Chamchenga and Katambara. These schemes were pioneers in peasant agriculture just as was the case during the colonial era. However, there is a gap on what could have happened to the peasants under such schemes once the schemes collapsed. This is the aspect our study addressed taking Katete as the focal point.

Chewe M. Chabatama and John Philip Mtisi argued that the emergence of peasant farming in colonial Zambia was as a result of their innovativeness by taking advantage of the market situation. Chabatama noted that most of the peasants of North-Western province remained relatively food-secure largely due to their resilience, initiative and industriousness.<sup>16</sup> He further argued that the colonial market economy led to the emergence of peasant farmers who successfully and consistently produced both use-values and exchange values.<sup>17</sup> Mtisi observed that African peasant farmers managed to survive by adapting as the situation demanded and at times by exploiting the situation to their advantage.<sup>18</sup> These studies helped us understand the extent to which peasants in Katete district and Northern Province took State policies to their advantage to develop their agricultural enterprise.

McSamuel Richmond Dixon-Fyle<sup>19</sup> and Kenneth Powers Vickery<sup>20</sup> examined the emergence of the Tonga peasantry. They argued that it was the colonial State which contributed to the rise of the Tonga peasantry with its policies following the emergence of markets on the copperbelt mines. These works were of great significance as they provided us with information on how the state can contribute to the development of peasant farming through the provision of markets, which is part of our study. But these works have did not show how peasant farming

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<sup>16</sup> Chabatama, 'Peasant Farming, the State and Food Security in North-Western Province of Zambia', pp. i-v.

<sup>17</sup> Chabatama, 'The Colonial State, The Mission and Peasant Farming in North-Western Province of Zambia,'pv.23.

<sup>18</sup> John Phillip Mtisi, 'The Economic Impact of Colonial Rule in Eastern Zambia, 1900-1953: The Experiences of Chipata and Petauke', PhD Thesis University of Ibadan, 1979. p.iv.

<sup>19</sup> McSamuel Richmond Dixon-Fyle, 'Politics and Agrarian Change among the Plateau Tonga of Northern Rhodesia, 1924-1963', PhD Thesis University of London, 1976. p.ii.

<sup>20</sup> Kenneth Powers Vickery, 'The Making of a Peasantry: Imperialism and the Tonga Plateau, 1890-1936', PhD Thesis, Yale University, 1978. p.467.

would fare if state markets were withdrawn. It is this part which our study investigates under the new economic policy introduced by the MMD government.

The work of Ian Goldman and Ian B Holdwork proved significant to our study as it examined the role of the Zambian government in its effort to improve the rural areas through the formation of the Integrated Rural Development Project (IRDP). The IRDP was to assess the changes in produce price and agricultural services in 1981.<sup>21</sup> This work helped us investigate efforts made by the State in increasing agricultural production through rural development an aspect of our study.

Of significance also to our study was John T. Milimo's work which argues that the post-colonial government used a system of price controls to influence the pattern and composition of production, distribution and consumption of most agricultural commodities.<sup>22</sup> He argued that prices were used to influence agricultural production. This work was an eye opener on how prices can influence the composition of agricultural production, which is related to our study.

Katongo Katongo investigated how liberalised government policies can affect the marketing of agricultural products. He argued that subsidies in the agricultural industry transfer resources from lenders and tax payers to borrowers and consumers.<sup>23</sup> The scholar investigates the form of government support in agriculture through subsidies and price controls. This agricultural policy of subsidies led to the emergence of peasant farming in developing countries such as Zambia. However, Katongo does not examine the effects of the removal of such subsidies on peasant farmers. This is an important aspect which our study pursued.

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<sup>21</sup> Goldman and Holdwork, 'Agricultural Policies and the Small-Scale Producer', p.570.

<sup>22</sup> John T. Millimo, 'The Eastern Province of Zambia' in Celis Raphael, John T. Millimo, and Sudhir Wanmali, (eds) *Adopting Improved Farm Technology: A Study of Smallholder Farmers in Eastern Province, Zambia* (Washington D. C: International Food Policy Research Institute, 1991), pp.123-140.

<sup>23</sup> Katongo Katongo, 'Marketing and Subsidy Policies,' in Raphael, Millimo and Wanmali, (eds.) *Adopting Improved Farm Technology: A Study of Smallholder Farmers in Eastern Province, Zambia*, p.38.

Lundondo Mumeka examined the role of the copper industry in Zambia's economy. The study stated that this industry played an important factor in the formulation and development of the agricultural industry. It argued that there was a general consensus in Zambia that agriculture plays an overwhelming role in country's development. This view was reflected in the country's post-independence economic policies which clearly discouraged discrimination against the agricultural sector.<sup>24</sup> The study viewed agriculture as a sector which could be used for attacking poverty and hunger on a broad front. This work was useful to the current study as it showed how the agricultural sector was dependent on other sectors for survival. This gave us an understanding why the agricultural sector did not perform well after the decline of the copper industry in the early 1970s.

The work by C.S. Lombard and A. H. C. Tweedie investigate the role which agriculture played in Zambia's economic development. The scholars notes that maize dominated Zambian agriculture. It highlighted how maize was used as a basic input for poultry, intensive beef daily and pig production. The work shows that maize was Zambia's main agricultural crop and the confidence of farmer and policy makers alike revolves around the maize harvest.<sup>25</sup> This work was of great importance to our study as it explained how the production of the maize crop revolved around agricultural policies. This work opened our understanding why peasant farmers had shifted attention to the production of maize than any other crops after independence.

Adrian Paul Wood and Richard W. A. Vokes investigates the commercialisation of agriculture in Zambia since independence. They argue that the commercialisation of traditional agriculture

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<sup>24</sup> Lundondo Mumeka, 'Policy Constraint on the Development of Agriculture and Small-Scale Enterprises in Rural Zambia', in Raphael, Celis John T. Millimo and Sudhir Wanmali (eds.) *Adopting Improved Farm Technology: A Study of Smallholder Farmers in Eastern Province, Zambia* (Washington D.C: International Food Policy Research Institute, 1991),pp.167-180.

<sup>25</sup> C. S. Lombard and A. H. C. Tweedie, *Agriculture in Zambia since Independence* (Ndola: National Education Company of Zambia Limited, 1974), p.20.

was seen as a means to improving the standards of living of the rural dwellers and to alleviate poverty by the Zambian government. Hence, policies were introduced to facilitate the progression of farmers from subsistence to semi-commercial levels of production.<sup>26</sup> This was to improve the peasantry. The work gave us an understanding of how a small group of medium scale but commercially-oriented peasant farmers could develop with the assistance of expanded government services. However, the study was not concerned with the impact on these commercially oriented state reliant peasants once state support was withdrawn which our study did.

Another work of significance is that of Lovejoy Mulambo Malambo. He examined difficulties exacerbated by long liberation wars in southern Africa, rising oil prices, failing copper prices as a cause of the economic difficulties faced by the Zambian government in the 1970s. He argued that in an attempt to revitalize the sagging economy and reduce the socio-economic disparities between the urban and rural areas, the Zambian government tried to do so by moving away from mineral dependency to peasant farming.<sup>27</sup> The work was of significance to our study as it provided us with information on how government policy shifted to agriculture in order to improve the economy after the failing mining sector in the 1970s.

Gisela Geisler examined the impact of Structural Adjustment Programme (SAP) on the agricultural sector in Zambia in 1992. The scholar argues that the removal of subsidies on agricultural inputs and marketing as well as reduced credit facilities, frequently offset any possible gains by small-scale farming communities.<sup>28</sup> SAP programmes led to economic stress and restructuring, which disadvantaged the peasant farming community. This is an aspect which our study pursued for Katete district.

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<sup>26</sup> Adrian Paul Wood and Richard W A Vokes, 'Commercialisation of Agriculture', in Adrian Paul Wood, Stuart A Kean, John T Millimo and Dennis Micheal Warren (eds), *The Dynamics of Agricultural Policy and Reform in Zambia* (Iowa: Iowa State University Press, 1990), pp.21-59.

<sup>27</sup> Malambo, 'Rural Food Security in Zambia', pp.12-20.

<sup>28</sup> Gisela Geisler, 'Who is Losing out? Structural Adjustment, Gender, and the Agricultural Sector in Zambia' *The Journal of Modern African Studies*, Vol. 30, No. 1 (1992), pp. 113-139.

Samuel N. Chipungu investigated the role of the state in peasant farming. Chipungu argued that from post-independence period the state expanded extension services through the establishment of agricultural camps and farmers training centres. As a result, more privileged peasants had access to a wide array of technology.<sup>29</sup> This study helped us understand how the state played a major role in the emergence of peasant farming in other parts of the country. The study although mainly focused on the colonial era was used for a comparative analysis of the development of the peasantry in Katete district.

Of great significance to our study was the recent work by Ruth Phiri,<sup>30</sup> the study emphasised the contributions and impact that the National Agricultural Marketing Board (NAMBOARD) had on the farming community and the nation at large in promoting food security as well as the challenges that this organisation encountered in its quest of promoting food security. The study showed that the state had always intervened and played an active role in the provision of markets for certain crops especially maize, it being the staple food of the country. However this work did not take into account the impact it had on the peasants once this organisation (NAMBOARD) collapsed after the liberalisation period..

## **1.8 Methodology**

Data on peasant farming for the study was collected over a period of six months, that is, from October 2016 to March 2017. The first part of the research was dedicated to collecting data from published and unpublished sources in the University of Zambia main library and the Institute for Economic and Social Research (INESOR) library. Some of the sources consulted there included books, journal articles, theses, dissertations, parliamentary debates, press statements and official government reports; others were national development plans, the *Zambian Farmer magazine*, Parliamentary Hansards, ECU and NAMBOARD documents.

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<sup>29</sup> Chipungu, *The State, Technology and Peasant Differentiation in Zambia*, p.9.

<sup>30</sup> Ruth Phiri, 'A History of the National Agricultural Marketing Board (Namboard) in Promoting Food Security in Zambia, 1969-1989', M. A. Dissertation, University of Zambia, 2016, p. iv.

From such sources we collected information on the agricultural development of African peasant farming in Zambia generally, and Katete in particular.

Data was also collected from the National Archives of Zambia (N.A.Z.) where we mined unpublished primary sources such as the Katete District agricultural annual reports. Information on crop trials was also collected from Mount Makulu and Msekera Research Stations. This was to establish which crops were grown in the study area. Monthly and annual reports of government departments such as Agriculture and Finance provided us with supplementary data on crop sales. The Zambia National Broadcasting Corporation (ZNBC) offices were visited to collect information pertaining to information on the use of the mass media in agricultural extension outreach programme by government officials.

The UNIP archives were also visited to obtain the party's different manifestos on issues pertaining to agriculture from 1964 to 1991. The Movement for Multi-party Democracy (MMD) national offices availed us with their manifesto which provided a basis for comparative analysis between the two political party manifestos on agriculture.

Lastly, oral interviews concerning peasant farming were conducted in Chief Kawaza's area of Katete district. This was to obtain first-hand information on the various issues surrounding the farmers. Those interviewed included owners of the farms which had been demarcated since 1947 for example Leta Banda owner of farm number six (6) and Redson Zimba of farm number 10, Adamson Phiri (Dambolamadzi) of farm number 9, Henry H Moyo and Loketo Tembo. The data collected from these interviews was cross-checked and compared with that obtained from secondary sources.

### **1.9 Organisation of the study**

The study is divided into five chapters. Chapter One is the Introduction. Chapter Two examines the state of peasant agriculture on the eve of independence. Chapter Three

investigates the role of the state in the development of peasant farming in Katete between 1964 and 1990. The fourth chapter investigates the impact of Structural Adjustment Programme (SAP) on peasant farming in the district under the MMD government from 1991 to 1996. The final chapter is the Conclusion, which sums up the findings of the study.

## CHAPTER TWO

### PEASANT AGRICULTURE IN KATETE DISTRICT ON THE EVE OF INDEPENDENCE.

#### 2.1 Introduction

This chapter examines the status of peasant farming in Katete district on the eve of independence in 1964 in relation to, marketing, agricultural shows, credit facilities, marketing cooperatives, farming schemes and extension services. Peasant agriculture, during this period in Katete district had taken a firm standing owing to the well-established marketing system under the cooperatives which had been organised by the colonial government. The district was said to possess 400 known African peasants.<sup>31</sup> African peasants were able to produce for the market as a result of the Peasant Farming Scheme which operated in the area. Groundnut production had already been established while maize production was starting to improve due to its importance as a staple crop for the district.

#### 2.1 Agricultural Marketing by 1964

On the eve of independence, the country's agricultural sector was under the Central African federal system of governance from 1953 to 1963. Under this system, European agriculture was a concern of the federal government headquartered in Salisbury. African agriculture, on the other hand was reserved to each of the three territories (Northern Rhodesia, Nyasaland and Southern Rhodesia). Federal marketing organisations that operated in Northern Rhodesia were the Grain Board (GB), the Cold Storage Board (CSB) and the Dairy Produce Board (DPB).<sup>32</sup> These statutory boards operated federal price policies when Zambia became independent.

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<sup>31</sup> National Archives of Zambia (hereafter N.A.Z), MAG2/21/229/089, Society Audit Report for the year 1963 Department of Agriculture.

<sup>2</sup> N.A.Z, MF1/2/5/10, Report of the top level seminar in marketing of food grains, Lusaka, 11 April 1963.

Federal pricing policies for maize, beef, and milk were regarded as unsuitable for Zambian conditions.<sup>33</sup>

Since statutory marketing organisations were mainly concerned with European produce and the prices under which they operated became matters for the federal administration, this resulted in the emergence of a dual system in which the determination of prices and organisation of central marketing facilities were geared to European production. This comprised the bulk of the produce moving to markets.<sup>34</sup> The organisation of African produce marketing was secondary in priority as it remained the responsibility of the poorly funded territorial governments. This type of federal marketing arrangement had started after the Second World War. The marketing of crops which producers could not dispose of within Katete came to be arranged by the Department of Agriculture through co-operatives.<sup>35</sup>

When the country attained independence on 24 October 1964, these marketing entities were taken over by the new Zambian government. There was little change in the pattern of marketing organisation following the breakup of the federation. A proposal for a Marketing Commission (MC) to take over the three branches of the federal organisation (Grain Board, Cold Storage Board and the Dairy Marketing Board) was not adopted and a second proposal that the GB should become a residual buyer, with overall control lifted, was turned down by the new Zambian government.<sup>36</sup>

One important change made in this field was that the African Rural Marketing Service was constituted as a statutory board with a wider field of operations. It was decided to subsidise the

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<sup>33</sup> N.A.Z, MF1/2/6/29, Report of the Rural Development working party, April 1963. Also see John C. Abbott, 'Agricultural Marketing Boards in the Developing Countries', *Journal of Farm Economics*, Vol. 49, No. 3 (Aug., 1967), p. 719.

<sup>34</sup> N.A.Z, MAG2/3/124/056, Report of the working party on the future of African Farming, May 1963.

<sup>35</sup> In 1947 the Northern Rhodesian government decided that the post-war rural development programme would require independent marketing organisation and these were to be developed on cooperative lines. See George Kay, *Changing Patterns of Settlement and Land Use in the Eastern Province of Northern Rhodesia* (Yorkshire: University of Hull, 1965), p 51. Kay has elaborated on the marketing arrangements of the Northern Rhodesian and federal government.

<sup>36</sup> N.A.Z, MF1/2/5/10, Marketing policy paper no. 22/64.

new board to enable it to operate in areas where the grain output was not yet sufficient to carry the full weight of the marketing costs. It was expected that it would only do so as production for the market expanded. In effect, the change for the marketing service was to be calculated on a basis which would relieve producers of the part of the heavy overhead costs that inhibited joint effort.<sup>37</sup> This meant that the state would incur the cost of marketing in this arrangement.

The federal era which ended in 1963 left three main problems in this field; that of unsound price policies for the basic commodities, that of unsatisfactory marketing organisation arising from the division of powers between the federal government and territory government which was fully to be resolved during the post-independence era and that of the tendency towards government sponsored marketing monopolies.<sup>38</sup>

The development drive brought new pricing problems into focus and had emphasised weaknesses in the marketing structure, largely due to changes in aim. Two dominant objectives of the agricultural sector of the national development plan were the accelerated increase in marketed output and in welfare of the rural sector of the community. These aims were complemented by a strong political leaning towards maximum self-sufficiency, not merely in national terms but also as far as was practical in provincial and district terms.<sup>39</sup>

The African Rural Marketing Service was initially financed by the African Farming Improvement Funds (AFIF) out of levies made on maize marketed to the GB. Efforts to increase marketed output in remote areas brought into sharp focus the operations of the Agricultural Rural Marketing Board (ARMB) and the problems of regional and district

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<sup>37</sup> N.A.Z, MAG2/1/107/019, Agriculture: Marketing Reorganisation Memorandum by the Minister of Agriculture March 1964. Also see Anthony Mwanaumo, William A. Masters and Paul V. Preckel, 'A Spatial Analysis of Maize Marketing Policy Reforms in Zambia', *American Journal of Agricultural Economics*, Vol. 79, No. 2 (May, 1997), p. 519.

<sup>38</sup> N.A.Z, MF1/2/5/10 Agricultural Rural Marketing Board, Progress Report for Quarter Ending 30<sup>th</sup> September 1968.

<sup>39</sup> N.A.Z, MF1/2/5/10, Report of the working party set up to Examine the whole question of Marketing organisation in Zambia. Also see Jotham C. Momba, 'Peasant Differentiation and Rural Party Politics in Colonial Zambia', *Journal of Southern African Studies*, Vol. 11, No. 2 (Apr., 1985), p. 289.

prices.<sup>40</sup> In order to stimulate production in new areas, the government undertook to subsidise the operations of ARMB. The rate of the subsidy was £52,321 for the whole territory.<sup>41</sup> But it was clear that if a subsidised service was widely available, it would inhibit the growth of private and cooperative enterprise even if the subsidy was progressively withdrawn as production expanded.<sup>42</sup>

On the eve of independence, the Zambian government was operating a combined price support and stabilisation scheme for maize. There was a guaranteed market with floor prices for slaughtered cattle, forward price guarantees within the framework of a monopoly buying system for expressing groundnuts, a price support scheme for milk, and market guarantee for cotton.<sup>43</sup> All these arrangements, although not quite in their present form were legacies of the federal government.

When the Central African federation was dissolved, Northern Rhodesia (N.R) inherited the federal marketing machinery for agricultural commodities, together with a good deal of commitment to the methods that had been developed and with some continuing obligations in respect of price agreements.<sup>44</sup> Much of the marketing facilities taken over had been in existence prior to federation between 1953 and 1963, there was a considerable increase in government intervention in agricultural marketing and the principles and systems which had developed in Southern Rhodesia (SR) were applied in N.R. This was the general picture of the marketing structure on the eve of independence in the country.

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<sup>40</sup> N.A.Z, MAG4/1/6 An appraisal of Agricultural Marketing Policy 16 April 1964.

<sup>41</sup> N.A.Z, MF1/2/10, Staff administration and Financial Structure of Agricultural Rural Marketing Board, 1963.

<sup>42</sup> N.A.Z, MAG2/17/200/089, A note on Marketing Problems in Relation to National Development Planning in Zambia, May 1962. Also see Ben Turok, 'State Capitalism: The Role of Parastatals in Zambia', *Africa Development / Afrique et Développement*, Vol. 4, No. 2/3 (April -September 1979 / Avril - Septembre 1979), p. 47; and N.A.Z, MAG4/2/42501/006, Comments on Marketing Reorganisation, 17 September 1964.

<sup>43</sup> N.A.Z, MAG2/17/200/089, Notes on a meeting held in the office of the planning committee, Ministry of Agriculture, held on 7 and 8 June 1965. Also see N.A.Z, MAG5/4/4284/007 Planning memorandum no.15/65.

<sup>44</sup> N.A.Z, MAG2/17/200/089, Minutes of the tenth meeting of the planning committee, 10 September 1965.

The newly independent Zambian government took over the marketing arrangements on a basis designed to avoid any disruption, but with clear recognition of the need to introduce changes. Changes were necessary, in part, because the marketing and price pattern had been developed under conditions which favoured the settler community during the colonial period.<sup>45</sup> In part because of the need for some redress in a general policy which appeared to favour settler producer interests without due regard to national welfare, and in part because an essential racist feature of the federal system still existed.<sup>46</sup> The new state wanted to extend equal marketing arrangements to the African producers as well.

The marketing of crops in Katete district was entirely in the hands of cooperatives. Co-operative societies acted as middle agents between African peasant farmers, the GB, and the ARMB. Bonuses were paid to the members of the Katete Co-operative Marketing Union (KCMU) who sold their crops to the union while KCMU also bought crops from non-members. Bonuses encouraged non-members to join cooperatives in the district. The marketing of farm produce by 1964 was well organised due to the cooperative movement which had been started by the colonial government. The prominent crop which was commercially marketed was groundnuts. The crop found market outside the district and was also shipped overseas as confectionary nuts.<sup>47</sup> There were 11 co-operative societies as shown in Table 1 below.

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<sup>45</sup> N.A.Z, MAG2/1/107/021, Progress Report on Marketing no. 3. 10<sup>th</sup> June, 1965.

<sup>46</sup> N.A.Z, MAG4/1/4248/006, Draft report of the working party set up to examine the whole question of marketing organisation in Zambia 12<sup>th</sup> June, 1965.

<sup>47</sup> N.A.Z, MAG2/21/226/071, Tonnage of Bagged crops Handled by Marketing Organisation during 1966. Also see Jim Pletcher, 'Ecological Deterioration and Agricultural Stagnation in Eastern province, Zambia', *The Centennial Review*, Vol. 35, No. 2 (Spring 1991), p. 372.

**Table 1. African Marketing Cooperatives in Katete, 1964**

s/n	Name of Cooperative	Year of formation
1	Kafumbwe	1949
3	Mzime	1950
3	Chafulu	1953
4	Kagoro	1953
5	Chigumani	1953
6	Matunga	1952
7	Mtandaza	1954
8	Vulamukoko	1956
9	Kamphambe	1961
10	Kalimeta	1961
11	Kathumba	1963

Source: Compiled from George Kay, *Changing Patterns of Settlement and Land Use in the Eastern Province of Northern Rhodesia* (Hull: University of Hull, 1965), p. 53.

### **2.1.1 Maize**

Maize production, on the eve of independence in the district was not well developed. This was due to the fact that the colonial legacy had encouraged the production of groundnuts in the area. The colonial government encouraged the cultivation of groundnuts due to a world-wide shortages of vegetable oils after the end of Second World War. This shortage of edible oils

created market opportunities as never before.<sup>48</sup> Katete district was favourable for groundnut production. This state of affairs led to farmers growing more groundnuts than maize as the former fetched higher prices than the latter on the international market. Farmers were only able to grow maize for their own consumption, very little or no export of the crop was recorded in the district after 1963.<sup>49</sup> Sound maize policy for Zambia by 1964 was aimed at the maintenance of self-sufficiency without stimulating production to such a level as would lead to heavy and consistent losses on export.<sup>50</sup>

The average maize production in Katete per acre was about three bags of 200lb per bag and about seven bags of 200lb per hectare. While the national average was 20 and 30 bags of 200lb per bag for African peasant farmers per hectare, In Eastern province, it stood between 49 and 73 for commercial farmers.<sup>51</sup> Commercial farmers already had access to the synthetic and improved open pollinated and hybrid seed in Zambia.<sup>52</sup> The bulk of maize growers (lesser producers), however, still depended on traditional methods and did not have adequate access to loans.<sup>53</sup> The vast majority of peasant farmers of the area did not use fertilizer in the production of maize due to its limited supply to them. Fertilizer prices were high and the commodity was restricted to white commercial farmers. African peasant farmers had relied on the use of kraal manure, the idea which had been promoted by the colonial government.<sup>54</sup> After independence in 1964, things began to change and thought was given to the African peasant farmers by the

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<sup>48</sup> George Kay, *Changing Patterns of Settlement and Land Use in the Eastern Province of Northern Rhodesia* (Hull: University of Hull, 1965), p 65.

<sup>49</sup> N.A.Z, MAG2/21/223/057/ Ministers tour to the Eastern Province summary statement 21 May, 1965; also see Kay, *Changing Patterns of Settlement and Land Use in the Eastern Province of Northern Rhodesia*, pp 60-65. Kay has clearly elaborated on the production of maize in the province and why the maize crop had not been adopted as a cash crop than groundnuts after 1956.

<sup>50</sup> N.A.Z, MAG2/17/202/102, Ministers Tour Report to the Eastern Province 25 February -3 March 1966.

<sup>51</sup> Ibid.

<sup>52</sup> N.A.Z, MAG2/3/21/121, Maize production in Zambia with special reference to variety and soil fertility by Arthur O Ballantyne.

<sup>53</sup> The traditional methods used by African peasant farmers involved the hand hoe, and in some instances they used ox drawn ploughs.

<sup>54</sup> N.A.Z, MAG2/16/184/016, Katete land use survey meeting Monday 7 November 1966. Interview, Saukani Njovu, Farm Number 2 Kangwelema Scheme, 13 January 2017. The interviewee noted that ("*Fataleza sitinalikuuziba, tanali kuthila chithosi cha Ngombe*") literally meaning "fertilizer was not known, we used animal manure in the production of maize".

state. The table below shows the production of maize in Katete in 1964. The increase of the buying price from April was to induce peasant farmers to sell more maize to the cooperatives. The price was maintained at 18 shillings per 200lb bag throughout the year until October.

**Table 2. Maize Production in Katete in 1964**

Month	Number of bags/ 200lb	Price per 200lb bag
March	10,000	16s 6d
April	10,000	18s
May	10,000	18s
June	16,000	18s
July	14,000	18s
August	19,000	18s
September	23,175	18s

Source: Compiled from Eastern Province Monthly Reports, March to September, N.A.Z, MAG2/5/144/092, *Eastern Province Monthly Reports from March to September, 1964* (Fort Jameson: Department of Agriculture, 1964).

As population increased and cleared land got less to individual farmers, the need for efficient production method became imperative. African farmers began to be guided by the state to have more maize per acre, attention was paid to factors related to profitability. Such factors involved the provision of inputs like fertilizer and high yielding seeds.<sup>55</sup> Apart from Maize the state also encouraged the cultivation of groundnuts.

### 2.1.2 Groundnuts

In 1964, the harvested crop was small as compared to the previous years when the crop had registered a good harvest. The reason for a small yield in 1964 was as a result of unfavourable

<sup>55</sup> N.A.Z, MAG2/16/184/016, Katete land use survey meeting Monday 7 November 1966.

seasonal conditions and the Rosette disease which had ravaged the crop. This made values to rise on the world market and exports had to be curtailed in an effort to meet the internal requirement.<sup>56</sup> Most farmers in the area were involved in the production of the crop as there was readily available market. The market was provided by the Katete Cooperative Marketing Union. The KCMU bought and marketed the crop on behalf of the farmers of the district.

Groundnuts production had been considered as a cash venture for farmers in Katete for a long time due to the support it got from the colonial authorities. The crop grown in the area was preferred on the European market due to its confectionary quality. With the export of this crop, most peasant farmers were inclined to grow or produce groundnuts in an effort to earn some money. This was coupled with the world demand for edible oils. The crop was used in the expressing of edible oils in the area and as a cash income for the peasant farmers as well as revenue for the government when it was exported. The table below shows the production of groundnuts in 1964 in Katete. The prices for groundnuts remained uniform for the whole year.

**Table 3. Groundnuts Sales in Katete in 1964**

<b>Month</b>	<b>Number of bags per 180lb</b>	<b>Price per lb</b>
March	15,000	24s 6d
April	15,000	24s 6d
May	10,000	24s 6d
June	110	24s 6d
July	7,500	24s 6d
August	3,306	24s 6d
September	3,609	24s 6d

<sup>56</sup> N.A.Z, MAG2/5/144/092, Eastern Province Monthly Report for September 1964 (Fort Jameson: Department of Agriculture, 1964), p.2.

Total	54,525	24s 6d
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Source: Compiled from Eastern Province Monthly Reports from March to September 1964, N.A.Z, MAG2/5/144/092, *Eastern Province Monthly Reports from March to September* (Fort Jameson: Department of Agriculture, 1964).

### 2.1.3 Hybrid Seeds

Most peasant farmers in the area did not know about the availability of hybrid seeds. The only peasant farmers who had access or information about the use of hybrids were those who lived near European commercial farms or had relatives in urban areas. In the colonial era, peasant farmers in the periphery did not have any information or knowledge of high yielding seeds. This made them to recycle the available maize seed they had stored in the previous season.<sup>57</sup> As a result of the lack of awareness of the maize hybrid seeds peasant farmers by 1964 were reluctant to adopt hybrids.

Despite the prominence of agricultural activities during the Peasant Farming Scheme in Katete, access to an input market had been more difficult for peasant farmers out of the schemes as compared to those in the schemes. The majority of peasant farmers had to travel at least 16 kilometres to gain access to an input market. Most of the hybrid seed before independence came from Southern Rhodesia (SR52) and was only available to European farmers. African peasant farmers could only access it if they belonged to a scheme or were workers on these European farms. Most farmers relied on the local seeds available. Some peasant farmers did not want to use hybrid seeds as they claimed that it was prone to pest attacks during storage.<sup>58</sup> Most considered and preferred to use the local available seed as they were drought resistant as well. Hybrid seeds only came to be available when the state started a seed breeding programme which led to the creation of Zambia Seed Company (ZamSeed)

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<sup>57</sup> Interview, Banda.

<sup>58</sup> Interview, Dambolamadzi.

which is discussed in the next chapter. The creation of a seed company also led to the creation of Tobacco marketing floors.

#### **2.1.4 Tobacco**

This crop differed from maize and groundnuts in that it never had any major significance in the internal market. It was mainly grown for export and was a non-food commodity. Tobacco was a specialist crop grafted on to the farming system, as noted by S.M. Makings the Agricultural Advisor to the government in 1964.<sup>59</sup> The marketing of tobacco was a difficult task for peasant farmers in the district. The crop was very tedious when it came to cultivation as it required a lot of experience and attention. One of the challenges of growing tobacco was that it was labour intensive.<sup>60</sup> When it came to the marketing of the crop, there was also no readily available market in the country. The crop had to be transported to Malawi using the little available state transport, where auction floors existed. The auction floors which had been opened in Fort Jameson earlier in the colonial period were closed in 1952.<sup>61</sup> This tobacco was auctioned and packed for export in Lilongwe.<sup>62</sup> Thereafter, it had to be shipped to Britain in order to be sold.

The marketing arrangement of the crop was that once farmers in the tobacco scheme had grown the crop they had to choose one of them as a representative in order to accompany the crop to Malawi. That person also accompanied the crop to Britain.<sup>63</sup> The representative was to ensure that peasant farmers were not cheated of their produce. Whatever cost was incurred in the process was deducted from each farmer's consignment. This meant that tobacco was expensive to grow as it attracted additional expenses in its marketing. Some peasant farmers

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<sup>59</sup> N.A.Z, MF1/2/4/6 Tobacco price and marketing policy paper no.22/63.

<sup>60</sup> N.A.Z, MF1/2/5/13, Virginia Tobacco Tenant Farming Scheme Report March, 1966. Also interview, Leta Banda, Farm No. 6, Kangwelema Scheme, 24 November 2016.

<sup>61</sup> Kay, *Changing Patterns of Settlement and Land Use in the Eastern Province of Northern Rhodesia*, p.71.

<sup>62</sup> N.A.Z, MAG2/13/178/003, Standing committee on marketing- Eastern Province record of a meeting held in the office of the director of Agriculture on Wednesday 19 May 1965.

<sup>63</sup> Interview, Banda, 24 November 2016 and interview, Adamson Phiri, Farm no. 9, 25 November 2016.

argued that it was unprofitable for the farmer of the district to grow the crop.<sup>64</sup> The state found this arrangement unsatisfactory. Soon after independence and it undertook construction of tobacco auction facilities in Lusaka. The auction floors were opened in 1966 while the processing and packing plant was opened in the following year.<sup>65</sup> The increase of growers from 1959 was as a result of the rekindled interest by the Ministry of Agriculture in Lusaka in 1956 in an effort to bring prosperity to rural areas through cash cropping.<sup>66</sup> In this venture, a subsidy of £6,000 was given to the tobacco industry which led to production to increase to 70,000lbs the highest figure ever recorded in the district. The price of tobacco per lb from 1959 was at 22d and dropped to 11d in 1961 although it later rose and remained at 16d in 1963.<sup>67</sup> Although tobacco did well in the district, cotton the other cash crop did not fair well.

### **2.1.5 Cotton**

The officials of the British South African Company (BSACo) had at one time attempted cotton production in the 1920s as a cash crop in the district but failed. The failure of the cotton crop production led to the crop not being established in the district under study. Cotton was only later established among the Kunda in the Luangwa valley by the federal government in the later years of the 1950s but not in Katete.

### **2.1.6 Beef and Dairy production**

Beef and dairy production in the district in 1964 also played a part in peasant farming in the period towards independence in 1964. Cattle as a commodity in the African traditional setup had immense value. Cattle was usually sold to butchers who then supplied the local markets.

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<sup>64</sup> Interviews, Banda and Phiri. The two gave testimony to the strenuous nature of growing tobacco. They lamented that it was only a policy which required them to grow the crop but that if it was up to them, they would have never grown it at all.

<sup>65</sup> N.A.Z, MFI/2/5/10 Report of the working party set up to examine the whole question of marketing organisation in Zambia 1963.

<sup>66</sup> Kay, *Changing Patterns of Settlement and Land Use in the Eastern Province*, p.62.

<sup>67</sup> N.A.Z, MAG2/5/144/092, *Eastern Province Annual Reports from 1959 to 1960* (Fort Jameson: Department of Agriculture, 1961).

Cattle was also slaughtered and consumed in the villages but mostly records of statistics are not available due to the fact that there were no organised markets before 1960. The cattle market in Katete district opened in 1960. This was when the department of Agriculture initiated arrangements with the Cold Storage Commission (CSC) which was an organisation set up under the federal government legislation to hold cattle sales.<sup>68</sup> The prices offered by the CSC were based on the Blantyre prices and were applied throughout the federation to both Europeans and Africans.

The federal government, in its effort to improve the beef and dairy production embarked on the Grazier Scheme in the district in 1961. The table below shows the number of peasant farmers in Katete and the number of animals with profits made under this scheme in September, 1964.

**Table 4. Beef production under the Grazier Scheme in September 1964**

Name of owner	Number of grazier animals sold	Grades achieved	Total profit £.S.d	Average profit £.S.d
Milos Phiri Kagoro	5	1× G.A.Q 4× Std A	43.7.6	8.15.6
Mathias Phiri Kafumbwe	1	1× G.A.Q	6.5.0d	6.5.0
Alick Phiri Mzime	2	2× G.A.Q	14.17.6d	7.8.9
W. Banda Kalimeta	1	1× G.A.Q	6.5.0d	6.5.0
Wailo Daka	1	1× G.A.Q	5.0.0d	5.0.0

<sup>68</sup> N.A.Z, MAG2/5/92 Report of the Rural Development working party April 1961.

Kamphambe				
Total	10	4× Std. A 6× G.A.Q	75.15.0	7.11.6

G.A.Q= Grade A Quality

Std A= Standard Quality

Source: N.A.Z,MAG2/5/144/092, *Eastern Province Monthly Report for September 1964* (Fort Jameson: Department of Agriculture, 1964).

Peasant farmers in the district were also involved in the rearing of other animals like chickens, goats, pigs and in some instances pigeons although this was not considered part of farming by African peasant farmers.

## 2.2 The Provision of Credit Facilities

Credit societies, on the eve of independence in Katete were not so much spread. There were few such societies and only few peasant farmers could obtain credit from them. Credit union societies in Northern Rhodesia had grown rapidly after the Second World War. These had started as simple thrift and savings societies. Not all African peasant farmers could access such credit as this was restricted to members in the schemes in 1964 and early 1965. Getting loans on the eve of independence was viewed as a response to certain economic needs, like to improve production. Obtaining a loan was, perhaps the most common way to gain money for farming inputs. A farmer would borrow from a bank, an employer, a friend or a relative. However, banking facilities were not readily available to peasant farmers by 1964. Coupled with little or no education, most peasant farmers in Katete could not get loans from commercial banks. Katete peasant farmers viewed loans or credit as only for farmers who were in settlement schemes. The colonial state had extended credit facilities to selected African peasant farmers in the schemes in an effort to develop cash crop farming at the end of the Second World War.

Generally, the state wanted to establish peasant farmers with more than an even chance of success. This involved initial loans to get them going as economic entities. This meant that loans were to bear no or low interest rate. Further loans to improve the efficiency of their holdings could and were to bear interest at economic rates but the offer of government subsidies to encourage development on correct lines was not to be excluded. This followed current thinking at that time that the peasant farming revolving fund was primarily to establish farmers.<sup>69</sup> The African Farming Improvement Fund provided loans to peasants among other reasons, for further development and to capitalise production. Most of these loans were intended for further farm expansion and for procurement of farming inputs like seeds and ploughs.

There were about 80,000 to 100,000 African agricultural producers in the Eastern province by 1964. Of these, under 2000 were peasant farmers or improved farmers.<sup>70</sup> Katete had about 320 to 400 known peasant farmers.<sup>71</sup> Due to the state of the peasant farming fund accounts, when the independent state of Zambia emerged, about 1,700 of these farmers in the province owed about £192,000 or some £110 each in 1963. They had repaid nearly £33,000 out of the borrowings of £225,000 by 1964. In Katete, district about 320 peasant farmers owed £22,000, an average of £69 each in 1963.<sup>72</sup>

Loans were only available to farmers who were in the schemes and only those who had shown a commitment of paying back. The other African peasant farmers who did not belong to

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<sup>69</sup> N.A.Z, MAG2/1/107/025, Minutes of the district credit and market service committee 14 March 1965. For further information on the role of credit see Richard A.J. Roberts, 'The Role of Credit in Farm Development: field work carried out in Zambia in 1967-69 and 1974. / Le Role Du Credit Dans Le Developpement De L'exploitation agricole: étude effectuée dans deux régions de la Zambie en 1967-69 et 1974', *Finafrica Bulletin*, Vol. 2, No. 2 (1975), p. 40.

<sup>70</sup> Peasant farmers or improved farmers were those who were able to produce for the market and used ploughs and improved seeds in their farming. They had also adopted the stipulated agricultural methods advocated by the department of Agriculture; also see N.A.Z, MAG2/21/89 National census of Agriculture- Review of field operations and arrangements.

<sup>71</sup> N.A.Z, MAG2/21/229/089, Society Audit Report for the year 1963 Department of Agriculture; Also see N.A.Z, MAG2/21/226/071, Report on the trip to the Eastern province 12-15 July 1965.

<sup>72</sup> N.A.Z, MAG2/21/229/092, Chief Auditor- Letter to the chairman of ZCF 1966.

schemes or cooperatives could not obtain loans or found it difficult to access loans. The recovery of these loans by 1964 were very good as peasants knew that these were supposed to pay back and that the loans were not charities. They also knew that there were consequences if these monies were not paid back.<sup>73</sup> Consequences for not remitting loan payments involved confiscation of peasant properties equivalent to money borrowed and the involved peasant farmer could not access credit thereafter. State support did not end with credit provision, there were also agricultural shows conducted in the district to encourage the general public to participate in peasant farming.

### **2.3 Agricultural Shows**

The Katete Agricultural Shows started in 1948 and lasted last two to three days every year.<sup>74</sup> These shows were a wide window through which to display to the general public, various facets of farmers' work. This aspect assumed more importance every year. It was the aim of the Department of Agriculture to let the non-agricultural sector of the public know something about farming. The show was also an extension medium through which to put certain messages to the farming community. It acted as a training exercise which taught the rural community how to run their own affairs.<sup>75</sup>

In 1962, during the twelfth agricultural show, the commission tasked in the organisation of the agricultural show kindly made a donation of £2000 towards the prize money offered at the Katete show which was the provincial show in the Eastern Province.<sup>76</sup> This was to encourage the development of the cattle industry which had become an important section at the Katete show. Animal husbandry was an important industry in the district. The show was attended by

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<sup>73</sup> N.A.Z, MAG2/21/229/092 Chief Auditor- Letter to the Chairman of ZCF 1966; also Interview, Banda, 24 November 2016.

<sup>74</sup> Agricultural shows came with the inception of the African peasant farming schemes in 1948.

<sup>75</sup> N.A.Z, MAG2/20/213/009, 16 Katete show Report 24 April 1964, Department of Agriculture.

<sup>76</sup> Ibid.

some 20,000 people, hence it was an event at which a good deal of useful and vital instruction could be spread across to a large number of people.<sup>77</sup>

It was during some of these shows that some peasant farmers were recognised as emergent or prominent farmers and were allocated farms during the resettlement schemes by the state.<sup>78</sup>

These shows had become so well organised and developed that one peasant farmer from Katete was chosen to represent the country in Britain and participate in the agricultural show from the colonies conducted in 1968.<sup>79</sup> Away from agricultural shows, the state also saw to it that extension services were made available to peasant farmers.

## **2.4 Agricultural Extension Services**

Extension services represented a very important link in the dissemination of information, as it was through them that good agricultural practices or technology could be transferred to farmers. Extension workers in the country, province and district were the farmer's main information source and they assisted farmers to increase their production. However, extension services before 1964 experienced some problems as the ratio of agricultural workers to farmers was low.

The extension services by 1964 were not fully spread due to discriminatory colonial policies which had been inclined towards Europeans and later a few African peasant farmers on schemes. The African farmers who were not settled on schemes could not access extension services. This had bred bitter feelings towards any extension works introduced by the colonial authorities. Africans peasant farmers in Katete who had been involved in extension works like

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<sup>77</sup> N.A.Z, MAG2/20/213/007, Letter to Mr F.B Rhodes, Director of Agricultural shows 1963.

<sup>78</sup> N.A.Z, MAG2/7/162/10, Family Farms Scheme- Land, 1963-1977.

<sup>79</sup> N.A.Z, MAG2/20/213/009, 16 Katete show Report 24 April, 1964, Department of Agriculture; Interview, Banda, 24 November 2016, Mr Leta Banda had been chosen to go and participate in the agricultural show in Britain in 1968. He was chosen on the grounds that he was an upcoming peasant farmer and he had followed the stipulated farming techniques desired by the authorities.

the digging of the contour ridges in an effort to stop soil erosion in hilly areas were hostile to such extension projects.<sup>80</sup>

With independence, too, the responsibility for farm-level erosion control passed to the agricultural extension service which suffered from understaffing and scarce resources. Thereafter, little progress was made in erosion control, and the concern over conservation, which had become quite strong in the final decades of the colonial era, waned. Indeed, in a sad and angry farewell to the colonial era, Africans who had come to detest the onerous labour demands of building contour ridges and terraces deliberately destroyed erosion abatement works as part of the protest in the early 1960s against colonial impositions.<sup>81</sup> This meant that on the eve of independence, most farms and areas where soil erosion was high were affected. This was evident in Kagoro and Kangwelema areas due to their proximity to hills. The result was that soil fertility was affected as there was no adequate extension services provided to the peasant farmers of Katete.

Apart from soil conservation measures on the eve of independence, there was the waste of trucks, tractors and agricultural equipment which was destroyed or damaged by unskilled operators and inadequate maintenance. This was as a result of the haste departure of some of the colonial skilled farm owners.<sup>82</sup> Skilled man power was not, on the whole, available to fill the vacant posts created by the exodus of expatriates, semi-skilled labour was thus used as a short term measure. These short term measures did not always yield results which were in the interests of the nation's economic development. Rural Katete areas received fewer and lower quality extension services compared to urban areas. Rural projects and programmes which had been initiated by the colonial authorities either stalled or were stopped.

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<sup>80</sup> Interview Banda.

<sup>81</sup> Mabel C. Milimo 'Women, Population and Food in Africa: The Zambian Case', *Africa Development / Afrique Et Développement*, Vol. 11, No. 4 (1986), p. 103.

<sup>82</sup> Promil Sharma, 'The role of Primary Cooperatives Societies in the Development of Zambia's Agricultural Sector', M.Sc. Dissertation, University of Zambia, 1981, p.23.

In the case of veterinary services, it was almost impossible for the peasant farmers to access any extension services as there were no trained personnel to give advice or vaccinate their animals. This was due to the void created by the departure of colonial manpower. Dipping of animals was rarely done as there was only one dip tank located in Kangwelema scheme on the previously white owned farm of Harry Gardner.<sup>83</sup> The overall extension services in 1964 had been disrupted after the colonial farm owners left. After 1964, there was also the provision of markets for the crops produced in Katete. This was done through marketing cooperatives.

## **2.5 Marketing Cooperatives and Farming Schemes**

The history of Co-operatives in Katete is traced way back to 1952. They originated from the Petauke Co-operative Marketing Union (PCMU). Some of the earliest cooperatives in Katete to be formed during the colonial period included: Kafumbwe, Kagoro, Vulamukoko Chafulu and Mung'omba. In early 1952, Katete Co-operative Marketing Union (KCMU) was formed although it operated under PCMU which acted as a mother body. In 1956, KCMU became an independent district marketing union splinting away from PCMU.

The reasons that caused the split were first conflicting ethnic loyalties. Chief Kawaza of the Chewa people in the district, master-minded the split. He mounted a campaign among Chewa chiefs and their subjects in the district that the PCMU had not done much to develop the Chewa based co-operative society. He believed most of the PCMU profits were used by the Nsenga people in Petauke district. This feeling spread and grew among peasants of Katete. He eventually demanded the formation of Katete's own union which he thought would effectively

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<sup>83</sup> Interview Banda.

develop Katete societies.<sup>84</sup> It was from this background in 1957 that the cooperative movement in Katete developed.

Most of the cooperative societies registered up to 1964, were the only producer marketing organizations in the district. Co-operatives had been identified as one way in which to achieve increased production and raise rural standards of living, improve crop production intended not only to meet the needs of rural people, but also to feed the fast growing urban population.<sup>85</sup> This meant that when Zambia gained independence, the cooperative movement was already established in the district. The table below shows the growth of cooperatives in the area from 1963 to 1966.

**Table 5: Co-operative Societies in Katete District, 1964 -1967**

s/n	Year	Number of Co-operative societies	Supervising Staff
1	1963	201	14
2	1964	192	N/A
3	1965	454	24
4	1966	601	32
5	1967	875	42

Source: Compiled from *Department of co-operatives Annual reports, 1963, 1964, 1965, 1966 and 1967*(Katete: Ministry of Agriculture, 1963,64,65,66,67)

## 2.6 Re-settlement Schemes

<sup>84</sup> R. N. Coster, *Peasant farming in Petauke and Katete Area of the Eastern province of Northern Rhodesia*, Agricultural Bulletin No 15. (Lusaka: Government printers, 1958), pp. 26-27; Also see N.A.Z,MAG2/13/178/003. Alimi Cooperative Annual Report on the performance of the cooperative, 1961.

<sup>85</sup> N.A.Z, MAG3/1/232/010, Agricultural Policy memorandum no. 22, 1965. Also see Stephen. C Lombard, 'Farming Co-operatives in the Development of Zambian Agriculture', *The Journal of Modern African Studies*, Vol. 10, No. 2 (Jul., 1972), p. 294.

Re-settlement schemes in the district also had a long history from the colonial days when the African Peasant Farming Scheme (PFS) had been introduced in 1948. It was from the colonial authorities' thinking that African peasant farmers could be relieved of difficult village life by forming farming schemes. The schemes were meant to improve the already well to do peasants who had been restricted from development in the villages. By 1964, a number of schemes had been formed in the district. Among these were Kangwelema, Kalimeta, Kagoro and Kamphambe all located in chief Kawaza's area. Tobacco and groundnuts were the main cash crops grown in these schemes. The colonial government encouraged the production of these cash crops as it wanted to benefit financially from levies collected after the marketing of such crops.<sup>86</sup>

On the eve of independence, these schemes were in full operation with some peasants who had already been established under the PFS.<sup>87</sup> There was relatively little resettlement of subsistence households onto new subsistence farms on the eve of independence.

These schemes were usually justified on three basic grounds. First, government would argue that technical innovation was good in itself and that peasants were too backward to adopt new techniques. Secondly, the schemes were justified in terms of increased production and increased individual productivity. The state alleged that new modes of agricultural production were necessary to increase agricultural exports and reduce food imports and these could be implemented under such schemes.<sup>88</sup> Third, government looked to agricultural schemes for solutions to urban problems, especially urban unemployment.

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<sup>86</sup> Kay, *Changing Patterns of Settlement and Land Use in the Eastern Province of Northern Rhodesia*, p.55.

<sup>87</sup> N.A.Z,MAG2/21/225/058, Aims and Objectives for establishing Peasant Farming Schemes 1963; see also Alfred Tembo, 'The Colonial State and African Agriculture in Chipata District of Northern Rhodesia, 1895-1964', M.A. Dissertation, University of Zambia, 2010, p.65; and Frances Hill, 'Experiments with a Public Sector Peasantry: Agricultural Schemes and Class Formation in Africa', *African Studies Review*, Vol. 20, No. 3, *Peasants in Africa* (Dec., 1977), p. 26.

<sup>88</sup> Sharma, 'The role of Primary Cooperatives Societies in the Development of Zambia's Agricultural Sector', p.26.

Nonetheless, the changes which came with independence only had a marginal effect on settlement patterns in the district. European settlers had relocated their farms in the early 1950s when the tobacco industry collapsed for the second time, and with independence in 1964, lands that had been locked up for future African and settler use became available to the state for resettlement.

Even so, there was not a broad movement off the former reserves. Families adjusted to the conditions of the reserves over several decades, often through male migration, so that it was difficult, if not impossible, for many households to undertake the arduous move to hew a new farm from bush. Moreover, if they left the former reserves new farms would have to be established in areas distant from family and kin.

The government of Zambia did establish several resettlement programmes, but in general their aim was to resettle successful, "progressive" farmers on schemes of small scale, commercial production, such as those run by the Tobacco Board of Zambia for the production of burley tobacco. Most of these families who were settled in the schemes were found in Kangwelema, Kagoro, Kalimeta, Kamphambe and Mzime.<sup>89</sup>

## **2.7 Conclusion**

The chapter has demonstrated that peasant farming in Katete district was firmly rooted by 1964 as a number of individuals who produced primarily for the market had increased over the years. This was as a result of the well organised marketing system which existed under co-operative societies which had taken root in the area during the colonial rule. Peasants were able to find market for their produce and could make profit by belonging to the cooperative

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<sup>89</sup> N.A.Z, MAG2/9/16, Survey Eastern Province Tobacco Scheme 12 May, 1968.

movement. The only major problem peasants had was in the marketing of tobacco due to less markets in the country. Agricultural shows also enhanced the development of peasant farming as they acted as a show case to the public. Re-settlement schemes coupled with extension services led to the well-established peasant farming in the area.

The chapter has also discussed that groundnuts were the main cash crop grown in the district as maize was just starting to acquire its status as a cash crop by 1964. Fertilizer, as an enhancer of yields was rarely used or not known at all as many peasant farmers used animal manure for their crops, a method utilised since time immemorial, and promoted by colonial authorities. The next chapter examines the role played by the state in the development of peasant farming in Katete district during the UNIP administration between 1964 and 1990.

## **Chapter Three**

### **THE ROLE PLAYED BY THE STATE IN THE DEVELOPMENT OF AFRICAN PEASANT FARMING IN KATETE DISTRICT, 1964-1990**

#### **3.1 Introduction**

The preceding chapter discussed the state of peasant farming in Katete district on the eve of independence in 1964. This chapter looks at the role of the United National Independence Party government (UNIP) in the development of peasant farming in Katete district after 1964 in order to bring to the fore the impact of state support on peasant farming following the attainment of independence. The chapter, in doing this, uses the thematic approach. Upon attaining independence in 1964, the Zambian government instituted various developmental policies. The agricultural sector was not left out in this effort. To develop the agricultural sector, the role of the state was to provide infrastructure and services to peasant farmers who did not benefit much compared to European farmers during the colonial period. The most important of these was the provision of farm inputs, extension services, training, credit, marketing and the regulation of prices. Other interventions involved the creation of re-settlement schemes, formation of co-operatives, parastatal marketing boards and radio programmes for the provision of extension services.

#### **3.1 The Transitional Policy and Programme, 1963-65**

Immediately after the United National Independence Party (hereafter UNIP) won the 1962 elections, Kenneth Kaunda's government came into power. UNIP asked the United Nations /Economic Commission for Africa/ Food Agriculture Organisation (hereafter UN/ECA/FAO) to send a mission to Zambia to assist in the establishment of a broad framework and policy for an integrated social and economic development. In response to this request, the UN formed a

mission headed by Dudley Seers.<sup>1</sup> The mission arrived in Zambia in November 1963. UNIP immediately presented the mission with a number of objectives which were to: (i) increase employment (ii) achieve greater equality between town and country, rich and poor, European and African, (iii) raise the standard of living, (iv) to increase the productive capacity of all sectors, especially the subsistence sector.<sup>2</sup>

The mission presented its first report to government in the spring of 1964. Throughout its survey and proposals, the mission assumed that Africans had the political freedom and the required revenue, what was needed was for the government to set its strategies and priorities. As far as the agricultural sector was concerned, the mission made several recommendations which became the basis for the first transitional agricultural policy and programmes. These proposals were to do with: (i) education and extension (ii) marketing and agricultural credit, (iii) agricultural technology, (iv) agrarian system and re-settlements, and (v) livestock.<sup>3</sup>

The new Zambian government incorporated most of the UN/ECA/FAO recommendations into its First National Development Plan for the period 1966-1971. Before that, the government used a transitional development plan to bridge the gap between the end of colonial rule and the post-colonial period. Table 7 shows the allocation of funds to the agricultural sector under the transitional development plan. Projects 'A' were initial planned projects while projects 'B' were the actual projects carried out by government.

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<sup>1</sup> N.A.Z, MF1/2/30 Objectives and terms of Reference of the Dudley Seers Mission 18 March, 1965.

<sup>2</sup> N.A.Z, MF1/2/30 Objectives and terms of Reference, 18 March, 1965.

<sup>3</sup> Ibid.

**Table 6. Agricultural Projects under the Transitional Development Plan, 1963.**

<b>Item</b>	<b>Carryovers (1000s)</b>	<b>A. Projects (1000s)</b>	<b>B. Projects (1000s)</b>
Research	129	985	145
Land Settlement	253	35	563
Crop Development and Livestock	738.5	925	717
Marketing	104.5	863	1767
Rural Credit	217	-	1736.5
Veterinary	635	105.5	172
Other	-	5.0	-
Total	1505.5	2037	5102.5

Source: GRZ, *Transitional Development Plan* (Lusaka: Government printers, 1964), p.65.

The larger allocation of funds in the rural credit and marketing in the table above showed the commitment of the state in improving peasant farming.

When the First National Development Plan (FNDP) took effect in 1966, it sought to solve unemployment, income inequalities, malnutrition and the diversification of the economy.<sup>4</sup> Public pronouncements notwithstanding, the actual implementation of the agricultural policy and programmes, tended to support those who were commercially better off in the urban areas. The FNDP was tuned in line with UNIP's programme for action called "Zambia's development in the next decade".<sup>5</sup> The major objectives of the party's agricultural policy were (i) to diversify the economy so that the copper industry did not remain the only main employer and (ii) to make the country self-sufficient.

<sup>4</sup> N.A.Z, MAG2/21/225/058, Minutes on African Agriculture by I. S Hutcheson, 23 April 1967. See also the *First National Development Plan, 1966-1971*, p.126.

<sup>5</sup> N.A.Z, MAG4/1/4248/004 Agriculture Department Policy Staff and Organisation Meeting held on 10 March, 1966.

The government formulated several agricultural programmes to be implemented in the peasant sector. The most important of these programmes included, (a) agricultural cooperative farming and marketing (b) agricultural family and settlement schemes c) agricultural credit scheme, and d) agricultural tractor mechanisation schemes.<sup>6</sup> Other less important programmes were extension services, radio programmes, fertilizer and seed multiplication and the formation of young farmer's clubs.

### **3.2 Tractor Mechanisation /Agricultural Mechanisation, 1964-1966**

The state realised that peasant farmers were facing problems in land clearing due to lack of machinery. The reason was that stumping took a great deal of time and labour, and on any substantial scale was probably beyond the unaided resources of many Zambian rural communities. Under the Tractor Mechanisation Programme, the government advocated for the use of tractors to assist the peasant farmers in their farming enterprises.<sup>7</sup> In this scheme, the Dudley Seers Mission recommended that by 1970 the government should put in peasant agriculture a minimum of 3000 tractors.<sup>8</sup> This was to be a government managed tractor mechanisation pool.

The establishment of the tractor mechanisation unit was in line with UN/ECA/FAO mission recommendation. The mission had recommended that mechanisation for peasant farmers meant the use of tractors for cultivation. The need for this arose from the limited area of land that could be cultivated by hand or ox-plough as more land could be cleared by tractors.<sup>9</sup>

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<sup>6</sup> N.A.Z, MF1/2/4/5 Extract from Cabinet Minutes: Development Planning Organisation of Provincial Tractor Pools, 1964-66.

<sup>7</sup> N.A.Z, MF1/2/4/5 Standing Committee on Agricultural Mechanisation: Minutes of a Meeting Held in Land Bank House on Wednesday 16 June, 1965 at 10:00hours

<sup>8</sup> N.A.Z, MAG2/21/95 Minutes of the Tenth Meeting of the Policy and Planning Committee, Ministry of Agriculture, held on the 7 and 8 April in the Committee Room 1965.

<sup>9</sup> N.A.Z, MF1/6/30 Minutes of International Bank for Reconstruction and Development Meeting, 2 March, 1965, also see Mwape, 'Zambia's Agricultural Policy and Performance 1960-1980', p.87.

Initially, it was felt that the government should run the mechanisation schemes as peasant farmers would not manage the problems of repairing the facilities. After discussions in the Ministry of Agriculture, it was decided that an initial 200 tractors be ordered for creating a central mechanisation unit.<sup>10</sup> These tractors were ordered in 1965. By 1972 several tractors were stationed at each district level for the cooperatives and peasant farmers to hire and Katete had five of them.<sup>11</sup>

The government obtained tractors through Massey-Ferguson organisation in order to equip the tractor mechanisation scheme.<sup>12</sup> During a meeting on 13 January, 1966, Massey-Ferguson agreed to supply personnel assistance in consultation with advisers and to do an on-the-spot survey of the agricultural and economic background. This was based upon the full development of the five year plan, the objective being the establishment of a detailed plan for machine employment.<sup>13</sup> Eastern Province was appointed to be one of the three provinces apart from Central and Southern, where distribution of Massey-Ferguson tractors was to be done. Petauke and Katete were to have a field workshop where tractors could be serviced.<sup>14</sup>

Prior to this, in 1963 an enumeration survey was undertaken to find out how many African farmers owned tractors in the country. The survey showed that a total of 257 African farmers owned tractors. Of these nearly 94% were located in the Central and Southern Province.<sup>15</sup> This survey was done by Mr J. E. Doughty, the Agricultural Economist. In the Eastern Province, the number of Africans who owned tractors were as follows, Katete had five tractors, Lundazi had only one tractor, Chipata had 1 tractor and Petauke also had one tractor.<sup>16</sup>

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<sup>10</sup>N.A.Z, MF1/2/4/5 Agricultural Mechanisation Scheme Progress Report no. 1, 10 June 1965.

<sup>11</sup> *Ibid.*

<sup>12</sup> *Ibid.*

<sup>13</sup> *Ibid.*

<sup>14</sup> N.A.Z, MAG2/21/228, Letter to J. C .A Stokes on Tractor Distribution from P Barnett, 1965.

<sup>15</sup> N.A.Z, MF1/2/4/5, Planning Memorandum No. 12. Tractor Mechanisation in Africa, Agriculture and Land Development in Zambia and its Association with Settlement, 1965.

<sup>16</sup> N.A.Z, MF1/2/4/6, Tractor Unit Project, Transitional Development Plan Category A. Distribution of African Tractor Owners According to Their Registration as Farmers. Tractor Enumeration Survey, April 1963.

Katete had more African farmers who owned tractors than any other district in the province. This was as a result of the African improved farming scheme which had been introduced in the area before independence.<sup>17</sup> For this reason, rich peasants were already accustomed to the use of tractors for farming.

In 1964, the state outlined a scheme for the mechanisation of agriculture. The Canadian government financed this scheme. The tractors were to be loaned/hired on credit to peasant farmers at £2 per hour in order to assist the farmers.<sup>18</sup> In 1965, I.H. Greening agricultural advisor, pointed out that the hire of tractors on a credit basis would enhance demand due to the prevailing attitude to credit among potential users. The loan for the procurement of tractors was provided by the Credit Organisation of Zambia (COZ). The tractor mechanisation scheme was handled by the Eastern Province Co-operative Marketing Association (EPCMA) through its district co-operatives.<sup>19</sup> EPCMA handled all repair and maintenance of tractors through District Co-operatives on an agreed arrangement with government. In Katete, this was handled by Katete Co-operative Marketing Union (KCMU).

The tractor scheme was primarily seen as an aid to increase production in the province as noted by A. Tembo, the General Manager of EPCMA and A. Mhango the area manager for Katete.<sup>20</sup> In this vein, the Eastern province received 40 tractors and they were distributed as follows, Chipata 12, Katete 10, Petauke 12, and Lundazi 06 in 1965.<sup>21</sup>

Under mechanised farming, the state used the cooperative system in as many spheres of national development as possible. The following observation was made under the mechanised farming cooperative group. The unit consisted of at least 500 arable acres within a three to four

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<sup>17</sup> N.A.Z, MAG2/21/226/071, Peasant Farming Revolving Fund Report, 1965.

<sup>18</sup> N.A.Z, MF1/2/4/5 Letter to the Director of Planning from Willson Watson Limited, 12 June, 1965

<sup>19</sup> N.A.Z, MF1/2/4/5, Standing Committee on Agricultural Mechanisation- Eastern Province Record of a Meeting held in the Office of the Director of Agriculture on Wednesday 19 May 1965.

<sup>20</sup> N.A.Z, MAG2/21/226/071, Eastern Province Statistics Report book, 1968.

<sup>21</sup> N.A.Z, MF1/2/4/5, Mechanisation Service Departments Notes on a Meeting to Consider Methods of Accounting for Tractor Scheme, 1965.

mile radius of a central position on which the unit would be based. In Katete, Kangwelema Scheme was such an area which was under mechanised farming.

The re-organisation and clearing of arable land was undertaken by members of KCM group. It was essential for peasant farmers themselves to see to it that land was properly stumped to permit mechanisation without undue breakages.<sup>22</sup> Under this mechanisation scheme, there was one trained driver per tractor, one field supervisor and one mechanic.<sup>23</sup> The field supervisor was responsible for planning and organising how the tractor was to be utilised. The mechanisation scheme started in November, 1964, mechanisation was introduced in the following ways (a) by loans to individuals, (b) by loans to contractors, (c) by loans to syndicates or cooperatives, which would own and operated the tractors like EPCMA and (d) by government tractor hire and service scheme.<sup>24</sup>

The mechanised ploughing scheme in Katete between the period 1964-1966 was spearheaded by four prominent peasant farmers. These were Nicholas Sibanda from Kapeya Farms in Vulamukoko, Msacho Zulu from Kawalala, Chief Kawaza in Kagoro and Robert Phiri from Chiwundamila.<sup>25</sup> These worked hand in hand with the Department of Agriculture in the mechanised farming section. The Department of Agriculture agreed to subsidise tractor ploughing in the remote areas to the tune of 20 pence per acre in order to encourage poorer farmers on the western side of the district to use tractors as well.

KCMU purchased four tractors from its own resources. These tractors were deployed in Chafulu, Kawalala, Chimwa and Mzime. This expenditure was not to yield a profit directly, but to increase individual farmer's production. In turn, this gave individual farmers more income. It also relieved the farmer from the tedious work of ploughing using manual labour

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<sup>22</sup> N.A.Z, MAG2/21/225/058, Letter to J. C A Stokes on Farm Plan from P Barnett, 1967.

<sup>23</sup> N.A.Z, MF1/2/4/5, Mechanisation Service Departments Notes on a Meeting to Consider Methods of Accounting for Tractor Scheme, 1965.

<sup>24</sup> N.A.Z, MAG4/4/4260/005, Mechanised Ploughing Scheme Katete Report, 1965.

<sup>25</sup> N.A.Z, MAG4/4/4260/005, Notes on Mechanised Farming Cooperative Groups, 1965.

thereby giving the farmer leisure time for recreation and education. The mechanised scheme tractors initially were for groundnuts cultivation, but in certain circumstances, tobacco and maize fields were also ploughed.<sup>26</sup> The mechanised scheme in the district was only for members who belonged to the KCMU, in order to encourage other peasant farmers to join the co-operative scheme.<sup>27</sup>

Following the introduction of mechanised farming, a number of peasant farmers joined the cooperative union with a view to gaining access to the tractors. One peasant farmer noted that the tractors were seen as a source of increasing production and yields. This was because the tractor could cultivate large areas and moreover it was on credit.<sup>28</sup> This boosted up the peasantry sector in the district. Throughout the 1970s, the cooperative movement in Katete continued to operate the tractor scheme on credit. Tractors were also maintained and repaired by KCMU.

The state, in its endeavour to promote peasant agriculture, continued to support the development of farmers through mechanised farming. In 1983, the government also engaged Tata Zambia to supply more tractors. For this, on 27 January, 1983 Mr Unia Mwila, the Minister of Agriculture, commended Tata Zambia Limited for spreading its operations into agricultural machinery production.<sup>29</sup> The minister noted that the tractor campaign's move was a clear indication aimed at supporting the country's food production campaign launched by the party and its government.<sup>30</sup>

The government wanted peasant farmers to be well organised so that they could be self-sufficient and contribute to the country's overall food production. And the machinery

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<sup>26</sup> N.A.Z, MAG2/21/228/083, Letter to Mr J Borrei on Katete and Sinda Virginia Tobacco Schemes from W. T Spaargaren, 1966.

<sup>27</sup> N.A.Z, MAG4/4/4260/005, Tractor Scheme: Eastern Province Interim Development Plan, 1966.

<sup>28</sup> *Zambia Daily Mail*, 10 January 1983, p.4.

<sup>29</sup> *Zambia Daily Mail*, 27 January 1983, p.4.

<sup>30</sup> *Zambia Daily Mail*, 27 January 1983, p.4.

developed by Tata was in line with government's objective to provide tractors at an affordable price to peasant farmers. The machinery, which cost between K8, 000 to K15, 000 was meant for peasant farmers. The government urged the company to maintain the low prices so that the peasant farmers could afford to purchase them.<sup>31</sup> One such beneficiary of this scheme was Adamson Phiri a.k.a Dambolamadzi in Katete who bought his first tractor unit in 1984.<sup>32</sup>

Technology was an integral part of agricultural development. This was because it significantly contributed to increased agricultural production and thereby to the well-being of rural populations. The widespread utilization or adoption of improved agricultural technology by farmers was regarded as the primary goal of a national research and extension system and was a measure of how well the overall system was functioning.<sup>33</sup> The adoption of technology was of particular interest because it led to increased crop production, increased rural incomes and provided a means of assessing the effectiveness of extension activities. The tractor mechanisation increased the crop output by 75% from 25% for the peasant farmers who had adopted it in Katete. It also increased land ploughed by farmers from 38% to 80% and this was done on time.<sup>34</sup> Sixty-five percent of peasant farmers in Katete benefited from this scheme and 90% of peasant farmers who lived on farming schemes were beneficiaries of this mechanisation.<sup>35</sup> Another policy to encourage people to go into farming was the call "go back to the land" by the president.

### **3.3 "Go back to the land" Policy of 1967**

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<sup>31</sup> Zambia Daily Mail, 27 January 1983, p.4.

<sup>32</sup> Interview, Adamson Phiri a.k.a (Dambolamadzi), Farm number 9 Kangwelema Scheme, 16/11/2016.

<sup>33</sup> N.A.Z, MAG4/4/4260/005, Letter to Mr A Burrows on Tractorisation Project from Penderel Moon 1965. See also Thomson Haamutete Kalinda, 'Access to Resources and Food Production among Small-Scale Farm Households in Southern Zambia', PhD Thesis, University of Guelth, 1997, p.22. See also Samuel N. Chipungu, *The State, Technology and Peasant Differentiation in Zambia. A Case Study of the Southern Province 1930-1986* (Lusaka: Historical Association of Zambia, 1988), p.121.

<sup>34</sup> N.A.Z, MAG4/4/4260/005, Tractor Scheme: Eastern Province Development Plan Report, 1972.

<sup>35</sup> Ibid.

In its effort to decongest the urban areas and encourage peasant farming, government called upon the people to 'go back to the land'. This policy was initiated by President Kaunda in 1967 in line with the First National Development Plan (FNDP) of 1966.<sup>36</sup> The government knew quite well that, with the country's rich natural resources, any man who was prepared to work hard could earn a decent living as a farmer, a fisherman, a cattle rancher or a craftsman. The gist of this land policy was the settlement of, on permanent sites, of anyone in urban areas who was willing to go into farming in rural areas. The state geared itself towards the provision of certain services such as education, for instance a school was built in Mphangwe New Farm Block (Mwaziputa) in 1966, another school and a clinic at Kagoro, and feeder roads were constructed and repaired in order to make life bearable in rural areas.<sup>37</sup>

One of the people who responded to this policy was Chezulo Tembo who had retired from the mines in Luanshya in 1969 and settled in Katete. He had been allocated a farm plot in Mphangwe New Farm Block Scheme with his family in 1970.<sup>38</sup> This scheme had been reserved for people who had responded to the call to the "go back to the land" policy. Half of the farms in this area had been settled by these new peasant farmers. The policy of had a positive impact on the existing peasant farmers because the social services provided to the new settlers also benefited the already settled peasant farmers. The new farmers were successful due to the sound financial position they were in as a result of dues paid to them on retirement pension. They even employed some local people as labourers to assist them in clearing more land.<sup>39</sup> Once farmers had responded positively to this policy, there was need to provide them with improved seed, hence the development of seed multiplication project in 1965.

### **3.4 Seed Multiplication Project, 1965**

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<sup>36</sup>MF1/2/12, Back to the Land Policy Memorandum, 1967. Also see *The Zambian Farmer*, volume 6, number 3, October/ November 2002, p.12.

<sup>37</sup> N.A.Z, MAG2/16/184/016, Rural Economic Development Strategy Policy, 1966.

<sup>38</sup> Interview, Loketo Tembo, Farm Number 6 Mphangwe New Block, 18 November, 2016.

<sup>39</sup> Ibid.

In its efforts to further develop peasant farming, the government realised that it had to raise the yields of peasant harvest and one of the most effective ways this could be done was through the use of high yielding seeds. The government's extension services was tasked with the responsibility of improving the hybrid seeds planted in the country. Before 1966, most of the seeds used by farmers in Zambia came from Southern Rhodesia.<sup>40</sup> With the objectives of the FNNDP to increase production of maize, a seed multiplication programme was started in earnest at Mount Makulu Research Station.<sup>41</sup>

Throughout the late 1960s and 1970s, the state tirelessly worked with the extension department of the Ministry of Agriculture to ensure the supply of good improved seeds. The adoption of improved maize varieties by peasant farmers was rapid and extensive in Katete following their introduction in 1984-85. By 1992, 60% of the area cultivated by peasant farmers was planted with improved varieties of maize seed supplied by Zamseed, a parastatal. As a result, there was a reduction in the area under groundnuts cultivation because hybrid maize seed was readily available. Peasant farmers' share of maize production in Katete increased from 43% of the total marketed maize in 1969 to 74% by 1980 and to 80% by the late 1980s.<sup>42</sup> It was clear to the government policy-makers by the 1970s that the key to increased maize production lay with peasant farmers.

The adoption of SR52 maize seed variety in combination with fertilizer use was the focus of the extension service's Lima Programme during the 1980s. Through these programmes, peasant farmers in the district learned about the yield advantage they could obtain by using hybrids with fertilizer instead of local open pollinated method (the famous local maize).<sup>43</sup>

When interviewed recently, a peasant farmer acknowledged that the expansion of parastatal

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<sup>40</sup> N.A.Z, MAG2/17/202/102, Maize Improvement Programme- Progress Report, 1968.

<sup>41</sup> Ibid.

<sup>42</sup> N.A.Z, MAG2/5/144/092, Report on the trip to the Eastern Province, 12-15 May 1970.

<sup>43</sup> N.A.Z, MAG2/21/228/083, Report on the xiv International Course in Extension Methods and Fertilizer use in Israel 18 April- 12 July 1971.

marketing outlets and credit programmes made it easier for peasant farmers to obtain purchased inputs (maize seeds) and to market the surplus maize produced.<sup>44</sup>

The Government in its quest to improve the quality of cotton, developed a ginnery in Lusaka on 24 July, 1964.<sup>45</sup> The cotton ginnery was undertaken to assist the Department of Agriculture in cotton seed multiplication. The seed multiplication scheme was meant to assist peasant producers. The peasant cotton producers in the district were mostly found in the areas of Kangwelema, Kalimeta, Kagoro, Kamphambe and Vulamukoko. These were able to use improved cotton seeds following the operation of the ginnery in Lusaka from 1964 onwards. After the inception of the ginning plant half of the peasant farmers in the mentioned schemes used improved cotton seed variety. This improved the quality of cotton in Katete leading to the proposal to have a cotton ginning plant in the district in 1995.<sup>46</sup>

In 1968/9, the Department of Agriculture, in an endeavour to improve the quality of groundnuts grown in the area made improved strains of groundnut seed available at a price below that usually pertaining in the villages.<sup>47</sup> This helped to encourage what appeared to be an unusually high level of expenditure on groundnut seeds in 1968/9. In that year, the total purchase of groundnuts seeds was K114 compared to K35 the previous year.<sup>48</sup>

The state worked tirelessly with Mount Makulu research station to have an improved quality seed for peasant farmers. The end result was the development Makulu Red and the Chalimbana seed varieties.<sup>49</sup> The Chalimbana variety was in short supply in Katete and this led to the EPCMA to restrict the export of the crop. A barter system was introduced by EPCMA whereby

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<sup>44</sup> Interview Banda, 14 November 2016.

<sup>45</sup> Northern News, Saturday 25 July 1964, p.3.

<sup>46</sup> N.A.Z, MAG2/5/144/092, Proposal for a cotton ginnery to be established in the Eastern province, 1967.

<sup>47</sup> Ibid.

<sup>48</sup> N.A.Z, MAG2/5/144/092.

<sup>49</sup> N.A.Z, MAG2/5/146/101. M. W. Mukumbuta, Report on the Top Level Seminar in Marketing of Food Grains, Cooperative College Lusaka, 1968.

a farmer exchanged three tins of ordinary groundnut seeds for two tins of Chalimbana seeds.<sup>50</sup> Following this policy, peasant farmers in the area were able to acquire improved groundnut seeds from KCMU which operated on behalf of ECU. Not only did the state provide improved seeds, it also made sure that fertilizer was also made available to peasant farmers.

### **3.5 Fertilizer Input Programme**

The post-colonial government also endeavoured to promote the adoption of new and improved farming practices such as the use of chemical fertilizer in order to increase peasant productivity. In its quest to improve peasant farmers' yields, the state identified fertilizer to be one of the major components in this venture. On the eve of independence, Zambia was supplied with fertilizer from four main sources, Chinza, Fisons, Windmill and Consolidated Farm Fertilizer Limited from Southern Rhodesia.<sup>51</sup> The first three of these were branches of international companies while the fourth was a small company with limited financial resources which bought fertilizer from other various trade sources and had less facilities than the others. The state, in its effort to improve fertilizer storage, embarked on a shed building project country wide.

The Eastern Province received a K3,150,000 from the Canadian International Development Agency (CIDA) for the construction of storage sheds, one for maize and another for fertilizer at Lundazi and Petauke, respectively in 1972. Four storage sheds, two for fertilizer and two for maize were also built in Katete by 1973. In the same vein, one storage shed for maize and one for fertilizer were also built at Kagoro in Katete by 1984.<sup>52</sup> The sheds for maize and fertilizer had a capacity of 5,000 and 3,500 tonnes each, respectively. The sheds helped towards easing the fertilizer storage problem for peasant farmers in the district. Before this, the Department of

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<sup>50</sup> N.A.Z, MF1/2/11, Minutes of the Provincial and Market Service Committee 14 March, 1970, Eastern Province.

\* A tin was equivalent to a five litre empty container.

<sup>51</sup> N.A.Z, MAG2/21/91, Minutes of Fertilizer Importation for 1965-66 season held on 31 August, 1965.

<sup>52</sup> GRZ, *Provincial Agriculture Annual Report for Eastern province 1983* (Lusaka: Department of Agriculture, 1984), p. 12.

Agriculture had faced problems in storing the commodity before it was distributed to peasant farmers especially during the rainy season.

The extension service of the Ministry of Agriculture and Water Development (MAWD) had the sole responsibility for fertilizer use education. Crop production programmes including information on fertilizer use had been a part of extension efforts for a long time. The Lima programme was the extension service's principle programme for providing fertilizer education along with other cultural practices for crop production in Katete.<sup>53</sup>

The post-colonial state, in its continued effort to ensure the development of peasant farming, started a new programme called "the National Lima Fertilizer Programme" in Katete which was instituted in 1983. This programme was supported by the Food and Agricultural Organisation (hereafter FAO) and other donors, it was designed to improve extension delivery of information about fertilizer to peasant farmers.<sup>54</sup> This was done by providing extension services with adequate resource and manpower. The enrolment for 1984 of farmer participation in the district for the 1985/86 farming season was encouraging<sup>55</sup>. In addition, the programme was designed to provide a growing data base of fertilizer use by peasant farmers. A group of peasant farmers in Kagoro area were using improved seeds and oxen or tractors to produce the same range of crops as commercial farmers did. Peasant farmers who used fertilizer for crop production were especially subject to the risks associated with the dependence upon the performance of the fertilizer marketing system.<sup>56</sup>

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<sup>53</sup> N.A.Z, MAG3/1/232/010, Annual Report of the Group Extension Officer for the Year Ending 30 September, 1965.

<sup>54</sup> N.A.Z, MAG2/21/230/095. Annual Food and Agricultural Organisation (hereafter FAO) Questionnaires on Fertilizer, 1980.

<sup>55</sup> N.A.Z, MAG4/1/4247/003, Tour Report 25 February -3 March 1984, Eastern Province.

<sup>56</sup> Ibid. Interview, James Lungu, Kagoro, 17 February, 2017. (He noted that after the start of the use of fertilizer, most farmers in the area could not do farming without the commodity. This had a negative impact on the fertility of the soil as it became dependent on fertilizer use). Also see Victor Makasa, 'Participation of Small Holder Farmers in Agricultural Extension Service in Zambia', MSc Dissertation, University of Zambia, 2002, p.45.

During 1987/88 parliamentary debates, legislators were keen to find out what the UNIP government was doing to ensure that peasant farmers had access to fertilizer. It was in this line that J. B Chimwala, Member of Parliament for Milanzi, wanted to find out from the Minister of Cooperatives what steps his ministry had taken to ensure that in the 1987/88 season: a) fertilizer was distributed to the farming community in good time, b) produce was moved to safe places before the onset of the rains and c) what measures had been instituted in handling the produce in depots.<sup>57</sup> In answer to this, the Minister of State for Cooperatives, Mr J. Sifwa had responded that, his ministry was making every effort to ensure that fertilizers were distributed to the farming community on time.<sup>58</sup> He further stated that the following steps had been taken:

- (a) orders for 241,000 tonnes of fertilizer of all compound mixtures had been placed and were expected in the country during August 1987, and (b) that NAMBOARD would distribute to all district centres according to the estimated requirements by each provincial cooperative union, who would in turn distribute to all the rural depots.<sup>59</sup>

He hoped that, in this way the peasant farmer would have his fertilizer within easy reach.

The members of parliament also wanted to find out the modalities which government had put in place to make the fertilizer affordable to peasant farmers. One Member of Parliament (MP), G. Katai, asked the minister what steps the government had taken to reduce the prices of fertilizer. In answer, the Minister responded that the government had retained a subsidy as the

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<sup>57</sup> Parliamentary Debates of *The Fourth National Assembly*, June 20 1987 (Lusaka: Government Printers, 1988), p.163.

<sup>58</sup> Parliamentary Debates, p.167.

<sup>59</sup> Parliamentary Debates, p.170.

price of fertilizer remained at K75 instead of K126.<sup>60</sup> The government continued to subsidise the price of fertilizer to keep it low and within reach of the peasant farmers. The government subsidy had risen from K140 million in 1986 to K184 million by 1989.<sup>61</sup> The Minister emphasised that the fertilizer price was already low due to subsidies provided by the government. This subsidy was also extended to credit facilities.

### **3.6 Credit Facilities**

The problem which government faced in 1964 was one of diversifying a lopsided economy and of reducing dependence on copper which in turn was dependent on foreign capital and expatriate labour.<sup>62</sup> In the early years of independence, therefore, government began to provide loans to peasant farmers in order to uplift their productivity capacity.

In Katete, a total of 732 farmers benefited from state-provided loans in the 1967-8 season.<sup>63</sup> The Eastern Province African Finance Company (AFC) approved 7,990 peasant farmers' agricultural loans in 1982. This contributed to the increase in the crop output in the area as most farmers were able to access farming inputs through the acquired loans. In Kangwelema and Kalimeta schemes, most farmers had benefited from this state support programme of loans by the end of the 1983 season. The provision of credit facilities and fertilizer led to more production from farmers, hence the need to provide marketing co-operatives. These co-operatives would market the produced crops.

#### **3.7.1 Marketing Cooperatives**

The cooperative strategy was rejuvenated in 1965 when President Kaunda called on all the unemployed citizens in Zambia to form co-operative societies and put their skills to work on

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<sup>60</sup> Parliamentary Debates, p.230.

<sup>61</sup> Parliamentary Debates, p.232.

<sup>62</sup> N.A.Z, MAG4/6/4264/012, Society Audit Report for the year 1963-1964.

<sup>63</sup> N.A.Z, MAG2/21/229/092, Borrowers Register Record Book, 1970-75. Also see Zambia Information Service, *Press release no.138/67*, Feb 1967.

agricultural and construction projects which the government had planned. The president declared that the money for such project was available and so was the technical knowhow. A subsidy of K30 was promised by the government for each acre of land officially certified as completely cleared of woodland for the cultivation of cash crops by each registered cooperative with at least ten members. The rule was that, if such a group cleared fifty acres, it qualified for a grant to purchase a tractor.<sup>64</sup>

Between the period 1964-69, over K14 million was spent on cooperatives broken down as follows: K4.6 million for loans, K5 million for tractors and K4.4 million for stumping subsidies.<sup>65</sup> By the end of 1967, as Jansen Dodge reports, there were 446 registered farming cooperatives in the country compared with none in 1964.<sup>66</sup> Together these cleared 45,000 acres of land. By the end of 1969, however, many were defunct and very few were functioning effectively, the government's generous financial support notwithstanding.

The state wished to use the cooperative movement system in as many spheres of national development as possible. The major aim of cooperatives was to meet the peasant farmer's high expectations for improved standard of living. The cooperative movement was also to help keep people on the land in order to prevent them from migrating to urban areas where they would add to unemployment problems. In order to popularize the cooperative movement, Kaunda went around the provinces and at each public meeting announced that the, "agricultural cooperative movement was the ideal vehicle for transforming the rural areas".<sup>67</sup> The general picture we get from this was that, for the period 1964-1970 cooperative societies dominated the farming sector in the district. Two types of societies became dominant for the period 1964-

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<sup>64</sup> N.A.Z, MAG2/13/178/003, *Eastern Province Cooperatives Report for 1968*.

<sup>65</sup> N.A.Z, MAG5/4/4247/003, Minutes of the African Rural Marketing Committee 23 May, 1969.

<sup>66</sup> D. J. Dodge, *Agricultural policy and Performance in Zambia, History, Prospects and proposals for Change* (Berkeley: University of California press, 1977), 121. Also see Christopher W. Tembo, 'The Establishment and Development of Peasant Farming Schemes in the Eastern Province of Zambia: A Case Study of Lundazi District 1954-1978', MA Dissertation, University of Zambia, 1988, p.56.

<sup>67</sup> Speech K.D. Kaunda, *Speech at Chifubu Rally, 1965*.

1972. These were producer marketing and family farming cooperatives.<sup>68</sup> In 1964 there were 15 producer marketing societies in the province which increased to 27 by 1968 but declined to 21 in 1972. There were no family farming cooperatives in 1964 but by 1968 there were 31 societies based on cooperative farming but later declined to 20 by 1972.<sup>69</sup>

Farming and marketing cooperative societies, therefore were regarded as the key instrument in what was seen by the post-colonial government as a new approach to changing the peasant sector into a commercial sector. The government planned that 60,000 acres were to be initiated and put under cooperative farming, with at least one such cooperative farm in each district throughout the country. In organisation terms, one type of cooperative farming was based on a “scheme system”. In each agricultural scheme, the aim was to have farming blocks, in which participants became engaged in mixed farming of vegetables, poultry, maize, and animal husbandry.<sup>70</sup> Each of the participating farmers then agreed to share communal services provided by the state in the form of access roads, water wells, demonstration farms, oxen and ox-drawn implements or farming tractors.

The second type of cooperative farming, was based on a village system, that is, some villages developed cooperative farms. Each member of the village cooperative then contributed labour to the farms. Under the scheme system, people were resettled and only those progressive peasants were relocated.<sup>71</sup> The Department of Agriculture provided a farm manager and two

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<sup>68</sup> N.A.Z, MAG5/4/4247/003, Minutes of the African Rural Marketing Committee 23 may, 1965. Also see Edson A. M. M. Banda, ‘The Impact of the Co-operative Marketing Union on the peasant economy in Petauke district of Eastern Province in Northern Rhodesia, 1947-1964’, M.A. Dissertation, University of Zambia, 1984, p. 20 ; P Matoka, ‘The role of co-operative in rural development of Zambia,’ M.A. Dissertation, University of Zambia, 1985, P. 23. \*Marketing cooperatives involved the marketing of farm produce while farming cooperatives involved the farming of such crops.

<sup>69</sup> N.A.Z, MAG2/7/162, Letter to J. C Stokes on part of Farm D77, 1607 Acres Katete From P Barnett, 1966; see also F. R. Makungu, ‘Cooperatives and the Administration of Agricultural Development in Zambia: A Case of Matambazi Multipurpose Cooperative Society in Petauke District’, MA Dissertation, University of Zambia, 1989, p.78.

<sup>70</sup> N.A.Z, MAG2/7/162, Report of the Rural Development Working Party, 1967.

<sup>71</sup> Ibid. See also Tembo, ‘The Colonial State and African Agriculture Chipata District of Northern Rhodesia 1895-1964’, 2010. P.69.

assistants to each scheme and any management costs incurred were included in the staff budget of the Ministry of Agriculture.

The formation of marketing cooperatives resulted in the formation of ECU. The ECU came into being on 17 November 1974 after the dissolution of the Eastern Province Cooperative Marketing Association (EPCMA).<sup>72</sup> The government input into the agricultural cooperative movement support had ranged from financial, technical and administrative structure. Financially, the government made provisions for stumping, tractor loans, credit and the hiring of a farm manager from outside the country to assist in the development of the cooperative movement.<sup>73</sup> The government set up several other statutory boards to support the cooperative movement. These were Credit Organisation of Zambia, Agricultural Marketing Boards and the Tractor Mechanisation Units.

The cooperative system did not only provide a model of the historic past of Zambian life. It was supposed to be the very soul providing life behind every Zambian institution in national development towards achieving a humanistic society through socialism.<sup>74</sup> The cooperative system was designed to be the key to the country's industrial and commercial development facilitating people, party and government participation in all developmental activities. This policy meant to succeed in shake colonial bondage to which the country had been tied since the arrival of imperial settlers in the 19<sup>th</sup> century. The system meant that there had to be a deliberate administrative system evolved to allow and encourage people at village and section levels to plan and implement projects on cooperative basis.<sup>75</sup> Most people looked at cooperatives as organisations which made them share whatever little they had.

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<sup>72</sup> N.A.Z, MAG2/5/92, Eastern Province Cooperative Marketing Association (hereafter EPCMA) Board Meeting Minutes of 10 October, 1974.

<sup>73</sup> N.A.Z, MAG2/7/162, Report of the Rural Development Working Party, 1967.

<sup>74</sup> *Zambia Daily Mail*, Tuesday 21 May 1983, p.4.

<sup>75</sup> N.A.Z, MAG2/13/178/002, Minutes of the Alimi Cooperative Association, 19 May, 1960.

The peasant farmers of Katete were not left out in this call of forming cooperatives. A number of cooperative societies were formed in the district and were all affiliated to the ECU. The cooperatives marketed farmers' produce on time and ensured that they had access to inputs. The cooperatives also made it a point that farmers were paid on time for their produce.<sup>76</sup>

One of the outstanding General Managers of ECU was E Chirwa. He made various contributions to KCMU. Among these included the formation of many primary cooperatives in the district during his reign from 1968 to 1972. It was also during his reign that two TATA light trucks and five motor bikes for KCMU were purchased to help as transport during the marketing season.<sup>77</sup>

Denis Jordan Mazala who had taken over from E. Chirwa as General Manager of ECU contributed to KCMU by purchasing a polishing and grading machine which boosted the organisation's marketing operation for KCMU in 1976. It was also during his term of office that two storage shades were constructed for KCMU in 1973. This made an impact on the union because there was additional storage for grain bought from peasants. John Sankhulani, as General Manager of ECU between 1977-1983, also made a contribution to Katete by purchasing an oil plant for KCMU for processing cooking oil from groundnuts, sunflower and cotton seed. This was a plant which supplied Katete and the entire Eastern Province with cooking oil. Apart from this, the plant created employment for the local people and outsiders.<sup>78</sup>

Maize production was encouraged throughout the district even in regions which were not suitable for the cultivation of the crop. In order to provide incentives for maize production, the government introduced uniform prices for inputs such as fertilizers, seeds and agricultural chemicals. The ECU was always funded and channelled money to all district cooperative

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<sup>76</sup> N.A.Z, MAG2/5/144/092, Consideration of Proposals for Food Grains, Cotton Price and Marketing Policy Paper no. 22, 1973.

<sup>77</sup> G.R.Z, *Annual report Eastern province* (Lusaka: Department of Agriculture, 1971-1972), p.4.

<sup>78</sup> Interviews, Jordan Denis Mazala former ECU Manager 1972-1977, Mazala farm, 6 March 2017.

marketing unions and primary cooperative societies each farming season.<sup>79</sup> Katete district and primary cooperatives bought crops for the government through this channel

Primary cooperatives bought crops from farmers every season and were given bonuses when marketing was completed. A bonus was a sum of money added to a person's earnings for good performance. A person who received a bonus was one who had produced more than the others with equal inputs. Bonus was only given when ECU, the mother body, had made a profit in that marketing season. The same bonus was given according to the way the society had performed in that marketing season. Bonus was in form of money and was paid per 90 kg bag of maize sold. For example, during the period 1970/1981, bonus per 90 kg bag of maize was five ngwee. It is important to note that two percent from five ngwee per 90 kg bag which was paid as a bonus used to be given to a co-operative member while the other remaining percentage was retained by the cooperative society for the purpose of investment and training of members.<sup>80</sup>

Apart from bonuses, primary cooperatives in Katete were rewarded by ECU for an efficient execution of marketing. For example, in the 1975/1976 season, Vulamkoko primary cooperative in Katete was awarded a subsidised loan of a tractor and various accessories such as a planter, trailer, plough and sheller, to help them in farming.<sup>81</sup> The reason why Vulamkoko was given a tractor was because of good production in the 1975/76 marketing season which had surpassed all the primary co-operatives in the province. The other reason for giving them the tractor was that the cooperative was strategically positioned as it could help many farmers

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<sup>79</sup> *Annual report Eastern province, 1971-1972*, p.2.

<sup>80</sup> G.R.Z, *Provincial Cooperative Annual Report for Eastern province, 1976-1977* (Lusaka: Department of cooperatives, 1978), P.11. Also see, Mashipula Mpazima Mbongwa, 'Peasant Transformation: A Quest for a Socialist Regional Development Strategy: A Case Study of Chipata District of Eastern Province', M.A. Dissertation University of Zambia, 1984, p.34.

<sup>81</sup> G.R.Z, *District cooperative Annual Report for Katete District, 1975-1976* (Lusaka: Department of Agriculture, 1977), p.4.

in the vicinity. The same tractor was not restricted to use by only members of the cooperative, non-cooperatives members could hire it at an affordable fee.

The impact of the tractor was seen on the crop production in the following marketing season whereby many peasants increased the hectarage under cultivation. For this reason, they recorded a bumper harvest. Many peasants sold more bags to the market in the following season than before. This made peasants such as John Phiri Chaponda Banda, Eliza Tembo, Sakina Banda Japhet Chirwa, Speyala Ngoma and Royd Banda to build iron brick houses in villages like Jowele, Mthulura, Chapita, Mthanzi, Samuele and Mkanda. While others bought radios, bicycles, ox-carts, cattle and some even sent their children to school without difficulties.<sup>82</sup> This motivated nearby areas such as Chimtende, Chidenza, Azele, Makwenda and Thosa to form their own primary cooperatives because a few farmers from these areas had benefited from the use of the tractor owned by Vulamukoko cooperative society. This created a stiff competition among cooperative societies in Katete district because each society worked very hard in order to be rewarded in a similar manner and be given a bonus at the end of the season.

Many cooperative societies in Katete increased acreage allocation to cash crop production rather than food crops in order to raise the marketable amount of produce. The bonus system further encouraged increased sales. In this way, these cooperatives established an economic hold over producers and directly forced many producers in Katete to comply with the farming methods which the Department of Agriculture had recommended as necessary for soil conservation and increasing agricultural productivity.<sup>83</sup>

The bonus system made co-operative societies even more popular and increased wider coverage of crops to buy. It was during the period between 1974 and 1981 that Dole, Milanzi,

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<sup>82</sup> Interview, Tasila Sakala, Vulamkoko cooperative in Katete, 22 January 2017.

<sup>83</sup> N.A.Z, MAG2/6/151/10, Development Team Katete, Farm survey, Kangwelema Settlement Scheme 1 April, 1979.

Chigumani, Chimwa and Nchingilizya cooperative societies were formed. The major aim of these cooperative societies was to encourage commercial agriculture by organizing markets for peasants' produce in the district. Each member paid an admission fee of 25 ngwee in order to join a cooperative in Katete. Membership and shares were renewed every year at one kwacha and those who did not manage to pay from their own resources had these deducted from their bonus during the marketing season.<sup>84</sup> This system encouraged everyone to pay on time. For this reason, cooperatives were able to open accounts with banks to safeguard their money.

The cooperative movement in the district recorded a success when 4133 acres of new land had been cleared by the end of the farming season in 1985. Although immediate profits could not be seen by a society while engaged on this exercise, it was certain that by bringing new land under cultivation, production would increase which would ensure larger yields of various crops to be marketed. Out of the 77 community cooperative societies in the district, twelve societies were well organised and out of the twelve only ten had tractor units. The rest were aided by the tractor hire scheme. With this system, about 73% of the total acres ploughed was utilized during the 1985/86 season.<sup>85</sup> The table on the next page shows the district cooperatives in Katete from 1975-1987 and their functions.

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<sup>84</sup> Interview, Headman Chilembwe former Dole cooperative member, Chilembwe Village, 20 March, 2017.

<sup>85</sup> G.R.Z, *Provincial co-operative Annual report for Eastern province 1987-1988* (Lusaka: Department of Agriculture, 1989), p.12.

**Table 7. Cooperative societies in Katete 1975-1987**

<b>Name of Cooperative/Depot</b>	<b>Type Of Depot</b>
Kafumbwe	Grain depot
Chafulu	Grain depot
Chigumani	Grain depot
Mzime	Grain depot
Dole	Grain depot
Chimwa	Grain depot
Milanzi	Grain depot
Nchingilizya	Grain depot
Vulamkoko	Grain depot
Kangwelema	Tobacco and Grain depot
Kalimeta	Tobacco, cotton and grain depot
Matunga	Grain depot.

SOURCE: G.R.Z, *District Annual Report on Cooperative for Katete 1988* (Lusaka: Department of Marketing and Cooperatives, 1989), p.13.

### **3.7.2 Statutory Marketing bodies**

The inadequacies and short comings of the rural marketing and agricultural supply services gave rise to very serious alarm to the state. The state spent many millions of Kwacha and human efforts to increase agricultural production, while comparable positive effort was being made to ensure that marketing services were in a position to compare with the increased agricultural output.

The state, in its effort to improve peasant farming saw it necessary to institute parastatal marketing boards which would be responsible for the marketing of agricultural produce. The Zambian Grain Marketing Board (GMB) was set up in 1964 and the newly created Agricultural

Rural Marketing Board (ARMB) took over rural buying in 1964 as succession to the African Rural Marketing Service (ARMS).<sup>86</sup>

Initially, in 1964 primary cooperatives had sold to a strong statutory board and a three tier system of secondary marketing had developed. The Eastern province was part of the Grain Marketing Board controlled area.<sup>87</sup> The GMB and its colonial predecessors had in general handled groundnuts on the same basis as maize, except that in the Eastern province, where most groundnuts were produced for commercial market, the cooperative organisation had been responsible for the development of the highly successful export market for confectionary nuts.<sup>88</sup> Finger millet and sorghum, primarily malting grains were handled by the GMB as divested crops “that is controlled crops” GMB bought only if offered.

The amalgamation of GMB and ARMB happened due to the increase in the production of grains by the peasant farmers. During the 1965/66 season, production from peasant farmers increased tremendously and it became quite evident that the marketing arrangements which existed in the country were not designed to meet this increased level of production.<sup>89</sup> A working party was proposed to study and collect the various suggestions which were submitted to the Minister of National Development and Planning. After surveying the marketing and supply services provided to farmers, UNIP noted that while comprehensive marketing and requisite supply services operated in the main centres of production, the conclusion was that they should be extended to cover Zambia as a whole. It was proposed that NAMBOARD should handle all grain products, groundnuts, cotton and miscellaneous crops in 1968.<sup>90</sup>

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<sup>86</sup> N.A.Z, MF1/2/5/10, Agricultural Rural Marketing Board Progress Report for Quarter Ending 30 September, 1968.

<sup>87</sup> Ibid.

<sup>88</sup> N.A.Z, MF1/2/5/11, Tonnage of Bagged Crops Handled by Marketing Organisation during 1966-67.

<sup>89</sup> Ibid.

<sup>90</sup> N.A.Z, MF1/2/5/1, Report of the Working Party Setup to Examine the Whole Question of Marketing Organisation in Zambia. Also see Paul Kapapula, ‘An Assessment of Maize Marketing Linkages. A Case Study of Chibombo District Cooperatives’, MA Dissertation, University of Zambia, 2005, p.56.

From independence until the late 1980s, Zambia like many other African countries, pursued predominantly socialistic enacted policies to manage its economy through its development plans and policies. Using this philosophy, the Zambian government declared its commitment to increase production in the agricultural sector. The sector was characterised by almost absolute state control at all levels of its operation. Although agriculture was dominated by privately owned farms rather than state farms, most production was channelled through state controlled marketing boards, cooperatives and retailers.<sup>91</sup>

The agricultural marketing system was controlled through annual fixing of producer and consumer prices for most agricultural products by the cabinet based on recommendations from the Ministry of Agriculture. Different and often conflicting criteria such as costs of production, fairness to producers were used in the annual fixing of pan territorial crop prices. The annual price fixing usually set consumer prices below producer prices and the marketing costs. This led to subsidy expenditure by the state to meet NAMBOARD requirements.<sup>92</sup> Apart from fixed producer prices, other state programmes were implemented to assist Zambian peasant farmers in making the transition from subsistence to semi-commercial farmers.

On 26 April 1966, in accordance with the maize price and production policy formulated in the previous year, details of which were more clearly defined in paragraph 19 to 25 of the annual report for that year, the Minister of Agriculture confirmed the pre-planting price of 33/8d equivalent to K3.32 per standard bag of 200lbs.<sup>93</sup> In the same press release, the minister of agriculture announced that with effect from 1 May, 1966, both shelled and unshelled groundnuts would cease to be controlled products in all prescribed areas except the Eastern

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<sup>91</sup> N.A.Z, MAG5/4/4284, Agricultural: Marketing Reorganisation (Memorandum by the Minister of Agriculture).

<sup>92</sup> N.A.Z, MAG4/1/4247/003, Duties and Functions of National Agricultural Marketing Board of Zambia. See also Ruth Phiri, 'A History of the National Agricultural Marketing Board (Namboard) in Promoting Food Security in Zambia, 1969-1989', M. A. Dissertation, University of Zambia, 2016, p.39.

<sup>93</sup> N.A.Z, MAG4/2/42332/, An Appraisal of Agricultural Marketing Policy, 1967.

province, and that henceforth the board would act as a residual buyer of the product, providing a market and a basic price of 102 pence (K10-20) per standard bag of 180lbs.<sup>94</sup>

In its effort to improve the marketing system in the district, government undertook a project with the help of the World Bank to construct 63 additional storage sheds in outlying areas. Out of these, 46 sheds had already been completed and 17 were under construction by 1974.<sup>95</sup> The rest were completed the following season. One such shed was built at Kangewelega scheme which eased the storage of grain products in the area.

There were also changes in the pricing of produce in order to induce the farmers to produce more. One significant change in price policy was aimed at the peasant farmers away from the line of rail. This followed the introduction, in 1970/71, of a guaranteed minimum floor price for maize throughout the country.<sup>96</sup> This policy had the effect of raising prices in areas where the maize price was very low relative to that along the line of rail and it was implemented by subsidizing the marketing agencies for the difference between the floor price and the economic price in rural markets. For example, prices in Katete became equal to those along the line of rail. The table below shows the prices of maize from 1963-1975 when the floor prices were introduced.

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<sup>94</sup> Kwacha and pence were in use. This is the reason why both currencies have been quoted.

<sup>95</sup> N.A.Z, CO2/25/5, Report of the Working Party on the Issue of Storage Sheds, Eastern Province, 1974.

<sup>96</sup> N.A.Z, MF1/2/5/10, Minutes of The Final Meeting of the Working Party on Marketing Re-organisation held on Monday 6 March 1970 at 08:45 AM in the Office of the Director of Economics and Marketing, 1970.

**Table 8. Prices of Maize From 1963-1975.**

Season	Line of Rail		Floor Price.	
	(£)	(K)	(\$)	(K)
1962/63	£5.18	(K3.70)	-	
1963/64	4.83	(3.45)	-	
1964/65	4.83	(3.45)	-	
1965/66	4.34	(3.10)	-	
1966/67	4.06	(3.10)	-	
1967/68	4.48	(2.90)	-	
1968/69	4.90	(3.20)	-	
1969/70	5.60	(3.50)	-	
1970/71	6.02	(4.00)	\$ 4.48	(K3.20)
1971/72	6.02	(4.30)	\$4.90	(K3.50)
1972/73	6.02	(4.30)	\$5.60	(K4.00)
1973/74	6.02	(4.30)	\$5.60	(K4.00)
1974/75	7.00	(5.00)	\$7.00	(K5.00)

N.A.Z, MFI/2/5/10, *Proposed prices for Food Grains, Cotton Price and Marketing Policy Paper no. 20, 1975.*

The introduction of the floor price was the first step towards a policy of uniform maize pricing across the country. As indicated in the table above, the uniform price was first set in 1974/75. At the same time the government adopted the minimum floor price for maize, it also implemented a policy of uniform fertilizer pricing which was intended to ensure that farmers in the more remote areas did not pay more for fertilizer than those along the line of rail. Because the government paid a 100% transport and handling subsidy under the new scheme, the cost

savings for peasant farmers using fertilizer were estimated to be equivalent to a maize price increase of 42-70 %.<sup>97</sup>

Due to the well organised markets introduced by the state through NAMBOARD and its agents the ECU and KCMU, peasant farmers in the district were able to sale more grain products. For instance, in the 1970/71 season 7,014,000 bags of marketed maize were sold to the various marketing agents in Katete.<sup>98</sup> This was also as a result of the increase in the producer price of K4.30 paid per bag at main depots from K3.50 the previous season. The table below gives reference to the maize bought by cooperatives in the district.

**Table 9. Maize Bought by Cooperative Union and NAMBOARD in Katete Period 1975-1979 (in 90kg Bags).**

Year	Cooperatives	NAMBOARD	Total	Cooperatives
1975	2,182,502	4,032,168	6,214,660	33.51%
1976	3,158,706	5,139,319	8,298,025	38.41%
1977	3,571,102	4,109,891	7,740,983	46.23%
1978	3,400,847	3,004,039	6,504,856	53.92%
1979	2,009,100	1,740,688	3,749,788	53.5%

Source: GRZ, *Department of marketing and co-operatives Reports 1980* (Lusaka: Department of Marketing and Cooperatives, 1981), p.12.

Prior to 1989, NAMBOARD was responsible for the marketing of most commodities especially staple cereals (maize, wheat, rice, sorghum and millet). Specialised parastatals were also involved in the handling of beef, milk, and pork, although poultry and fish marketing was

<sup>97</sup> G.R.Z, Ministry of Agriculture *Katete District Annual Report on Cooperatives, 1971-1973* (Lusaka: Department of Agriculture, 1974), p.12.

<sup>98</sup> N.A.Z, MAG2/5/144/092, *Katete District Annual Reports for 1972* (Katete: Department of Agriculture, 1972), p.2.

entirely private.<sup>99</sup> For controlled commodities such as maize, both procurement and sale prices were regulated and losses to the parastatals were covered by government subsidies. Transport rates were also regulated and subsidized.

This meant that peasant farmers did not incur any costs. Specialised parastatals such as the National Tobacco Company (NATCO) and Lint Company of Zambia (LINTCO) controlled the marketing of tobacco, cotton, soya beans and oil seeds. The specialised parastatals had a positive impact on peasant farmers in the district. The organisation gave out loans to farmers and also marketed cotton and tobacco on their behalf. All the peasant farmers had to do was grow the commodity and everything was provided by the parastatal marketing companies from seeds, chemicals, grain bags and transportation.<sup>100</sup>

The marketing system, prior to 1989 was well-coordinated in the district such that farmers hardly worried about selling their produce. All they had to do was produce the crops and everything was taken care of by the state through primary cooperatives to provincial cooperatives which sold to NAMBOARD. As the next chapter will demonstrate, this totally changed once the new government liberalised the economy.

In June 1989, NAMBOARD was dissolved and the cooperative system that is, Provincial Cooperatives (PC) District Cooperative Union (DCU) and Zambia Cooperative Federation (ZCF) were given the exclusive right of procuring and selling maize. The cooperative system was now meant to act as buyer of last resort, at officially guaranteed floor prices for some other commodities for which marketing had been liberalised.<sup>101</sup> These marketing cooperatives mostly worked well among peasant farmers in settlement schemes.

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<sup>99</sup> N.A.Z, MAG2/5/144/092, Consideration of Proposals for Beef, Daily, Poultry, Pork and Fish Prices, Marketing Paper no. 12, 1988.

<sup>100</sup> G.R.Z, *Katete District Annual Report on Cooperative, 1985/1986*, (Lusaka: Department of Marketing, 1986), p.4.

<sup>101</sup> G.R.Z, Ministry of Agriculture *Provincial Annual Report Eastern province, 1989-1990* (Lusaka: Government Printers, 1990), p.12.

### 3.7.3 Settlement Schemes

Following the attainment of independence in 1964, some European settler farmers left the country. This created a challenge on how best to reallocate the large farms abandoned by such farmers. There appeared to be two basic options in this regard. The first was to permit Africans to take over from Europeans and operate at the existing scale. The second option was to subdivide large farms into smaller units, each farmed by a different farmer. Kangwelema settlement scheme in Katete was as a result of the latter option. It was planned and designed to provide commercial farms for 18 progressive,<sup>102</sup> successful and credit-worthy peasant farmers, who were prevented in the existing areas from expanding their enterprises beyond a limited scale.<sup>103</sup> The first of such occupants moved on site during the 1965 farming season.<sup>104</sup> The settlement schemes were a legacy of the colonial era.

At Kangwelema, each farm was laid out to include a combination of red and sand veld arable soils ranging from 16.3 to 42.8 hectares. Initially, grazing was to be communal within the perimeter as fences were erected around the original farm blocks. At a later stage, paddocks of about 60.6 hectares for each farm were fenced in.<sup>105</sup> Roads were constructed and soil conservation works and water supply put in place. Much land was already cleared although in varying stages of regeneration. The selection of farmers for the scheme depended on a number of criteria like being a) recognised as practising farmers, b) fully up to date with all loan payments, c) in possession of K200 worth of cash and capital equipment.<sup>106</sup> Farmers who had been resettled in the schemes after independence were as follows:

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<sup>102</sup> Progressive farmers may be referred to those peasants who had adhered to the farming methods prescribed by the department of agriculture and they had produced more than other peasant farmers consistently.

<sup>103</sup> Dorothy K. Mwansa, 'Gender and Agricultural Development in Zambia, 1890-1990', PHD Thesis, University of Zambia, 2017. p 89.

<sup>104</sup> N.A.Z, MAG2/21/82, Reports on Loans to Eastern Province Peasant Farmers, 1966.

<sup>105</sup> N.A.Z, MAG2/7/162, Letter to J. C Stokes on Part of Farm D77, 1607 Acres Katete, Kangwelema Scheme from P Barnett, 1968.

<sup>106</sup> Ibid

E Njovu in Kangwelema scheme, D. Sakala in Kangwelema scheme, J. Njovu in Kangwelema scheme, San Nyirenda in Kalimeta Scheme, P. Sakala in Kalimeta scheme, F. Moyo in Mphangwe Scheme, H. Zimba in Kamphambe Scheme B. Phiri in Kamphambe scheme, Adamson Phiri in Kangwelema scheme, Leta Banda Kangwelema scheme, K Tembo in Mphangwe New Block, L. Nyirenda in Mphangwe New Block, B. Metusalem in Mphangwe New Block Salatiel Zulu in Kalimeta scheme, G. Chapola in Mphangwe scheme W. Phiri in Kalimeta scheme, B. Zimba in Kagoro scheme and M. Nkhuwa in Mphangwe scheme<sup>107</sup>

In each agricultural scheme, the aim was to have farming blocks in which participants became engaged in mixed farming of vegetables, poultry, maize and animal husbandry. Each of the participating farmers agreed to share communal services provided by the government in the form of social amenities.<sup>108</sup> The second type of cooperative farming was based on a village system whereby some villages developed into cooperative farms. Each member of the village cooperative then contributed labour to the farms. The Department of Agriculture provided a farm manager and two assistants to each scheme.

Resettled farmers grew one acre of Virginia tobacco and two acres of hybrid maize as per requirement by the Ministry of Agriculture. The remainder of the land allocated to a farmer was available for the production of food crops, but growers were reminded to minimise the acreage of such crops so as to reserve labour for other cash crops. Farmers were encouraged to increase their tobacco and maize acreage as they became more competent over time. The state and TBZ arranged loans through AFC, for farmers to purchase on credit tobacco seedlings

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<sup>107</sup> Ibid.

<sup>108</sup> N.A.Z, MAG2/7/ Report on the Trip to the Eastern Province 12-13 April 1969.

which were produced centrally and sold to growers.<sup>109</sup> Growers could also hire a tractor on request.

The tobacco scheme which had started in 1968 in the Eastern province required 12,000 acres of arable land, and total acreage under tobacco was 1,200. This meant that more land had to be cleared for tobacco scheme. For the Katete scheme, during the, 1969/1970 season, 40 new units of 120 acres were under tobacco out of 240 acres of arable land. The following season, 40 new units plus 40 existing units measuring 360 acres were under tobacco out of 4800 acres of arable land.<sup>110</sup>

In 1973, a great deal of reorganisation occurred in the settlement schemes in Katete. Some settlers lacking potential were evicted, farm re-demarcation took place and new applications for farms were considered for approval.<sup>111</sup> Kangwelema and Mphangwe were fully settled during the 1973/74 season when each farmer was given individual farm management and planning advice by the Department of Agriculture. Kalimeta was half settled and farmers on this block were assisted in Virginia tobacco production by TBZ. Leases were arranged for these farmers during the following season. By the end of the re-organisation, there were 19 farms attached to Kangwelema settlement scheme, 20 farms to Kalimeta, nine farms to Mphangwe and another nine farms to Katete New Block.<sup>112</sup> Peasant farmers in these resettlement schemes also took part in beef production.

### **3.8 National Beef Scheme**

In addition to settlement schemes for peasant farmers the state also saw it fit to have beef schemes in an effort to improve the supply of beef. This was a scheme which was directed towards improving the local herd, through improved management, tick control, and night

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<sup>109</sup> Ibid.

<sup>110</sup> N.A.Z, MAG2/9/16, Survey Eastern Province Tobacco Scheme 12 May, 1968.

<sup>111</sup> G.R.Z, *Katete District Annual Report, 1973/74* (Lusaka: Ministry of Agriculture, 1974), p.10.

<sup>112</sup> G.R.Z, *Eastern Province Annual Report, 1973/74*, p.23.

paddock. Under this scheme which had been started in 1968, peasant farmers were also given subsidies in form of fencing material for the night paddocks.<sup>113</sup>

The beef scheme throughout the mid-70s, worked with the Integrated Rural Development Project (I.R.D.P) which in various ways supported animal husbandry projects.<sup>114</sup> The support to peasant farmers in the early phase was mostly financial. But from 1980, this was extended to technical assistance as well. Thus, the projects were executed in conjunction with the animal husbandry section of the Department of Agriculture. By policy, I.R.D.P target group were peasant farmers.

In 1975, I.R.D.P introduced a bull exchange programme. This was a programme where I.R.D.P purchased bulls of improved breeds to exchange with local farmers' bulls aiming at improving the herd using the exotic bulls.<sup>115</sup> I.R.D.P took care of all the transportation costs to the farmers' place. After running the programme for some time, however, the experience was that this was expensive. The project had two piloting areas in Katete, these being Kagoro and Kalimeta.

The I.R.D.P had also started the Grazier Scheme in the district. The production policy was to encourage farmers to produce beef commercially aiming at high quality. A number of farms were chosen from Kangwelema Scheme of which Adamson Phiri was one of the farmers to handle this project.<sup>116</sup> The scheme was also extended to fattening their cattle before they were sold. Usually farmers were selected and advised to construct paddocks and where possible fatten their animals in the paddocks by supplementing feeding. By 1975, there were three

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<sup>113</sup> N.A.Z, MAG2/3/16/17, Development Team Katete, Farm Survey, Kangwelema Settlement Scheme 21 April, 1969. See also Kinsey Bill Haywood, 'Agricultural Technology and Rural Development in the Rain Fed Maize area of South Eastern Zambia', PhD Thesis, Stanford University, 1978. p.1.

<sup>114</sup> Ibid. See also Mwape, 'Agricultural Policy and Performance', p.189.

<sup>115</sup> N.A.Z, MAG2/3/16/17, Seminar on Animal Husbandry and Marketing, Msekera 30 September, 1975.

<sup>116</sup> N.A.Z, MAG2/13/17, Katete, Report on the Grazier Scheme in Katete, 1975 (Department of Agriculture, 1975), p.2.

members in the scheme with a collective total of 45 herds of cattle.<sup>117</sup> By 1984, there were 13 farmers on the scheme with a total of 1,951 animals.<sup>118</sup>

The table below shows the increase in cattle in Katete after the beef scheme had been introduced in 1979 in comparison with other districts in the province. The increase in the numbers of animals in Katete was as a result of peasant farmers following the recommended methods of beef rearing by the Department of Agriculture. The statistics in the table below clearly show that Katete peasants improved their herds as compared to other districts in the province.

**Table 10. Cattle Census Eastern Province 1980-1983**

District	1980	1981	1982	1983
Katete	81,362	81,015	92,273	102,293
Chipata	42,334	37,317	43,830	43,187
Petauke	43,607	48,943	52,372	43,694
Lundazi	36,611	34,971	38,926	37,843
Chadiza	28,822	32,185	30,250	26,151
Chama	240	-	376	414
Total	235,958	234,431	255,651	253,582

Source: GRZ, *Agricultural Census 1980 -1983.preliminary report* (Lusaka; Central Statistical Office, 1983), p.45.

### 3.9 Extension Services

The use of both hybrid and chemical fertilizer on small farms in Zambia by 1964, was relatively new. Thus, with the objective of providing advice, instruction and supervision in

<sup>117</sup>Ibid

<sup>118</sup> G.R.Z, Department of Agriculture, *Provincial Annual Report* for Eastern Province, 1983/84 (Lusaka: Government Printers, 1985), p.32.

both crop and animal husbandry to peasant farmers, the government of independent Zambia aimed at expanding extension services.<sup>119</sup> In 1970, the agricultural extension service had a staff strength of 1,381, most of it thinly spread through the country's 35 districts. In 1980, Farmers Training Centre (FTC) where Agricultural personnel were trained, offered short courses in various aspects of crop production and animal husbandry. The content of these courses emphasised the cultivation of crops such as maize, sunflower and cotton and also offered a package of cultivation methods and inputs designed to raise yields per unit of land.<sup>120</sup>

In the Eastern province and the line of rail areas of the Southern and the Central provinces where African farming had become more and more sophisticated with a very definite trend to intensification, There were more advisory staff in these areas than in the less developed areas. In contrast to the Southern and Central provinces where the main cash crop was maize, in the Eastern province with fertile soils and an industrious people, a greater diversification of cropping was practised. The extension staff were mainly concerned with the production of cash crops, notably Turkish, Burley tobacco and groundnuts.<sup>121</sup>

The Eastern Province Agricultural Development Project (E.P.A.D) covered a range of sections within the Ministry of Agriculture and Water Development (MAWD) such as Agriculture Extension, LINTCO, E.C.U and Research. Under extension, the Training and Visit (T&V) programme was started in Chipata and Katete districts in 1978.<sup>122</sup> Progress during the 1983/84 season was reviewed following completion of farm/village level survey in Katete. As a result, some camp areas were further divided and some villages were regrouped where new contact farmers had been selected. This was done in order to reach the peasant farmers on a weekly basis.

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<sup>119</sup> M. R. Mulele and J. B Mutelo, *Provision of Agricultural Extension and Irrigation services in Zambia, mimeograph*, (Lusaka: Ministry of Agriculture and Water Development, 1983), P.25.

<sup>120</sup> N.A.Z, MAG2/3/127/03, Eastern Province, Provincial Rural Development Officers Report for 1970 (Department of Agriculture, 1971), 2.

<sup>121</sup> Ibid.

<sup>122</sup> G.R.Z, *Eastern Province Annual Report 1982* (Lusaka: Department of Agriculture, 1984), p.23.

Training at block level began in 1983, but at a low pace due to lack of transport. It only picked up again the following year when new vehicles arrived. The new Land Cruisers arrived, thereby speeded up the implementation of the training component in the five areas, namely, Kalimeta, Kangwelema, Kagoro, Mphangwe New Block and Vulamukoko.<sup>123</sup> The new vehicles made training of staff at block level easier. The provincial staff were provided with a six month time table and given a programme for training teams by provincial specialist staff. District Training Teams were supplied with information at least one month before it was required by the camp staff. In line with this, each scheme had a camp staff stationed in the scheme area.

There was also active involvement in the catchment and settlement scheme. Efforts were made to vitalize any scheme that was going down through settlement advisors being stationed on the scheme. It was also state policy to keep the staff content through incentives such as the construction of better housing and recommendations for promotion. A number of extension staff houses were constructed in the area. For instance, in 1971, two houses were built each at Kagoro and Kangwelema, while another was completed two years later at Vulamukoko.<sup>124</sup> The extension staff corroborated well with the peasant farmers in the district especially those in the schemes. Extension work collaborated well with the mass media in the dissemination of farming information.

### **3.10 The Mass Media as a Tool to Develop Peasant Farming**

The mass media also played a key role in the promotion of peasant farming by providing broadcast hours to the Ministry of Agriculture which were devoted to educational programmes for peasant farmers. The Radio Farm Forum programme started in 1966 as an experiment. The

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<sup>123</sup> G.R.Z, Ministry of Agriculture, *Katete District Annual Report for 1985* (Lusaka: Department of Agriculture, 1986), pp 2-5.

<sup>124</sup> Interview, Boyd Mate, Former Agriculture Camp extension officer, Kangwelema in Katete, 12 November, 2016.

pilot scheme covered the Bemba language and was meant to cater for Northern, Luapula, Copperbelt and areas of Central province. Programmes on the Zambia Broadcasting Services (ZBS) public broadcaster on 31, 41 and 49 metre in the Lozi language were broadcasted at 4:30 pm each Monday, Luvale at 3:30 and Kaonde at 4:30 on Tuesdays and Lunda at 4:30 on Thursdays.<sup>125</sup> In 1968, radio programmes were started in Chitonga and Chinyanja to provide information to peasant farmers on marketing-related issues.<sup>126</sup> The highly successful Department of Agriculture Radio Farm Forum Service was expanded in 1968 to cover the whole of Zambia.<sup>127</sup>

The Bemba language programme continued to be broadcast in the general service but the time was changed from 4:10 pm to 4:30 pm in 1971, in order to fit in the Nyanja programme. Approved farm forums received radio sets from the Department of Agriculture. The Ministry of Agriculture Public Relations Section started its own weekly radio programmes in July 1968, in both the Home and General Services. From then onwards the service was extended and was regarded as an important training medium for acquainting peasant farmers with the latest techniques.

Under the rural information service in the 1970s-80s,

the service rendered to the community work through departments and parastatal organisations that were within the umbrella of the Ministry of Agriculture and Water Development, using the mass media, radio programmes, pamphlets, posters and magazines in both English and local languages as weapons in order to disseminate information right

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<sup>125</sup> Ibid.

<sup>126</sup> N.A.Z, CO323/1338/5302/1, Report on the Radio Farm Forum 1968 (Department of Marketing, 1968), p.1.

<sup>127</sup> N.A.Z, CO323/1338/5302/1, National Broadcasting Services Memorandum, 1971.

down to the rural masses and others who intended to benefit from such an agricultural message.<sup>128</sup>

There were two radio forum groups namely the Main Farm Forum and Aided Farm Forum. The first one was supported by the rural information service, which was aided by the community social welfare department and Self-help.<sup>129</sup> It was reported in 1983 that there were 20 radio sets utilized by the Department of Agriculture in Katete district in their outreach programme.

**Table 11. Number of Radio Sets in Katete for Radio Farm Forum 1983**

Area	Number of Radios	Remarks
Kangwelema	5	3 working 2 under repair
Kagoro	5	2 working 3 under repair
Kalimeta	5	3 working 2 under repair
Mphangwe	5	2 working 3 under repair

Source: G.R.Z, *Katete District Annual Report Department of Agriculture 1983/84* (Lusaka: Government Printers, 1985), p.24.

The radio programmes were in the form of interviews and talk speech. Booklets and other handouts were also received from Lusaka. These were distributed directly to peasant farmers from the office of the district agriculture. Katete recorded remarkable of radio farm forum by farmers that in 1982 it had an attendance of 621.<sup>130</sup> The radio farm forum assisted the peasant farmers in particular issues such the type of crop to plant and the period when to plant it. This was especially handy during the rainy season when staff from the Department of Agriculture

<sup>128</sup> G.R.Z, Ministry of Agriculture *Eastern Province Annual Report*, 1981 (Lusaka: Department of Agriculture 1982), p.24.

<sup>129</sup> N.A.Z, CO323/1338/5302/1, National Broadcasting Services Memorandum, 1971.

<sup>130</sup> *Katete District Annual Report, Department of Agriculture, 1983/84* (Katete: Department of Agriculture, 1984), p.8.

could not reach inaccessible outposts.<sup>131</sup> The government also provided transport to reach these inaccessible areas.

### 3.11 Transport

The state provided other social amenities like roads in order to provide access to markets. There was co-ordination of the road construction programmes in rural areas with the need to serve main production areas.<sup>132</sup> The existence of such roads enabled crops to be stored in the production areas pending transfer to the main intake and consumption areas. This reduced marketing costs by the elimination of double handling and feeder transport costs. Feeder roads in Katete were graded using graders which were available at the local council from 1970. Such roads which were constructed by the state included the one from Kangwelema scheme going to ECU depot covering a distance of about seven kilometres. Another one was that which started from Kagoro to the main marketing area at the sheds of ECU.<sup>133</sup> To ease the burden of transportation, there was the establishment of local transport services in rural areas, not only for crop haulage but also for use by the general public. Peasant farmers were able to access markets due to the availability of transport and the feeder roads.

In 1974, during investigations conducted during the Farm Machinery Need Survey and from observations made by the Intermediate Technology Development Group Project Zambia (I.T.D.G) project staff in Zambia and elsewhere, it was noted that transportation difficulties were often encountered by peasant farmers.<sup>134</sup> This was as a result of soil conservation measures which discouraged the use of the traditional sledge.

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<sup>131</sup> Katete District *Annual Report, Department of Agriculture, 1983/84, p. 9.*

<sup>132</sup> N.A.Z, MAG5/3/5793/014, Letter to Provincial Marketing Officers on Second National Development Plan construction of Roads, 1971.

<sup>133</sup> Interview, Mate, 12/11/ 2016.

<sup>134</sup> N.A.Z, MAG2/21/230/095, Draft Interim Report and Recommendations of the Standing Committee on Transportation, 1973.

The result of the survey work in the Magoye sub-district of Mazabuka district showed that two thirds of farmers in the peasant sector did not own an ox-cart, and that a further 11% had carts that were beyond economic repair.<sup>135</sup> Although taken from a small area, the survey showed that the state of farmers in Mazabuka was typical of those in most of the rural areas of Zambia. A similar pattern of ownership extended throughout the ox-powered farming community which included Katete area. The need for transportation of inputs to and produce from the farm was apparent.

Bicycle-carts and scotch-carts appeared to be the best solution, the former cart being of special interest in the areas of hand cultivation. Ox-carts were available either from NAMBORD or direct from the craftsmen who often made use of scraped axles and pick up bodies. Early in the project, it was decided to design, build and test a suitable ox-cart for use in Katete. In view of the shortcomings of the other types of carts available in Zambia, several points were borne in mind when the specification for the I.T.D.G. cart were drawn up. The cart had to be cheap, light weight, capable of 1000kg payload, simple axle and wheel assembly, simple to build-particularly by trainees and tippable.<sup>136</sup> The objective of the project was, to identify the need for improved agricultural tools for farmers at the peasant level and animal drought power level by means of an on-farm survey to pinpoint labour constraints.

The project was carried out in three provinces, that is, Southern, Central and Eastern. In Eastern province, two districts were involved in this project, that is, Chipata and Katete. Kalimeta and Kagoro were the pilot areas in Katete district.<sup>137</sup> After the project had taken off a, a number of peasant farmers benefited from the project.

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<sup>135</sup> Ibid.

<sup>136</sup> G.R.Z, *Intermediate Technology Development Group Project Zambia the Wood Bearing Ox-Cart Annual Report* (Lusaka: Department of Agriculture, 1974), p.32.

<sup>137</sup> GRZ, *Provincial Annual Report Eastern Province, 1975* (Lusaka: Department of Marketing, 1975), p.7.

These farmers were to assist their fellow peasant farmers who did not own ox-cart during the haulage of the harvest. Ox-carts eased the transportation problem of crops from the farming area to the storage area in the district. There were 16 Ox-carts in Katete and they were distributed as follows: five in Kalimeta, another five in Kagoro and six in Kangwelema.<sup>138</sup>

### **3.12 Horticultural Development**

By 1964, most of the fruits supplied in the country were from the south territories. A number of local citrus orchards, small acreages of bananas and pineapples, supplied limited quantities of fruits. In the 1960s, the government, recognising the importance of fruits for nutritional purposes, and in an effort to cut the imports, decided to increase local production. Two banana projects were established in the country, one in Munushi in Luapula province and the other in Chiawa near Chirundu. To promote pineapple production a canning plant was established in Mwinilunga, North Western Province. Fruit nurseries were also organised in all provinces to supply fruit trees, mainly citrus for prospective growers and for home gardens.<sup>139</sup>

Citrus production was emphasised in the Second Development Plan under objective number five.<sup>140</sup> In the SNDP the state gave a high priority to citrus production which was to be developed for the fresh market, for subsistence and also for processing. Citrus nurseries were established to supply farmers with trees. Special attention and high priority in tree supply was given to emergent and peasant farmers. Hundreds of them planted small orchards, from as few as 10 to about 100 trees each.<sup>141</sup> Extension advice was given by the local staff and by provincial horticulturalists and the senior citrus officer. The trees were sold to prospective farmers after first checking the conditions and the availability of water. This was because during the dry season, the citrus trees were to be supplied with adequate irrigation. Commercial

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<sup>138</sup> N.A.Z MAG4/16/12, Minutes on Animal Husbandry Meeting, Kangwelema Scheme, 14 July 1970.

<sup>139</sup> N.A.Z, MAG2/21/95, Horticultural Development Proposals and implementation, 1971-1978.

<sup>140</sup> Ibid. See also the *Second National Development Plan 1971*, p.24.

<sup>141</sup> G.R.Z, *Eastern Province Annual Report* (Lusaka: Department of Agriculture, 1987/88), p.28

and peasant growers were encouraged to plant citrus orchards in all provinces. High priority in tree supply was given to small-holders and a number of courses for staff and growers were organised at provincial and district levels.

By 1987, the Eastern province was involved fully in horticultural production of fruits but the bulk of the produce mainly came from peasants in Katete. These farmers were located in the district's Mphangwe area.<sup>142</sup> This was because of the availability of the natural springs in that area. The springs provided water for irrigation by surface methods throughout the year. The extension staff of the Department of Agriculture visited the horticultural farmers on a weekly basis to ensure that the trees were in good conditions and that they were not attacked by diseases. The department also provided chemicals for spraying of the trees.<sup>143</sup> This led to the development of citrus production in the district.

**Table 12. Number of Citrus Trees By 1989**

Farmer/Farm	Number of Citrus Trees (Oranges)
Mr Leta Banda farm no. 7	20
Mr Adamson Phiri farm no. 9	32
Mr Zimba farm no. 14	120
Mr Moyo farm No 16	300

Source: G.R.Z, *Ministry of Agriculture Eastern Province Annual Report 1989* (Lusaka: Department of Agriculture, 1990), p.10.

### 3.13 Conclusion

The preceding discussion has demonstrated how the state made serious efforts to enhance the development of peasant farming in the district after 1964. This can be observed from the

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<sup>142</sup> Ibid.

<sup>143</sup> Ibid.

agricultural policy after independence which was aimed at securing food supplies for the whole country. The state deliberately encouraged the development of peasant farming in order to develop Katete. This encouragement involved a number of state supported innovations which included marketing, supply of inputs and formation of cooperatives.

The chapter has revealed that during the period between 1966-1989, there was heavy state involvement in the agricultural sector. This resulted in the development of peasant farming in Katete which was associated with state support. Peasant farmers in Katete relied on the state for all their agricultural inputs starting with seeds, fertilizer, information, chemicals, marketing and transport. Any move or attempt to withdraw such massive state support would lead to a disruption in in the peasant sector. The next chapter will examine the impact of withdrawing this state support during post-1991 economic reforms on the peasant farmers when the new Movement for Multi-party Democracy (MMD) government took over public office.

## **CHAPTER FOUR**

### **THE IMPACT OF ZAMBIA'S POST – 1991 ECONOMIC REFORMS ON PEASANT FARMERS IN KATETE DISTRICT**

#### **4.1 Introduction**

This chapter will investigate the impact of state support to the peasantry following the implementation of liberal economic reforms in 1991. The state had financed peasant agriculture from its own income and support from various cooperating partners after 1964. This led to the development of peasant farming in Katete district. Following the fall of copper prices and the crude oil shock of the 1970s, the state found it difficult to continue providing subsidies to peasant farmers. The country's failing economy resulted in the implementation of Structural Adjustment Programmes (SAPs) in 1991. These economic reforms were implemented by the Movement for Multi-Party Democracy (MMD) government following the defeat of the Kaunda government in the general elections held in October 1991. The initiated SAP policies had a profound effect on the state-dependant peasant agricultural sector in Katete district. This chapter endeavours to discuss the impact of SAP on peasant farmers in Katete district between 1991 and 1996.

#### **4.1 Background to the Structural Adjustment Programme (SAP)**

The National Commission for National Development Planning (NCDP) reported in 1987 that Zambia had been borrowing from the International Monetary Fund (IMF) and the World Bank (WB) since the 1960s. The money borrowed was used to import farming inputs and consumer goods. In 1980, the government had requested for more loans from the IMF and WB amounting to \$300 million. These loans were to be used in the revamping of the country's

failing economy as a result of low copper prices and high crude oil prices on the world market.<sup>1</sup>

To qualify for more credit from international lenders, the government was forced to accept IMF and WB conditions.<sup>2</sup> These involved exchange rate adjustment, price de-controls and high interest rates on the country's currency. There was also to be liberalisation of agricultural marketing and trade, reduction in government deficits and institutional reforms. This was to be done by encouraging competition and selling unprofitable parastatals, higher producer prices and early announcements of prices, and encouraging private sector production. Structural Adjustment Programmes (SAP) resulted from the state's heavy debts (\$ 800 million) which had accrued from the late 1960s to the early 1980s.<sup>3</sup>

In the final months of 1982, Zambia could not make foreign exchange allocations, as it was effectively financing its entire domestic investment with foreign funds. Copper prices had collapsed in the early 1970s. Zambia was unable to import needed spare parts to keep the productive sector active. In 1983, for example, Zambia could only import 45% of the volume of goods that it imported in 1970. The ratio of gross domestic savings to Gross Domestic Product (GDP) also fell from 23.1% to 6.7% between 1979 and 1982. In 1983, Zambia's public sector debt was \$2.6 million or 264% of Zambia's total exports.<sup>4</sup>

The state had hoped to finance its economic programmes from copper earnings, external loans and grants. From 1979 to 1983 however, external loans and grants dropped from \$731 million

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<sup>1</sup> GRZ, National Commission for Development and Planning (hereafter NCDP), *Annual Report for the year 1987* (Lusaka: Government Printers, 1988), p.12

<sup>2</sup> GRZ, National Commission for Development and Planning, *Annual Report for the year 1987*, p.12. For further information, see Thomson Haamutete Kalinda, 'Access to Resources and food Production among Small Scale Farm Households in Southern Zambia', PhD Thesis University of Guelph, 1997, p.26.

<sup>3</sup> Malcom F. Mcpherson and Tzventana S. Rakovski, *A Small Economic Model of the Zambian Economy*, Development Discussion paper No. 672, January 1999, p.21. Also see Oliver Saasa, *Policy Reforms and Structural Adjustment in Zambia. The case of Agriculture and Trade* Technical paper No. 35 October 1996, p. 14.

<sup>4</sup>G.R.Z, *Economic Report for 1980* (Lusaka: NCDP, 1981), p. 25.

to \$156 million.<sup>5</sup> In 1982, the IMF announced that because Zambia was in arrears to its creditors, no further drawings of IMF funds could be made available.

Previously, Zambia had a good record with the IMF, and was often cited as a model borrower that had complied with all conditions to which it had agreed in return for its IMF standby loan in 1978.<sup>6</sup> In May 1981, the country had secured an \$800 million loan from the IMF. The money borrowed was to be used for the development of agriculture and rural development. The loan agreement did not require any policy reform to be made prior to implementing the contract. The country received \$300 million during 1981.<sup>7</sup> Zambian policy-makers chose, however, to use much of the acquired loan on other ventures and not what the agreement had stipulated.

In addition, few fiscal or monetary reforms were implemented. The government supported the goals of the Third National Development Plan (TNDP) and continued to fund education and health sectors throughout the country. Under this scenario the IMF suspended payments in 1982.<sup>8</sup>

In March 1982, President Kaunda initiated new negotiations with the IMF. This time around the lender demanded prior policy reforms before any agreement could be entered into. It not only demanded budget cuts, but also devaluation of the local currency. The devaluation of the kwacha happened in 1982 and 1983. The Kwacha was devalued from K2 to \$1 to K15 to \$1.<sup>9</sup> This was seen in the budget presented by the Minister of Finance in January 1983 which included higher taxes on luxury goods. In keeping with the IMF agreement, the government

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<sup>5</sup> G.R.Z, *Economic Report for 1983* (Lusaka: NCDP, 1982), p. 12.

<sup>6</sup> World Bank, *International Financial Statistics year book for 1978* World Bank Development Indicators, 1978, p.123.

<sup>7</sup> G.R.Z, *Economic Report for 1983*, p.14. Also see Faustine Mwape, 'Relative Economic Efficiency of Emergent and Commercial Maize Farms in Zambia, PhD Thesis, University of Manitoba, 1988, p.17.

<sup>8</sup> G.R.Z, *Adjustment in Africa: The Zambian experience*, paper presented by the Ministry of Finance and Bank of Zambia to the World Bank seminar on adjustment in Africa, Harare, Zimbabwe, May 1994.

<sup>9</sup> G.R.Z, *Economic Report for 1983*, p.15.

also agreed to decontrol prices on beer, cooking oil, soap, sugar, stocked detergents and cigarettes as well as wage increase in the public sector to 3%.<sup>10</sup>

The TNDP sought to diversify the economy and promote agriculture including rural development. The new strategy sought to manipulate the country's development by reforming the existing monetary and fiscal policies and returning to a sectoral, rather than regional, approach to development.<sup>11</sup> The United National Independence Party (UNIP) won the election of 1983. Despite this victory, there was widespread discontent with the inflation caused by the devaluation and decontrol of commodity prices. Inflation reached 22.9% in 1983 from 17.3% the previous year. In a country where citizens had little income, the impact of this level of inflation on basic commodities brought severe hardships.<sup>12</sup>

Maize production among Zambian farmers declined. This decline in maize production came at a time when food production issues had become more central, not only because of the established emphasis upon cheap food for urban consumers, but because the demand for food was also rapidly increasing in its own right. The Zambian population was growing by more than three percent per annum while national consumption of maize by an estimated 3.3% each year.<sup>13</sup>

The copper boom and heavy external borrowing in the late 1960s and early 1970s allowed the country to carry out some investments in rural areas and experiment with agrarian reforms through various rural development schemes.<sup>14</sup> However after 1973, the economic situation deteriorated due to a combination of factors. Like most oil importing and low income countries, Zambia's terms of trade index dropped by 70 percent from 1974-1985. This was due

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<sup>10</sup> G.R.Z, *Budget Address 1983*(Lusaka: Ministry of Finance, 1983), p.5.

<sup>11</sup> G.R.Z, NCDP, *Third National Development Plan, 1974-1978* (Lusaka: government printer, 1979), p.34.

<sup>12</sup> Zambia Daily Mail, 29 January 1983, p.5.

<sup>13</sup> F.A.O, *Zambia Comprehensive Agricultural Development and Food Programme Report* (Rome: UN/FAO, 1989), p.65.

<sup>14</sup> F.A.O, *Zambia Comprehensive Agricultural Development and Food Programme*, p.12. Also see G.R.Z, Ministry of Agriculture, *Monthly Economic Bulletin, September 1972* (Lusaka: Department of Agriculture, 1973), p. 11.

to the collapse in international copper prices after 1975. This also contributed to the declining terms of trade and thus exacerbated the already serious shortage of foreign exchange.<sup>15</sup>

The reduction in the country's revenue led to serious budget deficits and accumulation of external debt. The country could no longer afford to pay for food imports and fund agricultural subsidies. These external shocks, coupled with declining food production, threw the Zambian economy into a deep recession and created very difficult fiscal and policy problems which called for strategic reforms. The economic problems compelled the state to start rethinking its development path and call into question the unsustainable levels of subsidy expenditure which were associated with its pricing policies in agriculture.<sup>16</sup>

The recession placed diversification of the economy as the top priority of government developmental plans. There was general agreement by policy makers that the greatest potential and promising opportunities were in the agricultural sector. The government committed itself to diversification investment in agriculture in order to achieve self-sufficiency in food and export surpluses to earn foreign exchange.<sup>17</sup>

The economic crisis which stemmed from the 1970s and persisted throughout the 1980s compelled the state to make attempts at reforming the rigidly structured copper-based economy. This was done in order to adjust to the decline in national income caused by the rapid decline in the terms of trade. Apart from heavy dependence on copper earnings the economic decline was attributed to excessive state control of the economy resulting in price

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<sup>15</sup> G.R.Z, *Ministry of Finance, Monthly Economic Bulletin, September 1975* (Lusaka: Government Printers, 1976), p. 16.

<sup>16</sup> G.R.Z, *Economic Report, 1976 Office of the President NCDP* (Lusaka: Government printers, 1977), p.21.

<sup>17</sup> G.R.Z, *Ministry of Agriculture, Logistic Planning Unit Report, 1976*, p.32. Also see G.R.Z, *Mid Term Review of the Second National Development Plan (Performance of the Zambian Economy, 1972-1974)* (Lusaka: Ministry of Planning and Finance Development Planning Division December, 1974), p.28.

distortions, balance of payments deficits and excessive aggregate demand.<sup>18</sup> These problems led to high inflation, a deterioration in living conditions and an empty treasury.

In May 1984, World Bank officials joined representatives from thirteen most industrialised countries and seven development institutes at the Paris Club consultative meeting to pledge foreign aid in reform for substantive reforms in the agriculture and other sectors.<sup>19</sup> The donors requested that Zambia reform its parastatal organisations, agricultural marketing and prices, gave more emphasis to the private sector. They requested institutional and not just fiscal and monetary reforms.<sup>20</sup>

In 1985, the Zambian government agreed to re-engage with the structural adjustment programme in partnership with the I.M.F and the World Bank. The stabilization and structural programme in the country was aimed at improving resource allocation by removing distortions in the economy in order to promote sustained growth.<sup>21</sup>

This was to be achieved by pursuing the following goals; i) reduction of inflationary pressures, and ii) narrowing the current account deficit in order to restore balance of payments viability.<sup>22</sup>

The initial years of Zambia's experience with implementing structural adjustment policies and strategies could be described as dithering or of an "on-again-off-again" character. The initial years of the programme were periods of learning and adjusting. It seemed that the ground work for the implementation of the programme was not adequate.<sup>23</sup> Starting SAP at a time of severe economic and financial crisis in 1983, the government formulated and adopted IMF policies in

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<sup>18</sup> World Bank, *Republic of Zambia: Public expenditure review* (Washington, D.C.: World Bank, 1982), p.43.

<sup>19</sup> World Bank, *Zambia- a Basic Economic Report* No.1586b-ZA (Washington D.C.: East Africa Regional Office, October.1984), p.52.

<sup>20</sup> World Bank, *Accelerating Development in Sub-Saharan Africa: An Agenda for ACTION* World Bank (Washington D.C. World Bank, 1981), p.4.

<sup>21</sup> World Bank, *Towards Sustained Development in Sub-Saharan Africa* (Washington D.C.: World Bank, 1984), p.28.

<sup>22</sup> G.R.Z, *Restructuring in the Midst of Crisis* volumes 1, (Consultative Group for Zambia, May 22-24, 1984), p.24.

<sup>23</sup> C. A. E Goodhart, *Money, Information, and Uncertainty* 2nd Edition (Cambridge: The MIT Press, 1989), p.124. Also see Eve Nan Sandberg, 'International Foreign Aid, Donor Cohesion and Donor Bounded decision Making in Zambia' Agricultural Sector', PhD Thesis, Yale University, 1990, p. 236.

a hurry and thus ended up agreeing to long term courses of action that could not be fully accomplished within the short programme duration.<sup>24</sup>

In its quest to reduce the fiscal deficit, the government cut bulk expenditure on social programmes such as health, education and subsidies on maize meal. Other policies, like the imposition of limits on public sector employment and wages also led to a rapid decline in real wages and the standard of living. Political and social conditions forced the government to continue with maize and maize flour price controls. This was done through continued subsidies for fertilizer, handling and transportation of maize.<sup>25</sup>

Under pressure from the IMF, the government was forced to raise prices of maize meal. All this did not augur well in terms of political support for the SAP programme and the government decided to abandon the reform programme in 1987 following food riots in major cities of Lusaka and Ndola.<sup>26</sup> On 1 May, 1987 the IMF programme was stopped and replaced with a home-grown programme called New Economic Recovery Programme (NERP).<sup>27</sup> The NERP was to run for two years. The Fourth National Development Plan (F.N.D.P) marked the first medium term programme in the implementation of the country's NERP that was launched on the 1 May 1987.<sup>28</sup> The theme of the NERP was "growth from our own resources" which represented the country's commitment towards self-sufficiency in all areas of human endeavour in line with the objectives of the philosophy of humanism.<sup>29</sup>

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<sup>24</sup> G.R.Z, *Restructuring in the Midst of Crisis* volumes 1, p23.

<sup>25</sup> G.R.Z, *Fertilizer Supply and Distribution Issues and Constraints Report* (Lusaka: MAWD, 1985), p.22.

<sup>26</sup> G.R.Z, *Restructuring in the Midst of Crisis* volumes 1, p.25.

<sup>27</sup> G.R.Z, *New Economic Recovery Programme FNDP 1989-1993* (Lusaka: NCDP, 1989), 1. Also see Philip A. Thomas, 'Zambian Economic Reforms', *Canadian Journal of African Studies / Revue Canadienne des Études Africaines*, Vol. 2, No. 1 (Spring, 1968), p. 19.

<sup>28</sup> G.R.Z, *New Economic Recovery Programme Economic and Financial Policy Framework 1989-1993* (Lusaka: National Commission on Development Planning, 1989), p.8.

<sup>29</sup> G.R.Z, *New Economic Recovery Programme Economic and Financial Policy Framework*, p.2. Also see Kayizzi S. Mugerwa, 'Growth from Own Resources: Zambia's Fourth National Development Plan in Perspective', *Development Policy Review*, Vol.8, 1990, pp.59-76.

A simultaneous increase in import prices by 1985 saw the import price index rise to 990.57 as against the 1979 base of 100. This represented a rise in import prices of more than 800%. Domestic inflation was higher than recorded in previous years reaching a peak of 67% in April 1987.<sup>30</sup> Added to this negative performance of the economy was the heavy external debt burden which turned Zambia into a net exporter of financial resources at a time when the country was in dire need of resources to keep the economy going. It was against this background that NERP was outlined in the 18 months interim of the Fourth National Development Plan (FNDP) which was launched in July, 1987.<sup>31</sup> This was Zambia's own effort and idea to improve the economy.

The NERP programme reinstated price controls, fixed exchange rates and subsidies on farming inputs and consumer goods. The continuing inflation and lack of support for this home brewed programme also failed to assist the decline in the economy forcing the government to enter into fresh negotiations with the IMF/World Bank for another restructuring and loan agreement in 1989.

The negotiations led to the adoption of yet another comprehensive macroeconomic and structural adjustment programme for 1989/90 and subsequent years.<sup>32</sup> This new programme agreement was signed by UNIP government but was implemented by the new and liberal capitalist-oriented Movement for Multi-Party Democracy (MMD) government of Fredrick T. J. Chiluba which came to power in November, 1991.<sup>33</sup> The MMD government implemented all the IMF and World Bank tough conditions and allowed market forces to run the economy unrestrained.

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<sup>30</sup> World Bank, *Zambia Industrial Policy and Performance, Report No. 4436-ZA Industrial Strategy and Policy Division*, p.26. Also see Hans-Otto Sano, 'The IMF and Zambia: The Contradictions of Exchange Rate Auctioning and De-Subsidization of Agriculture', *African Affairs*, Vol. 87, No. 349 (Oct., 1988), p. 568.

<sup>31</sup> G.R.Z., *New Economic Recovery Programme*, p.11.

<sup>32</sup> World Bank, *Republic of Zambia: Public Sector Management Review*, Report No. 9827-ZA Africa Region, World Bank (Washington D.C.: World Bank, 1989), p.26.

<sup>33</sup> The MMD came to power after winning the elections of 1991 and implemented the economic reforms.

Since the 1990s, under the auspices of the IMF and the World Bank, Zambia had implemented a number of stabilization policies and SAPs. Macro-level reforms followed the orthodox approach involving trade liberalization, currency devaluation, tax system reforms and a reduction in the state's role in the economy.<sup>34</sup> All economic sectors were affected by these changes. In the agricultural sector, there was a reduction in subsidies and investments programmes. The changes were aimed at developing the private sector to participate in agribusiness under a free market. These changes affected crop and livestock marketing, the provisions of credit to peasant farmers, the cooperative movement and agricultural resettlement schemes.

## **4.2 Impact of SAPs on Katete District**

### **4.2.1 Marketing of Agricultural Produce**

Under SAP introduced in 1991, the government declared and committed itself to a policy of free market economy. In the agricultural sector, SAP policies placed emphasis on raising private sector-led productivity and establishing a competitive production structure in order to achieve self-sufficiency in agricultural production and to increase exports. Various government policy document and papers indicated that it aimed at achieving the two following objectives, namely

- i) for instance, the system of price controls on inputs and crop markets was eliminated. The reform process in the agricultural sector was slow in the initial period from 1983 to 1991 but was rapid after 1991, and ii)
- crop or output market reforms had all along been concerned with the main crop, maize but was now extended to cover all crops.<sup>35</sup>

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<sup>34</sup> World Bank, *Republic of Zambia: Public Sector Management Review*, Report, p.38.

<sup>35</sup> G.R.Z, *Eastern Province Annual Report for 1989/90* (Lusaka: Department of Agriculture, 1991), p.12.

The marketing of agricultural produce before liberalisation was purely state controlled through parastatal entities. The procurement, distribution and processing of marketed maize was undertaken solely by the National Agricultural Marketing Board (NAMBOARD) from 1968 up to the 1988/89 season. From the 1989/90 to the 1990/91 seasons, these tasks were taken over by the primary cooperative societies, district cooperative unions, provincial cooperative unions and the Zambia Cooperative Federation (ZCF). In the 1991/92 farming season, the marketing and pricing system for maize was further reorganised.<sup>36</sup> Private traders were allowed to purchase and sell maize within regions and the cooperatives became buyers of the last resort. In particular, the cooperatives provided a producer floor price and an into-mill ceiling price and were responsible for transporting maize between regions.<sup>37</sup> The fixed prices of maize and fertilizer as well as the guaranteed floor prices of some other commodities were still seasonal and territorial.<sup>38</sup>

The decontrol of the marketing of agricultural inputs and outputs also led to the end of the *de facto* monopoly of parastatals and cooperatives in the marketing of farm produce. The abolition of NAMBOARD in 1989 opened up the system to private sector participation in maize marketing.<sup>39</sup> Government cutbacks in expenditure also resulted in a reduction in fertilizer subsidies, bringing prices to world market levels. Cuts in government expenditure also affected other services offered by the Animal Health Department.

The MMD government liberalized grain marketing barely one month after coming to power.

This timing was not right because it had political difficulties in dealing with the co-operative

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<sup>36</sup> G.R.Z, *Evaluation of the performance of the maize sub-sector* (Lusaka: Ministry of Agriculture mimeo, 1990), p.8. Also see Kalinda, 'Access to Resources and food Production among Small Scale Farm Households in Southern Zambia', p.33.

<sup>37</sup> F. Kapola Sipula, 'Reforms of the Maize Market System in Zambia: Issues of Price and Market Policies, Cooperatives and Inter-provincial Transportation', PhD Thesis, Michigan State University, 1993, p. 12.

<sup>38</sup> Swedish International Development Agency (SIDA), *Zambia Exchange Rate Policy* (Koping: Swedish International Development Authority, 1989), p.13. Also see Jonathan Kydd, 'Coffee after Copper? Structural Adjustment, Liberalisation, and Agriculture in Zambia', *Journal of Modern African Studies*, Vol. 26, No. 2 (Jun., 1988), p. 229.

<sup>39</sup> G.R.Z, *Official Verbatim Report of the Parliamentary Debates of the Fourth Session of the Sixth National Assembly*, 6 August, 1990, p.221.

movement which had dominated grain marketing from the 1970s. In fact, just before complete liberalization, it was found that 97 percent of farmers in Katete district sold their produce to cooperatives while the remaining three percent sold to private traders in the form of commercial farmers, millers and local villagers.<sup>40</sup>

Prior to the implementation of the 1991 economic reforms, agricultural markets were characterized by pervasive government controls. After liberalization, there were reforms that included the removal of price controls, liberalization of domestic and external trade, decontrol of interest rates, introduction of foreign exchange rates, tax reforms and formulation of policies and legislation. This meant no direct involvement in the running of co-operatives.

Prior to liberalization, marketing cooperatives had a number of assets which enabled them to be financially stable. Some of these assets included staff houses, storage shades grocery shops, poultries and in some instances they kept cattle. It was the money raised from these assets which helped cooperatives in Katete to pay its members some bonuses and wages. Due to the storage shades which cooperatives had, they were able to do marketing of crops as they were able to store the harvest. For example, between 1975 to 1979, cooperatives in Katete marketed 85% of the maize in the district.<sup>41</sup> This scenario changed after the post-1991 economic reforms.

Liberalization saw the mergers and splits of various co-operative societies. They split into small uneconomic units, high levels of mismanagement mainly fuelled this and other factors beyond management control like fluctuating market prices.<sup>42</sup> The peasant farmers of Katete had so much relied on cooperatives to do the marketing of their crops as discussed in chapter three and once liberalisation took effect, this created confusion. In this way, SAP had a telling

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<sup>40</sup> G.R.Z, Ministry of Agriculture, *Katete District Annual Report for 1990-1991*(Lusaka: Government Printers, Department of Agriculture, 1991), p.21. Also see *Provincial Agriculture Annual Cooperative Report for Eastern province, 1990*, p.12.

<sup>41</sup> GRZ, *Department of marketing and co-operatives Reports 1980* (Lusaka: Department of Marketing and Cooperatives, 1981), p.12.

<sup>42</sup> F. Wanyama, *Co-operating out of poverty; the renaissances of African co-operatives movement* (Geneva: ILO, 2008), p.56.

effect on crop marketing in Katete district. Table 18 below shows the marketing societies before and after the liberalisation of the economy.

**Table 13: Katete Marketing Societies and Types of Assets before and after 1991**

<b>Names of Marketing Society</b>	<b>Type of Assets before 1991</b>	<b>Types of assets after 1991</b>	<b>Number of Trained Staff With Certificates before 1991</b>	<b>Number of trained staff with certificates after 1991</b>
Kafumbwe	two staff houses, one big shade, Poultry, piggery, 11 heads of cattle and one grocery shop	Two dilapidated staff houses, one big shade, empty Poultry, empty piggery, no heads of cattle and one empty grocery shop	Six members	One
Chafulu	One grocery, one shade and a piggery	Dilapidated shade, piggery was sold	Three members	Nil
Chagumu	one grocery shop	Nil	Two members	Nil
Mzime	one grocery shop, one staff house and a piggery	One empty grocery shop, One dilapidated staff house and an empty piggery	Five members	Two
Dole	One grocery and a shade	One storage shade	Four member	One

Chimwa	One grocery and a piggery	One empty grocery and an empty piggery	Two members	Nil
Matunga	One grocery and a shade	One shade	Four members	Nil
Milanzi	One grocery and shade	Dilapidated shade	Three members	Nil
Nchingilizya	One grocery and a piggery	Nil	Nil	Nil
Vulamkoko	One grocery and a shade	Nil	Six members	Two
Mung'omba	One grocery and a shade	Dilapidated shade	Four members	Nil

Source: G.R.Z, *District Annual Reports on co-operatives in Katete, 1971-1989* (Lusaka: Department of Agriculture)

Some of the dilapidated infrastructure can be seen through picture 1, 2, 3 and 4.

Picture 1. Dilapidated Kagoro storage shade after 1991



Source: Photo by Robert Sakala, 03 March 2018.

Picture 2. K C M U storage shade after 1991



Source: Photo by Robert Sakala, 03 March 2018.

Note. The iron sheets were removed and the building is in a deplorable state.

Picture 3. Dore storage shade after 1991



Source: Photo by Robert Sakala, 03 March 2018.

Picture 4. Katete Cooking Oil Plant Site after 1991



Source: Photo by Robert Sakala, 03 March 2018.

\*Note, all the equipment for oil processing were removed and sold to private traders after 1991 who in turn sold them as scrap metal to Katokoli Trading Company.<sup>43</sup>

#### **4.2.2 Cooperatives and Marketing**

In December 1992, a government document was published which amplified the newly elected MMD government policies in the agricultural sector. The policies meant that the state would

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<sup>43</sup> Interview with Joseph Daka care taker of former Oil Plant site, 03 March 2018.

cease its direct role in marketing food crops and agricultural inputs.<sup>44</sup> The government envisaged to restrict itself to managing strategic grain reserves and fostering an environment that empowered the private sector to take on functions that were previously performed by the cooperatives under the state.

The government proceeded to liberalize agricultural marketing. However, problems soon emerged because the private sector was slow in responding to the new policy environment.<sup>45</sup>

The reasons for the slow response by the private sector was due to lack of attention to the process of liberalization. It seemed many officials and some politicians were still hostile to the private sector's involvement in agro-marketing. While there were national policies for liberalization, many local restrictions and regulations stayed in place, such as control on maize prices and exportation of the maize crop. There was little assistance to traders, particularly the need for loan finance or guaranteed market with seasonal crop prices. The new marketing relations were often confusing to farmers and extension officers alike.<sup>46</sup>

The policy of liberalization created a big problem in the cooperative movement in Katete. The reasons were that cooperatives in the district had developed massively due to state-support. This was as a result of state subsidies in the operations of cooperatives. The other reason was that the state had engaged cooperatives in grain marketing. It was out of grain marketing that bonuses and commissions were given to cooperatives which helped them to be financially sound. Another main task of agricultural co-operatives included collecting farmers' produce,

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<sup>44</sup>Food and Agricultural Organisation/Ministry of Agriculture Food and Fisheries, *The Adjustment by the co-operatives sector to Liberalized marketing Environment: A preliminary Analysis of co-operatives sector performance in crop input marketing season in central, eastern and southern provinces, Zambia market liberalization impact studies* (Lusaka: Marketing Management Assistance Project, 1995), p.24. Also see Gesela Geisler, 'Who is Losing out? Structural Adjustment, Gender, and the Agricultural Sector in Zambia', *The Journal of Modern African Studies*, vol.30, No.1 (1992), p.118.

<sup>45</sup> G.R.Z, *Provincial Agriculture Annual Cooperative Report for Eastern province 1993-1994* (Lusaka: Department of Agriculture, 1995). p.12.

<sup>46</sup> G.R.Z, *Provincial Agricultural officer's Extension Report, Eastern province, 1994-1995* (Lusaka: Department of Extension services, 1995), p.18.

storing it and then transporting it to designated buyers and agents.<sup>47</sup> Cooperatives also received payments for the produce delivered and this payment was passed to their members. After liberalisation all this came to an end and cooperatives were left to fend for themselves and had to compete with the private sector in the marketing of crops in the district.

In addition, cooperatives had been important in the delivery of various inputs including fertilizers, pesticides, fungicide and other crop protection chemicals. Through engaging co-operatives in various activities by the state many cooperatives had created employment for the local people and had accumulated assets. An example of a co-operative which was engaged in various activities by the state was Eastern Cooperative Union (ECU). ECU had an oil plant in Katete which was managed by Katete Co-operative Union (KCM). The plant processed cooking oil which was sold in many retail shops. It also employed a number of people in the district. Apart from this, cooperatives also greatly contributed to the development of peasant farming in the area through marketing.

During the UNIP period, Katete District Cooperative Union and its primary cooperative societies operated in all the locations of the district and had over three billion Kwacha in assets (K 3 million today).<sup>48</sup> This contributed to the development of the district and government treasury. The money raised by cooperatives through crop marketing and through sales of cooking oil from the cooking oil plant, was remitted to ECU. The provincial cooperative (ECU) handed over the revenue to ZCF which, in turn reported to the state. These cooperatives had also helped to create over ten thousand jobs in the province of which four thousand were in Katete.<sup>49</sup> The cooperatives in Katete also helped the local people by providing services such as learning and leadership experiences. They also reduced costs of

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<sup>47</sup> Shiro Kodamaya, *Agricultural Policies and Food Security of Smallholder Farmers in Zambia*, African Study Monographs, Supp 142, 19-30 March 2011, p.24. Also see *Provincial Agricultural Annual Cooperative Report for Eastern province 1993-1994*, p.11. To understand the marketing of farm produce visit <http://www.aec.msu.edu/agecon/fs2/zambia/index.htm>, accessed on 24 March 2017.

<sup>48</sup> G.R.Z, Ministry of Agriculture, *Annual Report for Block Supervisor, Katete District*, 1995, pp. 1-3.

<sup>49</sup> Interview, Joseph Kamanga, former ECU and KCMU marketing officer, Chipata, 18 April, 2017.

commodities like cooking oil which was locally produced in the district, increased revenues and enhanced stability for members through producer marketing, consumer and credit cooperative.<sup>50</sup> Cooperatives in Katete also taught technical skills all of incalculable worth. Such technical skills involved operation and maintenance of cooperative tractors and building of ox-drawn carts.

After the general elections in 1991, the new MMD government and other civic organisations had asked ZCF to renounce its affiliation with UNIP. However, the ZCF central leadership appeared in transient for several months.<sup>51</sup> The speed at which SAPs were implemented suggested that the new government wanted to avoid having to deal with a cooperative movement whose loyalty clearly lay with the former government. Cooperatives were undermined during this era and the end result was that a void was created in peasant marketing. This marketing void resulted in the reversal of the gains which had been achieved by the cooperatives as demonstrated in chapter three.

The MMD government soon realized that doing away with the cooperative movement had created a void that needed to be filled quickly. It, therefore, created a maize marketing revolving fund to help entrepreneurs raise funds at reasonable interest rates to purchase grain. Under this arrangement, cooperatives were to be treated like any other private firm. However given their experience and infrastructural network that they had offered, one would expect that the co-operatives would have enjoyed some advantage in accessing the revolving fund.<sup>52</sup> This was not the case because co-operatives appeared to have been deliberately discriminated against and failed to access funds due to their pro-UNIP affiliation.

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<sup>50</sup> G.R.Z, *District Cooperative Annual Report for Katete District 1985-1986* (Lusaka: Government Printer, 1987), p.4. Also see P. Sharma, 'The role of Primary co-operative society in Development of Zambia's Agricultural sector', M.A Dissertation, University of Zambia, 1981, p.16.

<sup>51</sup> World Bank, *Adjustment in Africa: Reforms, Results and the Road Ahead* (New York: Oxford University Press, 1994), p.154. See also Anthony Mwanauo, 'The Effects of Maize Marketing Policy Reforms in Zambia', PhD Thesis, Purdue University, 1994, p.54.

<sup>52</sup> G.R.Z, United Nations Development Programme: *Eradicating of extreme poverty and hunger in Zambia, an agenda for enhancing the achievement of the MDGs*, (Ndola: ZHDR, 2003), p.7.

The newly formed firms like Kesons Enterprises, Katete Shopping Centre and Tsatilani Mwambo had few facilities such as transportation and storage. Firms to be eligible to access the revolving fund were to prove that they had enough storage and transport. This was the reason why much of the 1993/94 bumper harvest remained uncollected at the end of the marketing season and government had to issue promissory notes to farmers as the new firms had no capacity to do this. These were discounted at later dates.<sup>53</sup> The very small number of newly formed firms which borrowed from the revolving fund actually went into grain marketing. This undermined the cooperatives' marketing ability.

This implied that cooperative societies were no longer allocated government funds for handling marketing or for the purchase of grain from farmers. As a result, the cooperative movement had to generate its own funding.<sup>54</sup> This could not be achieved because the cooperative movement had been too dependent on state support which it now lacked. As a large number of farmer cooperatives ceased to function, cooperative-dependent peasant farming in the district began to decline.

In answer to the collapse of marketing cooperatives, some new private co-operatives emerged. These were mostly run by individuals who collected funds from farmers in order to market crops on their behalf. These organizations included the Peasant Farmers Union (PFUZ), the National Association of Small Scale Farmers and Women in Agriculture.<sup>55</sup> These organizations did not serve the farmers in Katete well because farmers were not well represented, apart from the latter organisation which had empowered a few women through the provision of farming

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<sup>53</sup> C.A. Njobvu, *Report on systematic client consultation study of the status of smallholder farming Agricultural service in Lundazi and Chama District, Eastern province, Zambia* (Lusaka: Institute of African studies, 1995), p.21.

<sup>54</sup> Interview, Sankhulani Chaponda, Mzime cooperative, 12 December 2016. See also G.R.Z, *Provincial Cooperative Annual Report for Eastern province, 1993-1994*, p.14.

<sup>55</sup> World Bank, *Reducing Poverty in Zambia: Getting from Ideas to Action* (Washington D.C.: World Bank, 1995), p.76. Also see Muyunda Richard Masheke, 'Marketing Structure for Agricultural Products in Zambia', MA Dissertation, Rijksuniversiteit Gent, 1983, p.45.

inputs. Most of these privately run cooperatives were profit-oriented and did not take into account the problems peasant farmers were facing in terms of marketing.

However, the MMD government continued with its efforts to undermine the system of cooperative maize marketing such that by 1993 principal buying agents were appointed to purchase maize in the district. This was not a good idea because cooperative unions were not supported by government.<sup>56</sup> Apart from the usual arguments about the inefficiencies of cooperatives, the new government was clearly uncomfortable in dealing with an institution that was used by UNIP as a vehicle for rural patronage.<sup>57</sup>

The 1992/93 farming season was not a good year for the country due to drought, and Katete was not spared.<sup>58</sup> The cooperatives in the district faced stiff competition from the private sector as there was little maize to market due to the drought. Due to a liberalised market, cooperatives and private traders competed in the purchase of the produce from the district but most of the buying was done by unscrupulous buyers who had ready cash to pay peasant farmers than the cooperatives. The table below shows quantities of purchased maize by both cooperatives and private buyers between 1992-1997 (over a period of five years). The figures clearly show that more bags of maize were bought by the private buyers than the cooperatives.

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<sup>56</sup> D. K. Chiwele, P. Muyatwa Sipula and H. Kalinda, *Private sector Response to Agricultural marketing Liberalization in Zambia: A case study of Eastern province maize market research report No.107*, 1998, p.42.

<sup>57</sup> V. Walle Nicolas and D. K. Chiwele, *Economic Reform and Democratization in Zambia, MSU Democratic governance working paper No.9*, 1994, p.3.

<sup>58</sup> G.R.Z, *Eastern Province Annual Report, 1993/94* (Lusaka: Department of Agriculture, 1995), p.12.

**Table 14. Maize Bought by Co-Operatives and Private Traders in Katete Period 1992-1995**

<b>Year</b>	<b>Estimated price per 90kg bag (in Kwacha)</b>	<b>Co-operatives (No. of bags bought)</b>	<b>Private traders (No. of bags bought)</b>
1992/1993	7,727	1,650,544	740,778
1993/1994	12,315	2,101,234	7,138, 437
1994/1995	16,198	147,520	3,132,723
1995/1996	20,753	20,411	4,101,456
1996/1997	22,203	12,198	5,238,467

Source: Compiled from, G.R.Z, *Department of marketing and co-operatives Annual Reports for Katete district 1992, 1993,1994,1995,1996* (Lusaka: Government printers).

In Katete district, private traders bought more maize after the liberalization of the market because transactions were on a cash basis, something co-operatives could not afford as they lacked the financial muscle. Most of large scale private buying was dominated by Zambians of Asian origin that included Sable, Kavulamungu and Kersons Enterprise.<sup>59</sup> Others were Clark Cotton and Lonhro both of which were in the business of crop- buying before the market was liberalised.<sup>60</sup>

According to the Central Statistical Office (CSO), an estimated 50.8 percent of small and medium scale farmers in Katete district sold their grain to private buyers between the years 1993 to 1997. Only 12.6 percent sold to the few co-operatives which acted as principal buyers and others sold to deficit local households at 25.6 percent which was double those to co-operatives.<sup>61</sup> Those who continued to sell to co-operatives had mistrust of private traders.

The role of cooperatives in the district had declined since liberalization. Statistical data indicates that maize marketing through co-operatives declined by 90 percent during the period

<sup>59</sup> Interview, Yelesani Banda, former Contact Buyer for Kavulamungu Katete, 18 December 2016.

<sup>60</sup> Interview, Banda, 18 December 2016. He noted that the private companies were only able to increase their activities in marketing after MMD had come to power.

<sup>61</sup> *Eastern Province Annual Report 1993/94*, p.10.

of 1993-96.<sup>62</sup> This meant that only 10 percent of the produce was bought through co-operative which had previously been buying institutions.<sup>63</sup> Cooperatives in the district were no longer the dominant players in the marketing of agricultural produce as private traders had now assumed that role.

In some of the co-operatives, peasant farmers were dissatisfied with the new arrangements and looked back with nostalgia to the days of their organisations during the UNIP era. This was because UNIP had been committed to an increase in agricultural production, stimulated by a greater return to the farmer for his or her labours.<sup>64</sup> The major concern by some peasant farmers was that private traders did not always go to their areas to purchase grain unlike how the system worked before. As earlier mentioned, this problem arose from the poor state of the roads more especially in far-flung areas such as Mtandaza, Vulamkoko, Matunga, and Mung'omba.

Before liberalization, peasant farmers were assured that their grain would be purchased without them having to take it outside their local area. This had been done through the depots which the UNIP government had opened but were now closed after liberalization.<sup>65</sup> Farmers, especially those in remote locations of Katete district such as Mtandaza, Mung'omba, Kafumbwe and Matunga found it difficult to sell their produce without co-operative societies. The SAP liberalization policies had undermined the cooperatives and peasant farming in the district. Peasant farmers had associated the collapse of the cooperatives with the coming of MMD into power and this made them to lose faith in the new government.

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<sup>62</sup> GRZ, *Provincial Cooperative Annual Report for Eastern province, 1993-1994*, (Lusaka: Government Printers, 1995), p.9.

<sup>63</sup> FAO/MAFF, *Some characteristics of emerging grain market; Preliminary review of private sector maize Trade during the 1994/95*, p.34.

<sup>64</sup> United National Independence Party (UNIP), *Party Manifesto* (Lusaka: Campaign committee, 1991), p.9.

<sup>65</sup> National Archives of Zambia (here after N.A.Z), MF1/6/30, World Bank Agriculture Survey report, 1965, p.12. This was also in line with the information given by Mate. He noted that UNIP had Made efforts to open small depots for marketing of agricultural produce. Interview, Boyd Mate, Agriculture Camp extension officer Kangwelema scheme, 12 December, 2016.

### 4.2.3 The Provision of Credit

The MMD government believed that SAP would increase the availability of agricultural credit for inputs because foreign cooperating partners were to make the much-needed foreign currency available to Zambia to support the currency auction system.<sup>66</sup> By means of the currency auction, SAP proponents thought, farmers and agricultural trading houses would bid in local currency for the newly available foreign currency to purchase inputs such as fertilizer, grain bags, tractors, machines for transport and storage. But this did not happen.

As the currency auction devalued the national currency, ECU could not afford the amount of local currency required to obtain foreign exchange. ECU obtained forex on behalf of all the district cooperative unions with the aim of procuring farming inputs. Through the currency auction, the exchange rate which was about K2.5 to \$1 in 1980 and initially rose to K7 to \$1 by 1989. This exchange rate was adjusted weekly and occasionally dipped.<sup>67</sup> ECU could not bid high enough to compete with large factories, exporters and importers for the available foreign exchange. Even the commercial banks had to bid for the forex as they tried to clear their pipeline of credit arrears. For the first six months of 1989, Provincial Co-operative Unions (PCU) purchased very little of the foreign currency expected to be utilized by the agricultural sector.<sup>68</sup>

The volume of successful bids for agriculture in the first three weekly currency auctions of 1991 was \$100,000. The SAP interest rate revisions also hurt the Zambian farmers. Following the announcement of the SAP, the Bank of Zambia set concessional interest rates for farmers at twenty percent.<sup>69</sup> Understandably, farmers drew very few loans at this rate. The amount of

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<sup>66</sup> World Bank, *Agricultural Sector Strategy: Issues and Options* (draft), (Washington D.C., January 20 1992), p.23.

<sup>67</sup> International Labour Organisation (ILO), "The Turner Report" *Report to the Government of Zambia on Incomes, Wages, and Prices in Zambia: Policy and Machinery* (Geneva: ILO, 1989), p.28.

<sup>68</sup> *Times of Zambia*, Monday 8 January 1990, p.2.

<sup>69</sup> G.R.Z "Government and IMF Mission Reach Agreement" Press Release by Minister of Finance and Economic Development, 17 December, 1991.

lending at this rate that the banks set aside for farmers was small because SAPs new treasury bill system undercut incentives for the commercial banks to lend to farmers. A commercial bank officer would have no reason to make risky loans to farmers at a return of 23% when the bank could purchase nationally guaranteed treasury bills at a return of the newly set rates of 23.5%.<sup>70</sup>

The IMF SAP programme to reorganise Zambia's generally inefficient bureaucracies also affected access to and qualification for credit for many in the agricultural sector. Those who had relied on the Zambia Agricultural Development Bank (ZADB) were the most affected.<sup>71</sup> Government cutbacks in expenditure also led to a reduction in subsidies on seasonal credit channelled through parastatals like Lima Bank, Credit Union and Savings Association (CUSA). These major policy changes from a state dominated system to a liberalised market were aimed at encouraging the private sector to participate in agribusinesses.<sup>72</sup> But farmers could not obtain loans now due to the increased rates under the liberalised system which averaged 30%.

Lima Bank and CUSA operated in Katete as credit providers. Some peasant farmers had acquired loans from these institutions before 1991. After that date, these institutions did not serve the farmers in Katete as expected because of the high interest rate. The reason for the high interest rate was because in the past these institutions had relied heavily on government financial support and price mechanisms which were removed after 1991.<sup>73</sup>

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<sup>70</sup> G.R.Z, *Zambia Implementation of Economic Recovery Programme Efforts and Policies of the Government of Zambia* (Lusaka: Government printers, November, 1993), p.6.

<sup>71</sup> Chungu Mwila, 'The Adoption of Improved Agricultural Technology on Farms in Zambia', PhD Thesis, Michigan State University, 1986, p.91; also see Charles Harvey, 'The Control of Credit in Zambia', *The Journal of Modern African Studies*, Vol. 11, No. 3 (Sep., 1973), p. 387.

<sup>72</sup> Mwila, 'The Adoption of Improved Agricultural Technology on Farms in Zambia', p.92. Also see Harriet Ntalasha, 'The Impact of Agricultural Modernization on women's Activities', MA Dissertation, University of Zambia, 1986, p.25.

<sup>73</sup> Even before liberalization, the Zambia Co-operative Federation Credit Union Saving Association and Lima bank were the main source of Agriculture credit. Their recovery rate were slightly higher because they made an

Seventy five percent of farmers had problems in paying back these loans because some of them had misappropriated the inputs and money given. Others took the loans lightly and thought that they would go scot free even if they defaulted just like during the UNIP era.<sup>74</sup> Sixty percent of farmers defaulted and were blacklisted in the first year (1992) when the loans were introduced.<sup>75</sup> The condition was that all the farmers were compelled to sell their produce to these institutions in order for them to recover their money. These new loans had stringent measures attached to them because those who failed to pay back, lost their property such as cattle, goats and ploughs. Some of the farmers who got loans from Lima bank had their iron sheets removed from their houses because of failure to pay.<sup>76</sup>

The loans were recovered with a 30% interest and deducted immediately after the sale of produce and farmers were only given the balance.<sup>77</sup> Those who had defaulted in paying back the loans were black listed from borrowing in the future. These institutions in Katete were involved in grain marketing for the purpose of input and money recovery which was invested in farmers. Farmers in the area stopped getting loans after liberalization due to the stringent measures attached to such loans and this resulted in the reduction of peasant farmers involved in farming. Most of the peasant farmers started engaging in the lucrative trading activities which were on the rise after the liberalisation of the Zambian economy, thereby undermining peasant farming in the area.

#### **4.2.4 The Provision of Farming Inputs**

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arrangement with provincial and district co-operative union, the buyer of maize grain. With the entry of private traders, this arrangement could not work and financial institutions were to keep track of their debtor.

<sup>74</sup> N.A.Z, MAG2/21/229/089, Borrowers Register, 1970-1975. Also see Culver Stimela, 'An Investigation on Women Access to Agricultural Credit Facilities: A Case Study of Matandike Area, Choma District, Southern Zambia', MA Dissertation, University of Zambia, 2002. pp.34.

<sup>75</sup> Interview, Gilbert Zulu former Agriculture Block supervisor, Mwanamphangwe, 1974- 1986, Katete, 28 February, 2017.

<sup>76</sup> Interview, Zulu.

<sup>77</sup> Interview, Luka Abwenzi Phiri, Dole, 16 January 2017.

The impact of SAP on farming inputs was as diverse as it was on credit. Under the liberalised system, prices of farming inputs rose due to the market economy run by private traders. The government maintained that an increase in produce prices for harvested crops, as mandated by the adjustment programme, would provide farmers with the earning potential to undertake loans for the more expensive inputs and meet loan repayments with good profit levels at the end of the season.<sup>78</sup> Higher prices for inputs thus meant that peasant farmers could not afford adequate farming supplies such as seed, fertilizer or pesticides. Farmers' chances of obtaining inputs under the new SAP policies were affected by the new methods of distribution as well. The new distribution system required that only those peasant farmers who had settled their loans in full received farming inputs. If not, peasant farmers in the district had to purchase farming inputs on cash.

It was noted that past government policies paid excessive attention to the promotion of maize at the expense of the more traditional staple food crops such as cassava, sorghum and millet which were better adapted to the generally poor soils of some regions.<sup>79</sup> For example, resources for agricultural research and extension as well as inputs, credit and price marketing policy (including subsidies) were concentrated almost entirely on maize before 1991. With heavily subsidised inputs before 1991, as well as marketing, an increasing number of peasant farmers in Katete had moved out of subsistence production and adopted commercial maize production.

However as these subsidies were eliminated due to SAP, most of these farmers stopped producing maize for the market. The reason was because the areas had already become

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<sup>78</sup> World Bank, *Towards Sustained Development in Sub-Saharan Africa* (Washington D.C.: World Bank, 1984), p.21.

<sup>79</sup> Mutengo Sindano, 'An Analysis of Agricultural Policy Process in Zambia', MSc Dissertation, University of Zambia, 2002, p.43. Also see Patrick Eze Ollawa, 'Rural Development Strategy and Performance in Zambia: An Evaluation of past Efforts', *African Studies Review*, Vol. 21, No. 2 (Sep., 1978), p. 101.

accustomed to the application of fertilizer and the use of hybrid seeds.<sup>80</sup> This meant that it was no longer profitable to grow maize without the subsidised fertilizer and seeds. Lack of high yields meant that the cash flow for peasants was stopped. In the absence of alternative cash earning opportunities, household incomes fell and problems of food security rose.<sup>81</sup>

The pro-SAP technocrats curtailed NAMBOARD activities so that it was no longer the sole market supplier of inputs. The IMF, USAID and World Bank representatives worked with their Zambian counterparts to find individuals in the private sector who could take over NAMBOARD's and the provincial cooperatives' former activities.<sup>82</sup> This new reliance on private traders instead of government operated and controlled institutions to sell inputs had detrimental consequences in the district. There were shortages and lack of farming inputs in the outskirts of the district.

In Katete, due to shortages of seeds and fertilizer, private marketing under conditions of scarce supplies encouraged inflationary black racketeering. The poorest peasants who lacked sufficient purchasing power were denied access to inputs for planting. Private traders were willing to risk vehicle damage by servicing remote areas like Mutandaza, Muthunya, Kagoro, Chigumani Vulamukoko and Kathumba by hiking input prices even triple the original price. Seeds, fertilizers and other inputs could be available in these outlying areas at inflationary rates through the black market.<sup>83</sup>

The newly instituted SAP policies towards urban workers also affected rural farmers' ability to purchase inputs. Because the SAP included labour policies that restrained wages and limited wage employment, farmers in disadvantaged areas like Mutandaza had no hope of moving to

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<sup>80</sup> In understanding the demand and adoption of hybrids by peasants, see Brian L Chisenga, 'Estimation of Hybrid Maize Seed Demand in Zambia', MSc Dissertation, University of Zambia, 2005, p. 25.

<sup>81</sup> Mwape, 'Relative Economic Efficiency of Emergent and Commercial Farms in Zambia', p.17.

<sup>82</sup> World Bank/UNDP *Africa's Adjustment and Growth in the 1980's* (Washington D.C. World Bank and UNDP, 1989), p.68.

<sup>83</sup> Interview, Alick Banda, Katete Stores, 24 February, 2017.

the cities and finding wage labour to finance the purchase of seeds and other inputs at home.<sup>84</sup> Neither could farmers expect relief from urban family members whose wages were cut owing to redundancies and retrenchments due to privatisation of state enterprises occasioned by SAP. Many peasant farmers had often relied on cash from family members in the wage sector as well as profits from crop sales. With the adoption of SAP programmes, rural peasants could no longer hope for financial assistance from their struggling urban relatives.<sup>85</sup>

The SAP policies regarding inputs and access to credit hurt female farmers in slightly different ways than their male counterparts. In 1980, census officials estimated Zambian rural population at 1,541,399 men and 1,697, 990 women.<sup>86</sup> As in many African nations, Zambian women carried much of the peasant agricultural production than men. The SAP impact on access to inputs threatened to increase the income stratification among women in Katete. Under SAP policies women in agriculture in Katete continued to be disadvantaged compared to men because of the way land rights, inheritance and child labour responsibilities were structured.<sup>87</sup> Female peasant farmers in Katete, without subsidised agricultural inputs became financially challenged. They were unable to compete with the men in the area even for the few agricultural inputs that were available due to gender dynamics at play. They managed their farms with increasing difficulty until eventually they were forced to find other means for their subsistence.<sup>88</sup>

#### **4.2.5 Other Agricultural Services**

A number of services which had been provided to peasant farmers in the district were discontinued due to SAP policies. For instance, extension services which had been provided by

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<sup>84</sup> Interview, Eddy Banda, Katete Stores, 24 February, 2017. Also see G.R.Z/UNDP *Prospects for Sustainable Human Development in Zambia More Choices for Our People* (Lusaka: United Nations Development Programme, 1995), p.36.

<sup>85</sup> Interview, Jona Zimba, Kamphambe, 26 January, 2017.

<sup>86</sup> G.R.Z, *Census of Agriculture 1980-81 First Report* (Lusaka: Central Statistical Office, 1982), p.24.

<sup>87</sup> ILO, *Narrowing the Gaps. Planning for Basic Needs and Productive Employment in Zambia* (Addis Ababa: International Labour Office, 1977), p.154.

<sup>88</sup> Interview, Christopher Phiri former Extension Officer for Kangwelema Scheme, Mphangwe, 12 March 2017.

the state were reduced. The role of agricultural communication, especially the mass media, in supporting the work of extension staff was particularly important in such a large district as Katete where the rural population was widely scattered. One way in which this was done was through the Zambia National Broadcasting Corporation's (ZNBC) programme, Radio Farm Forum.

Radio Farm Forum programme was affected by SAP, when broadcasting hours for the programme were reduced from five hours per week to two hours only, due to financial constraints.<sup>89</sup> The reduction in hours was as a result of the government reducing its financial assistance to the programme after 1991. Peasant farmers in Katete district had benefited from the programme with regards to information dissemination on such issues as when to plant, weeding, fertilizer usage, harvesting, and crop marketing. After the reduction in hours, there was a corresponding drop in how much information reached peasants.

Extension services to small holders were provided largely through the Ministry of Agriculture. Their effectiveness was reduced by low salaries paid to staff due to a wage freeze, poor training and inadequate funding for field allowances, transport and other operating costs, thus extension coverage was limited.<sup>90</sup> This was especially in areas of low and scattered population and far away farms like Kalimeta, Kamphambe, Mutandaza, Kagoro and Kondwelani. These areas did not receive any extension workers between 1992 and 1996 and this meant that they could not receive advice relating to farming of any kind.<sup>91</sup> Most extension staff houses were dilapidated in the rural areas of Katete especially the ones which had been built a long time

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<sup>89</sup> G.R.Z, *Eastern Province Annual Report 1993/94*, p.12

<sup>90</sup> G.R.Z, *Restructuring in the Midst of Crisis volume 2*, Republic of Zambia for Consultative Group for Zambia, May 22-24, 1984, p.3.

<sup>91</sup> Interview, Zimba, 26 January, 2017.

also at Vulamukoko, Kangwelema, Matunga and Chafulu. This acted as a disincentive to extension workers. Due to this, most officers refused to be deployed to work in these areas.<sup>92</sup>

Additionally, farming schemes which had been initiated by the UNIP government were not spared by SAP. An example was the Grazier Scheme which did not receive any funding and the result was that the animals under this initiative all died. The materials for paddocking could not be provided by the new government due to SAP policies and this led to the few cattle projects started earlier to completely collapse. The farmers who had taken up those projects were severely affected and most of them abandoned the scheme.<sup>93</sup>

#### **4.2.6 General Performance of the Agricultural Sector**

The performance of the agricultural sector in the 1991-95 seasons was unsatisfactory. According to the district crop output statistics, there was a 30% decline in the output of crops mainly as a result of the new policies and the unfavourable weather during 1993/94.<sup>94</sup> However the government continued to implement free marketing policies. Marketing of all agricultural commodities including inputs had been liberalised. The role of government remained that of providing an enabling environment to all those involved and intending to get involved in input supply and marketing of agricultural products. However due to these changes the recurrence of drought and the speed at which liberalisation was being implemented, farmers and the agricultural sector in general continued to face a number of problems such as high interest rates on loans between 1994 and 1995.

The government continued to implement free marketing policies so as to encourage more active participation of the private sector. However, inadequate funding and poor infrastructure continued to affect the marketing of agricultural inputs and produce. The table below shows the

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<sup>92</sup> Interview, Nathan Nyirenda former Extension officer, Department of Veterinary Services, Mphangwe Farms, 21 March, 2017.

<sup>93</sup> *Zambia Daily Mail*, 9 January 1993, p. 4.

<sup>94</sup> G.R.Z, *Eastern province Annual Report 1993/94* (Lusaka: Department of Agriculture, 1995), p.2.

reduction in funding to the agricultural sector from 1991-1996.<sup>95</sup> Farmers in outlying areas continued to be serviced by unscrupulous traders who had taken advantage of the liberalised marketing system.

**Table No.15 Funding to the Agricultural Sector 1990-1996**

Year	Total funding in Kwacha
1990	13,399,802
1991	116,667,301
1992	122,010,101
1993	7,826,155,802
1994	3,114,851,009
1995	3,627,183,002
1996	87,389,800,001*

Source: G.R.Z, Estimates of Revenue and Expenditure (Including Capital, Constitutional and Statutory Expenditure) for the year 1<sup>st</sup> January to 31<sup>st</sup> December, 1990, 1991, 1992, 1993, 1994, 1995 and 1996 (Government printer, Lusaka.)

\*The funding for 1996 was high due to aid from European Union amounting to K28,013,143,000 which was meant for reorganising of the marketing arrangements in the country. The other reason for this high funding was as a result of the 1996 elections. Note the high figures was as a result of the devaluation of the Kwacha from 1989 onwards. The devaluation was at K23 to \$1.<sup>96</sup>

In the case of maize, farmers in the peripheral areas were offered low prices due to lack of bargaining power and information. Generally, there was an increase in the number of dealers

<sup>95</sup> The actual funding for the districts were not available as such national estimates were used. The rise in the figures in the table was as a result of the devaluation of the kwacha.

<sup>96</sup> G.R.Z, *Budget Address 1983*(Lusaka: Ministry of Finance, 1983), p.5.

who participated in agricultural marketing.<sup>97</sup> As a result of the liberalisation of prices of agro produce, regional pricing continued to be determined by market forces. For instance, a 25kg bag of breakfast maize meal in December 1995 in Lusaka cost K11, 400 while the same bag cost K13, 000 in Katete.<sup>98</sup> This was as a result of the transportation costs involved in the ferrying of the maize meal from Lusaka to Katete.

### **4.3 Conclusion**

The chapter has demonstrated that peasant farming in Katete district was negatively affected following the implementation of liberalized economic reforms in 1991. The implementation of such policies as free marketing, devaluation of the Kwacha and removal of subsidies to the agricultural sector undermined the already undeveloped peasant farming in the district. Farmers faced a number of problems ranging from marketing, credit provision and input supply. The end result was that the performance of the agricultural sector declined in the district between 1991 and 1995. Peasant farmer associated the collapse of the agricultural sector with the coming of the MMD government into power, something which they despised. This idea also took root in the minds of Katete peasants when private buyers were engaged in the marketing of crops, especially when these farmers were being underpaid for their crops by the private traders. To Katete peasants, every problem they faced was as a result of SAP policies and MMD rule.

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<sup>97</sup> Table 20 showing traders involved in agricultural marketing.

<sup>98</sup> *Times of Zambia*, 10 December 1995, p.5.

## CHAPTER FIVE

### CONCLUSION

The study in the second chapter has noted that peasant agriculture on the eve of independence in Katete district had taken a firm standing. This was due to the well-established marketing system under the co-operatives which had been organised by the colonial government. The district was said to possess 400 known African peasants. The colonial state had made efforts to develop the sector through a number of innovations. Cooperatives were already established and peasant farmers were already involved in the production for the market. Access by peasants to credit however was on a small level as only those who were credit-worthy could obtain this credit. The repayment was good and promptly by those peasants who had benefited from the available credit facilities.

After 1964 the total recurrent expenditure in the agricultural sector increased to 90%.<sup>362</sup> However, about 80% of the total recurrent expenditure went into subsidies for consumer prices. Government investment in the agricultural sector was essential after independence. The state felt that public investment in infrastructure, extension, research and training could go a long way in helping peasant farmers in rural areas. It has been noted, in Chapter Three that most of the government programmes in rural areas were aimed at improving the agricultural sector which was the main economic livelihood for the vast majority of people there. Chapter Three has also traced the role of the state in the development of peasant farming in Katete district. The development of the rural areas was a concern by the state due to the disparity which existed between the urban and rural areas. There was also lack of an entrepreneurial class in the rural areas which needed to be harnessed.

This study has observed that the Zambian government had played a highly interventionistic role in food grain marketing in order to curtail profiteering activities by a few private traders.

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<sup>362</sup> National Archives of Zambia, MAG2/21/229/089, Society Audit Report for the year 1963 Department of Agriculture.

The major form of such intervention soon after independence was the establishment of state owned parastatal agricultural marketing organisations. The government took steps to ensure that there was adequate infrastructure for food grain marketing and storage. Thus, the aim was to attain national food security through the provision of marketing infrastructure and product pricing. The major agro-marketing entity created was the National Agricultural Marketing Board (NAMBOARD) which bought food grains from peasant farmers through the Katete Cooperative Marketing Union (KCMU)

The increase in agricultural subsidies led to a distortion in the allocation of agricultural investment. Agricultural subsidies became, in essence consumption expenditure. They were incentives for increasing agricultural output among the peasants. Marketing agencies such as NAMBOARD were dependent on government subsidies as their major source of operating revenue.

It can also be deduced that the cooperative innovation of the state in its quest to enhance the development of peasant farming in Katete district paid off. After independence, the cooperative movement developed further in Katete district in response to the call by the UNIP government. Cooperatives became a mechanism for transforming rural economies as well as asserting political control over rural dwellers by UNIP. The cooperative marketing unions and their affiliated societies helped the Department of Agriculture to encourage people to grow cash crops for export purposes like groundnuts and maize.

Peasants were exposed to training offered through cooperative societies and this contributed to the growth of peasant farming in the district. The cooperatives also created employment to the local people as administrative staff. These co-operatives also provided retail services and number of stores were opened in the district in this regard. These shops supplied peasants

with agricultural goods and the price of these agricultural goods were relatively cheaper than commercial retail shops.

A further conclusion reached by this study is that when the Movement for Multi-Party Democracy (MMD) government took over from the United National Independence Party government in 1991, it removed these subsidies on agricultural marketing. This affected peasant farmers in Katete district as marketing was left to private buyers who manipulated prices to their advantage.

After liberalization of the economy, many cooperatives in Katete became dormant because government withdrew the financial support. KCMU which was the mother body was shut down and all the workers were laid off without compensation. Cooperatives were beset by many problems such as high corruption, theft and mismanagement such that all assets were lost. For instance, the oil plant which had been installed by the Eastern Cooperative Union (ECU) to be monitored by KCMU was sold to private traders in 1993. This undermined the financial standing of cooperative movement in the district because they lost a valuable income generating asset. Most cooperatives became unstable and insolvent.

Heavy state support from 1964-1989 had bred peasant reliance on the state that once it was withdrawn peasant farming could not thrive. The state heavily funded peasant farming in the district through a number of innovations. From 1964-1989, apart from cooperatives, there were other initiatives aimed at developing peasant agriculture. The state provided all the agricultural requirements needed in the peasant sector such as fertilizer, seeds, technical support and credit.

In the quest to increase the yields and maximise the profits in maize cultivation, peasants in the district heavily moved away from the use of manure to the use of fertilizer. The UNIP government heavily subsidised fertilizer in the hope of improving the production of maize,

Zambia's staple crop. This led to farming dependent on the use of fertilizer for maize production. Once the MMD government stopped this subsidy under the Structural Adjustment Programme (SAP), it was no longer feasible to grow maize at previous levels. Peasant farmers were now faced with low yields as the soil had already gotten used to the application of fertilizer. This led to the decline of the peasantry in the area as it was no longer profitable to grow maize without state support.

Another conclusion reached by this study is that state support in the form of extension services to farmers was vital. After liberalisation of the economy and in the quest to have an efficient civil service after 1991, there was a need to restructure the Department of Agriculture. This led to a number of workers being laid off in that department. Peasants who relied on the assistance of the agricultural officers for advice faced the brunt of the government cost-saving measure. Once this was in effect, there were problems in certain aspects of farming like the Grazier scheme which collapsed as there was no trained manpower to give advice in relation to beef and dairy farming. The state also withdrew free veterinary drugs to farmers despite the wide spread cases of corridor diseases in the district.

Apart from animal diseases, peasants in the resettlement schemes also faced problems as they could no longer access help from government extension workers. This led to the collapse of peasant programmes in the district. There were few extension workers to give help in farming methods. The end result was that there were a lot of negative farming practices done in these schemes such that by 1996 many farmers in the schemes had scaled down their farming enterprises. Tractors broke down and could not be repaired. The breakdown of tractors led to a decrease in the acreage cultivated by peasant farmers. In turn, it led to the decrease in the crop output. This led to the decrease in the standard of living in rural areas. This acted as a stimulus for able bodied people to migrate to urban areas where they did not find any employment and became a menace to society.

The common idea which had lingered in the period 1964-1989, was that everything was for the government and that the government would take care of it (*ni va boma*). Peasant took government assistance on a hand-out basis such that even loan recoveries were difficult as peasants mistook credit as compensation for belonging to UNIP. Peasants in the district had become so much reliant on the state that they could wait for the agricultural department to repair their night paddocks under the Grazier Scheme when they were damaged. This made peasant farming to decline when state support was withdrawn following the implementation of SAP policies after 1991.

This study has argued that SAP led the collapse of state-run parastatals like NAMBOARD which had bought crops from peasant farmers through district cooperative unions. This led to marketing arrangements to be left in the private traders who manipulated the buying of farm produce. This was as a result of the MMD marketing policy of liberalisation.

The reliance which the state had instilled in the peasants of the area contributed to their suffering during the liberalisation period. Peasants had relied so much on the state owned cooperatives to market their produce such that once private grain buyers entered the market after 1991, peasants had no option but to sell their produce at a low price. Peasant farmers lamented during the SAP period that they faced a lot of difficulties as they had no choice but to sell their grain products at a cheaper price to the few traders who operated in the area. This brought the prices of grain products to low levels as there were no organised buyers but only brief case businessmen who manipulated the market to their advantage.

The state dependency syndrome did not just develop due to the state trying to improve rural life, there was also heavy state assistance to the peasant sector in order to gain political support from the agrarian population. The peasant farmers realised that to access state support, they had to support the government (UNIP). They used this political affiliation to

acquire inputs and also to enhance their agricultural production. UNIP had stayed in power for a long time and most peasants thought the party would never leave office. After 1991 when MMD came to power peasants in the district took time to switch their allegiance from UNIP.

This brought problems as peasant farmers in Katete district associated the withdrawal of state support from the agricultural sector with the coming of MMD into power. They viewed the liberalisation and removal of all subsidies as a punishment for their allegiance to UNIP. They never had any idea that there were other forces at play like SAP which had necessitated the economic reforms. To the state dependent peasants of the district, all the problems they faced were as a result of the change of government.

The major issue which this dissertation has done is to show that a state dependent peasant farming in Katete district developed due to state support during the period of the UNIP government and later declined during the MMD government. Thus, it can be deduced that the development of peasant farming in Katete was associated with state support rendered from 1964-1990. This led to the development of a state reliant peasantry which declined after 1991 due to economic reforms ushered in by the new MMD government. The new government brought in capitalistic policies contrary to its predecessor which had pursued socialistic policies.

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