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EXAGGERATING COTTON CONTRACT FARMING AS AN EMPOWERMENT STRATEGY IN RURAL ZIMBABWE

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ABSTRACT
Cotton farming has ceased to be an empowerment strategy in rural areas particularly in Gokwe District situated in Midlands Province of Zimbabwe. The farming endeavour is rather proving to be a burden to rural farmers as they get paltry proceeds for them to command basic needs, purchase productive assets and invest in off-farm activities. More often than not, cotton farmers are further impoverished as the little assets previously gained over the good farming seasons are confiscated as cost recovery measures by cotton companies. The *status quo* is attributed to the fall and fluctuation of cotton prices at the global market. Unlike in developing countries, governments of developed nations heavily subsidize their farmers to produce genetic modified cotton at lower costs. Consequently, cotton from developed States flood the world market causing fall in global cotton prices. Unaware of this, however, farmers from developing countries simply lay blame on their government and cotton companies for being exploitative in nature. This cotton contract farming scenario is aptly explained by the systems theory that Gokwe farmers as the 'periphery' are exploited by cotton companies at the 'centre', who are also exploited by the 'core' developed nations at international market.

INTRODUCTION

Agriculture continues to be the linchpin of most developing economies and serves as the main source of livelihood for poor rural households in Africa. Most rural farmers rely on the unreliable rain fed agriculture and generally lack sufficient funds to fully utilise the land as government policies and investments favour large-scale farmers with poor farmers being left

helpless. Globally, it is estimated that there is a shortfall of between US$14 billion to US$30 billion per annum of investment in agriculture by the international development community and governments in developing countries (Watkins, 2002). As a result, rural farmers are constrained by a lack of access to credit, markets, technology, inputs and services. Against this background, contract farming becomes the most prudent way to emancipate this marginalised group of farmers through advancing the much needed credit and related inputs.

The contract farming phenomenon is believed to be an answer to the aforementioned challenges. Well-organized contract farming does provide market linkages, subsidies and offers an important opportunity in which small scale producers can farm in a commercial manner. With market links, credit and inputs from contractors, farmers possess land, labour and their creativity at their disposal to maximise the land for their self-reliance and development. According to Kriger (1992), it is this increased self-reliance and internal strength that is synonymous with empowerment. Contract farming empower farmers to be able to determine choices in life and to influence the direction of change through the ability to gain control of crucial material resources. Empowerment is the major tenant of sustainable development defined by the standard of living composed of several major elements which include housing, clothing, consumer goods, health, education, transport, communication and other public amenities. It is in this multi-dimensional approach that the contribution of cotton contract farming will be evaluated.

Despite it being hailed as a *panacea* to rural agriculture and sustainable human development, cotton contract farming has not been positively helpful to long-time Gokwe farmers. Of late, the endeavour has been facing challenges thereby offering little of the envisaged empowerment to those involved. Majority of cotton farmers in Zimbabwe are impoverished all-time beggars relative to others in neighbouring countries such as Zambia and Malawi. The purpose of this study, therefore, is to encapsulate how cotton contract farming is poised to empower rural farmers, and to unearth the challenges faced by rural cotton farmers in Gokwe, so as to accrue sustainable benefits from the hailed contract cotton farming.

BACKGROUND TO THE STUDY

Farmers in Gokwe use various methods to show their disgruntlements of cotton transactions. In most cases farmers hold back their produce hoping for the increase in market prices. In

some instances, Gokwe farmers indulge in extra-contractual sales or side-marketing. In other cases, farmers default on the contractual agreements by selling inputs from contractors, with others diverting to the growing of maize crop for family consumption, other cash crops, cross-border trading, gold panning and urban migration. The resistance took global levels in 2007 when a delegation of more than 500 poor rural farmers from all over 80 countries around the world protested at a World Forum for Food Sovereignty in Mali demanding not only food security but also fair market prices and above all, sovereignty in terms of their production methods and marketing.

Specifically, players in the cotton industry have been disgruntled by problems in the industry such as discriminatory buying, late payments and change of agreed or focused prices. The price wars have seen newspaper headlines depicting grumbling cotton farmers, calling for the intervention of the executive arm of the government. Cotton business in Zimbabwe has been suffering from unstable pricing systems that left many farmers and contractors short-changed since the introduction of multicurrency in 2008. The predicament saw the closure of Cargill Company and the putting of Cotton Company of Zimbabwe, the major cotton contractor in the country under judicial management in 2014. Nevertheless, the net effect of the cotton price war is mostly felt by the rural cotton contracted smallholder farmers in Gokwe and other areas. The price fluctuations for cotton in Zimbabwe can best be illustrated in Table 1 below;

Year	Max Price US$	Min Price US$	Average Price US$
2009	0.45	0.35	0.4
2010	0.65	0.45	0.55
2011	1.00	0.85	0.92
2012	0.70	0.25	0.3
2013	0.55	0.30	0.43
2014	0.80	0.35	0.58

Table 1: Min of Agriculture, Zimbabwe 2012, 2014

The above clearly shows that cotton prices have not been stable in Zimbabwe with the least prices recorded in the year 2012 and better or high prices in 2011. Farmers benefited immensely from 2011 sales as they managed to drill boreholes, build better houses, purchase productive farm assets and send their children to better schools. Thereafter, farmers have been subsidizing contractors in many respects. Price fluctuations short-changed many cotton farmers when it comes to the crop to grow in the following season. The fluctuations and low prices that preceded 2011 saw many farmers making a conclusion that contract farming is a mere exploitation of the poor rural farmer by the contractor, thereby furthering the farmers' socio-economic predicament.

Previous research on cotton contract farming revolved around issues of quality and quantity of produce, climatic challenges faced by contract farmers, power relationships between contracting companies and farmers, pros and cons of contract farming and nature of contract farming among other issues. All the same, scholars such as Nyambara (1999) gave an insight on the pros and cons of sharecropping which can also be equated to contract farming as there is an agreement between two or more parties.

Scholars also traced how Gokwe became a magnet to cotton farming as there was a 'gold rush' or influx of people due to retrenchments during the Economic Structural Adjustment Programme (ESAP) era, when jobless urban dwellers sought to better their lives in rural areas. The era coincided with cotton boom in Gokwe, resulting in many disgruntled urban dwellers migrating to Gokwe to earn a living out of cotton farming. However, cotton farming was demanding in terms of inputs and expertise, especially for the penniless rural residents. As such, government introduced cotton contract farming which appeared to be of mutual benefit to both players (contractors and farmers). It is this contract farming that this research shall seek to ascertain its relevance in the contemporary era. The research will assess the contribution of contract cotton farming to sustainable rural development in Gokwe. This is an area that many contract farming scholars have failed to decipher or just tended to generalise. When Dzingirai (1999) nearly researched on this field in his research entitled "Resettlement and Contract Farming in Zimbabwe: Case of Mushandike", the research rightly noted that peasants are not happy with the types of contracts tabled before them by contractors.

However, the research was focused on beans not cotton, and it failed to analyse further the extent to which the endeavour to empower farmers to command basic needs.

Contract cotton farming is viewed by stakeholders as a *panacea* to sustainable rural development and poverty reduction. Publications and newspaper articles are ever trying to put across its potentialities in changing human livelihoods and material in an incremental way. Some scholars however highlight cotton contract farming as an effective method for large agribusiness firms to exploit farmers. Contract farming is viewed as essentially benefiting sponsors by enabling them to obtain cheap labour and to transfer risks to growers (Little, 1994). There is a widespread perception amongst farmers and other stakeholders that contract-buyers take advantage of farmers' weak positions by paying low prices due to information asymmetries. This research is carried to get a clear picture of who rakes in more, the farmer or the contractor, thus concluding on whether the endeavour is a neo-colonial move or not.

Methodology

The research is grounded in qualitative research. Researchers sought to be informed and consequently understand contract farming from the farmer and contractor's perspective. Semi-structured interviews were directed to key informants (players) in the cotton contract farming business. Thirty gender balanced informants were interviewed comprising farmers, traditional leadership, local authority representatives, teachers, and church and youth leaders in the area. These stakeholders were interrogated to get information of how contract farming is helping in propelling sustainable socio-economic development. Farmers in particular, were asked on how they spend their proceeds from cotton sales. Interview guides were used during the interviews with these stakeholders.

Twenty five questionnaires were distributed to representatives of buying firms, Agricultural Marketing Authority, agricultural extension workers and farmer's organizations. Nineteen out of the twenty five distributed questionnaires were returned. The mode of data collection was meant to solicit information from these literate stakeholders on their activities and views regarding the impact of contract farming. Researchers also utilised records by companies, farm diaries, reports, articles and books written on contract farming practises around the

world, Africa and in Zimbabwe. Newspaper articles and documents from the Ministry of Agriculture in Zimbabwe helped in consolidating data on the subject matter. Concerning sampling, researchers used mixed methods, for instance when choosing farmers for interviews, convenience sampling techniques were used. However, when choosing secondary stakeholders such as cotton companies and farmers organisations, purposive sampling techniques were used.

Study Area

Gokwe area was chosen among all the cotton growing areas in Zimbabwe because it is the largest area where cotton farming is mostly practiced as the main source of livelihood. Almost every household in Gokwe area has been involved in cotton contract farming at one point in time (Nyambara, 1999). Gokwe area of North-Western Zimbabwe has, since the 1950s, experienced a large influx of in-migrants who came in search of land. Soon after attaining independence in Zimbabwe in 1980s, there was an increased immigration into Gokwe area, mostly from dry areas such as Chivi, Zvishavane and Mberengwa districts of Zimbabwe. This was largely due to a number of reasons notably severe land shortages in the areas of origin especially after independence. Migration into Gokwe was also necessitated by the effects of the ESAP of the early 1990s when massive retrenched people found their way into Gokwe villages. By the 1990s, there was pressure on the land in Gokwe as evidenced by the increased land disputes among various land claimants (Dzingirayi, 1999).

Conceptual Framework

Contract Farming

According to Bourque (2011) contract farming (also called ’production contract’) is a fixed-term arrangement between a farmer and a contractor, entered into before production begins, under which the farmer agrees to sell or deliver to the contractor a designated crop on identified acres in a specified manner, and the contractor agrees to pay the farmer a price according to a specified method and at an agreed time. Specifically, contract farming involves four things which are pre-agreed namely, price, quality, quantity, or be it minimum or maximum acreage and time. The definition implies that contract farming entails relations between growers and private or State enterprises that substitute for spot market transactions

between family farms and processing companies. Contractual arrangements between farmers and other firms may be oral or written, specifying one or more conditions of production and marketing of an agricultural product.

Significantly, under contract farming, inputs and/or services are typically advanced by the firm on credit to be repaid with farm produce by participating farmers. Indeed, contract farming is characterized by its "enormous diversity" not only with regard to the products contracted but also in relation to many different ways in which it can be carried out. Eaton and Shepherd (2001) et al (1989) include these factors into account when they describe contract farming as a;

> *"Production system where smallholders or large scale farmers (owner cultivators) enter, into a formal or informal production and sale agreement (contract) with agro-industrial corporations. The contract often specifies that technological know-how and various out growers' agricultural support services will be provided to the farmers including the credits, input, machinery rentals, extension services and general infrastructure. The contract also, includes provisions regarding terms of sale of output, distribution of production and marketing risks, maintaining price levels, and mechanisms for arbitrating breach or termination of contract by either party. Existing large scale smallholder contract farming schemes tend to be commodity specific."*

The above definition of "contract farming" highlights the important element of commitment from both parties. There is no need for collateral security as required by banks, but the producers and buyers just make some simple agreements, be it formal or informal, and make some commitments. The producers just indicate that in case they fail to produce, they will sell some of their possessions such as cattle, goats, scotch carts or other assets to settle the debts (Cotton Ginners Association, 2010). Generally, the contractors recover the value of inputs given on credit when the producers sell the commodities to them during marketing time. By so doing small holder farmers or producers would have accessed inputs easily while buyers will have benefited from being guaranteed raw materials needed to run their plants or factories (Machingaidze, 2010).

Theoretical Framework

Dependency theory

The study is based on the integration of dependency and systems theory. Dependency theorists regard international capitalism as the chief culprit for the underdevelopment rife in the periphery. Andre Gunder Frank, pointed that:

> *...historical research demonstrates that contemporary underdevelopment is in large part the historical product of past and continuing economic and other relations between the satellite underdeveloped and the now developed metropolitan countries or regions. Furthermore, these relations are an essential part of the capitalist system on a world scale as a whole.*

Ferraro (1996) has it that resources flow from a "periphery" of poor and underdeveloped States to a "core" of wealthy States, enriching the latter at the expense of the former. Rodney (1973) noted that the poor nations are at a disadvantage in their market interactions with wealthy nations. In addition, farming communities produce agricultural products such as cotton for sell to the government and foreign owned companies at low cost, making the later accrue more profits. This asymmetry puts poor communities in a weak bargaining position vis-à-vis the better off contractors, mainly from developed nation. In these lances, the major obstacles to autonomous development of farmers are the cotton companies.

World Systems Theory

Related to the dependency theory is the world systems theory which furthers the division of periphery and centre into a tri-modal system consisting of the core, semi – periphery and periphery. In this system, the semi – periphery lies between the core and the periphery and is exploited by the core whilst exploiting the periphery. This division explicitly explains why cotton farmers and their communities are less developed. Farmers as the periphery are being exploited by the cotton companies and government which comprises the semi-periphery. The companies and the government are in turn exploited by international actors (core) courtesy of globalization and pegging exploitative prices. The world systems theory focuses on inequality as a separate entity from growth in development and examines change in the global capitalist

system. This theory distinctively has a distrust for the State and views the State and cotton companies as a group of elites and capitalists respectively, who exploit the periphery, even though they are themselves exploited by the foreign companies and entities.

PERCEIVED BENEFITS OF CONTRACT FARMING

According to the new institutional economics theory, participation in contract farming is for rational economic reasons meant to overcome the uncertainty of spot trading and missing factor markets (Key and Runsten, 1994). When venturing in cotton contract farming, farmers expect higher revenue, a stable income and access to export markets or extension services and information (Simmons, 2002). Indeed, empirical research has it that crops grown by contract farming are likely to fetch high prices than those not on contract farming. Income generated by contract rice farming in Thailand is 70% to 100% higher than conventional farming (Setboonsaring et al, 2006).

A study on contract farming in Madagascar, revealed that having income source and gaining access to inputs were the most common reasons for joining the scheme (Minten et al, 2009). In developing countries, farmers are poor and need credit but usually lack collateral security to obtain it and to be most attracted to a high or more stable source of income. The key benefits of contract farming for farmers can be summarized as: improved access to local markets; assured markets and prices (lower risks) especially for non-traditional crops; assured and often higher returns; and enhanced farmer access to production inputs, mechanization and transport services, and extension advice. On the other hand, contract farming is perceived to benefit not only farmers but contractors as well through guaranteed crops among other things. Below is the detailed perceived benefits in Gokwe;

a) Access to markets

Contract farming is perceived to guarantee farmers' access to consistent, reliable and nearest markets. Most rural farmers remain poor in developing countries due to the failure to access reliable and nearer markets. However, with contract farming this problem becomes the thing of the past as produce always finds a readily available market. Contractors in the cotton industry are often poised to purchase all the produce, making this a prime advantage of a contractual agreement for farmers. In this case, the principal motives for farmers to enter into

contractual arrangements are the promise of a steady and increased income from having an assured market for the crop. In most cases in Gokwe North, contracting companies organize transport for their crops, normally from the farm gate or selected nearest buying points. In Gokwe's Chief Simchembu's area, some of the buying points established includes in Vumba (Ward 31), Madhamhu (Ward 31), Banyamulenge (Ward 1) and Simchembu 2 (Ward 1). All these efforts are meant to facilitate easy access to markets by rural farmers. In most cases, the markets available to farmers would have been so far away for farmers to have accessed them without incurring extra costs. In this way, smallholder farmers benefit increasingly from contract cotton farming without significant extra effort.

b) Stable prices and reduction in risks

Farmers venture into contract farming anticipating low risks of price fluctuations. In agriculture, prices can fluctuate drastically from region to region and within a growing season. Considering that farmers in remote areas such as Gokwe have little access to information and face the risk of losing substantial income if prices fluctuate downward, a predetermined price for a crop offered by contract farming during negotiations at the onset of the growing season seems much better. However, the opposite is happening in Gokwe contract farming deals as farmers have no predetermined agreed prices. As such, contractors and government change prices at will, depending on the waves at the global market. In addition, contract farming reduces production risks to farmers through risk sharing in the event of production failure due to circumstances beyond anyone's control including poor weather or diseases. Normally, when production problems are widespread as a result of uncontrollable events, firms will often defer the payments of production advances to the following season.

c) Access to credit

Contract farming is envisaged to solve access to credit problems bedevilling rural farmers in most developing countries such as Zimbabwe in the 21st century. Most farmers have failed to utilize the land and increase productivity as they lack the necessary technology to effectively exploit the land. Formal credit markets do not normally exist in rural areas of Zimbabwe such as Gokwe, and wealthy businessman in Gokwe are reluctant to lend money to small farm holders. With the total collapse of agricultural loans and subsidies in Zimbabwe and the

closure of many export crop marketing boards, which in the past supplied farmers with inputs on credit, woes have worsened for rural farmers. The problem is exacerbated by the fact that microfinance institutions existing in Gokwe offer loans to micro enterprise and not to agriculture production. In such a scenario, contract farming stands as a *panacea* to rural farmers as cotton companies can lend to farmers in kind, for instance, seeds and modern inputs (Baumann, 2000). In return, firms then extract the debt that farmers owe from the payment of the procured crop (Key and Runsten, 1999).

d) Capacity Building and Skills Diffusion

Contract farming can provide farmers with access to a wide range of managerial, technical and extension services that otherwise may not be obtainable. Farmers, through contract farming, learn the following skills: record keeping, the efficient use of farm resources, improved methods of applying chemicals and fertilizers among others. Farmers are often taught how to apply techniques for farm management such as ridging, fertilizing, transplanting, pest control by contracting companies. These skills maybe primarily applied to ensure that proper crop husbandry practices are followed in order to achieve projected yields and required qualities. The new production techniques are often necessary to increase productivity as well as to ensure that the commodity meets market demands. More so, farmers can gain experience in carrying out field activities following a strict timetable imposed by the extension service. The versatile information obtained will also be used beyond cotton farming to other traditional grown crops such as sorghum and maize.

CHALLENGES OF CONTRACT FARMING IN RURAL GOKWE

In Gokwe farmers have been feeling the brunt of price fluctuations since 2009. This has limited the capacity of many families to command sustainable livelihoods. The golden white crop has been fetching low unexpected prices that left farmers without disposable incomes after repaying debts to contractors. Fluctuations have been attributed to external forces, mainly the international market flooded with Genetic Modified Foods (GMOs) from India, China and the United States of America. India has increased its hectares under GMOs cotton from 50 000 in 2002 to 10, 6 million hectares in 2011 (USICT 2014). The United States is currently producing GMO cotton on about 4 million hectares while China has 3, 9 million hectares under production of the same crop (USICT 2014). Since these countries are the

major nations with textile industries, their activities affect the international market. Without the cushioning of local farmers with subsidies by government, probably a result of the unfavourable economic situation at hand Zimbabwean farmers suffer the most. In most cases, farmers have lost properties due to cost-recovery programmes by the contractors.

Access to markets in Gokwe is affected by the delay in opening auction floors. In most parts of Gokwe, auction floors for cotton selling opened in late June 2014. For the 2014 cotton selling season in Zimbabwe, delay in opening auction floors created room for extra contractual marketing. This was inconsiderate of the fact that farmers had already started harvesting cotton by end of May 2014 awaiting selling. This delay saw farmers selling their first harvest to individual business people for quick cash, who later sold the cotton to contractors with profit. The outside buyers offered cash to farmers as opposed to the prolonged payment modalities negotiated through the cooperatives. Many farmers mentioned the hasty sales to have been a result of the need to pay debts, buy food and pay school fees for their dependents. Extra-contractual sales are a challenge in Gokwe; they are always possible and not easily controllable when an alternative market exists. Therefore, extra contractual selling make it difficult for the farmer to repay the debt of the contractor while at the same time being left with disposable income as the proceeds would have been sold at a lower price to another market.

Corruption by cotton company workers has affected contract farming in Zimbabwe. Staff responsible for issuing contracts and buying crops abuse their powers to defraud poor rural farmers. In most cases, these workers request kick backs from farmers for them to grade the crop better. Failure to give bribes by farmers sometime will result in the delivered cotton being given a lower grade or weight at the expense of the farmer. Such practices impoverish farmers and result in a collapse of trust and communication between the contracted parties thereby undermining contracts. Cotton buying firms need to ensure that corruption in any form does not occur. On a larger scale, some sponsors have become dishonest or corrupt to defraud farmers and delay in paying for the delivered crop.

Though rural farmers are benefiting inputs from cotton contract farming, the inputs are often inadequate and delivered late. This is happening despite the known best farming practices that all inputs should be identified and ordered well in advance of the farming season. This

late delivery of inputs can cause serious disruption to the production chain and can result in serious financial losses for all parties. Similarly, the failure by managers to distribute inputs from contractors in time to cotton farmers has major consequences to the cotton farming business in Gokwe. Usually, when inputs are delivered late, farmers sell inputs instead of planting them. In Gokwe, most farmers report to have received only one bag of fertiliser to apply in four acres instead of the required number of bags for four acres. This therefore compromise the quality and quantity of yields.

Farmers are also exploited by contracting companies due to loose legal binding contracts. Zimbabwe lacks a vibrant pro-farmer legal framework that governs contract farming and depends on the legal or informal agreements between the contracting parties and farmers, which are neither comprehensive nor uniform. Such agreements in Gokwe need to be backed up by appropriate laws and an efficient legal system. Agricultural system in Zimbabwe needs relevant laws grouped into three categories: enabling functions, economic regulatory functions and constraining functions. Of all these, the enabling aspect of the law is perhaps the most important when it comes to contract farming. Laws of contract, in particular, allow the evolution of commercial transactions beyond direct barter exchanges (Burch, 1994). As noted by Burch (1994), legal mechanisms for granting a group of individuals' recognition as a legal entity have also been central to the development of commerce.

Legal footing in contract farming also has the effect of compelling cotton companies to commit towards social corporate responsibility to develop Gokwe areas. Without such policies and laws, very few cotton companies are investing in the development of rural areas where they do cotton business. This explains why Gokwe North remains amongst the poorest rural areas in independent Zimbabwe. Very few cotton companies have committed themselves to the rehabilitation of roads, education and health facilities in areas of operation. On the part of farmers, it was pathetic to note that very few farmers commit their meagre cotton proceeds to invest in children through paying school fees. This is happening despite the fact that children are absented from school to especially harvest family cotton fields. This affects the prospects for children to excel in school and be capacitated with human capital to break the vicious cycles of poverty bedevilling their families and communities.

Cotton contract farming arrangements in Gokwe are affected by power dynamics between the farmers and buyers in Zimbabwe. Buying firms are invariably more powerful than farmers, and use their bargaining clout to their financial advantage. Indeed, if farmers are not well organized or where there are few alternative buyers for the crop or it is not easy to change the crop, there is a danger that farmers may have an unfair deal. Tactics sometimes used are changing pre-agreed standards, downgrading crops on delivery, offering lower prices, or over-pricing for inputs and transport provided in a bid to make huge profits whilst impoverishing farmers (Financial Gazettes, 2010). The only rescue means for farmers is through strengthening farmer organizations to better improve their contract negotiating skills to avoid exploitation by contractors.

CONCLUSION

It is against these daunting challenges that touting contract cotton farming as an effective avenue for integrating smallholder farmers, or an endeavour that improves the income and an aid to sustainable livelihoods is vehemently questioned of late in Zimbabwe. Cotton business has been facing fluctuation of prices in the absence of government subsidies to cushion them in the event of downward prices. As a result, the proceeds from cotton are failing to generate enough income to cater for human needs of families. Specifically, farmers are failing to meet educational needs of children and stock food that sustain an average family size till the next farming season. This is a new phenomenon unfolding in the cotton contract farming business as the previous seasons since 1980 in Zimbabwe had better prices that even saw cotton companies such as Cargill taking a lead in community development through infrastructural development.

Together with COTTCO, Cargill Company built schools such as Vumba Primary and Kabuyuni Primary in Gokwe and renovated many such structures using proceeds from cotton farming prior to 2009. The companies were indeed a reliable helping hand in community development. Farmers in previous seasons used to buy scotch carts, cattle, and gadgets such as cell phones, radios, televisions, building shops and better houses among others. However, the *status quo* of contract farming business nowadays is not permitting such investments. As from 2009, lucrative cotton prices were recorded only in 2012, and this saw farmers gaining status through acquiring motor vehicles, motorcycles, grinding mills, water pumps, bicycles

among other things. Saddening to note is the fact that as of the 2014 season farmers lost wealth or assets acquired during good seasons due to debt recovery means in 2013 and 214 seasons.

RECOMMENDATIONS

Government

Government should strive to capacitate and empower farmers to form vibrant farmers associations to increase their bargaining skills. This should be considered a primary step in improving contract farming in rural Zimbabwe. Education on the responsibilities, obligations as well as the rights and expectations of both contracting partners and farmers should be prioritised. Furthermore, government should offer subsidies to cotton farmers to curtail them in face of meagre international prices such as those recorded in the 2013 and 2014 seasons. Government should further take a lead in crafting a relevant legal framework and an efficient legal contract farming system. The Zimbabwean government should also do much to foster linkages between investors and farmers and play an important role in protecting farmers by ensuring the financial and managerial reliability of potential sponsors.

While it may not be considered a precondition, it is desirable that governments play an arbitration or dispute resolution role between farmers and contractors. The Government of Malawi established dispute resolution guidelines for agricultural contracts and offered the services of the Ministry of Labour to mediate. Likewise, in many large-scale, sugar-producing countries there are statutory bodies that act as arbitrators between sugar-cane growers and the sugar mills. In Canada, thousands of potato growers under contract with a single buyer negotiate prices and contract terms through the offices of the New Brunswick Potato Agency, and it is through such platforms that fairness is maintained in the industry. It is recommended that the Government of Zimbabwe adopts such an approach.

Contractors

Contracting companies should do away with discriminatory buying, late payments and opening of floors, and inefficient extension services for cotton farming to prosper. Contracting companies should strive also to deliver inputs in time; do away with corruption, poor agronomic advice and a mid-season change in pricing of cotton prices or inflating inputs

during auction time. Cotton contractors should come up with valid contracts which do not exploit farmers but benefit both parties. Contractors and government should strive to strengthen the capacity of farmers and their families and the wider society on community development.

Farmers

Farmers in Gokwe are encouraged to diversify activities rather than focus only on cotton contract farming. Farmers should try other crops such as tobacco and income generating activities so as to cushion them in face of cotton problems. Such activities will also allow farmers to timeously purchase their own inputs rather than waiting for contractors' inputs often delivered late. Also, farmers should prioritise on investing in gaining education on their rights.

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