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# One Land Reform, Two Groups of Farmers in One Sugar Estate: A Case of Mkwasine

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#### **ABSTRACT**

This study highlights how redistributive land reform in Mkwasine Sugar Estate created two groups of farmers in the same estate. The first group-the Chipiwa Settlement Scheme (CSS) was introduced in 1982 and the second group-the 'A2 sugarcane farmers' scheme, in the year 2005 and beyond. This creation has culminated into tensions and conflict between the two groups to this day. Using both primary and secondary data the study explores how the two groups of farmers were established in the estate. Study findings indicate that the CSS was more ordered than the A2 scheme which was introduced in response to the restlessness of war veterans and landless peasants over the slow pace of land reform in the first decade of independence. Findings furher indicate that the CSS farmers had sugarcane farming skills as well as experience as compared to some of the beneficiaries of the A2 scheme. The study recommends fair treatment by the government of both groups of farmers and that the former be allocated the same sizes of land or more than was given to the latter.

#### **Keywords**

Agriculture, Land Reform.

#### Introduction and contextual background

This study explored the post-independence land reform process in Mkwasine Sugar Estate which culminated into the 'Chipiwa Settlement Scheme (CSS)' in 1982 and the 'A2 sugarcane farmers' scheme' introduced in 2005 and beyond under the topical Fast Track Land Resettlement Programme (FTLRP). The study attempt to address the following research questions; firstly, why are there two farmer schemes in the same estate? Secondly, what are the sources of tension and conflict between the two groups and lastly? How can those conflicts be resolved? The study also highlights the rationale behind land reform in the sugar estate and how the two schemes altered the land ownership structure and tenure systems in a sugar estate once controlled by a South African multinational corporation-Tongaat Hulett Zimbabwe (THZ).

When negotiating for independence in 1979 with the Conservative British Government of the then Prime Minister, Margaret

Thatcher, Zimbabwe's two liberation movements-the Zimbabwe African National Union (ZANU) and Zimbabwe African People's Union (ZAPU) agreed that the new government of Zimbabwe would acquire agricultural land through a 'willing seller-willing buyer (WSWB)' basis. This was stipulated in the Lancaster House Constitution (LHC) which ushered independence for the country in 1980. ZANU and ZAPU were the two political parties that waged an armed struggle that culminated in the Lancaster House negotiations.

The WSWB method of land acquisition was to be evaluated after the first decade of independence [1]. The British government agreed to assist the newly independent Zimbabwe financially. They were convinced that an orderly and planned land resettlement programme would promote political stability as well as allowing people to normalize their lives as quickly as possible. The costs of resettlement, as it was envisaged in Zimbabwe, would involve both the purchase of land from white farmers and the development of the necessary infrastructure to help the new 'settlers' (resettled black farmers) to establish themselves (ibid). Britain,

thus duly pledged 20 million pounds towards improvement of the resettlement in 1980. However, the first two decades of Zimbabwe's independence witnessed the government being seized with balancing between preserving the sugar estates of Triangle, Hippo Valley and Mkwasine in the south eastern lowveld due to their export potential and meeting black people demands for land. Tongaat Hulett Zimbabwe owned and controlled Triangle and Hippo Valley sugar estates and these two estates in turn co-owned Mkwasine. This meant therefore that THZ and a few local white farmers continued to hold large enclaves of sugarcane plantations in Triangle, Hippo Valley and Mkwasine during that period.

The retention of sugarcane enclaves in the three estates by the THZ was meant to encourage the agro-industrial concern, to produce agro-fuel (ethanol) from sugar for domestic and export markets [2]. Earnings from sugar and its byproducts contributed immensely to the national economy through foreign currency savings on fuel imports as well as foreign currency generation through exports [3].

The first attempt by the post-colonial government to transform Mkwasine Sugar Estate was the establishment of the Chipiwa Settlement Scheme in 1982. This was followed by the 'A2' sugar scheme introduced in the year 2000 and beyond. These two land redistributive exercises significantly reconfigured the sugar estate as the number of sugarcanes out growers in the estate increased from less than ten sugarcane out growers to approximately over 400 black farmers.

#### The Chipiwa Settlement Scheme (CSS) in Mkwasine

In 1982, the government resettled 191 small-scale farmers in Mkwasine under the Chipiwa Settlement Scheme (CSS) as cited in Mlambo and Pangeti, [4] and Jackson and Cheater, [5]. Under the CSS, the government acquired approximately 2000 hectares from THZ in Mkwasine on a willing seller willing buyer basis. The beneficiaries of the CSS scheme popularly referred to as 'settlers' in the sugar estate were allocated 10-hectare sugarcane plots. This was the government's first land resettlement programme in the sugar industry after independence. The major thrust was to involve black players in an industry that previously excluded them during the colonial period.

The prospective beneficiaries were required to apply through the local district offices of the Ministry of Lands and Land Resettlement in Chiredzi Town. To be considered for land allocation under the scheme, the applicants had to have sugarcane farming experience or at least a Master Farmer's Certificate (MFC). The MFC was equivalent to a monthly attendance for an agricultural course at either Alvord Training Centre in Masvingo or Domboshawa Training Institute-a few kilometers outside Harare. Above that, financial capacity and material resources by the applicants were also considered.

However, as pointed by Jackson and Cheater [5] there were some beneficiaries who subverted the land allocation process. Some farmers with no sugarcane producing experience ended up benefiting. Despite the relative success of this scheme in the initial

years of resettlement the CSS scheme soon ran into problems due to the sub-economic land sizes of their plots for sugarcane production under irrigation. This was further compounded by insecurity of tenure after the beneficiaries of this scheme failed to get their title deeds at end of paying back loans advanced to them by THZ.

Under the CSS, THZ through Mkwasine Estate shouldered the costs of providing the settlers with the necessary infrastructural requirements to carry out sugarcane production on their farms. THZ was required to put up core houses for the settlers, prepare the land, install irrigation works and plant the first crop for the settlers (ibid). In addition to providing accounting services as well as assisting the settlers' with purchasing agricultural inputs, THZ also assisted them with harvesting and transporting their sugarcane to THZ processing mills at Triangle and Hippo Valley. For the assistance in settling up in their farming ventures, the settlers were expected to repay the cost of these provisions over a 15-year period from their cane proceeds after which they could acquire freehold title to their farms. The settlers were bound by the offer to plant sugarcane only even after they had obtained title to the land.

#### The A2 sugar scheme under the FTLRP

Land challenges in Zimbabwe's sugarcane estates of Triangle, Hippo Valley and Mkwasine in the south eastern lowveld were part of the broad national challenges as the country tried to reconcile the constitutional provision of protecting private property with the high expectations of land reform from the land hungry black people. Having waged a bitter armed liberation struggle against the British government which cost a lot of life and millions of dollars in infrastructure, the political crisis was eventually resolved through the Lancaster House Constitution (LHC) signed by Britain and the Zimbabwean nationalists agitating for political independence.

Apart from the above redistribution thrust in the first decade of independence, sugarcane farming in the estate remained largely under THZ ownership and control as well as a few white out growers linked to the estates. The preservation of the entire three sugar estates was encouraged by the state so that sugar and biofuel could be produced domestic and export markets. Because of that, the second decade of independence which spanned from 1990 to 2000 witnessed no land redistribution in the sugar estates to the chagrin of a war veteran movement demanding participation in commercial sugarcane production.

Increasing pressure for land across the country by the war veteran movement culminated in mass occupations of commercial farms across the country, which resulted into the Fast-Track Land Resettlement Programme (FTLRP). The FTLRP compulsorily acquired and officially transferred land by the government for resettlement purposes. Under the FTLRP, approximately 16 000 hectares of land in the three sugar estates were compulsorily acquired and subdivided into 20 hectares farms that were redistributed to over 800 beneficiaries known as A2 farmers [2,3,6].

#### Research Methodology

This qualitative case study used in-depth interviews, informal conversations, observation as well as focus group discussions as tools for data collection from 45 farmers drawn from both the CSS and A2 scheme. They were able to provide answers to the research questions. Neuman points out that informants help to reconstruct conditions that existed in an area (2006).

Government officials, especially those from local government, land resettlement and agriculture ministries were also interviewed. The initial interest was to explore their interpretation of the reconfiguration of the sugar estate as well as to find out how they saw the transformation contributing to the livelihood portfolios of the resettled farmers. In addition, there was a need to gain an understanding of the nature of the support systems that are available within the government for land reform beneficiaries. Furthermore, information was also solicited from the Commercial Sugarcane Farmers Association of Zimbabwe (CSFAZ) an organization representing the farmers.

As a way of establishing a rapport with the informants and farmers in Mkwasine Estate the researcher also attended social occasions such as country club meetings, other community meetings and workshops if there happened to be some. During the process of immersion in the farming community, he had informal conversations with some farmers. In one instance the researcher listened to conversations of some A2 farmers during a party at Mkwasine country club to obtain insight into the issues of sugarcane farming.

The researcher's interaction with research informants from diverse backgrounds and of both genders helped him to develop a deeper understanding of the dynamics that shaped the way the land allocation unfolded in the sugar estates. This helped him to trace the life histories of my informants; the majorities of who were elite from the civil service and had either a war background or were politically well connected. Spending time resident in the estates helped him to develop closer relationships with his informants and to improve his understanding of their life histories and how such histories had shaped their livelihoods. It also helped him to understand the broader meanings attached to land and how the farmers conceptualized the benefits of land reform.

The researcher's social interactions and personal relationships with the farmers improved his understanding of how the land reform programme shaped the resettled farmers' livelihoods. Social interaction at formal and informal meetings allowed him to observe the normal daily activities in the estates. This afforded him the opportunity to gain "direct, face-to-face social interaction with 'real people' in a natural setting" (Neuman) and to put himself "in the actor's place and see reality as he or she sees it" (Bilton, Bonnet, et al., 1987). Participant observation therefore offered the researcher the opportunity of being part of the "social world" (Atkinson and Hamersley).

Two focus group discussions were conducted to follow up on the respondents' answers which were given during the one-to-one

interview surveys. They were also meant to draw upon respondents' attitudes, feelings, beliefs, experiences and reactions in a way which was not feasible using in other methods. The size of each focus comprised of 6 to 8 farmers and I was the moderator. My role was to guide, monitor and record the respondents' answers to the research questions.

#### **Study Findings**

The study established some unfairness by government and THZ in dealing with the two groups of farmers in the same estate. This unfairness is the major source of tension and conflict which emanate from such aspects as input accessibility, land sizes as well as tenure regimes and so on. The CSS farmers point out that they did not benefit the FTLRP process since they had paid for the 10-hectare plots they already possessed before the FTLRP was rolled out. There is also tension between the farmers and THZ with the former resenting the contempt with which previous estate owners (THZ) has been treating them. Over the years, THZ regarded the resettled farmers as depending on them for survival or at least that is how the resettled farmers viewed the relationship that existed between themselves and THZ.

These allegations resonate with those of other out growers globally who are locked in a monopsonic contractual relation with powerful companies. Informal conversations with the farmers indicated that from the onset, THZ expected the resettlement programme particularly, the A2 scheme to fail. As a result, THZ tried to sabotage the land reform effort by the government by any means possible. However, this negative perception by THZ seems to have changed with time as it has realized that the land reform exercise was irreversible. THZ realized the need to accommodate these land reform beneficiaries in order to optimally utilize the crushing capacity of its processing mills at Hippo Valley and Triangle.

There are also tensions over land sizes that were allocated to the two groups of farmers. The CSS group were given 10-hectare plots and the A2 farmers were given 20-hectare plots. This discrepancy irks the former considering that they had the skills and experience as compared to their A2 counterparts. The government should also increase the size of land given to the resettled farmers. According to Scoones et al. [2] any land size less than thirty (20) hectares per farmer are sub economic and therefore not sustainable. Also, the resettled farmers with excessive, unutilized and unproductive landholdings must have it cut down to an agreed average size so that no farmer is on less than 20 hectares. Equally no farmer should be in possession of land 20% in excess of the agreed average so that many more farmers can be accommodated. This should form the basis of setting maximum land sizes for the newly resettled farmers.

The THZ staff houses and compounds which had accommodated former THZ employees are major points of conflict, as both groups of farmers fought over the ownership of these. There are also conflicts over how former THZ country club facilities, shops, butcheries and beer-halls are going to be distributed to those who were willing to run them.

The way accommodation is allocated is chaotic. No one is responsible for the allocation of houses in the former THZ compounds. As a result, you don't know who is staying in the next house. We need a social services committee to dispense community development services as THZ used to do (Informal conversation at Mkwasine Country Club on.7/08/15)

Given the location of the estates, there is constant through traffic of visitors and relatives of the labourers from the adjoining communal lands for fishing and sometimes, illegal hunting. Issues of security, crime, occasional violence in the residential compound's due large populations of single men, often on extremely poor or no pay also abound. Theft of sugarcane from the resettled farmers' fields is common as a vigorous illegal trade in fresh sugarcane develops. Disputes over pay, protests about the condition of housing and lack of services and complaints about the safety of residents, given the large mobile populations, are frequent.

The provisions of the Chipiwa Settlement Scheme stipulated that THZ provide the resettled farmers with production inputs and credit for a specified period while the A2 farmers had no such agreement. The CSS agreement assured the beneficiaries of post settlement support up to a time they had fully paid back the loans advanced them by THZ upon resettlement [4,5]. The A2 farmers had no such arrangement. At first, they had to fork out the inputs on their own until a time the Reserve Bank of Zimbabwe chipped in with loans for equipment such tractors ploughing discs, harrows and so on.

Under the CSS farmers were entitled to freehold title upon completion of payment to THZ what was lent to them. The title deeds could be used in the event that farmers wanted to secure funding from financial institutions. On the other hand, A2 farmers were given land on a 99-year leasehold which makes it difficult to use the leases as collateral. The CSS arrangement was affected by the FTLRP programme which nationalized all agricultural land in 2005. As a result, the Chipiwa group of farmers failed to get their title deeds because of the development.

After the FTLRP both groups of farmers could not access credit from financial institutions because of insecurity of tenure yet access to credit can significantly increase the ability of the farmers with no or little savings to acquire needed agricultural inputs to invest in future production, expand farming or diversify into producing new crops [7]. Smallholder farmers cite the lack of capital and access to affordable credit as the main factor behind the low productivity in agriculture [8]. Yet the package of financial services available to smallholder farmers in developing countries is severely limited, especially for those living in remote areas with no access to basic market infrastructure [9]. While in Mkwasine Estate in 2015 THZ launched the SusCo project to hundreds of previously unbankable farmers to rehabilitate sugar production it has so far ceased because the project was a five year one.

Banks and other finance institutions often perceive the cost of making small loans to smallholders as too high. There are also high administrative costs per unit of currency when lending to disperse farmers, alongside the small amounts of money borrowed that is, the costs outweigh the revenues [10]. Also because of the lack of collateral and/or credit history, most smallholder farmers are by-passed not only by commercial and national development banks, but also by formal micro-credit institutions [11].

The A2 farmers on the other hand sourced their own inputs from the open market. This practice often affects the profitability of the farming venture as inputs can either be supplied late into the season or after they have expired [12]. Only a few out of the over 400 farmers in Mkwasine Estate got fuel for agricultural purposes from the National Oil Company of Zimbabwe (NOCZIM) in 2015. It seems the government has neglected the sugarcane after the land reform. The government must take a kin interest in the sugarcane crop due its economic importance in terms of foreign currency generation.

#### **Conclusion**

From the above findings and discussion, the study concludes that there is no fairness on the way the Two groups of farmers are in treated by both the government and THZ in Mkwasine Sugar Estate. Despite being assisted with accessibility to farming inputs by THZ, the CSS are still constrained by small land sizes allocated to them as compared to what was given to A2 beneficiaries. Scoones et al. [2] pointed out that for sugarcane production under irrigation to be viable, the land size should at least 20 hectares.

Since title deeds to land have been overtaken by government declaration which nationalized all agricultural land, the CSS farmers are left wondering as what would become of their freehold title to land, they paid for in full. Their claim that they did not benefit from the FTLRP is justified since they had already paid what was lent to them in full.by THZ. A2 beneficiaries did not pay a single cent to the land that was allocated to them. Both groups of farmers now suffer from insecurity of tenure as freehold tenure was replaced by the 99-year leasehold.

In view of the above the study recommends the following to resolve the tensions and conflicts between the two groups;

- Land sizes allocated to the CSS and A2 farmers must be standardized. Considering that the CSS farmers have more time in sugarcane production than A2 farmers, their landholding need to be raised to their A2 counterparts' or given more.
- The issue of security of tenure should be revisited. Both groups feel insecure at the moment as the current 99-year lease that has overtaken freehold tenure cannot be accepted as collateral by financial institutions. The CSS farmers feel they have been short changed by the government as their counterparts got everything for free.
- The government must assist the farmers with inputs. Sugarcane
  farmers in Mkwasine are not benefiting from government
  inputs. The Chipiwa farmers once got some of their inputs from
  THZ before the FTLRP but this ceased with the expiration
  of their loan repayment to THZ. The farmers indicated they
  approached government departments many times for assistance

- but nothing meaningful materialized. Only a few farmers out of the over four hundred in the estate got fuel for agriculture purposes from NOCZIM. This has left sugarcane growers with no option except to get their inputs from the parallel market at a very high cost.
- The government should seriously consider funding the sugarcane farmers. It seems government has forgotten that it has settled the farmers in the Lowveld to grow sugarcane. Government should have taken an interest the moment it settled the farmers in the Lowveld. At the moment farmers are left at the mercy of Hippo Valley and Triangle Limited, yet these are private companies who are in business to make money and not to be good Samaritans.
- Having noted the importance of THZ as a service provider to the resettled farmers in Mkwasine Estate and considering the limited hectares that most individual farmers have, the study recommends that THZ should have remained with the 30% of its original landholding for it to be able to sustain itself and to provide services to the farmers. Currently the whole estate was acquired for redistribution to black farmers. This 30% of the land is equivalent to 1 465 hectares and will form the basis of the core estate concept. Also, loans given to sugarcane growers should be in harmony with the crop cycle and allow growers to harvest and sell. The study recommends that banks design a facility for farmers based on twelve months and not six months' payback period.
- Government must also realize that there are a lot of emotions attached to the land reform. Hippo Valley and Triangle Limited cannot continue to help farmers with loans and inputs at no premium. Government should be responsible for the new farmers and provide inputs for some time until the new farmers have acquired enough resources to stand on their own. Currently, the resettled farmers are accessing inputs like fertilizers and chemicals and all other services connected to the production of sugarcane from either THZ or the open market but they were accessing these at a very high crippling cost. Farmers were very bitter that sugar was not being taken seriously. There was bitterness and sadness that other crops were being funded under different schemes or in the national budget but nothing had been put aside for sugar cane. Reserve Bank of Zimbabwe (RBZ) Officials in Chiredzi indicated that sugar cane was being funded under livestock and other crops.

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