

What drives agricultural transformation in Zambia?

Lessons from a political economy analysis

Anna Mdee, University of Leeds/ Overseas Development Institute and
Alesia Ofori Dedaa, Overseas Development Institute

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In this briefing we explore the politics and institutions of agricultural policy and implementation in Zambia to understand how local institutions play a role in shaping agricultural policy and implementation. The findings and recommendations presented here are based on research carried out as part of the Afrint IV/Papaya project 'Equity and Institutions in Sustainable African Intensification' – a project designed to analyse patterns of smallholder intensification in Zambia, Tanzania and Malawi. The research sheds light on how agricultural policy is shaped and how it is implemented in Zambia and also assesses how agricultural policy and practice influence changes in society over time.

Using a political economy methodology

The aim of the Equity and Institutions in Sustainable African Intensification research is to analyse patterns of smallholder intensification from a sustainability perspective with particular attention to: (a) gender and youth; and (b) the ways existing rural institutions could be enabled and incentivised to improve equity given prevailing policies, norms and structures. This particular piece of research covered three areas:

- (a) Mapping the organisational actors (who does what?);
- (b) Understanding the formal and informal rules of the game in which they operate (how are things supposed to work and how do they work in practice);
- (c) Analysing the differing incentives and interactions among actors (what are the dynamics of the actors working on agriculture?).

To assist them, researchers adopted a political economy methodology. Political economy is the study of power and resources and how they shape the nature of the economy. It helps us to ask questions about who controls resources, and about how societies change to benefit or exclude particular groups. A political economy analysis entails multiple

At a glance

Agriculture in Zambia is differentiated between large commercial farms and smallholder farmers; while the country has a large urban population. Commercial production is expanding through investment by local elites and foreign investors. Traditional authorities can be complicit in enabling the appropriation of land from poorer farmers.

Agricultural support to smallholder farmers is dominated by the Farm Input Subsidy Programme (FISP) and Food Reserve Agency (FRA). These schemes significantly shape agricultural production through underpinning maize production, are used to further political aims and can encourage elite capture of resources.

Agriculture is becoming less inclusive, but this requires an analysis beyond group-based labels such as 'youth' or 'women.'

We recommend that local institutions (including universities, civil society and local government) adopt a problem-driven iterative adaptation approach (PDIA) to drive agricultural transformation that benefits smallholder farmers through engaging directly with the political and resource dimensions of FISP and FRA.

methods of data collection (e.g. key informant interviews, survey, secondary data, media analysis, focused group discussion), to gather many perspectives. It aims to provide a reasoned explanation for how a current situation comes to be as it is. It therefore requires understanding of how change happened, who influenced it and what outcomes it has led to. The nature of institutions and how they shape change is particularly key to this.

The research is based on multiple sources of data: a review of existing data in conjunction with interviews with key informants from local and central government, CSOs and NGOs, donors and private agricultural enterprises.

This briefing summarises the findings of the research in Zambia. A full version of the working paper is available at: www.keg.lu.se/en/research/research-projects/current-research-projects/afrint/afrint-ivpapaya-0

Findings

The history of Zambia shows a differentiated pattern of agriculture, with the development of large commercial estates producing for export, alongside small-scale farmers cultivating food crops, particularly maize. Colonial policy sought to envelope and manage the pre-existing systems, and in doing so also imposed patriarchal and individualised legal frameworks imported from Europe. Pre-colonial customary systems of land tenure and production were not automatically patriarchal, as they are sometimes characterised.

Copper mining and production until the early 1990s was the backbone of the Zambian economy, and were revived somewhat in the later post 2003 commodity boom. Zambia is relatively sparsely populated, but highly urbanised due to the dominance of mining.

Agriculture in Zambia serves three main purposes: to produce crops for export, to produce for the urban consumer at a reasonable price and to sustain the rural population. Multiple systems of land access, allocation, and rights exist in a complex arrangement that continues to shape agricultural outcomes.

The Zambian Government has maintained a persistent focus on supporting maize production through direct subsidies for inputs, and through a state controlled market for maize (the Food Reserve Agency –FRA). These mechanisms are politically significant and remain a substantial component of domestic agricultural spending, despite objections from external donors. Post 2007, there was a clear and growing interest by donors in agriculture, and particularly in encouraging foreign investment, favouring large-scale outgrower schemes. Sustainability of intensification is given some attention in policy- with some focus on Conservation Agriculture, but this is not a consistent focus in policy and practice.

At the present time, a growing middle class and foreign investors are increasingly interested in agriculture and are rapidly acquiring land, but agriculture remains a risky and uncertain business. Inequality is growing, and this is the most critical concern for inclusion. The Zambian economy has few other sources of employment beyond agriculture, so the poorest may be most at risk of exploitation in relation to losing access to land, and having their labour exploited.

Agriculture is getting less inclusive in Zambia, but this exclusion is heavily class-based with complexities of age, gender and ethnicity being played out in different ways. Engaging with the politics and impacts of FRA and the Farm Input Subsidy Program (FISP), as well as tackling the gap between policy and practice will be essential elements of attempting to address and counteract current trends.

The formal and informal 'rules of the game'

There is a significant gap between stated agricultural policy and actual practice on the ground. Some evidence of government-led initiatives is visible in fieldwork, but the scale is often limited. Donors are consistently mentioned as part of the problem in causing policy and practice fragmentation, and funding is often channeled through unsustainable project based interventions. Whilst donors emphasise formal rules of the game, implementation is according to informal rules of the game, hence the need to understand the local context of politics. Informal rules of the game facilitate distribution of resources by patronage – largely practised at the national and local levels of government in Zambia.

FISP is the main form of state interaction with smallholder farmers (Harmer 2015) and in this sense, is also characterised as a key component of social protection provision. This study revealed that increased subsidies particularly in the post-2000 period coincide with political victories and the centrality of the rural vote. National interviews (with key stakeholders conducted between 2015 and 2016 show that FISP and FRA is not an effective mechanism for transforming smallholder agriculture and encouraging wider participation of women and youth. In 2015 the system tried to diversify beyond subsidising maize through a mobile phone supported e-voucher system.

Elite capture at all levels is seen as a problem in FISP. Traditional Authorities and resource allocation committees are frequent sites of elite capture and potential exploitation

"there are far too many players in the new system- the banks, companies, FAO, and this is leading to a lack of co-ordination. If farmers don't get the inputs at the right time, then it is useless. In the District, the FISP absorbs most of our time and resources. We have significant challenges for agricultural extension officers- with transport, accommodation and operational funds". District level interview (2018)

Zambia is generally considered land abundant, the state continues to have power over land allocation and expansion even on customary lands. In practice, these controls and expansion, pay little regard to local socio-economic concerns, sometimes leading to displacement and abuse of local rights. It is critical to acknowledge the role of traditional leaders in facilitating this. The study revealed that it is common for traditional leaders to release land to incoming investors, either independently or at the behest of government. Whilst wider community consultation is supposed to be carried out, this does not often happen.

"Land grabs are the new HIV. It is coming silently, the impact is not immediate, and you don't know what it will be until it is too late. Investors are coming in huge numbers and taking large tracts of land. Awareness of this is minimal. The Zambians are sleeping and we'll only wake up when the land is gone- maybe in 10 or 15 years." NGO interview 2018

Incentives and interactions

The donor-agribusiness-state elite alliances possess high influence in driving policy dynamics, by using out-grower schemes and foreign commercial investment. Given the nature of Zambia's economy, donors do not dominate national discourse as they do in some countries, but they do fund significant parts of the domestic budget and projects. For example, Conservation Agriculture practice has been written into policy documents since the 1990s but given the focus of agricultural spending on FISP and FRA has received little implementation focus.

Zambia has a long history of class differentiation in agricultural development. It has a relatively small population for the size of land, and a high level of urbanisation. Agriculture remains largely the business of the family unit, and inclusion initiatives must take this into account. Neither should the family unit be assumed to be nuclear and clearly defined.

Opportunities for male employment in the mining sector is significant for example, in shaping how agriculture has been practiced. Land is not a purely individual asset, it is part of complex customary, legal and collective relationships, and land titling initiatives will not transform gender relations or give youth access to

land. Additionally, it is potentially harmful to treat all women or all youth as equally disadvantaged, as this underpins considerable opportunity for elite capture by more advantaged and well-connected members of these groups.

There is no uniform gendered or youth experience, while policy statements on inclusion are vague and have little meaning in implementation. Women are seen as critical to agriculture, but the position of youth is more ambiguous. However- there are some educated urban youth who see agriculture as an investment opportunity- and who have capital to invest.

Recommendations

- **Engage directly with dialogue on reform of FISP and FRA**
Both programmes have become a political necessity for the redistribution of resources, and of local level patronage, but it may be locking smallholders into an ultimately unsustainable cycle of maize production. The private sector-based provision of agro-inputs may be exacerbating this.
- **Move beyond representation to inclusive transformation requires differentiation to the specifics of the local context.** A more explicitly class-based analysis of inclusion is required, particularly in the context of Zambia where there is increasing concern over large scale land acquisitions and increasing differentiation amongst farmers.
- **Recognise agriculture as a collective and class enterprise**
It can be argued that women and youth will benefit from a strategic effort to transform small-scale agriculture as a whole, through state-led investment, that addresses elite capture of resources, land, markets and incentives. Neither women nor youth are a unified category of persons with the same needs and interests
- **Adopt a problem-driven iterative adaptation approach in efforts towards achieving sustainable and inclusive agricultural intensification.** Donors should take time to understand local politics if their programmes are to make a difference regarding inclusive agriculture intensification. This approach starts a wide range of partners working from locally defined problems, to create an environment for active learning and experimentation to find solutions that are feasible and implementable in the actual conditions of delivery (See Andrews et al 2013).

Further reading

Andersson Djurfeldt, .A. and Hillbom, E., (2016) 'Pro-poor agricultural growth–Inclusion or differentiation? Village level perspectives from Zambia' *Geoforum*, 75: pp.220-233

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Mdee, A., Lemma, A. & Emmott, R., (2016) 'Compatible or contradictory? The challenge of inclusive structural economic and environmental transformation', *Challenge Paper for Chronic Poverty Advisory Network*, London: Overseas Development Institute www.chronicpoverty.org/resources/2016/10/31/compatible-or-contradictory-the-challenge-of-inclusive-structural-economic-and-environmental-transformation

Matenga, C.R. and Hichaambwa, M., (2017). Impacts of land and agricultural commercialisation on local livelihoods in Zambia: evidence from three models' *The Journal of Peasant Studies*, 44(3): pp.574-593.

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Mdee, A., and Dedaa, A.O., (2018) 'What drives agricultural transformation in Zambia? Lessons from a political economy analysis', *SAIRLA Research Briefing 3*, Chatham: Natural Resources Institute

About SAIRLA

SAIRLA is a UK Department for International Development-funded initiative that seeks to address one of the most intractable problems facing small-holder farmers in Africa – how to engage in the market economy and to deliver sustainable intensification of agriculture which avoids negative impacts on the environment. The programme is managed by WYG International Ltd and the Natural Resources Institute, University of Greenwich. For more information visit www.sairla.nri.org

About Afrint IV/Papaya

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For more information about Afrint IV/Papaya see www.keg.lu.se/en/research/research-projects/current-research-projects/afrint/afrint-iv



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