THE RURAL-URBAN INTERFACE IN AFRICA

Expansion and Adaptation

Edited by

Jonathan Baker & Poul Ove Pedersen

Seminar Proceedings No. 27

The Scandinavian Institute of African Studies

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Preface

In September 1990, a second conference under the auspices of the *Urban Development in Rural Context in Africa* research programme at the Scandinavian Institute of African Studies (SIAS) was held in Gilleleje, Denmark. The conference which was entitled *Small towns and rural development in Africa under conditions of stress—adaptive strategies and survival mechanisms*, was organised jointly by SIAS and the Centre for Development Research, Copenhagen.

The conference, and the preparation and publication of this book, involved the efforts of many people. Thanks are due to all the conference participants who made the four-day meeting such a fruitful experience. We should like to acknowledge the assistance of the many individuals who contributed to the success of the conference and to the publication of these proceedings, both within our respective institutes and outside. Thomas Ridæus, Jesper Linell, Ingrid Andersson and Eva-Lena Volk were responsible for the conference arrangements. Mai Palmberg and Sonja Johansson provided useful advice on editorial matters. Mona Hård re-formatted the papers. Kent Eriksson provided useful logistical support. Nigel Rollison and Sharon Ford improved the manuscript stylistically, while Kjerstin Andersson drew most of the maps. Acknowledgements are due to Anders Hjort af Ornäs and Karl Eric Ericson for their overall encouragement, and to Christer Krokfors and Peter Gibbon for help on specific matters arising from the editing of these proceedings. Special thanks are due to Margaret Peil of Birmingham, UK, for reading the manuscript and making many insightful comments and suggestions. Finally, Ingrid Andersson, Assistant to the *Urban Development in Rural Context in Africa* programme, deserves particular mention for her great efforts in correcting, typing, re-typing and formatting the chapters in this book.

Uppsala, July 1992

Jonathan Baker and Poul Ove Pedersen

Introduction

Jonathan Baker and Poul Ove Pedersen

Local, regional and national development and change in Africa are inevitably bound up with a discussion of the role, nature and repercussions of agriculture on other sectors of the economy. However, agriculture as the lead sector in most cases, does not operate in a spatial vacuum and the settlement pattern plays a supporting, and in our view imperative, role in agricultural and rural transformation.

The point of departure of this book is, therefore to emphasise the interdependence and mutuality of the rural and urban sectors and, in particular, the role that small towns have as agents for rural improvement. Moreover, the analysis goes further and draws inspiration from a Myrdalian type of "circular causation" whereby rural change can also influence levels of urban prosperity. In short, the fortunes of the rural and urban spheres are inextricably linked.

Some of the main conceptual and theoretical considerations surrounding the small town-rural interface or urban development in rural context debate are discussed in Chapters two and three of this book, while Baker and Claeson review some of the major issues (1990); other chapters in the same volume discuss the range of empirical evidence and experiences from various African countries. The purpose of the present work is to further the debate and analysis by elucidating some of the dynamic processes at work, such as adaptation and expansion, and by investigating some of the strategies of the actors involved at the rural-urban interface.

While many of the papers in the first volume (Baker, 1990) focused on small towns as seen from a national planning and development perspective, all of the papers in this volume focus on how specific sectors, organizations and processes function in the development of small towns themselves.

While it is our contention that small towns may, and often do, contribute to rural development, over the past three decades, (i.e. since independence in the 1960s), the attitudes and responses by governments, donor and lending institutions and academics to urbanisation in Africa has fluctuated from approaches which view towns as positive structures for development to negative structures which contribute to underdevelopment. Unfortunately, "these changes have given rise to often contradictory policies with respect to urban development, and programs funded by international donor agencies have reflected a similar ambivalence" (McNulty, 1987: 35).

In the independence decade of the 1960s, urban development was considered beneficial for national development. Urban-based industrialisation policies, the then prevailing development paradigm and strategy, were viewed as essential in bringing about transformation of agriculturally-based economies. By the 1970s, when it was clear that these policies had failed, the pendulum swung in the opposite direction. Urbanisation was viewed as a parasitic process which led to underdevelopment, and the neglect of agriculture. Consequently, an "appropriate" strategy was devised to counter and reverse the immiseration of the countryside - integrated rural development programmes (IRDP). The main thrust of IRDPs was on agricultural change, while little consideration was given to the vital role of settlements in the rural economy. While some IRDPs had some success they generally have depended upon permanent external interventions and thus lack self-sustainability. For a good review of IRDPs, see Cohen, 1987.

By the 1980s, this "myopic focus on rural development" (McNulty, 1987: 36) lost its appeal as the anticipated results and objectives were not realised. The emphasis shifted, and is still shifting, towards a concern with the interdependence and symbiosis of the rural *and* urban, and this has meant the explicit rejection of the earlier compartmentalism of rural and urban into two separate and distinct areas for investigation and intervention.

It has become increasingly clear that the notorious exploitative nature of many African small towns is not vested in the small towns themselves, but in the highly centralised governmental and economic systems found in many African countries. The attempts of the IRDP's to change the rural-urban balance by by-passing the small towns have therefore, in most cases aggravated the problem rather than solving it, because they have led to an even greater centralization of decision-making.

An analysis of small urban centres and their interdependency with their rural hinterlands is, therefore, a central focus of this new orientation. One important approach that emerged at the end of the 1970s, which attempted to investigate and clarify the symbiotic relationship between urban centres and rural areas, was known as *Urban Functions in Rural Development* (UFRD). This USAID-initiated and funded concept was concerned with an analysis of the settlement system within a region. The analysis involved first, the identification of "settlements that could most effectively act as service, production and trade centers for their own populations and that of surrounding areas". Second, a determination of the "strength of the linkages among the settlements themselves, and between them and their rural hinterlands". Third, a delineation of "areas in which people have little

or no access to town-based services and facilities" (Rondinelli and Evans, 1983). The last point, of course, would be an essential step in the process of identifying areas which would require a number of necessary interventions to promote the improved functioning of the rural economy.

To test the UFRD idea, four demonstration projects were selected in Burkina Faso (then Upper Volta), Cameroon, Bolivia and the Philippines, and a common methodology was used for all four projects. These included: making an inventory of the functions in all urban settlements in the study area; measuring the extent to which urban services reached into rural areas; and mapping the rural areas served by each urban centre (Karaska and Belsky, 1987: 43). These demonstration projects "proved to be valuable exercises in describing rural-urban dynamics" in the regions concerned, and increased the "awareness of local planners to the spatial character of the planning region" However, when it came to using the information obtained, "it appears that the methodology was too abstract or too far removed from the day-to-day realities of sectoral agencies who, in fact, make the actual investment decisions" (Karaska and Belsky, 1987: 43).

In 1985, the UFRD methodology was modified to enable the "conceptualisation of rural-urban dynamics" to be "more operative for feasible programs" (Karaska and Belsky, 1987: 43). Under the revised approach, a sectoral distinction was made between the smaller towns (market towns) with their emphasis on the marketing of agricultural products, and the larger towns (secondary cities) where the focus is on manufacturing and services. It has been suggested that with this modified approach, "the research can appear more meaningful to investment decisions and rural-urban dynamics can be clearly articulated" (Karaska and Belsky, 1987: 44).

The above distinctions between the small town and the intermediate city raise important conceptual and definitional issues. For example, urban centres of similar sizes may perform different functions in different geographical contexts. Hardoy and Satterthwaite (1986: 399) stress an often neglected or forgotten, but vital, truism which is that the factors which influence the growth and development of urban centres are extremely diverse and complex. Consequently, universal generalisations and the application of a standard set of interventions for towns of the same size and apparently similar characteristics may lead to inappropriate or unexpected results. Flexibility in terms of both planning approaches and interventions are thus essential elements. Despite these cautions, however, it is appropriate to try to identify a number of prerequisites which would appear necessary for a well-functioning small town-rural economy.

First, the economic systems in most African countries have been highly centralised. Services and other activities operating in small towns are not independent units operating in a free-market economy as implicitly assumed in the UFRD approach. Many of them are branches of large monopolistic or semi-monopolistic public, parastatal or private enterprises, others are small private enterprises; but both parastatals and private enterprises tend to be linked by strongly hierarchical structures governed by patron-client relations as much as by market forces. These patron-client relations are often highly exploitative of the rural areas. However, while the parastatals may be privatised as recommended by Structural Adjustment Programmes (SAPs), patron-client relations are not easily eliminated, because in the both economically and politically unstable and uncertain environment prevailing in most developing countries, they serve an important function for the buyers and small traders as a safeguard against societal risks. They may, for instance, secure relatively stable deliveries in periods of commodity scarcity, and access to spare parts, transport or other services which require foreign currency or other government allocations to which small businessmen have limited, or no access. Under these conditions the identification of service centres with potentially optimal locations is no guarantee for the actual delivery of scarce commodities and services. Unless, the social, economic, political and climatic instability and risks are reduced they are unlikely to function as planned (Pedersen, 1992).

Second, a number of writers have stressed the need for a decentralisation of political and economic decision-making to the local level (see, for example, Hardoy and Satterthwaite, 1986: 399). It has been suggested that "if real decentralisation of decision-making occurred it would provide the means through which the articulation of local needs and priorities could be made and would stimulate both rural and urban development" (Baker and Claeson, 1990: 19).

It should be stressed, however, that many African governments have been unwilling to allow devolution of real power from the centre to the local level for fear of encouraging a self-reliance and independence which may threaten central control. However, one should be careful not to overgeneralise this issue for all African states. For example, Nigeria and Zaire provide illustrations of countries which have pursued apparently opposing policies regarding decentralisation.

Successive Nigerian governments have pursued policies which have increased the number of states in the federation from four in 1963, twelve in 1967, nineteen in 1976, twenty-one in 1987, and finally to thirty in August, 1991 (see Egunjobi, 1990, for a discussion of

Nigeria's devolution process). The number of third-order settlements, known as local government areas which represent the lowest administrative unit in Nigeria, have also increased accordingly. Between 1987 and 1991, for example, they increased in number from 449 to 500.

Local government areas are governed by local government councils which are elected on the basis of universal suffrage. Thus, the electorate have power, which is realised at the local level, to press for change. The main source of revenues for local authorities is, however, derived from the federal government. Somewhere in the region of 70 to 80 per cent is so derived, while state governments provide 10 to 20 per cent and 5 to 10 per cent is raised locally (Barkan *et al.*, 1991: 475) through market and poll taxes, fees, and returns on investment. This heavy dependence on the central government can be explained by the rapid shift from an agricultural-based economy to a petroleum-based one. This has meant that cash-crop agriculture no longer produces the surplus that could be tapped locally, while the collection of oil revenues is the sole responsibility of the central government (Olurode, 1984).

Furthermore, the Federal Military Government is supporting the establishment of village community development associations in areas where local, development-oriented "hometown" associations do not exist. Consequently, "the process of 'thickening' the web of associational life across the rural areas is therefore an attempt to empower rural dwellers and residents of small towns vis-a-vis *all* levels of government." (Barkan *et al.*, 1991: 477). In addition, the Directorate for Food, Roads, and Rural Infrastructure (DFRRI) and the Directorate for Social Mobilisation are programmes "initiated by the military to promote local participation and strengthen the capacity for direct action at the grassroots" (Barkan *et al.*, 1991: 477). It would be misleading, however, to suggest that these programmes do not have their detractors, (see, for example, Nwosu, 1990, who states that the DFRRI is, *inter alia*, saddled with too many responsibilities).

The point that should be emphasised, however, is that the Nigerian government is committed to realising the potential of local authorities and local democratic processes. This is in sharp contrast to the situation in Zaire. According to Schatzberg in his compelling analysis of politics and class in Zaire, the political elite has had no genuine desire to bring about local development and "oppressive and extractive bureaucrats abound, developmental administrators scarcely exist" (Schatzberg, 1980: 182). He shows how taxes collected on beer consumption, which are supposed to be utilised to promote local development, are used instead by "a small coterie of relatively pri-

vileged politico-administrative officials (who) have chosen to define development primarily in terms of their personal needs and comforts" (Schatzberg, 1980: 97). In one local area, for example, most development projects "have to do with activities like building the chief a new house, providing him with electricity, rebuilding the guest house that territorial commissioners use on inspection tours, building new houses for those who are employed by the collectivity, and constructing new offices for the collectivity". In the same local area, the one secondary school completely lacked books, blackboards, desks and chairs (Schatzberg, 1980: 95-96).

At a more general level, it will be interesting to see whether the current progress towards political democratisation in Africa will lead to greater decision-making and grassroots involvement at the rural-urban interface.

A third set of prerequisites which is often mentioned as a significant factor in facilitating rural-urban and urban-rural reciprocity is the development of physical, social and institutional infrastructure. This is viewed as an essential element as it removes constraints which otherwise would inhibit or distort the emergence and expansion of rural-urban linkages and exchange. Rondinelli sees infrastructure as an essential element in this process: "investments in physical infrastructure and facilities that... link towns and cities to rural areas can have a strong impact on accelerating agricultural development and generating increased income for rural households. Recent studies of rural-urban road investments in developing countries, for example, indicate the pervasive impact these linkages can have on agriculture and on a regional economy" (1987: 29).

While the development of physical infrastructure is important, it alone cannot ensure the transformation of the rural-urban economy, if other conditions are not present. A USAID report on rural roads concluded that "to provide farmers with improved access to markets, more than rural road construction was usually necessary. Also needed were a marketing system that could handle increased production, price incentive, complementary services and inputs, and a transport industry that could respond with more and better services at lower prices" (Anderson and Vandervoort, 1982: 16-17, cited in Rondinelli, 1987: 30). It is therefore important that there is local capacity and entrepreneurship to develop such activities in response to changing demand.

A fourth, and related issue, concerns the kinds of macro policies pursued by governments. According to Evans, in his extensive and excellent review of rural-urban linkages, "no single factor affects the nature of rural-urban linkages more than the domestic terms of trade

between agriculture and the rest of the economy" (1990: 75). He demonstrates how the domestic terms of trade directly influence farming incomes, food prices, wage differentials between farm and non-farm employment, and the propensity for labour to migrate out of agriculture to urban areas for jobs (Evans, 1990: 75). Improvements in the rural terms of trade can, however, have differential impacts among farmers. Improving the rural terms of trade leads to higher food prices which benefits surplus producers, but it may certainly be detrimental to the rural landless and smallholders who are net purchasers of food. Thus, the effect of any improvements in the rural terms of trade does not automatically benefit all food producers, and "to a great extent, the final outcome depends on the pattern of land ownership" (Evans, 1990: 8).

But while shifts in the terms of trade have been considered the main influencing factor in rural-urban dynamics, improvements in favour of rural producers may not have the desired effect of increasing food and other agricultural output unless other constraints are removed, such as inadequate roads and transportation services, the maldistribution of inputs, the ineffective operation of marketing systems, and the malfunctioning and inefficiency of other agricultural support services (Evans, 1990: 9).

A central consideration with any discussion of rural-urban dynamics and relations in Africa over the last decade must be contextualised within a wider framework of political and economic constraints and possibilities. The 1980s have been described as the "lost decade" for Africa and, with few exceptions, the continent's development efforts have been overshadowed by, *inter alia*, debt, internal strife, drought, declining terms of trade, agricultural decline, falling real incomes, unemployment, and widespread poverty. This deterioration must also be seen against a backdrop of SAPs dictated by the International Financial Institutions (IFIs), and which are ostensibly designed to stimulate ailing economies. "Structural adjustment lending and its associated conditions have forced governments to devalue their currencies, to cut state expenditure, including the reduction or removal of subsidies, to reduce direct state involvement in economic production and to promote exports of primary products in order to service their debts and pay for imports" (Simon and Rakodi, 1990: 250). SAPs have had dramatic effects on African economies, and government belt-tightening measures have been felt by the poor in particular, as the traditional safety nets have been drawn in to satisfy the demands of the IFIs. It is beyond the scope of this chapter to detail the implications of SAPs on African economies and this has been done elsewhere (see, for example, Gibbon, Bangura and Ofstad, 1992; Gib-

bon, 1992). The intention here is to briefly highlight selected aspects as they relate to the rural-urban economy.

It should be stated at the outset that the adjustment packages have had differential impacts and that particular urban classes including the poor, formal sector industrial workers, lower-to middle-level civil servants, and school leavers have been most seriously affected.

Between 1980 and 1990, average real incomes in Africa plummeted by more than 25 per cent (*Africa News*, 1991: 2). This statistic, however, does not correctly reflect the extent of apparent impoverishment, either by location or by class. In Zaire, for example, the absolute poverty line is defined as the threshold at which household income can barely cover basic needs such as nourishment, clothing, shelter, health care and education. On this basis, in 1989, 80 per cent of the *rural* population lived in absolute poverty (Economic Commission for Africa, 1991: 7). In Ethiopia, the absolute *urban* poverty threshold for households was estimated at 238 Birr (approximately US\$ 114) per month. Data from 1988 for nine secondary towns show that the levels of poverty among households ranged from 69 per cent to 86 per cent of all urban households! (World Bank, 1989: 162).

Similarly, most classes have seen dramatic declines in their living standards. Real incomes in the modern industrial sector have declined precipitously, as have job openings. The once much vaunted industrial labour aristocracy is now becoming part of what can be termed the "new poor" in Africa and "a process of de-industrialisation appears to have started in the region" (Diejomaoh and Vandemoortele, 1990: 64).

Moreover, the safe haven of government employment is rapidly becoming a myth, particularly for lower-level civil servants. In the 1970s, government became the employer of "last resort" which resulted in over-expansion of employment in government service. Since then, however, recession and the imposition of SAPs have forced many governments to severely curb recruitment and, in addition, many thousands of state employees have been retrenched or, if fortunate enough, retrained (Diejomaoh and Vandemoortele, 1990: 64-65).

Finally, employment opportunities for school leavers are becoming harder to find. Part of the explanation for this would appear to lie in the rapid expansion of secondary school education in a number of countries, associated with government job cut-backs. It has also become part of conventional wisdom to assume that educated job seekers are more willing to experience a period of unemployment and wait until the "right" job comes along, rather than take "any" job. In the context of a constricting labour market and falling real incomes,

however, this assumption may have to be revised and reinvestigated to assess its validity.

The foregoing portrays a bleak situation for Africa's population. Yet despite the very real constraints and enormous hardships involved, the indications are that people do adapt and survive. Rather than passively accepting their fate, much of the evidence would suggest that a sense of resilience and dynamism is emerging as rural- and urban-based individuals and households adopt an often complex array of adaptation and coping strategies which involve the utilisation of rural-urban links, including the opportunities provided by small towns.

Increasing agricultural prices and the withdrawal of the parastatal and private monopolies have, in many areas, created new opportunities for entrepreneurship and initiated a process of small-enterprise development. This, however, is a process which takes much longer than does a reduction in employment in large enterprises. The justification for the growth of the small-scale sector must be its relative efficiency in the distribution and production system. The basis for this efficiency is its close access to the rural and low-income market, and its ability to draw on and utilise resources which generally are not available to large enterprises.

Small enterprises, therefore, cannot be a substitute for an efficient large-scale sector which, where there is a readily accessible market for its products and services, is likely to be more efficient. The small-enterprise sector primarily develops in response to the development of the large-scale sector. It expands in areas where large enterprises operate most inefficiently. Consequently the small-scale sector is not likely to be a labour sponge absorbing all the excess labour. Still, it may absorb a considerable amount of labour, but it is not likely to be the answer to the unemployment problem.

When the large-scale sector withdraws from functions which it does not perform efficiently (as dictated by SAPs and the economic crisis) this creates space for an increase in the small-scale sector. This, however, produces a rather limited growth. Only an expansion in the rural economy is likely to provide a permanent basis for growth of both the small- and large-scale sectors.

One of the problems with the export-orientation strategies favoured by the SAPs is that, just as with import-substitution strategies, it defines itself in terms of the technology and product structure of the industrialised world and large town economies, and does little to develop and industrialise the rural economy.

An industrialisation policy in Africa must be one of rural industrialisation. Such a policy should strive for marginal increases in the

productivity of agriculture and small town activities in production and distribution. This, of course, does not mean that one should abstain or withdraw from developing export-orientated production, which is obviously needed in order to satisfy foreign exchange needs. But it does mean that there should be more focus on the development of clearly market-orientated small-scale enterprises in distribution, services and production, rather than on very large enterprises and the very small subsistence or semi-subsistence non-farm activities which most governments and donors have tended to favour. At the same time, this means that the focus should be shifted away from both large towns and villages to small towns.

A SUMMARY OF THE CONTRIBUTIONS

Theoretical approaches

Two chapters outline the conceptual and theoretical contexts regarding the role of small towns in development. Although there are many similarities between the two chapters, they view the theoretical material from different perspectives.

David Simon argues that development analysts and planners should adopt an holistic perspective when dealing with small towns and rural development, in contrast to the situation at present where the focus is on actual settlements and physical planning. Small towns and rural areas must be viewed as elements of wider regional, national and international systems, and factors such as the impact of global restructuring and the debt crisis, which have profound effects, should be taken into account. The principal focus of this chapter is on the need to embrace recent paradigm shifts and changes in respect of spatial planning and policy. The theoretical discussion is contextualised by the example of Namibia.

Anders Ærøe argues that small towns play a decisive role in the regional development process and that regional policies should include support to local production networks agglomerated in the regional towns which service local and national markets. An assessment of the production and employment potentials in each industrial sector and each region should provide the basis for more selective regional and urban development policies. Ærøe discusses the relevance of five different theoretical approaches towards the role of small towns: the growth pole approach and the dependency approach (introduced in the 1950s and 1960s), the functionalist approach, the territorial approach and the "economy of affection" approach, which have all been introduced since the mid-1970s. His chapter concludes with a dis-

cussion of Makambako, a small but growing Tanzanian town which, according to Ærøe, has become the "Klondike" of Tanzania.

Rural-urban linkages

The second section of the book focuses on the linkages of small towns to both rural areas and larger towns.

Hassan Abdel-Ati discusses the development of Sinkat, a small town in the arid, mountainous and relatively isolated Red Sea Province of Sudan. The role that Sinkat plays for the nomadic Beja, who live in its hinterland, is analysed. He reveals that the town has had a limited impact on the rural Beja, but that some positive features include the provision of centralised social, welfare and administrative services. Overall, however, the developmental impact of Sinkat on its hinterland has been modest and future prospects are not encouraging. Access of the rural population to town services is hampered by difficult terrain, poor transport, the mobility of the Beja nomads, as well as traditional Beja attitudes which restrict the use of such services. Finally, the depletion of the resource base (for example, wood and livestock) in the hinterland, and the comparative advantage of Port Sudan, the primate urban centre in the province, have meant that Sinkat has lost important natural resource-based activities, and marketing and transportation functions. The main function of Sinkat is now as a refugee centre for the drought-affected nomadic population, and the town has developed as a major relief centre for both governmental and non-governmental organizations.

Peter Little examines a little-explored phenomenon, the importance of climatic seasonality in shaping economic and social linkages between rural populations and small towns in southern Somalia. Marked seasonal changes in rainfall and productivity in the region result in considerable movements of livestock and people. Under such conditions certain settlements "close down" on a seasonal basis, and the roles of towns as markets and suppliers of inputs to rural populations change dramatically during the year. Certain urban-based businesses and traders actually move out seasonally into range areas to pursue pastoral customers. The effect of these processes is that rural-urban linkages tend to be extremely fluid and unstable. The process is further complicated by the decline of official markets and the prominence of unofficial trade in Somalia which favours certain small towns over others. By looking at the seasonal dimensions of rural-town linkages with regard to marketing, investment, and the provision of inputs and services to herders, Little demonstrates the positive contributions of small towns to rural productivity and devel-

opment, as well as some of the negative aspects of rural–urban linkages.

Poul Ove Pedersen takes a sectoral view of the agricultural processing and marketing functions in two of Zimbabwe's new district service centres. In Zimbabwe, as in many other African countries, agricultural processing and marketing functions have traditionally been centrally controlled through the marketing boards and are, therefore, little developed in small towns. Pedersen investigates the potential for future development of the sector in Zimbabwe's small towns. He discusses especially the importance of the parastatal pricing mechanisms of government allocation procedures for scarce production inputs and foreign currency, and of the branches of large national enterprises (both parastatal and private) which play an important role in the small towns of Zimbabwe.

In many parts of Africa, certain ethnic groups have developed particular skills (and reputations) as entrepreneurs; the Igbo in Nigeria and the Chagga in Tanzania are examples. Jonathan Baker discusses one ethnic group in Ethiopia, the Gurage, who have developed a particular acumen in trading and business affairs, and have assumed a dominant position as small to medium-sized entrepreneurs in towns and cities in Ethiopia. While the case study draws on material of the Gurage in Addis Ababa, there is little doubt that similar patterns of Gurage entrepreneurial dominance are to be found in smaller towns in Ethiopia. Baker indicates how historical factors and influences have played a decisive role in shaping the present economic position achieved by the Gurage. He also shows how urban-based Gurage maximise their economic opportunities and enhance their status by maintaining close links with their rural areas of origin. Finally, he documents how the Gurage, despite the turmoils of the Mengistu period with its emphasis on central planning, preference for state-sector activities and general neglect of the private sector, have survived and even thrived as urban entrepreneurs.

Entrepreneurship

The third section has three chapters on the role of entrepreneurship in small town development.

Elvyn Jones-Dube investigates the extent to which entrepreneurs in Botswana, both indigenous and non-indigenous, have contributed to small town development. She provides a historical account of entrepreneurship in Botswana and shows how local Botswana entrepreneurial initiatives were persistently suppressed throughout the colonial period. She demonstrates how non-African entrepreneurs

(Europeans and Asians) acquired much of their present wealth from Botswana's rural areas and small towns but re-invested very little of their capital there, preferring instead to invest in larger urban areas or, more often, outside of Botswana. The first modern generation of indigenous Botswana entrepreneurs have tended to pursue secure money-making options, with a quick return, and have, for example, been involved in bottle stores, petrol stations, transportation and construction. The manufacturing sector has been left in the hands of foreigners or Europeans and Asians born in Botswana. The Government of Botswana has taken several decisive steps towards fostering rural and small town development and is eager to expand Botswana's economic base, but realises its limitations. Consequently, the Government has made it clear that while it is willing to assist, the private sector must take more responsibility for Botswana's development, including that of small towns and rural areas.

Jesper Rasmussen discusses the entrepreneurial milieu in the small Zimbabwean town of Masvingo, and shows how it influences the behaviour of individual local entrepreneurs. Using selected case studies of successful individual entrepreneurs, he illustrates how local linkages and well-functioning networks can provide the conditions for these successes. But he also makes the important point that entrepreneurial strategies are not necessarily preconceived; often it is a matter of grasping opportunities when they appear.

Sally Burrows reviews urban development processes in Ghana and discusses some of the reasons why smaller towns are experiencing growth rates which are in excess of the national urban average. Further, she emphasises that the government's decentralisation policies are likely to stimulate the economies of small urban centres considerably. Burrows then proceeds to investigate the role of selected indigenous non-governmental organizations (NGOs) in supporting the activities of small enterprises in small towns and rural areas. She indicates that government support to small enterprises has been limited, but suggests that NGO interventions have enormous potential to assist small enterprises at the rural-urban interface.

Living conditions and labour markets

Three contributions address issues relating to labour markets, how people perceive of their living conditions and the measures they adopt, or might adopt, to improve them.

Gunilla Andr rises a number of very significant issues relating to wage-labour formation and its instability as a base for urbanisation in the context of the two north Nigerian towns of Kano and Kaduna.

The backdrop for the study is the recession in the textile industry in the 1980s which led to a massive loss of employment and dramatic declines in real incomes for textile workers. Faced with a severe deterioration in job security and incomes, Andr documents the options open to textile workers, the majority of whom are first-generation urban wage workers. While she reveals a number of differences between the textile labour forces in the two towns, as well as some important distinctions between the structures and histories of these urban centres themselves, one common characteristic shared by both sets of workers is access to rural land. In both towns, over 70 per cent of the interviewed workers stated that they owned agricultural land in rural areas. Andr, however, questions the extent to which this agro-link can be utilised as an option to urban employment. Her findings and the issues she addresses regarding the rural links of urban workers have relevance not only for Nigeria but also for many other parts of Africa.

Margaretha von Troil analyses the relationship between rural and urban life based on research in Tanzania. The notion of political idioms versus real life situations is considered on the basis of interviews with Tanzanian peasants and workers, particularly bearing in mind the relevance of such idioms for their choosing rural or urban life. The historical setting for the analysis is the period of economic recession and crisis which followed an era of optimistic self-reliant ideology, and which finally led to an agreement with the International Monetary Fund in 1986. The situation of villagers in Mtwara, in southern Tanzania, who look for chances to migrate to places where they can get a paid job, and the situation of urban workers in the northern Tanzanian town of Arusha represent, according to von Troil, two sides of the same coin. To bridge the gap between the isolated rural community and the anonymous urban environment, there is a need for mixed rural-urban communities where it is possible to preserve the idiom of tradition and to combine this with career development and the improvement in the quality of life.

Mogens Holm presents an empirical analysis of rural-urban links viewed in the context of the small town of Makambako in southern Tanzania, which forms the empirical component of Anders re's chapter which has already been reviewed in this introduction. The two approaches to the town adopt different perspectives and complement each other. Holm views migration to Makambako as a complex issue. He considers migrants as resilient and endowed with surplus resources, and as exhibiting rationality in their decision-making. This is illustrated by the way in which strategies are adopted which maximise the economic benefits accruing from the utilisation of ru-

ral-urban links. Moreover, migrants are careful to maintain rural kinship and family networks, to participate in rural ceremonies, and to retain access to a rural *shamba*. But Holm does not see rural-urban networks as benefitting only urban migrants; such links are mutually beneficial for rural and urban dwellers alike.

Urban agriculture

The final section of the book includes four chapters discussing various facets of the urban food system.

Although food is the most important item of expenditure for low-income households, information as to the structure and nature of urban food distribution systems is very sparse. This contrasts markedly with research information on that other important basic need, housing. Thus, David Drakakis-Smith attempts to fill some of the lacunae in this neglected, but vital, area. From the limited literature it would seem that there are three principal sources of food for the urban poor: the conventional retail sector, the informal supply system, and self-supply through urban gardening. Drakakis-Smith's chapter begins with a review of the literature concerning urban food systems. This is followed by an analysis of the findings of the first stage of an investigation of the food supply system in Harare, Zimbabwe. Later stages of the work undertaken by Drakakis-Smith will use a similar framework to examine the situation in smaller towns and rural centres. This should provide some very valuable insights as to how food supply systems function at the rural-urban interface.

M.R.S. Mlozi, I.J. Lupanga and Z.S.K. Mvena describe the development of urban agriculture in Tanzania, drawing on data collected in six towns. This comparative approach makes their contribution especially valuable. The authors describe the reasons for the emergence of urban agriculture in Tanzania and state that it is largely practiced as a survival strategy to earn or supplement incomes as a consequence of the near collapse of the economy. It is not only the poor who engage in such activities, but also includes the middle classes who, as a result of dramatic declines in their real incomes, engage in poultry and dairy production to supplement incomes. The authors identify a number of factors, in addition to the economic, which encourage urban food production. The majority of the urban poor, however, face constraints in practising urban agriculture such as lack of land, inadequate financial resources, and lack of water for irrigation. Moreover, even when food is produced, cultivators face a number of additional problems including theft of production, restrictive government regulations, crop pests and disease. The chapter

concludes with a number of recommendations to assist urban agriculturalists including government support and access to credit. The authors predict that "urban agriculture will be around for a long time until the traditional employment and income generating patterns of rural and urban areas are restored".

Jerome Gefu presents a very specific case study of how urban-based university staff (both academic and non-academic) in Zaria, Nigeria, supplement their incomes through part-time farming. Although part-time farming predates the implementation of a structural adjustment programme in Nigeria, Gefu states that the phenomenon has increased as a result of deteriorating economic conditions. This finding is not unexpected and is confirmed by the data in the chapter on Tanzania by Mlozi, Lupanga and Mvena. Gefu indicates, however, that the economic returns to part-time farmers are small and such an activity is characterised by diseconomies of scale and low profit margins. Despite this, most of the respondents in Gefu's survey considered part-time farming as a worthwhile activity as the operating costs could be disbursed gradually. Some respondents also planned to increase the scale of their operations to benefit from economies of scale.

Jossy Bibangambah's contribution is thought provoking and provocative. He rejects many of the arguments in favour of the informal sector, and expresses the view that much of the argument for the informal sector has tended to be based on the essentialist approach. He suggests that we need to transcend justifications based on mere survival which is a secondary rather than a primary cause of the growth of the informal sector. In the case of Uganda, Bibangambah argues that the growth of the informal sector is part and parcel of extended structural decline and socio-economic decay caused by vicious circles of shortages-inflation-shortages. Further, he makes the point that the ruralisation of urban centres, "euphemistically called urban agriculture" simply represents a co-existence of rural poverty and urban decay. The present condition of urban Africa is an integral part of the African economic crisis. Bibangambah suggests that Uganda needs institutional and policy reforms to reverse the negative economic situation. He concludes on a somewhat positive note, and credits the present government of Uganda of moving in the right direction having liberalised trade and restoring much of the infrastructure.

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Conceptualizing Small Towns in African Development

David Simon

The 1990s have commenced with fundamental changes to the previously familiar delineations of global political and economic relations. The end of the Cold War and consequent international realignments are already having a major impact on even the remotest corners of the Third World periphery and hence on prospects for rural development in Africa.

It is pertinent to highlight several facets of this process here. First, resolution of many longstanding regional conflicts has already been achieved, for example, Namibia and Nicaragua, or is at least under negotiation, for example, in Afghanistan, Angola, and Mozambique. However, the problems of the Middle East still seem as intractable as ever and the consequences of the Gulf War can at present only be guessed at. Nevertheless, innumerable people in all regions of the South continue to suffer the debilitating effects of poverty, drought, famine, war, political repression, exploitation and debt.

Secondly, almost every form of "socialism" is being rolled back in the Third World as in Europe (Sidaway and Simon, 1990), with renewed emphasis on free markets, private enterprise and limiting the role of the state primarily to facilitation instead of direct production. Thirdly, as a result of the debt crisis, IMF and World Bank structural adjustment is the new orthodoxy in much of the Third World, and although second phase lending is devoting rather greater resources to social in addition to purely economic programmes, conditionality has become an increasingly important feature of both multilateral and bilateral aid.

Fourthly, the Third World is becoming structurally more differentiated, with some parts, most notably the Newly Industrializing Countries (NICs), becoming more closely incorporated into the core international circuits of capital and commodities. Juxtaposed to this growing semi-periphery (or semi-core) as it is sometimes styled, is a process of increasing peripheralization, most marked in much of Sub-Saharan Africa (SSA) (O'Connor, 1991; Simon, 1989a). For many Africans, conditions today are no better, and in some cases worse, than at independence. Fifthly, we need to begin the task of reconceptualizing our analytical frameworks and labels in order to take account of these dramatic stresses and changes. For example, categories

such as First, Second and Third World are now losing their utility, even in structural terms.

What, though, has all the above to do with small towns and rural development in Africa? Simply this: critical analysis and development planning at all scales must be holistic and interrelated. Narrow concern with a particular category of human settlements or with purely physical planning is no longer tenable. The days of the simplistic technical "fix" are over. Although many vested interests still peddle such solutions, they have been widely discredited, and have contributed in no small way to current problems and dependency. The crisis of African under-development is so profound (for example, Save-the-Children-Fund, 1988; O'Connor, 1991; Onimode, 1988, 1989) that new thinking and new approaches are required.

The objective of this chapter is deliberately provocative in arguing for just such a new perspective on the position and role of small towns, with particular reference to Africa. There are two principal elements to this. Firstly, the impacts of the global restructuring outlined above are not restricted to metropolitan areas; they are profoundly affecting the rural population and inhabitants of small urban centres, who form the vast majority of Africans. Some aspects, for example higher agricultural producer prices, improved access to credit or promotion of small scale business, are generally beneficial. Others, such as the withdrawal of certain subsidies and non-remunerative services as part of public expenditure cuts, or the increased pressure on marginal environments, have been deleterious. Overall, economic and social differentiation appears to be increasing.

At the same time, Jamal and Weeks (1988) show that rural-urban wage differentials appear to have diminished markedly, mainly as a result of deteriorating urban conditions. Their study also underlines the results of much other migration research in pointing out that the wage gap is not the sole determinant of rural-urban migration, which is commonly still rapid. However, if urban conditions and prospects deteriorate sufficiently, as occurred in Accra and other major Ghanaian cities during the mid-1980s, urban-rural (return) migration flows can become significant. The implications of this for rural areas will vary according to local circumstances.

In a different context, changing conditions for large scale international migration of unskilled and semi-skilled labour can precipitate major rural development crises for sending countries, as happened in southern Africa from the mid-1970s onwards (Simon, 1989b). Nigeria's summary expulsion of some two million foreign West Africans in 1982 is another case in point.

Space precludes more detailed consideration of these issues here,

but the important conclusion is that analysts and planners must conceive of small towns as part of wider national, regional and international systems. Moreover, their concern must ultimately be people-rather than place-centred. However interesting in themselves, places are inanimate; the focus should be on those people most in need of assistance, i.e. the rural and urban poor.

The second element of my argument, on which this chapter concentrates, relates to the necessity for the new perspective to embrace recent paradigm shifts in the conceptualization of spatial (regional) planning and policy.

As a final introductory point, I do not intend to cover old ground in re-examining the question of what constitutes a small town. I have no watertight definition to offer, no uniquely useful statistical threshold. We are all well aware of the problems and limitations of these, not least in making international comparisons: if the Peruvian urban threshold were applied to India, for example, the latter would be a very highly urbanized country (UNCHS, 1985; Hardoy and Satterthwaite, 1986a). Equally, a number of African capital cities, including Banjul, Bujumbura, Gaborone, Kigali, Maseru, Mbabane, and Windhoek, have populations of under 150,000, and would therefore be regarded as small or intermediate cities in other societies. My approach is therefore essentially functional and relative rather than absolute, embracing centres which are small in the context of their respective national urban and economic systems.

CHANGING PERSPECTIVES ON REGIONAL PLANNING AND THE ROLE OF SMALL TOWNS

In one form or another, regional policy has acquired almost universal legitimacy as an element of development planning since the 1960s, reflecting the changing fashions and paradigms of its advocates and detractors. It has therefore been seen variously as a promoter of modernization, as a means of attaining territorial integration, as an ineffectual and often expensive sop, and as a tool for legitimizing the status quo under often undemocratic regimes. The respective strategies can be divided into broadly "top down" and "bottom up" categories. Each contains examples from both the neoclassical and various political economy traditions. Regional development is now generally accepted as having achieved only very limited success in promoting spatial integration and equity. This has generated great debate in recent years as to whether only the effectiveness of the instruments or the entire conception of space underlying "spatial policy" has been

at fault. Yet, the neoliberal development policies of the new orthodoxy being promoted by the World Bank, regional development banks, USAID and similar agencies contain only a diluted regional component, styled "decentralization" and taking little account of these important debates. Further details can be found in Simon (1990), on which the following section is based.

"Top down" regional policies and growth centre strategies

A common feature of much of the neoclassical and Marxist literatures is the predominance of "top down" analysis and planning. Relevant aspects and shortcomings of these will be traced here, with particular reference to the role of growth centres, a generic term for selective urban investment, which often includes small towns.

The need for some form of state intervention ("planning") to promote development has long been accepted by all except conservative neoclassical economists, who argue for a *laissez faire* policy, relying solely on market mechanisms on the grounds that intervention would be economically inefficient and thus detrimental to growth. The increasing importance of development planning was reflected in the rapid inclusion of an explicitly spatial planning dimension in the Five Year Plans of virtually all Third World countries during the 1970s. The policy prescriptions almost invariably involved the designation of a set of growth centres at one or more levels of the urban hierarchy in each demarcated region, coupled with a package of incentives to attract the desired investment. Most initial strategies focused on industrial expansion in a small number of large growth centres. Some countries also introduced disincentives in order to discourage further expansion of existing metropolitan cores.

If energetically applied, these measures were felt capable of overcoming centralized political and economic forces vested in the metropole, thus diffusing "development" through the national space. In the light of experience, there have been many attempts to improve the tools for promoting decentralization and diffusion. These include a second, more sophisticated, generation of growth centre strategies which are integrated across sectors and more directly related to overall national development policies (Appalraju and Safier, 1976). A number of variants of such explicitly "spatial policy" now exist, styled "national urban development strategies", "national urban policies" and the like. Whereas initial strategies focused on the promotion of propulsive growth in a few large cities, a principal objective of the more recent ones has been to curb continued metropolitan growth in favour of small and intermediate urban centres, sometimes as an ele-

ment of rural development. Among the suggested potential contributions to spatial equity and national development which such lower order centres can fulfil under the right conditions, are:

- improved access to services by their residents and those of surrounding rural areas;
- better provision of shelter and physical infrastructure to improve mobility and access to markets;
- promotion of agricultural diversification and the production of surpluses;
- stimulation of small scale and labour intensive industry;
- better utilization of local resources, and
- retention of population who would otherwise migrate to large centres (for example, Banerjee and Schenk, 1984; Hardoy and Satterthwaite, 1986b; Mathur (ed), 1982; Renaud, 1981; Rondinelli and Ruddle, 1978; Rondinelli, 1983a, 1983b, 1983c; UNCHS, 1985).

The costs of providing shelter, infrastructure and "social overhead capital" such as education and health facilities, are often claimed to be lower in intermediate cities outside metropolitan areas, although Richardson's (1987a: 221–30) recent comparative study shows that lower per capita costs are partially offset by increasing costs with distance from the core region. In remote small towns, the latter may actually outweigh the former.

The "redistribution with growth" school of thought adopted by the World Bank and ILO, in particular, during the early and mid-1970s (Chenery *et al.*, 1974) was also influential in this regard. Its objective was to reduce societal inequality by favouring the poor through investment in appropriate sectors as the economy grew. Several possible mechanisms existed, centred on growth maximization, redistribution of investment, of income or of existing assets respectively, but overall economic efficiency and growth were not to be sacrificed. Although rural development was stressed, this was very much still a "top down" approach (Dewar, Todes and Watson, 1986: 73–85).

Recent empirical research has revealed that small and intermediate centre strategies have generally been inadequately focused and poorly implemented. This is due in part to the persistence of the master plan mentality in Third World state bureaucracies, whereby the emphasis has been on physical planning, to the neglect of economic and social relations. Blanket measures are also commonly applied across the set of "target" centres without taking due account of specific local conditions in each case. External advice and assistance often still draw on inappropriate Western concepts and experience, while

few expatriate consultants spend long enough in the field to familiarize themselves with individual centres.

Crucially also, the implicit effect of many existing aspatial government policies relating to the economy and pricing of agricultural and basic commodities, tax structures, sectoral investment priorities and centralized political control at the expense of local authorities, continue to favour metropolitan core regions, thus undermining efforts to promote smaller centres (Blitzer *et al.*, 1988; Choguill, 1989; Hardoy and Satterthwaite, 1986b, 1988; Hinderink and Titus, 1988; Renaud, 1981; Richardson, 1987a, 1987b; UNCHS, 1985).

Nevertheless, various related genres of decentralization policy, geared to facilitating the wider distribution of infrastructure and services across the national space, have become the new orthodoxy of international agencies and donors. Most rely on similar conceptual underpinnings to growth centre and integrated rural development strategies, are totally eclectic or are atheoretical, deriving their inspiration from the current obsession with debureaucratization, deregulation, privatization, individual freedom and "choice". A recent example of such flawed analysis is provided by Rondinelli *et al.* (1989).

It is worth noting two further points about small and intermediate urban centre strategies. Firstly, despite their focus on urban dispersal, decentralization or deconcentration, such policies generally remain "top down", being articulated and implemented from the political centre. Secondly, these objectives have not been the sole preserve of Western countries and basically pro-capitalist Third World states. Many socialist states in eastern Europe and the Third World have implemented similar strategies, albeit legitimized in different fashion and sometimes better articulated with other elements of territorially based development (Sidaway and Simon, 1990; Slater, 1978, 1982; 1987; Susman, 1987).

From the foregoing analysis it is evident that "top down" planning, or development from above, has seldom been successful, even where sufficient time has elapsed to permit evaluation of the overall impact of programmes initiated 20–30 years ago. Especially in Africa, modern "development" is often still restricted primarily to a limited set of urban centres and their immediate surroundings.

Conversely, inter- and intraregional disparities in material well-being have generally not declined, and may actually have increased. The poorest regions are sometimes worse off today than before. "Place poverty" and "people poverty" are often still being inadequately distinguished or are even regarded as synonymous.

Moreover, superficially similar investment programmes can have very different outcomes according to the ideological and institutio-

nal frameworks within which they operate, and the degree to which they are integrated with direct agricultural promotion (Banerjee and Schenk, 1984). If rural development is the object, direct investment in small rural centres and agriculture would be more appropriate as two elements of strategy rather than concentrating resources at the regional level (Gilbert and Goodman, 1976; Krebs, 1982; Wong and Saigol, 1984; see also below). For a variety of reasons, however, growth centre strategies remain conceptually appealing to governments.

A general shortcoming of the conventional "spatial development" paradigms and political economy literatures is the way in which they separate space unacceptably from other social, economic and political spheres. By so doing, space is implicitly and incorrectly regarded as having causal powers. This "incomplete relational concept of space" undermines not only the theory but also policies derived from it. The gulf between rhetoric and reality is often great (Gore, 1984; Slater, 1989a, b). Even among geographers in the Marxist tradition, who see space as but one dimension of modes of production and their attendant relations of production and outcomes, there has been debate about how far the spatial aspects of capitalism can be considered without abstracting space from its relational context and thus implicitly according it autonomy and causal efficacy (Forbes, 1984: 118–119).

Much of the relevant political economy literature on underdevelopment and regional devolution and cultural issues in the Third World has comprised critiques of existing practice and the refinement of alternative theoretical frameworks. There is remarkably little material suggesting concrete strategies derived from these or, indeed, evaluating those which have been attempted in socialist states (Sidaway and Simon, 1990). One interesting exception is Coraggio's (1975) spatial application of dependency theory, which focuses on the role of growth centres in creating new points of surplus extraction in peripheral areas, thus promoting underdevelopment in dependent space economies.

Gore (1984: 197–198) argues that such applications are extremely difficult to operationalize since the flows of surplus being extracted are difficult to trace; because market prices are not a reliable indicator of "value"; and since the transfer of surplus carries no necessary implication that the recipient region(s) will grow faster. Like the spatial development strategies discussed earlier, this approach therefore suffers from an incomplete conception of space.

Dependency and underdevelopment theory in general, and the work of André Gunder Frank and Samir Amin in particular, have been severely criticised on both empirical and theoretical grounds (for

example, Schiffer, 1981; Smith, 1980). Recent efforts in this mould have explored more sophisticated forms of analysis of regional problems, embodying critical political theory (for example, Slater, 1989b). However, there is seldom a direct and practical alternative policy dimension to such work.

"Bottom up" strategies

Whatever the precise mechanisms and degree of state involvement, all permutations of "development from above" are predicated on the supposed outward and downward diffusion or extension into the periphery of innovations, development or exploitative relations of production from core regions of urban industrial concentration and capital accumulation. The strategies are conceived, organized and implemented from the centres of political and economic power, often with little if any regard for the views and interests of supposed "target" areas and groups.

Growing disillusionment with this approach has centred on its assumptions and methods, and its general failure to achieve results commensurate with expectations or the resources allocated. Further problems have been regional resistance to the continued central domination and "cultural imperialism" usually thereby implied, the general concern in reality with economic growth ahead of development, and the continued poverty and powerlessness of the majority of Third World inhabitants, both urban and rural. During the 1970s, many social scientists therefore searched for meaningful alternatives which would focus first and foremost on the poor, those who were being bypassed or further exploited and impoverished by existing patterns and relations of production.

Development from below embodies a range of supposedly "bottom up" strategies which profess to being people-centred in a manner diametrically opposite to "top down" policies. Hence, the object of many of these so-called basic needs strategies is to provide the poor with the minimum levels of nutrition, safe drinking water, shelter, hygiene, health, literacy and so forth to enable them not merely to survive but to improve their own circumstances. This involves harnessing local potential, resources and initiative for the benefit of the people themselves. Put simply, real basic needs strategies help poor people to help themselves (Streeten, 1980a, 1980b; Dewar, Todes and Watson, 1986; Streeten and Burki, 1978).

"Bottom up" approaches have increasingly been adopted in the work, for example, of the more progressive NGOs involved in international aid and development. Projects and schemes are generally

small scale, employ appropriate technologies and maximize utilization of locally available inputs. The degree of outside advice, assistance and aid varies, but success depends crucially on the local beneficiaries being actively involved and exercising a significant degree of control from the beginning. Ultimately, of course, they should be trained to take full control. Moreover, in the important ongoing debate over how to promote environmentally sustainable development, the crucial role of such small scale local community action by hitherto marginalized and exploited groups, has recently been recognized.

For some writers and organizations, the basic needs strategy is an end in itself, but other theorists and planners envisage it as a step towards national development. In a trenchant recent rebuttal of the growing disillusionment over the apparent failure of many basic needs strategies, Wisner (1988) argues that most governments and multilateral development agencies are guilty of devaluing the concept by continuing "top down" activity behind the rhetoric of helping the poor to improve their circumstances. The poor are thus reduced to being passive recipients of often inappropriate goods and services. This shopping list approach has reduced basic needs to a "weak" form in which the poor are still marginal. By contrast, "strong" basic needs requires that the poor be central. In essence, therefore, the poor must be *empowered*. This would involve fundamental changes to the status quo and the distribution of power within society, hence the reluctance of governments and agencies to implement strategies which would undermine their positions. Included as a "strong" or radical basic needs strategy is the Dag Hammarskjöld Centre's work on "Another Development", or more recently "Human Scale Development" (Max-Neef *et al.*, 1989).

In this context, it is worth making the point that even comprehensive rural development strategies, many of which include small service centres, and purporting to be "bottom up" are often not that at all. In one of the best known attempts at socialist development, Tanzania adopted an inward looking programme, loosening its dependence on unequal external trade and promoting a comprehensive, rurally oriented self-reliance programme of which the *ujamaa* villagization and collectivization schemes formed the centrepiece. Dissatisfied with the slow rate of voluntary action, the state became coercive, resettling large numbers of villagers and revealing the programme as a highly centralized state strategy aimed, as in so many other Third World countries, at capturing the peasantry and incorporating them into the dominant mode of production (Brebner and Briggs, 1982; Hyden, 1980; Kulaba, 1982; Maro and Mlay, 1979; Von Freyhold, 1979).

In addition to the loss of legitimacy engendered by coercion, another significant reason for the failure of ujamaa was—importantly for present purposes—the absence of an appropriate spatial component to the strategy. A single blueprint was implemented nationally, without regard to regional differences in environmental conditions, culture and social organization (Luttrell, 1971; Rakodi, 1990). There have been various attempts to elaborate basic needs in a spatial context, of which the best known is agropolitan development (Friedmann and Douglass, 1978; Friedmann and Weaver, 1979; Friedmann, 1980) and the related necessity for selective spatial closure (for example, Stöhr and Tödtling, 1978).

It is important to distinguish between planning focussed on *functional* integration of the space economy, whereby the resources of a region are exploited purely for their potential contribution to the wider economy, and *territorial* integrity, in terms of which a region's resources are developed for the benefit of the local population (Friedmann and Weaver, 1979; Stöhr, 1981; Weaver, 1981). By definition, therefore, basic needs strategies such as agropolitan development fall into the latter category. Although functional regional planning is commonly "top down" and territorial regional planning "bottom up", these terms should not be regarded as synonymous or the two categories as mutually exclusive.

Agropolitan development, as elaborated by Friedmann and his colleagues (Friedmann and Douglass, 1978; Friedmann and Weaver, 1979; Friedmann, 1981), evolved from being "the spatial correlate of a strategy of accelerated rural development" to being "a basic needs strategy of territorial development" (see Gore, 1984: 164–169). Basically, it amounts to an integrated, locally controlled rural development strategy, in which each agropolitan district is centred on a town of 10,000–25,000 people and forms the basic unit of local government. District boundaries should encompass commuting radii of not more than 5–10 km, and coincide with "local communities of interest". The envisaged strategy is inward looking, involving a high priority on local self-sufficiency through development based primarily on agriculture. However, ancillary production of wage goods through light industry, replacement of generalized and unlimited "wants" as defined in conventional economic growth theory with specific limited needs, conservation of local ecosystems as part of development based heavily on local skills and knowledge, reduction of existing inequalities, and provision of social services and infrastructure, are also important. Communal ownership of productive wealth (presumably the means of production and output), and equalization of access to the bases for accumulating social power are required to ensure that

the whole community benefits. Large scale, capital intensive industries and facilities will also be necessary, but to avoid competition with agropolitan districts, they should be concentrated in enclaves in a strategy of "planned industrial dualism".

Although very few case studies of agropolitan development have appeared in the literature, the emphasis on empowerment of the poor qualifies the approach as a "strong" basic needs strategy, and is certain to suffer the same obstacles to implementation as those identified by Wisner (1988). More generally, territorial regional planning constitutes a method of ensuring locally appropriate development through the maximum mobilization of endogenous material, human and institutional resources. Key features embrace:

- enabling broad access to land and other key forces of production,
- evolution or revival of territorially organized structures for equitable communal decision-making,
- greater powers of self determination for local communities and areas,
- choice of regionally adequate and appropriate technology,
- giving priority to the satisfaction of local basic needs,
- enhancing the terms of trade for agricultural and other products of the periphery,
- local control over external assistance in cases where local resources and skills are inadequate in order to ensure compatibility with local objectives,
- restricting the production of exports to a level where the proceeds contribute to a broad improvement of local quality of life,
- restructuring urban and transport systems to improve and equalize access to them from all parts of the country,
- improving intra-regional and especially intra-rural transport and communications, and
- engendering egalitarian social structures and a collective consciousness (Friedmann and Weaver, 1979; Stöhr, 1981; Weaver, 1981).

Implementation of this approach invariably requires selective spatial or territorial closure, to help retain locally produced surplus and surplus value for local benefit, and to prevent the undermining of local initiatives by external competition, especially from the modern, capital intensive sector which benefits from economies of scale. Interaction can thus take place on the terms of the sheltered territorial unit. Unlike the very similar infant industry argument, no consensus exists as to whether closure should be a permanent or only a temporary

arrangement. Research has shown that selective spatial closure may have the effect of exacerbating social and economic inequalities, despite (or quite possibly because of) the retention of locally produced surplus value (Funnell, 1986). Development policies therefore cannot be solely spatial in nature.

Gore (1984) dismisses Friedmann and Weaver's notion of "the recovery of territorial life" as utopian, and their conception of territorial units as inadequate for understanding and planning the social world. Moreover, Gore sees territorial regional planning as rather less of a paradigm shift from functional regional planning than its proponents argue. Along with selective spatial closure and integrated rural development, all of which he labels "neo-populist" strategies, it suffers many of the same deficiencies as functional regional planning, especially "spatial separatism". However, Gore has in turn been accused of being both unfair and misleading in his critique, because the question of political and economic power is central through the focus on local control over resources and their allocation (Moudoud, 1988). As shown above, Friedmann certainly has been concerned primarily with empowerment of the poor.

The foregoing analysis has argued that most spatial policies for regional development have been conceptually flawed in their treatment of space in relation to other facets of the political economy, and because the relationships between different geographical scales of analysis and action have frequently been inadequately articulated. Empirically, regional planning has generally proved rather less than successful, not least because sectoral (or aspatial) policies, which often conflict with spatial strategies, can have far more powerful spatial effects than explicitly spatial measures.

Moreover, as Dewar, Todes and Watson, (1986: 157ff.) point out, development theory and spatial planning have by and large been isolated from each other. Notwithstanding the periodic paradigm changes, the thrust of actual spatial policies has remained remarkably consistent over time and between countries. Nevertheless, regional development policies are still promoted with zeal by many governments because of their great political utility in legitimizing the status quo (Gore, 1984; Slater, 1989a), especially in the increasingly conservative contemporary global climate.

The benefits of capital accumulation are not equally distributed and the pre-eminence of the state, not least in Africa, means that it has a major influence over the distribution of these benefits, usually in favour of its own constituency. The theory, rhetoric and practice of regional policy therefore need to be understood as integral facets of state policy within a theory of the state. Moreover, and perhaps para-

doxically, regional policies are often *explicitly* biased against spatially defined groups and *implicitly* biased in favour of socially defined groups (Gore, 1984: 262). State interventions are therefore seldom spatially neutral. Space is thus far from irrelevant, but it must not be treated in isolation, rather as an integral element of politico-economic and social systems.

IMPLICATIONS FOR THE STUDY OF SMALL TOWNS

I have argued that it is inadequate merely to analyze small towns themselves in order to determine their role in rural development. Exploitation and surplus extraction, diffusion and modernization, even at the level of the small rural town, are all part of wider processes, institutional structures and a larger canvas. Perhaps even more under current conditions of stress than previously, many of the critical parameters are set in regional or national capitals or even abroad, rather than locally. Yet many local phenomena do have an impact at these larger scales. These complexities and interactions are crucial to realistic analysis.

Whatever the precise nature of small towns and the role(s) assigned to them as part of rural development strategies, they form low order population and functional nodes in relation to particular institutional structures and hinterlands or service areas (local regions). However, there is a crucial difference as to whether these represent meaningful units for area-based (i.e. territorial regional) planning, or simply convenient low order units in a functional planning hierarchy. Are these local regions being treated holistically or in abstracted space? Is the institutional structure appropriate to decentralized development? Does the planning strategy genuinely seek to overcome current problems and restructure existing relations so as to empower the poor, or is it ultimately designed to increase the efficiency of the status quo? Will small towns promote genuine improvements in local living standards, or contribute mainly to greater exploitation? These questions require us to analyze regional problems, policies and actions not only from the perspective of the state but also from those of the respective towns and regions and locally based groups.

In developmental terms, the objective should be the formulation of multifaceted, integrated policies sensitive to different group and local needs and embodying the most positive elements of both "top down" and "bottom up" planning. In the contemporary world, neither of these polar opposite approaches alone will achieve the desired results. The guiding questions should be what mechanisms, for-

ces and structures determine the incidence of benefits and costs, and, secondly, who benefits, how, and where? The rationale of such an approach is to provide a comprehensive analytical framework which combines structure and human agency, thus providing the flexibility necessary to focus on the critical dimensions of a particular situation. Some selectivity will be required since it is clearly impracticable to undertake truly holistic and all-embracing analyses for all localities.

Empowerment of the poor is, by definition, a radical undertaking, hence few states can be trusted to promote their interests with vigour. Moreover, the provision of charity does not address the basic problems. Grassroots action must therefore ultimately be an important element of development. This is not to argue that the poor should be idealised; something which is all too common. No group of people is inherently superior, more honest or likely to wield power more benignly. What distinguishes the poor—however defined—is that they *are* poor, often in terms of both material and non-material resources. Few people become or remain poor if alternatives exist. For most, there are insuperable obstacles to improvement.

Development therefore implies, first and foremost, helping the poor to help themselves through enhanced access to the means of accumulating economic, social and/or political power. To this end, it is important that planners and development practitioners should work *with* the communities they seek to assist, not impose their own agendas on passive recipients.

Prior to the important Habitat report (UNCHS, 1985) and Hardoy and Satterthwaite's volume (1986b), probably the most noteworthy contribution to the burgeoning literature on small towns, particularly in Africa, was Southall's (1979) edited collection. Yet among the contributors only Kabwegyere on Kenya, and Ahmed and Rahman on Sudan really focus on the issues raised here. Comprehensive structural analysis of the role of small towns in rural development has been rare, as perusal of the very useful recent bibliography by Blitzer *et al.* (1988) confirms. A signal recent exception is Choguill's (1989) comparative study of Malaysia and Tanzania, which concludes that the necessary ingredients for success include appropriate agricultural policy as well as an adequate urban economic base, and an element of self-reliance in the provision of local urban services.

Furthermore, the all too common contradictions between aspatial and spatial policies discussed earlier, require resolution. Most studies of small towns continue to be largely descriptive or restricted to conditions and issues in individual centres. The quality and utility of such research varies widely, but it is clearly evident that many obstacles to effective, integrated, rural poverty-oriented policy remain

even some two to three decades after the introduction of development planning in most African countries. For example, Meekyaa and Rakodi (1990) show how the developmental role of small towns in Benue State, Nigeria, was restricted, at least until the mid-1980s, by infrastructural inadequacies, a problem rooted in poor communications and differing priorities as between state and local government, and the latter's inadequate revenue base. This echoes part of Choquill's argument.

Nevertheless, there has been definite progress in policy formulation in many countries over the last few years. Perhaps the most notable is Botswana's district-level rural development programme in which small towns play a key role (Jansen and Van Hoof, 1990), but that country is atypical in many respects, not least on account of its robust economic performance. More representative is Kenya's District Focus Policy for Rural Development which, while undoubtedly better integrated than, and an improvement on, its predecessors, serves primarily to decentralize offices of sectoral ministries in a highly centralized and authoritarian state (Evans, 1989; Rutten, 1990).

Against this backdrop, it is perhaps ironic that some of the new policies being implemented under the stress of second phase structural adjustment have the *potential* to engage rural communities more meaningfully than previous state-led development initiatives. Ghana represents the most obvious testing ground in Africa (Gould, 1990). It is, of course, far too early to judge outcomes with any confidence, while the conceptual underpinnings of such programmes require close scrutiny. Much therefore remains to be done in catalyzing the potential of small towns for *real* local scale rural development. This requires a full relational conception of space, an understanding of relevant interaction at different scales right up to the international and, above all, clarity of objectives and a people-centred focus sensitive to indigenous values.

Applying the framework: the case of Namibia

Newly-independent Namibia presents an exceptional opportunity to apply these perspectives, especially in the communal areas where no local authorities currently exist. Virtually all the country's urban centres are small. Even Windhoek, the capital, would be classified as intermediate on most scales. However, no single urban development strategy would be appropriate nationwide because of the great diversity of environmental conditions, economic bases, infrastructural provision, historical experience, forms of local government, and population composition and their associated cultural values.

Structurally and historically, the most fundamental cleavage is between urban centres in the commercial regions, even though many of these are extremely isolated and peripheral, and those in the communal areas (former bantustans). For reasons of former apartheid policy, the latter present very severe planning and development problems. The communal areas, located mainly in northern Namibia, were regarded essentially as labour reservoirs for the white-controlled commercial economy. No proclaimed towns exist and there are no real local authorities, hence the provision of essential services and infrastructure is hopelessly inadequate. Land is communally owned and the larger settlements often embrace areas controlled by several headmen. Since they are responsible for land allocation, squatting in the technical sense is not widespread. However, the physical condition of dwellings is very variable, comprising a mixture of traditional huts and compounds, shacks and brick structures. A limited amount of formal housing also exists.

Notwithstanding some dense pockets, the overall density of settlement is relatively low compared with conventional low income townships because of cultural preferences, the land allocation system and the absence of formal planning or development co-ordination mechanisms. Levels of formal employment are low, comprising mainly government workers and a narrow range of commercial activities. Reliance on subsistence and informal activities, together with migrant labour, is high.

Significant dislocation of the population in northern Ovamboland, bordering Angola, occurred as a result of the bush war against South African forces. Consequently, the geography of human settlement has changed dramatically since the mid-1970s, drawn increasingly to areas around administrative centres and military bases and forming a ribbon along the main tarred road south. The twin towns of Oshakati and Ongandwa, about thirty kilometres apart, today form the nuclei of a single functional urban area of up to 100,000 people (recent estimates range from 80–150,000) in the heart of the region. Already very high rates of under- and unemployment have risen further since independence, as the economy was based largely on the South African war machine and administration. This is symbolised by the over 800 *cuca* (liquor) shops straddling the main road, which form the largest commercial sector.

Outside the former white enclaves, where the banks, post offices, police stations and other key services are clustered, the only other significant formal commercial activities are a few supermarkets, petrol stations and general dealers. Since commercial agriculture, a marketing structure for peasant surpluses, and industrial activity are

almost non-existent in northern Namibia, reliance on imports from Windhoek and ultimately South Africa is almost total. Notwithstanding these structural southward dependencies, Ovamboland's major interactions have traditionally been northwards with kin across the Angolan border. In recent years a more permissive official attitude to the informal sector was adopted and market sites were constructed in both towns.

Until the implementation of UN Resolution 435, which culminated in independence, the whole region had been a war zone, subject to night time curfew, military harassment and repression of the largely pro-SWAPO population, and strict censorship. Consequently, only now that normal life has returned, can any non-military research and planning be undertaken. No reliable data base of any description exists, let alone the range and depth of information normally required for urban and regional planning. Much basic reconnaissance and local consultation is therefore necessary as a prerequisite. The new government has promised to direct a large proportion of public investment to the region on account of its population concentration, lack of infrastructure and employment opportunities, but this will be a medium to long term commitment.

A new Regional and Local Government Act, defining the structures and powers of a uniform local authority system for the whole country, was due to be introduced in early 1991 but had still not been promulgated by mid-1992. During the legal drafting process, there has been much debate within government circles over appropriate forms of local authority for the communal areas, where conditions are so different from established towns in the commercial areas. The extent to which indigenous values and norms will ultimately be incorporated remains to be seen, but the government is generally not well disposed to leaving significant power in the hands of traditional leaders.

Given the urgency of urban problems, especially but not exclusively in Oshakati and Ondangwa, there will be strong pressure for the swift proclamation of towns. The prevailing official view seems to be that the proclamation of towns will require the alienation of defined townlands from communal to individual freehold tenure if conventional urban services and infrastructure are to be provided on a cost recovery basis. However, as yet there has been no real discussion of the issue, let alone of what alternative systems might serve the purpose without incurring the problems of private land rights.

Determination of regional and local authority boundaries was the responsibility of the First Delimitation Commission, which reported in June 1991. Contemporary principles of regional development, and the lessons of experience elsewhere informed the Commission's deli-

berations, while a nationwide consultation tour was undertaken. Each of the 13 new regions includes both communal and commercial areas, in order to facilitate national integration across the previous structural divide created by the bantustan system.

Namibia could become a pioneer in establishing and nurturing small urban centres which are locally appropriate rather than purely foreign implants, and which form an essential element of integrated regional and rural development programmes designed to transform a systematically underdeveloped periphery suffering increasing poverty and environmental degradation. This chapter has set out a suitable framework and highlighted some of the fundamental issues involved. Implementation would not be straightforward and would require a profound reorientation of the authoritarian, "top down", technicist tradition in which the current bureaucracy is steeped.

It would also need—and simultaneously assist—a major change in local political culture. In short, alienation, acquiescence and dependence must give way to what Friedmann and Weaver (1979) called "the recovery of territorial life". At present, however, it is doubtful to what extent awareness of the issues raised here and the political will on the part of the government to establish genuine "bottom up" mechanisms exist.

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The Role of Small Towns in Regional Development in South-East Africa

Anders Ærøe

The chapter discusses different approaches towards the role of the smaller towns in the regional development process in African countries. It is argued that the smaller towns play a decisive role in the regional development process and that regional development policies should include support to local production networks agglomerated in the regional towns which service the local and national markets. An assessment of the production and employment potentials within each industrial sector and within each region should give a foundation for more selective regional and urban development policies.

The arguments are divided into three parts. The first part of the chapter discusses five different theoretical approaches towards the role of smaller towns. The second part contradicts the theoretical debate with an empirical study of a small Tanzanian town. Concluding comments on the role of small towns in African regional development close the chapter.

THE REGIONAL DEVELOPMENT DEBATE

The debate about the role of smaller towns in regional development has been influenced by various regional development approaches during recent decades. It is, however, a common feature of these approaches that they wholly or partly neglect the spatial impact and the role of urban centres. This applies to theories about balanced growth (the factor mobility theory and the theory of comparative advantage) as well as to theories about unbalanced and divergent development (the product cycle theory, the theory of unequal exchange, the cumulative causation theory and the growth pole theory).

All these theories have, however, directly or indirectly given rise to approaches towards the role of urban centres in the regional economic development process, not least Perroux' notion of growth poles. The debate about the role of urban centres has furthermore been

influenced by the general theories about economic development in the Third World (Rostow's big push theory, the dependency theory etc.)—and by the actual development policies of each country.

The purpose of this chapter is to examine some of these approaches towards the role of the smaller towns in the regional development process with special focus on south east Africa.

African countries are in general characterized by a development which has not integrated the cities in their countryside. This development pattern has its roots in the pre-colonial and colonial functions of the cities. In the pre-colonial period, the economy of the cities was mainly based on long distance trade, and in colonial times on administration and trade. The role of the cities as centres for administration and services with few production activities has continued and even been further developed in the post-colonial era in most areas in Africa.

Despite the general neglect of the smaller towns in the national production structure in African countries, at least five approaches towards the role of the smaller towns can be identified in the development debate: the growth pole approach and the dependency approach, which were introduced into the development debate in the 1950s and 1960s, and the functionalist approach, the territorial approach and the "economy of affection" approach, which have been introduced since the mid-1970s. The discussions and critiques of the growth pole approach, the dependency approach and the functionalist approach have been presented frequently over recent decades; therefore, these three approaches will only be presented very briefly. The focus will primarily be on the last two.

The *growth pole approach* was introduced into the regional development debate by Hirschman (1958), Boudeville (1966), Friedmann (1966) and others, and by the early 1970s the growth pole approach dominated much of the regional planning in both developed and developing countries. The growth pole approach was a theoretical mixture of Perroux' (1955) and Schumpeter's (1942) concept of the propulsive firm combined with B.J.L. Berry's (1961, 1971) approach towards innovation diffusion. The dominant, but erroneous, idea in this approach was that economic growth could be introduced from the outside through an economic and technological injection. The smaller towns were regarded as spatial nodes for this diffusion of economic growth.

The *dependency or core-periphery approach* was introduced by A.G. Frank (1967) and M. Santos (1974), among others, as a reaction to the Rostowian modernization approach. The dependency approach had its hey-day during the 1970s. Frank, contrary to Rostow (1971), re-

garded economic development and underdevelopment to be opposite sides of the same coin.

Santos (1979) turned this general approach towards the relationship between spatial structures (centre-periphery) into a specific theory of urbanization. Common for core-periphery approaches was the concept that infrastructural development, also in smaller towns, allow for capitalist penetration into the hinterlands to outstrip local production.

Though the modernization approach and the dependency approach draw opposite conclusions, they can both be criticized for the following features: They regard development/underdevelopment to be introduced from the outside, and both approaches neglect local development dynamics.

The spatial structures are related to the question of development in the same way in the two approaches: Development or underdevelopment are directly related to the spatial structures and not to the social relations. They thereby separate space from social processes.

A third approach towards smaller towns can be labelled *the functionalist approach*, as it mainly discusses the functions of the smaller towns. The functions, particularly collection and distribution, are performed by hierarchically arranged centres (Prantilla, 1984). Christaller's (1933) and Losch's (1954) service centre theories (central place theories) and their focus on the dynamics of rural and urban linkages, laid the foundations for this approach which has been further developed in an African context by Rondinelli (1982, 1984a, 1984b), among others.

In his approach, Rondinelli focuses on the means to achieve an equal spatial development within nation states. He regards the functions of the smaller towns as playing a decisive role for a more diffuse or balanced pattern of urbanization and as an instrument of spatial development:

The potential for strengthening secondary cities to facilitate and promote urban deconcentration and widespread economic growth lies in the building of the functions that these urban centres already perform or could perform better with appropriate investments and supporting national policies (Rondinelli 1982: 16).

In Rondinelli's approach, small towns are thereby identified as playing a role different from that of smaller towns in the growth pole approach. Rondinelli's approach towards smaller towns has to be seen in the light of his own critique; the growth poles did not work as an instrument of spatial development, as they exploited their rural

surroundings and became enclaves instead of creating linkages to their rural surroundings (Rondinelli 1982).

Despite Rondinelli's critique of growth poles, his own approach has, however, ideological undertones of *diffusion* and *top-down planning*, and is not much concerned with local people's needs (Simon, this volume). Furthermore, Rondinelli's focus on the functions of smaller towns makes him neglect the overall economic and political environment for the development of smaller towns, though he highlights the role of agricultural development to provide a major stimulus for urbanization and for the economic diversification of the cities in many developing countries (Rondinelli, 1984a).

THE TERRITORIAL APPROACH

Friedmann's agropolitan approach towards territorial planning (for example, Friedmann 1988, Friedmann and Douglass 1978), and among others, Douglass (1988), Stöhr (1981) and Weaver (1981) all belong to this approach. The focus is not on smaller towns *per se*, but on a more holistic approach towards regional planning.

According to Friedmann and Weaver (1979), two approaches towards regional development can be identified: functional and territorial. Functional regional planning is characterized by development from above and is concerned with the location of economic activities in space and with the spatial organization of an urban system. The three approaches discussed so far (growth pole, dependency and functionalist) can all be identified as top-down approaches despite their different ideological points of departure. The territorial planning approach is a contrast to the functional approach. The approach focuses on a self-reliant development process with an integrated mobilization of human and material resources of specific historically defined regions (Gore, 1984). The agropolitan approach belongs to the territorial planning approach, and contrary to the three previous approaches discussed, the agropolitan approach focuses on rural development and on an egalitarian agrarian structure as preconditions for development (Friedmann, 1988).

Development from the agropolitan approach is understood as a set of territorial-based processes of valued social, economic and environmental change. From this overall development concept, the agropolitan approach has three principal provisions:

- As a *concept in socio-economic change*, agropolitan development refers to a self-reliant development and a betterment of rural life

through increases in production and extension of basic services (clean water, primary education, health clinics etc.)

- “As a *geographical concept*, the agropolitan approach refers to a bounded space, a territory, which defines an area for common decision and action” (Friedmann, 1988: 238–39).
- “As a *political concept*, the agropolitan approach refers to the entire district population as a political community to which is ascribed a capacity for self-determination in matters of common concern” (Friedmann, 1988: 238–39).

The region is brought into focus in the agropolitan approach, and decision-making on their own premises for households, villages and districts is a fundamental principle.

Several scholars (for example, Gore, 1984; Mathur, 1980; Soja, 1982) have criticized the agropolitan approach. These critiques can briefly be summarized in five points:

- The approach romanticizes small-scale activities.
- Countries on the global periphery would forever remain mired in rural backwardness.
- The approach does not deal with political and economic realities and is therefore utopian, romantic and naive.
- It is misleading to oppose territory and function.
- The approach substitutes spatial structures or territory for class structures.

It will take the discussion too far from the focus of smaller towns to comment on all these points; therefore, only the last critique about spatial structures and class structures will be commented upon. Some of the other critiques will, however, be discussed indirectly.

The agropolitan approach has been criticized for neglecting the role of class and power structures, as it focuses on spatially defined entities, say, a village or a district. Though the agropolitan approach focuses on spatial units, it is not necessarily true that it neglects class structures. On the contrary, the approach accepts that power structures not only exist between different classes in a society, but also between different spatial units, for example, central vs. local administration and production. Furthermore, decisive power structures might exist between different ethnic groups and clans and those power structures are often expressed in spatial terms. Finally, important power structures exist within the district, clan, extended family and household. The agropolitan strategy, in contradiction to earlier, Marxist-inspired

class theory, focuses explicitly on these local power structures and highlights their importance (see, for example, Friedmann, 1990).

In south-eastern Africa, distinct class structures are not that developed but are partly replaced by other local and national power structures relating to ethnicity (for example, in Kenya and Zimbabwe), to traditional power structures (for example, in Malawi), to race (for example, in South Africa) or to party and administrative structures (for example, in Tanzania).

The agropolitan approach focuses primarily on smaller, local units: household, extended family, neighbourhood, etc. These units are regarded as the backbone of the production and reproduction of the members of the households—and the household strategies and the allocation of their, often scarce, resources therefore has to be seen in this light. Household strategies are furthermore affected by the household's interaction with local power structures and by local norms and conduct towards those structures.

Smaller towns in the agropolitan strategy

The agropolitan strategy focuses specifically on spatially defined units. An agropolitan district is defined by Friedmann (1988) as containing, at least, one small urban centre and a population of between 40,000 and 60,000 persons. Agropolitan districts according to this definition are relatively small and the population within such a district can reach the centre within a few hours.

The purpose of the urban centre is to strengthen its surrounding rural base and to improve the life of the community. Rural development is on the agenda, and the role of the urban centre is to support this development through provision of services and social infrastructure:

Rural development involves the total organization of life. Community resources—especially its time and energy resources—must be mobilized, reciprocity relations must be furthered, and the satisfaction of basic needs must be collectively guaranteed. The central government may provide the leadership as well as material assistance in this effort (Friedmann, 1988: 251).

In Friedmann's approach, both the urban centres and the state have a secondary status. Their main purpose is to provide the necessary financial and institutional infrastructure for rural development. The role of smaller towns is thereby not that different from their role as service centres in the functional approach.

Limitations of the agropolitan approach

Devotees of the agropolitan strategy claim that it is a strategy from below. But what Friedmann talks about is a strategy of the state, not a strategy of the people nor even of the region. If the state has to implement this strategy and has to provide the leadership and the material assistance, and in some cases execute a closure policy in selected regions to avoid exploitation from the outside, how can it then be a development from below? At most, it is a development "for below".

Furthermore, the agropolitan strategy, or rather framework, is meant to be a broad development approach, applicable to most areas in the developing and developed countries. Such a strategy, by its very nature, may be very general, and this is another of its weaknesses.

The provision of the necessary economic foundation and of central and local institutions is a problem of very different dimensions in the more urbanized regions of the industrialized countries than in the poorer Third World countries. Elements of a territorial-based development strategy can be identified in many industrialized countries. Parts of the European grass-roots and neighbourhood movements on the one hand, and the organization within the industrial districts in the Third World on the other hand, both contain elements of the agropolitan approach. In all these examples, the economic foundation is not a problem *per se*. On the contrary, these movements can partly be regarded as reactions towards mainstream capitalist development, based on Fordist mass production and centralized government structures.

In most parts of Africa and in other less industrialized parts of the Third World, the problems are of a different character. In Africa, some of the major problems are a very low productivity among the peasants combined with a very small and ineffective industrial sector—and with a state apparatus with a low capacity and a meagre economic foundation, where the implementation of politics and allocation of resources are influenced by patron-client relationships and corruption.

It is hard to see how these political and institutional structures, combined with a weak economic foundation, can create an adequate foundation and resources for an agropolitan strategy. In the longer run, it is difficult to imagine how low-productive, rain-fed, extensive peasant production can create the necessary economic foundation for a further implementation of a development strategy which demands a large degree of (expensive) basic-needs projects. The short-

comings of Nyerere's development strategy in Tanzania indicate the problems in implementing a basic-needs strategy without an adequate economic foundation. Furthermore, the diminutive economic growth in Sub-Saharan Africa does not leave much room for large development budgets. Output in Sub-Saharan Africa grew by 0.4 per cent annually from 1980 to 1987, compared to an average annual rise of 8 per cent in East Asia. Finally, a green revolution seems impossible in Africa as long as developing Africa's agriculture is regarded by many peasants to be a more risky strategy than diversification into various off-farm activities (Hyden, 1986).

THE ECONOMY OF AFFECTION APPROACH

The economy of affection approach introduced by Hyden (Hyden 1983, 1985, 1986) is the fifth and last approach to be discussed in this chapter. The concept of "economy of affection" refers to the various networks of support, communications, and interaction among structurally defined groups connected by blood, kin, community, or other affinities. It links together in a systematic fashion a variety of discrete social and economic units which in other regards may be autonomous, thus giving rise to economic flows and exchanges based on criteria other than those guiding economic behaviour in a capitalist or a socialist type of economy (Hyden, 1985: 214).

Contrary to the four previous approaches the economy of affection is not a approach to development, but an approach to explanation. The idea, nevertheless, operates with a concept of development behind its analysis.

The economy of affection has three functions: It provides the basis for survival strategies for the poorer segments of the population; it creates the framework for social maintenance with strong elements of patronage and clientalism; and finally, it provides resources, for example, financial assistance for education, informal credit, labour assistance, lodging, etc., to support members of the network (Hyden, 1983). The investment strategies within an economy of affection are characterized by diversification to minimize risks and to provide a resource base for many members of the network. The economy of affection is, in other words, a social arrangement of redistribution and investment based, on the one hand, on daily life and, on the other hand, on long-term perspectives (generations and decades).

The economy of affection approach has, at first glance, much in common with the agropolitan approach, but important differences separate the two. The most decisive difference is that the agropolitan

approach regards the structures within an economy of affection to be the necessary backbone of a society. Hyden regards the same structures to be a hindrance for development and is of the opinion that the backbone of the economy of affection, therefore, has to be broken for development to occur. The two approaches focus thereby on different aspects of—and have different targets for—the development process.

A second difference is that the agropolitan approach focuses primarily on participation, self-determination and provision of basic services for the population; the economy of affection approach focuses primarily on the creation of economic growth as a precondition for the provision of social services.

Third, Hyden regards the state apparatus as having an exploitative function via patron-client relationships. Friedmann, however, addresses parts of his policies and demands to the state. The state shall provide the necessary economic foundation for an agropolitan strategy and, in some cases, execute a closure policy in selected regions to avoid exploitation from the outside.

Fourth, the most important power structures are identified by Friedmann to be between the local and central levels, while Hyden identifies the most decisive power structures to be within the economy of affection. These latter power structures penetrate both the local and central levels and therefore cannot be classed with specific spatial structures.

Fifth, Friedmann's approach is very general and has been developed with reference to both the rural areas in Asia and in parts of Africa as well as in more urbanized regions of the Americas and Western Europe. On the other hand, Hyden's approach relates specifically to the conditions in African countries, based on experiences from East Africa.

Finally, the two approaches focus on different segments of the population. Friedmann focuses on the rural population and for him the household economy is the central economic unit (Friedmann, 1990). For Hyden, the key to successful national economics is the development of constructive relations between the urban centres and their hinterlands. He emphasizes that history shows that cities and industrial development are the powerhouses for economic development, and not rural development (Hyden, 1986). Therefore, in his approach, urban entrepreneurs are the mediators of economic development. Furthermore, he suggests that the roots of the present crisis in Africa are urban rather than rural, and that a part of the problem is that African cities lack local manufacturers and merchants with ambition and the ability to improvise and innovate.

It might, in many cases, be true that local manufacturers have low

capacity combined with little room for innovation, but this situation has to be seen in the light of the recent development strategies in many African countries. The skills of the African population have in general been related to rural production and rural life and to reciprocal exchange. More sophisticated non-agricultural production has only recently been introduced into most African societies. But what is more important, the development policies have in most cases suppressed or neglected the development of urban production, apart from large industrialization projects under the label of an import-substitution industrialization strategy. These policies have in general neglected private local non-agricultural production as an important development source as well as the important role of smaller cities as mediators of forward and backward linkages to local production.

Towns in the economy of affection approach

Emphasis on the role of smaller towns in the regional development process does not indicate that the economy of affection is regarded as solely related to the social structures in the rural areas and that these structures will not be involved in a development process partly based on non-agricultural activities and on extended urban-rural linkages. On the contrary, the urban environment and the local and central bureaucratic structures contribute to the structural framework for an economy of affection. These principles of affection will affect the development potential of the individual entrepreneur and the relationships between people in the smaller towns.

Businessmen with the role of clients in some relationships might have the role of patrons in other relationships—towards their sub-contractors, for example. In other words, patron-client relationships influence the local business environment and thereby the social structures at all levels. This indicates that it is necessary to examine the influence of the economy of affection on local social structures and especially on local production structures more closely, especially in the formulation of policies to support local business activities.

The foregoing discussion of the five approaches to the role of small towns in regional development strategies has revealed wide differences regarding their views on the development of local economic activity and on the role of small towns. In the second part of this chapter, the development of Makambako, a small town in Tanzania, will be described to throw some empirical light on the theoretical debate. The information was collected during fieldwork conducted in 1989, unless otherwise stated.

SMALL TOWN DEVELOPMENT IN TANZANIA: THE CASE OF MAKAMBAKO

Makambako is a small, but booming, business town located in Iringa region in the Southern Highlands of Tanzania. During the last two decades the population has grown from less than 1,000 people in the late 1960s to more than 15,000 people today. The rapid growth of the town is a combination of increased local demand caused by the introduction of high-yielding hybrid maize in the mid-1970s and of infrastructural development of rail and roads from the mid-1970s and onwards, making Makambako an important junction for trade and services. Finally, trade liberalization, introduced in 1986 as a part of the Economic Recovery Programme agreed upon with the IMF, further directed investments into private business.

Today, Makambako has become Tanzania's Klondike. Commercial activities include more than 250 shops, 56 restaurants and guest houses, 4 petrol stations and 37 bars (Makambako Development Plan, 1989). To these activities have to be added the market activities, a developing furniture industry and a booming construction industry. However, this development has happened in a political vacuum between the growth centre policies directed towards the larger cities and the *Ujamaa* policies directed towards the villages. No large production units have been implanted from above and local privately-owned enterprises dominate within production, services and trade.

The history of Makambako represents a typical example of a locally-based industrialization process without assistance from government or donor agencies, but heavily influenced by favourable overall structural conditions: infrastructural developments, increasing consumption power in the hinterland, and a liberalization policy making private savings available for investments.

Even though the development of Makambako spatially is a development from below, this development is not to be confused with a "development from below", as introduced by the territorial approach. This latter notion refers to a development based on the lowest social segments of the population, and is therefore in its nature different from what has happened in Makambako. However, it is not realistic to assume that the lowest social segments are able to constitute an adequate foundation for local enterprise development, as they in general have neither the economic resources nor the technological capacity to undertake this role.

Makambako functions today as an important link between the rural hinterland and national and international markets and as a centre for all kinds of illegal trade and smuggling. On the legal side,

Makambako is an important junction for agricultural supplies and storage. The activities in Makambako and in the hinterland are mutually supporting, creating a local synergy effect. Therefore, the role of Makambako can neither be regarded as one-sidedly parasitic or supportive but rather as an essential and integrated part of a successful regional development in an open economy. In more general terms, the development of Makambako illustrates that the growing interdependence between peripheral regions and national and international markets may go hand-in-hand with increased economic growth and prosperity in these regions (Hinderink and Titus, 1988). Introduction of new technologies into a region, including new crops and new ways of organization and of exploitation of local resources, may lead to an increased transfer of surplus from the region to the rest of the country, but at the same time it may also lead to increased wealth and economic growth in the region.

The growth of many smaller towns in Africa has to be seen in the light of these double-sided effects of capitalist expansion. From this follows that development of regions may happen within open systems and does not demand selective spatial closure, as argued by the agropolitan approach.

The rapid economic development of Makambako has attracted many business people with a relatively large technological capacity who have established their businesses within production, trade or services, as indicated by the large number of shops, guest houses, bars, workshops, etc. Most of the businessmen have grown up in the rural surroundings but they have often obtained their experience from public or private employment in a larger town. Many of these smaller businessmen partly base their business activities on close contacts with other businessmen in town and/or in other towns as well as contacts with the dealers of materials, banks, local authorities, customers etc., all in all creating a synergy effect which is essential for the development of their businesses.

This strategy contradicts the traditional view of entrepreneurship, which is seen as a quality closely related to the individual. The classical notion of an entrepreneur is an individual who is willing to take risks to achieve extra profit. Schumpeter (1942) has modified this definition and looks at the entrepreneur as an innovator who attempts to do things not previously undertaken or do them in ways not hitherto explored. Accordingly, focus is on the individual. This concept can be identified in the recent writings of Elkan (1988) and the World Bank (1989), among others. However, over the last decades, this concept has been criticized, not least from a Marxist perspective. On the other hand, the Marxist approaches have left no room for individual

human action, but considered it to be completely determined by the overall structures and the needs of capital. This determinism has not shed much light on the debate on local economic development processes.

Newer Scandinavian regional studies (for example, NordReFo, 1988, 1990) seem more appropriate in the present African context, as they have abandoned the narrow focus on either individuals or overall structures. Instead, they have aimed at combining the two views at a local meso-level. Many of these newer approaches focus on what can be labelled as the business environment. Development of entrepreneurship is regarded as a close interplay between the individual entrepreneur and his business environment, which can be defined as the interaction between the business network of the entrepreneur and the overall structural conditions. The network consists of his family, relatives, friends, customers, colleagues or competitors, and employees (if any), his relationships to banks, suppliers, local government, etc., and often has a heavy local bias. However, the definition does not limit the business environment only to that of a given locality; on the contrary, it implies no given spatial dimension. The spatial dimension can be local or regional, national and even international, as is the case for many of the Indian and Arab businessmen in Africa.

Business contacts are influenced by the local and overall power structures, which in Tanzania are reflected in patron-client relationships and in an economy of affection. Dependency and mutual obligations constitute, at the same time, a hindrance for development of business activities, due to resource extraction, and function as a support providing access to additional resources (credit, loans, jobs, labour etc.). These patron-client relationships exist at all levels in Tanzanian society and are unavoidable for the smaller businessmen, especially in a situation with scarce resources.

The double-sided role of patron-client relationships and other power structures in local networks indicate that the question is not whether these structures hinder or support local economic development. The questions are rather: What types of local structures block or support local economic development, and under what social circumstances do they perform a positive or a negative role, and how can the generative functions of the networks be supportive? From this it follows that Hyden's analysis of the one-sided negative role of patron-client relationships and of an economy of affection represents one extreme in a broader spectrum of possible roles. The same is the case for Friedmann's analysis.

Diversification, and thereby risk spreading, is the key word for the

investment patterns of business people in Makambako. In the insecure Tanzanian economic environment combined with a rapid economic growth in the region, diversification allows, at the same time, the investor to get fast returns from services (bars, guest houses, mini-buses, etc.), medium-term returns from production (furniture production, metal works, etc.) and trade (at the market or via a shop), and long-term returns from investments in real estate (the demand for rented rooms in Makambako is booming) and in children's education. Education puts a young family member on a track which might lead to a future position as a patron with control over resources.

The development of business activities in Makambako has happened without government support, as the local authorities have neither had the means nor the capacity to support the industrial development in the town and in most other areas of Tanzania. The role of the local authorities, from the perspective of the local businessmen, is mainly to control and extract revenues (tax collection, issuing business licenses, implementation of rules and regulations, etc.). However, experiences from other countries, not the least in Europe, indicate that development of viable, local, non-agricultural production hardly happens on its own; it demands creation of an adequate business environment (see, for example, Kristensen, 1988; NordReFo, 1990; Pedersen, 1989; Sabel, 1987; Storper, 1988, 1990; Storper and Scott, 1988). This indicates that *laissez-faire* policies, which are on the contemporary agenda and heavily promoted by the World Bank, are not adequate political instruments to support local enterprise development. On the contrary, experience from industrialized countries indicates that heavy demands are placed on the local environment in order to establish efficient local production. Development of local craft production is, among other things, based on the development of skills within the community. It takes time and demands a certain stability to create an adequate pool of skills. A situation where the labour force is hired and fired frequently counteracts involvement in production and continued increased proficiency and experience. Therefore, attempts to stabilize the market and the supply of inputs become essential. Educational policies are another important area through which to increase the local technological capacity. Vocational training in post-colonial African countries has had a very low priority compared to literary studies, due to inherited colonial norms and policies; i.e. in Tanzania the present enrollment at vocational training centres vs. secondary schools is 1:11 (Ærøe, 1990b).

Critics might argue that the development in Makambako is a result of the blessings from *laissez-faire* policies. And indeed, this is, by and large, correct. But the further development potential of many of the

local, and at present small-scale activities, will be retarded if no policy measures to support development of an increased technological capacity, to support local cooperation and networking, to support appropriate markets, and to adjust macro-economic policies biased against small scale production, are taken into consideration.

CONCLUSION

Experience from previous development attempts via growth pole/trickle-down strategies, functionalist/urban hierarchy strategies, basic needs strategies, etc. (and from the industrialized countries) all indicate that economic growth, as a point of departure, has to be understood as a local process affected by overall social structures. It follows from this that economic growth has to be regarded as locally rooted and therefore cannot be imposed from above. On the contrary, if the local conditions are present, economic growth may even result in spite of overall structures and central planning. This does not mean, however, that local processes exist independently of the overall social structures. In Africa, centrally-planned agricultural pricing and marketing systems and infrastructural development are decisive structural factors for the creation of an adequate foundation for local economic growth, and for an urbanization process to occur.

The lessons from enterprise development in Europe indicate that laissez-faire policies are not adequate policy measures to support this process. On the contrary, in the longer run active government involvement is a necessity, in order to increase the technological capability and to support local cooperation and networking.

These experiences are important to bear in mind when discussing future industrial development strategies and policies in Tanzania.

NOTES

1. The concept, area, and not country, is used as great variations exist in the degree of rural-urban linkages within each African country. In Tanzania, for example, Arusha has quite successfully developed a productive relationship with its hinterland. This is not the case for Dar es Salaam (Hyden 1986, p. 79, note 35)
2. See Ærøe (1990a) for a thorough discussion of the growth pole concept.
3. *The New York Times*, June 5, 1990, page A14.
4. Though a substantial part of Marxist economics, not least the "capital logic" approach, primarily focuses on structures and to a lesser degree on actors, these analyses indirectly operate with a concept of entrepreneurship, too. Entrepreneurship can be identified as the transition process from the creation of absolute surplus value to the creation of relative surplus value. Only this transition enables a society to expand its consumption in the longer run.

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Small Towns under Conditions of Environmental Stress: The Case of Sinkat, Eastern Sudan

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The reaction to the adverse effects of current urbanization trends in developing countries, the universal acceptance of the failure of the top-down development approaches and the endeavour to create a system of settlements that can generate economic growth and social equity has raised the interest in and debate about small towns and cities (Rondinelli, 1984: 9–10). Small towns were merited for enhancing access for rural people to services, facilities and job opportunities not available in their areas (Johnson, 1970; Rondinelli and Ruddle, 1978). Strengthening small towns has been seen as a concomitant to rural development and a means of slowing down metropolitan growth with all its ill effects (Kammeier and Swan, 1984: 4)

Rondinelli (1984) identified several developmental functions that could be performed by small towns. Most important of these are the provision of convenient locations for decentralized public services, offering sufficient economies of scale for basic social services, acting as market centres for rural products, enhancing off-farm job opportunities for rural migrants, serving as transport and communication centres linking towns and rural population, and acting as centres for social transformation, encouraging integration and enhancing new attitudes conducive to social and economic change (Rondinelli, 1984: 21–22).

However, studies of urbanization in Asia indicate that neither the trickle-down process of income generation nor the multiplier impact in rural areas has been effective (Kammeier and Swan, 1984: 8), and urbanization has been blamed for causing the stagnation of agriculture (Myrdal, 1968). The model of dependent urbanization even suggests that small towns in the Third World either become a part of the exploited periphery or retain the role of the exploitative core, depending on size and local circumstances (Castells, 1977).

In assessing the developmental role and potential of small towns two basic questions need to be asked. First, would small towns promote development in rural areas or simply drain their resources? And second, what would be the impact of investing in small towns on

national economic growth levels? These questions acquire special importance in the African context, especially Sub-Saharan Africa, in the drought prone and vulnerable areas, under the present conditions of poor financial and depleted natural resources. This chapter deals strictly with the first question taking Sinkat, an old but small town located in the Red Sea Province, as a case study.

Similar to other developing countries, the post-independent era witnessed a massive increase in the urbanization process in Sudan, both in the form of increasing size of existing towns and the emergence of new ones. The urban population grew from 8.3 per cent of the national population (0.8 million) in 1955/56 to 20.2 per cent (approx. 4 million) in 1983 at an annual growth rate of 6.0 per cent. Current estimates suggest that 25 per cent (5.5 million) of the Sudanese population is living in towns (El-Bakri, 1987: 152-3). But as is shown in Table 1, the size and growth rates of urban populations vary considerably between different regions. These variations have been attributed to variations in the levels of development and in natural growth rates of the population (El-Bakri, 1987: 153).

Recent adverse natural conditions and the civil war in the southern part of the country have had a profound effect on several Sudanese towns and on the urban process as a whole.

Table 1. Distribution of urban population in Sudan by region

Region	Urban population as a per cent			Annual growth rate	
	1955/56	1973	1983	1955/56-1973	1973-83
Sudan	8.3	18.5	20.2	12.1	6.0
Khartoum	50.5	71.6	74.6	12.2	7.1
Northern	10.1	18.5	21.4	5.5	3.5
Central	7.0	14.3	20.9	15.2	6.3
Eastern	15.8	26.0	28.9	9.8	6.4
Kordofan	6.5	12.8	12.7	7.9	4.4
Darfur	4.1	9.1	10.2	14.7	6.8
Equatoria	2.4	18.4	11.8	29.6	2.5
Bahr el Ghazal	1.7	9.1	6.4	35.7	2.2
Upper Nile	1.1	4.6	5.4	14.6	15.6

Source: Dept of Statistics, Khartoum.

URBAN DEVELOPMENT IN THE RED SEA PROVINCE

The Red Sea Province is one of the two provinces forming the Eastern Region, the most urbanized in the country other than Khartoum (see Map 1). The province is characterized by a mountainous terrain and arid climate, and is dominated by the nomadic life of the Beja tribes. The urban population now accounts for about 40 per cent of the provincial population, 75 per cent of which is concentrated in Port Sudan, the country's only seaport. In addition to Port Sudan, there are six small urban centres with populations ranging between 7 and

Map 1. *Urban centres in the Red Sea Province*

1. International boundary
2. Provincial boundary
3. Council boundary

12 thousands. The urban population is growing at an annual rate of 8 per cent. The total urban population in the province rose from 160,000 in 1973 to over 380,000 in 1990, an increase of 138 per cent, paralleled by a drop of 18 per cent in the rural population (Abu Sin, 1990: 8).

Map 2. *Distribution of basic services in Sinkat Area Council*

1. Elementary school for boys
2. Elementary school for girls
3. Intermediate school for boys
4. Intermediate school for girls
5. Secondary school for girls
6. Health unit

7. Hospital
8. Police station
9. Railway
10. Unsurfaced road
11. Asphalt road

Other than Port Sudan most of the urban centres in the Red Sea Province initially emerged as trade exchange points and resting places along the caravan trade routes linking West Africa with the Red Sea coast during the eighteenth and nineteenth centuries. Their growth was further enhanced by the construction in 1927 of the railway line between the port and the capital, Khartoum, and later by the construction of the Khartoum-Port Sudan road in the early 1980s. Other contributing factors include the establishment of the military garrisons in Gabeit and the Tokar agricultural scheme (see Map 2).

Urban processes in the Red Sea Province have a number of peculiar characteristics:

1. Contrary to the common thesis (El-Bakri, 1987: 155) and in spite of the low rates of natural population growth, the adverse environmental conditions, and the extreme conditions of poverty the Red Sea Province experienced rapid urban growth over the last two decades.
2. The urbanization process in the Red Sea Province with the exception of Port Sudan town, is merely a concentration of rural population in an urban location (Abu Sin, 1990: 17).
3. Urban initiation, structure and functions are largely non-indigenous, generated either by the non-Beja migrants within the province (Abu-Sin 1990: 14) or have grown in response to demands outside the province.
4. The Red Sea Province provides a typical case of regional primacy as Port Sudan, the second largest city in Sudan with a population of about 300,000, is approximately 40 times the size of Sinkat, the second largest urban centre in the province. The growth of Port Sudan as a seaport town has largely been, and still remains, linked to the development of the relatively more prosperous parts of the country particularly the Central Region (Gezira) and the capital, Khartoum, more than to the Red Sea Province. This fact precipitated the enclosure of the Beja migrants living in towns, socially, culturally and politically into their traditional system as indicated by their mode of life within the town.
5. There is no evidence of the big city influence in generating change in the province or even in the lower order towns. In fact, according to Abu Sin, the Red Sea Province provides a classical example of exhaustion of the natural environment as the rural areas are over-exploiting their meagre resources to satisfy urban demands of wood, charcoal and livestock, thus accelerating the degradation of the rural resource base (Abu Sin, 1990: 2,16,29).

HISTORICAL DEVELOPMENT OF SINKAT TOWN

Sinkat is located at latitude 18.50 N and longitude 36.50 E, about 120 kms south west of Port Sudan, on a plateau 730 metres above sea level in the middle of the Red Sea Hills. The total population was about 8,000 according to the 1983 census, but according to the council authorities it exceeded 20,000 in 1990 (see Table 2). The male/female ratio in town is 96.2 per cent as opposed to 126.6 per cent for the rural areas. This relatively strange sex-structure can be explained by the nature of nomadic life which is dominated by males. Furthermore, following the 1984/85 famine the nomads adopted a family splitting strategy, leaving women and children in or near towns to ensure their survival.

Table 2. *Population of Sinkat Rural Council 1983–1990*

	Total	Male	1983		1990	
			Female	M/F ratio	No. of families	Total
Sinkat Town	7928	3888	4040	96.2	4601	20707
Sinkat Rural	37740	21087	16653	126.6	12668	56493
*Sinkat Rural Council	59609	32774	26835	122.1	17269	77200

Source: Department of Statistics 1983 Census (1983), Sinkat People's Council (1990)

* The figure includes Gabeit town (7,002 inhabitants) and its surroundings (6,950 inhabitants)

Ethnically the town population is relatively homogeneous and is mainly of Beja origin, though there are different sub-ethnic groups. For Sinkat Rural Council as a whole, only 30 per cent of the population are settled, while the remainder still practice a nomadic life.

No exact date can be given for the appearance of the first settlement in Sinkat. It is known, however, that it functioned as a small but important trade centre along the caravan route between the port of Suakin on the Red Sea coast and the town of Berber on the Nile and the interior of the country during the nineteenth century (Ahmed, 1974: 24). The drop in the volume of trade and the decline of Suakin in the late nineteenth century (Ahmed, 1974: 26) had its impact on Sinkat. From the beginning of the colonial period in 1889, commercial functions have gradually been replaced by an administrative one. Sinkat became a railway town after the construction of the railway line between Port Sudan and Khartoum in 1927. It acquired an impor-

tant administrative position during the early colonial days when it, together with Kassala town, became the twin capital of the then Kassala province (the present Eastern Region). During this period the administrative headquarters used to be moved there for six months each year. With the introduction of the local government system in 1972, Sinkat became the headquarters of the Western Red Sea Council, which included the present Sinkat, Haiya, and Derudeib Councils. This was also the time of its first town plan, with the government buildings occupying the centre, surrounded by traditional Beja settlements, and squatters on the outskirts. In 1980 when the regional government system was introduced, the town acquired its present position as the headquarters of Sinkat Area Council (Sinkat Council, 1987: 3).

Until very recently the town of Sinkat represented an important livestock market for nomads as it occupied a central position along their seasonal migration route between the Gash delta, Gunub and Awalaib (the summer and winter destinations). Animals were traded for dura (sorghum) and other consumer goods. Agriculture was also practiced along the seasonal *wadis* and *kors* surrounding the town such as Odrus, Agwamt, Bramyo and Adit. Dura and vegetables were the main products, the former primarily for consumption and the latter to be marketed in Sinkat. In addition, wood and charcoal production was also practiced on a small scale, mostly in the Odrus area.

Within the town itself, petty or informal trade activities and manual labour absorb the Beja tribesmen who settle in town, working as guards, water carriers, shop assistants, etc. The high level of illiteracy among the Beja and the language barrier have barred the vast majority of them from getting government jobs.

The recent severe droughts that hit the area and the economic decline nationwide, have significantly altered this picture. The loss of natural pastures combined with the drying up of wells in the area, on the one hand, and the increase in livestock traffic accidents on the Port Sudan-Khartoum highway, and the sharp increase in meat consumption in Sinkat on the other hand, have caused the loss of livestock and the decrease of nomadism in the area (Sinkat Council, 1989: 10). Besides, the influx of rural population into the town during the famine years put more stress on already limited urban jobs, and led to increased unemployment and depressed urban wages. Huge squatter settlements started to surround the town; crimes such as robbery and burglary were registered for the first time in the town's history during the late 1980s.

CENTRALITY AND FUNCTIONAL GROWTH OF SINKAT

A number of factors contributed to the emergence of permanent settlements at Sinkat and its consequent development into a town:

1. The relative abundance of water in the area. Sinkat is surrounded by a number of seasonal *wadis* and *khors* which feed the water table allowing the all-year-round use of the sub-surface wells for drinking, watering animals and other domestic uses.
2. The historical role of the town as a trading point along the caravan route. This was enhanced by the construction of the railway line during the colonial period and further by the Khartoum–Port Sudan highway in the early 1980s.
3. The relatively high altitude, which gives the town a mild climate and qualified it for the position of the twin capital of Kassala province during the colonial period. This also attracted wealthy families, mainly from Port Sudan, who used it as a summer resort where they spent their holidays.
4. Sinkat is considered the religious headquarters of the Khatmiya Order, one of the two largest and politically influential religious sects in Sudan. A number of Khatmiya holy men are buried or live there. Khatmiya teachings are taught to followers in the Koranic schools of the Order, and several religious festivals are annually conducted in the town, attracting followers from all over the Sudan.
5. Being the government centre in the area, Sinkat attracted most of the drought-stricken population during the famine years of the early 1980s. For the majority who, under the pressure of successive drought years, lost all their livestock, migration to Sinkat took the form of permanent settlement. Rural population was also attracted to the town by the presence of a number of foreign relief organizations and NGOs distributing food and relief materials to famine victims. As a result, squatter settlements started to surround the town, pushing the population from about 8,000 in 1982 to over 20,000 in 1989 (Sinkat Council, 1989).

In El-Bushra's functional classification of Sudanese towns in 1969, which involved 35 towns, Sinkat ranked 5th in personal services, 10th in commerce and management, 19th in agriculture, 22nd in industry, 24th in administration and 29th in professional services (El-Bushra, 1969: 78). Since that study, considerable changes have occurred in the urban process and functions nationwide. However, personal services and administration still remain the two leading functions performed by Sinkat. Personal services refer to domestic services, protective ser-

vices, and the regular armed forces etc. These functions have further been strengthened by the adoption of the Regional Government System and the influx of drought refugees into the town.

It is obvious that Sinkat has acquired its present centrality primarily from its administrative position within the council area as it houses all head offices of government departments, the main market centre and all the basic social service institutions with a relatively high population threshold.

As is shown in Table 3, Sinkat town, with 13.3 per cent of the Council population, has over 51 per cent of the Koranic schools (*Khalwa*), 35 per cent of the primary schools and 59 per cent of the intermediate schools in the council area. Thus, together with Gabeit, it forms a primate core within the council area in respect to educational institutions. The mountainous terrain, lack of transport facilities between the town and the surrounding camps and the scattered nature of nomadic settlements hinders the rural population's access to these town services. According to Sinkat Council reports, there is a high drop-out rate in rural schools, where the number of primary school boys in the final grade (sixth), is usually only 30 per cent of those who started school, and the situation is even worse in girl's schools (Sinkat Council, 1989: 29). The mobility of nomadic groups,

Table 3. *Educational services in Sinkat Rural Council*

	Sinkat Rural Council Total	Sinkat Town	Gabeit Town	Rural Sinkat
Total population, 1983	59609	7918	7002	44689 ⁽¹⁾
Koranic schools no.	33	17		16
No. of students	1641	736		905 ⁽²⁾
Primary schools no.	20	7	6	7
No. of pupils	3393	1459	1298	636 ⁽³⁾
No. of teachers	166	71	49	46
Intermediate schools no.	4	2	2	
No. of students	525	309	216	(3)
No. of teachers	28	17	11	

Sources: (1) Sinkat Council Book, 1989: 6.

(2) Primary School Education Office, Sinkat, 1990.

(3) Education Office, Sinkat Council, 1990.

the decline in schools with boarding facilities, traditional attitudes towards and resentment of female education, and the difficulty of transport are seen as the major factors behind this picture.

As for health facilities, understandably the three hospitals in the council area are located within Sinkat and Gabeit where there is sufficient population to support the service. But here again lack of transport and the large size of the council area makes accessibility a major issue.

In addition, the construction of the railway line has increased the pressure on Sinkat Hospital which, compared to its facilities and staff, handles a large number of traffic accidents. Although 86 per cent of the small health units are scattered in the rural areas (Table 4), their services do not extend beyond the settlement where they are located. It is also important to note that one of the two hospitals in Gabeit is the military hospital which serves only the garrison located there.

Table 4. *Health services in Sinkat Rural Council*

	Sinkat Council Total	Sinkat Town	Gabeit Town	Rural Sinkat
Hospitals No.	3	1	2	
Health Units No.	42	4	2	36

Source: Sinkat People's Council.

Furthermore, the number and scale of operations of the rural mobile health units has been sharply reduced in recent years because of the shortage of trained staff, shortages in medical supplies, the recent displacement of population, and changes in the mobility patterns and the shortages in medical supplies. Besides, the availability of a water source was the major criterion for the location of schools and health units in addition to population density. Several wells have dried up in the last decade, forcing people to move from some villages where these services are provided.

RURAL ACCESS TO URBAN SERVICES: SECONDARY SCHOOLS FOR GIRLS

To assess accessibility and developmental impact of town based services on the surrounding rural area, a more centralized service, Sinkat Secondary School for Girls, was taken as an example. This is the only

girls' school in the Red Sea Province outside Port Sudan town.

Of the total number of students, none is from or resides in rural Sinkat. Although 84 per cent of the student's families reside in the Red Sea Province, less than one third of them actually is of Beja origin. The rest are from other parts of the country (Table 5).

Table 5. *Sinkat Girls Secondary School students by residence and tribal home region*

	Place of residence		Home region		Ethnic groups
	No.	%	No.	%	
Sinkat Town	14	13.7			
Rural Sinkat	0				
Port Sudan Town	28	27.5			
Other Red Sea Province Towns	44	43.1	30	32.4	Hadandawa, Beni Amir, Habab
Kassala Province-Region	4	3.9			
Northern Region	10	9.8	45	44.1	Shaigiya, Danagla, Rubatab, Nubians
Khartoum	1	1.0			
Kordofan Region			6	5.9	Nuba
Darfur Region			2	2.0	Zaghawa, Fur
Southern Region	1	1.0	1	1.0	Shiluk
Central Region			1	1.0	Habaniya
Foreigners			14	13.7	Eritreans, Turks, Yemeni, Hausa, Fallata
TOTAL	102	100.0	99*	100.0	

* Information on home region for three students is missing.

In part this reflects the structure of the civil service and entrepreneurship (traders) in the area, which is composed mainly of non-Beja immigrants from northern and central Sudan. But it also reflects the relative disadvantage of the Beja girls resulting from:

1. The traditional attitudes towards female education among the Beja and the resistance to the idea of females living away from home.
2. The mobility of population and its sparse distribution in the council area.
3. The limited number of primary and intermediate girls' schools in the rural area.

4. The decline in the number of schools with boarding facilities under the pressure of resources and high costs which prevented many students (males and females) from joining and/or completing their formal education. In fact, according to the Education Office in Sinkat Council, all of the intermediate or secondary schools in the Red Sea Province outside Port Sudan town have far fewer students than their capacity. This seems to be the reason why more students are attracted to the informal education institutions (Koranic schools), where full board is available.
5. The widespread conditions of poverty and low incomes which raise the need for more income earners to help the family meet the ever rising costs of living.

All these factors attracted non-Beja students to Sinkat, either making use of the hostel facilities or living with relatives in Sinkat. The long term implication of such a phenomenon is the perpetuation of existing conditions, as illiteracy prevents the Beja from joining the government service and the language barrier prevents the educated non-Beja from participating in reducing illiteracy, especially at the primary level.

Thus, taken as a developmental tool, the school has done little to improve the situation in the surrounding rural area. More important, the prospects for future contribution are also limited as the possible multiplier effects take place outside the area, in the students' home regions.

RURAL ACCESS TO THE URBAN MARKET

The second indicator used to measure the developmental impact of Sinkat on its surrounding area was the access of rural people and products to the urban market. A sample of people marketing their products in town was selected from among those selling vegetables, milk, wood, charcoal, grain, and livestock, and those operating daily transport between the town and the nearby towns and villages. The main objective was to see the origins of these traders and their possible benefits to rural areas.

Most of the traded items selected (wood, charcoal, livestock, milk) directly depend on the natural resource base which has obviously been impoverished by the recent droughts. A summary of the distribution of traders by home and place of residence is given in Table 6.

Table 6. *Classification of Sinkat traders by place of residence and home area—a sample 1990*

Type of trade	Sample size	Residence			Home			
		Sinkat Town	Rural Sinkat	RSP	Sinkat Town	Rural Sinkat	RSP	Out-side RSP
Vegetables	10	2	8			6	3	1
Milk	11	2	8	1	2	5	4	
Wood	9	2	6	1	1	2	3	3
Charcoal	6	2	4		2	1	2	1
Grain	10	10			2		1	7
Livestock	10	4	6		2	3	3	2
Transport	7	5	2		2	2	1	2
TOTAL	63	27	34	2	11	19	17	16
%	100	42.9	53.9	3.2	17.5	30.1	27.0	25.4

RSP = Red Sea Province

From the table and field observations, the following comments can be made:

1. Although all those interviewed reside in the Red Sea Province, a large proportion (25 per cent) is of a non-Beja origin.
2. Those from outside the Red Sea Province dominate the more capitalized and long distance trade of cereals, livestock and transport.
3. For the shorter distance and more perishable traded goods (milk and vegetables) there are a number of town-centred middlemen linking the producer with the consumer.
4. Although daily transport links the town with some areas about 100 kms away, the mountainous topography still makes access to production areas very limited. This is one reason why the services of middlemen are inevitable.
5. Over 70 per cent of those interviewed, claimed that the total value of what they sell is exchanged for basic consumer goods from town. This implies that little is left for the expansion of their economic activities.
6. Sinkat market only operates two days a week, mainly because of transport problems and the small volume of traded goods. Inside the market, trading is organized by the market *Sheikh* (Chief). He minimizes competition, which is already limited by the small supply, and reduces the possible displacement of those monopolizing trade in town.

7. The heavy dependence of trade on the natural environment has contributed to its decline as wood and charcoal production involve long-distance transport and heavy costs which reduce its flow into town. It is estimated that the Red Sea Province, which used to produce 70 per cent of its needs for wood and charcoal, is now producing only 30 per cent of its needs (Abu Sin, 1990: 24). This can be attributed to the increase in urban demand for these products as well as the depletion of these resources.
8. Other than livestock, the rural areas appear to be supplying little food to the town. On the contrary, it seems, under the present conditions of drought, heavily dependent on the town for the supply of grain and other consumer goods.
9. As far as natural products of wood, charcoal and livestock are concerned, Sinkat seems to be at a disadvantage with respect to supply and prices. The long distances involved and inaccessibility to production areas make Port Sudan more attractive to sellers with its higher demand and prices. This has been further reinforced by the construction of the Khartoum–Port Sudan road which seems to have undermined the position of Sinkat as a trading centre and has given rise to marginal and informal trade activities, again dominated by non-Beja.

CONCLUDING REMARKS

From the above account, it is apparent that the impact of Sinkat on the surrounding area at present is very modest and in some respects appears to be negative. However, the positive effects include:

1. The provision of some centralized social services, especially in the fields of health, security and transport.
2. Probably the most important role played by the town as an administrative centre was bringing the government closer to the people. The significance of this is that the town provides the main refuge for drought-stricken people whenever their resources fail to cope with environmental stress. As the Red Sea Province as a whole is subject to repeated cycles of drought and famine, this keeps the town largely rural in character, structure and function. This also seems to justify Abu Sin's description of the urban process in the Red Sea Province as a mere rural overspill (Abu Sin, 1990: 22).
3. The provision of water to the surrounding rural areas. Sinkat, like other towns in the Red Sea Province, occupies an area with relati-

vely high water resource potential. In fact, the name "Sinkat" in the Beja language means "the place from which people carry water". This is why people take refuge in it during dry years. In normal years water is transported on lorries and animals to the surrounding nomadic areas.

In addition to the economic problems facing the country as a whole, the modest impact of Sinkat town can be attributed to the following:

1. The marginality of the natural environment and the widespread poverty make the people highly vulnerable and place them and government authorities constantly under the stress of having to cope with adverse conditions. Resources, poor as they are, are largely oriented to relief operations and survival strategies, rather than developmental activities.
2. The position of Sinkat in the shadow of the much larger and more prosperous Port Sudan has denied it the supply of products from nearby rural areas. Besides in the case of livestock, the disruption and change of traditional livestock routes and patterns of mobility, which after the drought of the early 1980s, forced the nomads much further south where new markets became more accessible, have also reduced their contact with Sinkat. In both cases the contact of rural people with Sinkat has been reduced and the possibility of reciprocal exchange diminished.
3. For the Beja nomads, trading is a new practice, as they used to barter livestock for what they needed in town (Sinkat Council, 1989: 12). This may explain the domination of non-Beja traders in the town market and why multiplier effects tend to occur within the town itself, or more probably, far away in the home regions of the traders.
4. The Khartoum-Port Sudan road, while strengthening the links between Sinkat and other towns, seems to have isolated it economically from its immediate hinterland, and subjected it to competition from other towns for rural products, which have become more accessible to rural populations.
5. A social integration of different ethnic groups has not taken place in Sinkat. The centre of town is occupied by government buildings and the largely non-Beja government employees, while the Beja occupy the fringes of town in settlements very similar to their old nomadic camps. The Beja who have mixed and intermarried with other groups are those who have already been in contact with societies where Beja culture is in the minority.

The developmental impact of Sinkat on the surrounding areas seems to have been more evident when the town, during the last century, grew through the voluntary settlement of a large number of Beja nomads. However, that process declined with the decline of Suakin and the rise of Port Sudan. At the same time, the implantation of new functions such as administration and social services did not have a comparable impact on the local community.

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Seasonality and Rural–Urban Linkages in Southern Somalia

Peter D. Little

This chapter examines the important effects of climatic seasonality on rural–urban relations in southern Somalia. In this region marked seasonal changes in rainfall and productivity result in considerable movements of animal herds and people during the year. Under these conditions the roles of small and large towns are transformed seasonally—for example, certain settlements and their businesses actually close down during the year; the roles of towns as markets and suppliers of goods and inputs change during the year; and urban-based merchants and traders move out seasonally into strategic rangelands to pursue pastoral customers. The process is further complicated by the macroeconomic “crisis” in Somalia and the prominence of “unofficial” over official trade, which favors certain small towns in southern Somalia rather than others.

Because of the unstable and fluid nature of rural–urban linkages in the region, the chapter suggests that a focus on actors (i.e., producers, consumers, and traders) and their networks rather than towns provides a better means of documenting the nature of rural–urban linkages and the part that small towns assume in regional development. By taking a behavioral approach to the analysis of rural–urban linkages, towns are shown to be integral components of the seasonal production, consumption, and marketing strategies of nomadic herders.

The chapter is divided into four parts. The first part briefly describes the methodology for the study. In the second section the main characteristics of the Lower Jubba (southern Somalia) regional economy and the importance that livestock production assumes in it are briefly sketched. An understanding of pastoralism and its seasonal dynamics is essential for understanding the role of towns and settlements in the region. The third part of the chapter analyzes the rural–urban dimensions of household marketing, production, and expenditure activities. These data are supplemented by information on trader and urban-based activities. In the conclusion, the implications of the study’s results for methodology and practical applications of rural–urban research are discussed.

METHODOLOGY

The data for this chapter were gathered under the auspices of a research project titled, "Rural-Urban Dynamics in the Kismayo Region, Southern Somalia". The larger study examined the rural-urban dimensions associated with the production and marketing of the region's four principal commodities: maize, bananas, milk, and livestock.

The study started with the region's production systems and traced income, marketing, and expenditure linkages associated with the four main commodities (including their urban dimensions), rather than starting with urban-based activities (for details on the general research program and methodology, see Evans *et al.*, 1988; Little, 1988). I was responsible for the analysis of the livestock sector, but I worked closely with the two other members of the research team, an agricultural economist and a regional/urban planner who studied the agricultural and urban/settlement sectors, respectively.¹

The livestock sector work entailed research on production, expenditure, and marketing activities of herders; rural-urban milk markets; and livestock trade and traders. Field sites were selected in the region's major cattle and camel producing zones and at different distances from the major urban center, Kismayo city. The production and expenditure data in the chapter are based on multiple surveys of 88 herder households; the information on milk marketing is derived from interviews with 38 rural and 34 urban milk traders and on seasonal surveys of three milk markets in the region; and the data on livestock trade are based on interviews with 27 merchants and on monthly data collection at four livestock markets in 1987 and 1988.

THE LOWER JUBBA REGION

The study defined a region centered on Kismayo town and its hinterland up to a distance of 100 kilometers around the city. This regional unit only roughly corresponded with the realities of the pastoral sector, so it was necessary to utilize a larger unit, the Lower Jubba Region, for analytical purposes. The Lower Jubba Region is an administrative unit of southern Somalia bounded on the east by the Jubba River and the Indian Ocean, and on the west by Kenya (Map 1). It comprises 35,114 square kilometers of land, more than 90 per cent of it classified as rangeland (Resource Management and Research, 1985: 40). It is subdivided into four administrative districts: Afmadow, Badhaade, Jamaame, and Kismayo. Average rainfall in the region is

approximately 560 mm per annum, with the highest amounts concentrated in the river valley and the lowest (less than 350 mm) in the western rangelands of the region (Hubl 1986: 56). The region has four climatic seasons: the “long” dry season (*jilaal*) (January–March), the “long” wet season (*gu'*) (April–June), the “short” dry season (*xagaa*) (July–September), and the “short” wet season (*deyr*) (October–December).

The estimated population of the region is 275,000 (based on 1986 estimates), with an annual growth rate of about 3.0 per cent (AHT, 1987; Hendy, 1985).² Approximately 25 per cent of this population is classified as pastoral nomadic, 30 per cent as urban, and 45 per cent as settled agropastoralist or agriculturalist (Evans *et al.*, 1988: 14).

Map 1. The study region, Lower Jubba, Somalia

Urban is defined as settlements with populations of at least 2,000. The largest towns in the region of importance to pastoralists are Kismayo (52,182), Jamaame (18,732), Afmadow (5,391), Badhaade (2,708), Libooye (2,700), Bulla Xaaji (2,676), and Bilis Qooqani (2,676). Population is not necessarily a good indicator of the economic dynamics and urban services available at different towns. Such important market centers as Libooye, serving nomadic areas, have more businesses and services than some of the region's more populated towns, especially those that serve low-income farming populations (some of the reasons for this are discussed later in the chapter). For this study, data collection focused on the districts of Afmadow—the most nomadic area of the region—and Kismayo—the location with the largest urban population (Kismayo town). Many of the interviews with large traders, however, required visits to Mogadishu, the capital of Somalia, where most large merchants maintain their base of operation.

Three important environmental features highlight the Lower Jubba Region. First is the presence of the Jubba River, Somalia's only true perennial river.³ Its annual flood is critical to the regeneration of local pastures (especially in the Descheeg Waamo area), surface ponds, and wells in the eastern part of the region. A second important ecological feature is the Lac Dera basin (including the Jiira plains), composed of a series of seasonal rivers and associated grasslands in central Afmadow District. This basin defines an excellent grazing resource for cattle. It covers several hundred square kilometers and is fed by seasonal rivers and streams that at times originate in Kenya.

The third important environmental characteristic of the Lower Jubba Region is its 150-kilometer coastline in the southeast, which links the region to outside markets. The Kismayo port area, in particular, serves as a major livestock export facility and the third largest port in Somalia. Many of the important livestock trekking routes in the region center around the Kismayo port, which has been an important trade center since the nineteenth century (Cassanelli, 1982).⁴

The pastoral sector

The three characteristics discussed above help to explain the importance of the livestock sector (particularly cattle) to the regional economy. In most years Somalia derives more than 80 per cent of its export earnings from the livestock sector. Largely because of its excellent water and range resources, the Lower Jubba Region has the largest population of cattle in the country (approximately 860,000) and also a sizable camel population, estimated at 222,000 (Hubl, 1986: 60). These represent about 22 per cent and 4 per cent, respectively, of

Somalia's cattle and camel populations. In the Lower Jubba it is estimated that the livestock sector accounts for more than 60 per cent of the region's total income.

In most years the Lower Jubba Region, via the Kismayo port, accounts for 35 to 40 per cent of the country's total overseas exports of cattle and about 20 per cent of its camel exports. More important in recent years has been the "unofficial" export of cattle to neighboring countries, especially to Kenya. The Lower Jubba Region currently exports about 30,000 cattle a year to Kenya on the unofficial market (Cassam, 1987), or approximately 60 per cent of Somalia's total exports to that country.⁵ During 1987 and 1988 unofficial sales to Kenya exceeded official exports from Kismayo port by a factor of six.

Livestock production systems in the region exhibit substantial variability that relates to both environmental and social variables. Thus, for example, the average number of camels controlled by herders in Kismayo District is more than ten times that of Afmadow herders who, in turn, own considerably larger cattle herds than do Kismayo households. Neither district holds large numbers of goats and sheep.

The physical environment of the Kismayo region provides both opportunities and constraints to livestock production. In the *Gu* and *Deyr* rainy seasons (April–June and October–November), the main cattle grazing areas are located away from the coast and Jubba River, especially in the Lac Dera and Lac Jiira plains (see Map 1). The Jiira area, located approximately 50 kilometers northwest of Afmadow town, is the most important wet-season grazing area for Afmadow cattle. In general, the better wet-season grazing areas are located in the northern parts of the Kismayo region, accounting for the general movement of cattle and people from south to north during these months. The direction of movement is reversed in the dry season as cattle move toward the Descheeg Wamo (located off the Juba River), the coast, Bhadaade District, and the Jubba River. Cattle herders of Afmadow prefer to use the Descheeg Waamo and riverine areas only in the dry season, when tsetse fly infestation is less than in the rainy seasons. As will be discussed later, these seasonal population movements greatly affect the economic dynamics of different towns in the region.

A market "crisis"

The decade of the 1980s in Somalia has been a period of devastating decline in overall economic and political conditions.⁶ After more than 15 years of rapid growth in livestock exports—mainly to Saudi Arabia—the decade of the 1980s proved especially difficult for the li-

vestock sector. During the 1970s the dominance of Saudi Arabia as a market for Somali cattle had grown rapidly, and by the early 1980s it accounted for more than 95 per cent of the external market for Somalian cattle. However, in 1983 Saudi Arabia imposed a ban on cattle imported from Somalia in response to unwarranted fears of rinderpest in southern Somalia. The immediate effects of the ban were devastating: annual cattle exports declined from 157,000 in 1982 to less than 8,000 in 1984. The loss of the Saudi market was particularly devastating to the economy of the Lower Jubba. From 1982 to 1984 annual cattle exports from Kismayo declined from approximately 51,000 to less than 1,000.

New markets in Egypt and Yemen have partially compensated for the loss of the Saudi market, but annual exports from Kismayo in 1985 and 1986 remained at only 50 per cent of the 1982 volume. In 1987 and 1988 there was evidence that these new export markets, too, might prove volatile. From 1985 to 1987 annual cattle exports from Kismayo declined from 26,213 to 4,168, and prospects for 1988 looked only marginally better. For the Lower Jubba Region, the Kenya market has proved the most reliable during this period. While Kenyan cattle had been exported overseas via the Kismayo port during the Saudi boom period, the trade is now reversed. Somali cattle are being sold at Kenyan markets, and virtually no Kenyan cattle are being sold at Kismayo.

ECONOMIC LINKAGES BETWEEN HERDERS AND TOWNS

In this section, I examine the ways in which herders utilize towns in terms of marketing, production, and consumption strategies.

Cattle marketing

Reorientation of the cattle trade has affected the regional market system and relationships between herders and towns. Herders frequently transact sales to traders in the "bush", but in recent years they have been orienting sales to centers near the Kenyan border. In contrast to what might be expected, prices for cattle generally increase as one moves away from the major regional town, Kismayo, to the smaller centers located along the border near Kenya. For example, on average cattle prices at Kismayo are 15–20 per cent below those of Libooye (Kenya border), even though the latter is a very small town (approximately 2,700 residents) while Kismayo's population exceeds 50,000. The small centers of Libooye and Afmadow are major markets for the

Kenyan trade, with more trade activity and higher cattle prices than Kismayo.

Price relations among towns do vary according to season, with the Kenya market revealing strong seasonal patterns in demand. Animals are trekked to Kenyan markets, passing through arid areas where water and pastures are available only seasonally. During dry periods—December to March and July to August—the trade stops because of the high probability that cattle would perish en route to Kenyan markets. In the dry months the cattle trade is oriented toward regional (Kismayo town) and national (Mogadishu) rather than export markets. Yet, even when accounting for this seasonality, the overall tendency is for cattle prices to be highest in smaller centers located near Kenya rather than in the larger towns.

The seasonal factor is also important in analyzing monthly data within particular market towns. Animals lose weight during the dry months, and herders, often desperately in need of cash to buy food, flood the market with cattle in poor condition. At such times they sell their animals at the nearest available market center. These factors, coupled with the dry-season slowdown in the export trade (both to Kenya and to overseas markets), result in severe price fluctuations during the year. Cattle prices in one market center, Afmadow, drop from the wet to the dry season as much as 50 percent. The same general pattern is displayed in the three other major market centers, although less severe seasonal price changes occur at Kismayo market, where demand for animals for local consumption remains considerably more stable than the export markets. These seasonal fluctuations in price increase the economic vulnerability of herders, especially the poorer ones, but they also allow for considerable profit-making by those traders who are able to make speculative purchases in the dry season (see Little, 1988).

After the Kenyan trade the Kismayo market is the most important in terms of volume (Table 1). A proportion of sales at each of the regional market towns ends up for local consumption in Kismayo town. Cattle destined for the Kismayo market tend to be slaughter animals and, relative to other markets, low-value cattle. Old cows and bulls make up a large proportion of the animals destined for slaughter in Kismayo.

It should be noted that a relatively large proportion of transactions occurring at the Afmadow, Bilis Qooqoni, and Libooye markets are for breeding and rebuilding herds. These purchases are frequently made directly by herders at the marketplaces or by traders who maintain large herds in the area. In Table 1 those purchases that are not for immediate sale are represented by the "other" and "Afmadow" cate-

Table 1. *Destination of cattle sold in Kismayo Region, 1987–1988^a*

Destination	No. of Cattle	Per cent
Afmadow	94	11.3
Bilis Qooqani	13	1.6
Export ^b	30	3.6
Garisa/Kenya	193	23.2
Kawaan	20	2.4
Kismayo Town	186	22.4
Mogadishu	129	15.5
Other	167	20.0
TOTAL	832	100.0

^a Based on analysis of market data collected under the USAID/Livestock Marketing and Health Project.

^b Includes cattle destined for export holding grounds such as Laheley.

gories. These cattle may eventually be sold to Kenya, Kismayo, or elsewhere, but in the interim are kept in the herds of producers and/or traders. Thus, the regional market towns serve as channels for consumption and export and for acquiring animal capital to replenish herds. However, their roles change seasonably and their importance does not necessarily correlate with their size.

Dairy marketing

In terms of rural/urban milk marketing, those herders who supply milk on a regular basis to the urban markets usually reside for most of the year within a 50 kilometer radius of a large town—either Kismayo or Jamaame. They maintain camels in the herd because they are much more reliable producers of milk than other animals in the region. In the survey period, 1987 to 1988, no herders in the Afmadow sample sold milk, while 46 per cent of camel herders in Kismayo District sold at least some of the product. It should be noted, however, that the main goal of milk production is for household subsistence and even among camel herders only a small percentage of total production is sold.

In Kismayo and Jamaame, a small number of households maintain herds on the outskirts of town to supply milk to urban markets. They usually keep small herds of cattle (10–15) and make purchases of fodder and feed to supplement the scarce natural fodder available in the urban centers. Because they have easy access to fodder markets, they can focus on cattle production with only minimal risk of loss due to

lack of natural range fodder. These peri-urban producers, who are usually women, take their dairy products directly to the urban markets to sell to consumers. They often are from nomadic families who have settled near towns because of drought or other hardships; and because of opportunities for petty trade and wage employment. They account for a small percentage of the total amount of dairy production available for sale (less than 15 per cent of the total).

The vast majority of milk sold in the region is consumed in the towns of Kismayo and Jamaame. Milk traders are found in the smaller settlements, but on a less regular basis depending on the seasonal movements of herds. While milk markets remain open throughout the year in the large towns, in the smaller towns they frequently close if there are no herds nearby to supply the market. As will be shown later in the chapter, the smaller settlements are mainly served by nomadic women who move with the herds and sell milk to settlements located near their encampments. By contrast, the large towns are served by peri-urban producers, urban-based milk traders (called *abakaar*), and nomads, which ensures that some supply of milk is always available in urban markets.

The largest number of milk traders at urban markets are women from herder households. They are the major suppliers of fresh camel and cow milk and their number at particular markets varies depending on the seasonal movements of herds in the region. Table 2 shows the extent to which the number of nomad traders in the urban markets changes during the year. Transitions can occur rapidly, which was the case at Jamaame market in July 1987. During this month, the number of herders selling milk dropped from 100 to 25 in a one-week period. Herders migrating from Afmadow en route to the Lower

Table 2. *Average number of nomad traders selling cattle and camel milk, Kismayo Region*

	Jamaame		Suuq Yare/ Kismayo		Via Afmadow/ Kismayo	
	Cattle	Camel	Cattle	Camel	Cattle	Camel
July 1987 (3rd Week)	64	36	30	100	58	31
July 1987 (4th Week)	7	18	31	32	45	91
Nov 1987			40	47	66	121
Dec 1987	16	26	19	31	22	35
Feb 1988	11	37	17	35	5	62

Shebelle had camped near Jamaame for lengths of 4 to 5 days, inflating the number of milk traders in the market at that time. Less drastic changes in the number of nomad traders took place in the other two markets, while across all markets there was a general decline in the number of nomad milk sellers as the dry season progressed.

Because camel milk can be sold up to 3 to 4 days after milking, *abakaar* traders can procure supplies up to 100 kilometers from Kismayo town without spoilage of product. In February 1988 sour camel milk for the Kismayo market was procured from as far away as Bhadaade District. Truck drivers would go on two-day excursions to Bhadaade to transport passengers and to refill urban traders' milk containers. In short, even though camel herds move frequently and at considerable distance from major urban centers, traders are able to procure sour camel milk throughout the year. Because the flow of sour camel milk remains more constant throughout the year than the supply of other dairy products, it experiences less dramatic seasonal changes in price. Increases in transport costs seem to be the main factor that boosts the price of sour camel milk, but these are compensated in part by lower procurement prices in the more distant areas.

The rural-urban milk market demonstrates the important linkages that are maintained between regional towns and their rural hinterland. The largest towns of the region have specialized milk traders (*abakaar*) and peri-urban producers/traders that fill important niches in the market that are not served by nomadic milk traders. In contrast to the livestock trade, the smaller towns play only a minimal role in the dairy trade and producers are almost completely dependent on large centers to market their produce. Such towns as Bilis Qooqani and Libooye provide small markets for milk and unlike the cattle commerce are not transshipment points for the dairy trade. The perishability of dairy products greatly limits the participation of remote settlements in the rural-urban dairy trade. As with the cattle trade, seasonal factors greatly affect the role of towns in the rural-urban milk market.

Non-farm activities and investments

The vast majority of household income (79.4 per cent of total) among herders derives from animal sales, with income from milk sales and non-farm activities accounting for 6.8 and 13.4 per cent, respectively. However, the relative importance of different income sources varies spatially, with dairy marketing and non-farm activities assuming more importance near Kismayo town. In general, very few members of herder households participate in wage labor markets (see Table 3).

Table 3. *Composition of gross annual income among herder households*

Source	Amount (SoSh)*	Per cent
Livestock Marketing Income	156564	79.4
(Cattle)	(117972)	(59.8)
(Camel)	(35364)	(17.9)
(Sheep/Goats)	(3228)	(1.6)
Milk Marketing Income	13452	6.8
Agricultural Income	702	0.4
Other Income	26532	13.4
TOTAL	197250	100.0

* SoSh: Somalia Shillings

On average, investment in non-farm assets by herders of the region is minimal. The most common forms of non-pastoral investments are in town houses, particularly in Kismayo city, and retail stores, especially in villages. Pastoral investments in towns, however, are associated to some extent with the region's clan structure. Virtually all of Afmadow District—as well as large parts of neighboring Kenya—is inhabited by members of the Ogadeen clan, while in Kismayo town and its surrounding areas the Hertti clan is dominant. The majority of herders who have investments in Kismayo town are likely to be Hertti. Ogadeen, in turn, are more likely to invest in businesses in Afmadow or Libooye towns, than in Kismayo.

From the urban perspective, many households in towns maintain strong linkages to the pastoral sector and benefit immensely from these. In a separate study of urban households (see Evans *et al.*, 1988), patterns of animal loaning and investment were revealed in which rural kinsmen and hired herders manage the livestock of urban residents. In the small pastoral towns, virtually all settled households keep livestock in the vicinity of the settlements, while in such large towns as Kismayo approximately 50 per cent of households maintain herds in surrounding areas.

Marketing of inputs to the livestock sector

Towns assume considerable importance in the delivery of veterinary inputs, fodder, and water to livestock herders. Veterinary drugs are the major urban-based inputs that are provided to herders; the presence of trypanosomiasis in the region accounts for the large amount of herder expenditures (an average of 639 SoSh per month) on vete-

rinary drugs. Small settlements, such as Bibi and Yaq Bisharo, are also watering points for herders, providing a critical input for cattle production. The repair and maintenance of the pumps for these boreholes occur in the larger urban centers of the region, or in Mogadishu.

The analysis shows that the use of urban centers, either to purchase veterinary drugs or water, varies according to the seasonal movements of herds and people. Kismayo and Jamaame towns are the most reliable sources of veterinary supplies in the region, but purchases there show seasonal variations. Table 4 shows that the importance of Kismayo in the veterinary drug trade declines in the dry season, when cattle herds are congregated in the Descheeg Waamo area and around the major boreholes. At this time, purchases are made at smaller, seasonal settlements, such as Boka, Bibi, and Mido; and at towns near dry-season water points. Kismayo town accounts only for 30 per cent of veterinary purchases in dry season months, whereas in the wet season approximately 76 per cent of sales are made there.

Table 4. *Location of veterinary purchases by herders (percentages)*

Location	Wet Season 1987	Dry Season 1988
Afmadow	11.1	19.3
Beerxaani		6.8
Bibi*		4.6
Boka*		3.4
Buulo Gaddud		1.1
Buulo Xaaji		6.8
Cabdulle Biroole		5.7
Halugo	3.7	
Jamaame	3.7	17.1
Kismayo	75.9	29.5
Mido*		3.4
Yaq Bisharo*	5.6	2.3
Total	100.0	100.0

* These are seasonal settlements, where most of the businesses are closed for up to six months during the year.

Consumption linkages

Food purchases account for the bulk of herder household expenditures (82 per cent of the total). It is in terms of consumption/expenditure activities that towns assume the most important function for herders. However, similar to marketing and production patterns, herder

consumption activities reveal a seasonal dynamic. Food costs are approximately 30 per cent higher in the dry than in the wet months, mainly because of purchases of large quantities of maize flour during the dry periods. Herders buy their grain and flour from the larger towns during the dry and wet seasons, but depend on smaller centers for purchases of other items and for grains during the long dry season (*jilaal*). The seasonal movement of animals and herders drives retail business activities in the region, and it is not unusual for merchants to follow the herds to the main dry-season encampments and to establish temporary shops there. The larger temporary settlements may have grain mill operators, who use portable, motorized mills to process flour for herders.

Table 5 shows the dynamics of herder buying patterns, with "seasonal settlements" showing up as very important in the dry season. While they account for few sales in the wet seasons, approximately 50 per cent of herders buy sugar and about one-third buy rice from seasonal settlements during the long dry season. These settlements are constructed around dry-season water points and pastures and are inhabited by town-based merchants during the dry season. They can range in size from one to two retail shops to as many as 100 establishments in areas where there are major waterpoints (for example, more than one borehole). These temporary settlements assume con-

Table 5. *Location of herder purchases of selected consumer items town/settlement (percentage of purchases at each)*

Item	Kismayo	Afmadow	Jamamame	Temporary Settlement	Other*
	(D/W)**	(D/W)	(D/W)	(D/W)	(D/W)
Maize Flour	36/NA***	14/NA	23/NA	27/NA	0/NA
Maize Grain	55/34	10/29	10/18	3/6	22/13
Rice	39/40	8/5	8/10	31/25	14/20
Sugar	9/21	9/18	4/11	53/27	25/23
Tea	14/24	6/19	6/11	49/16	25/30
Cooking Oil	61/50	0/0	17/10	1/10	21/30
Soap	8/19	8/19	6/9	50/28	28/25
Cloth	51/54	15/30	21/0	0/0	13/16
Flash-light	73/77	18/12	0/0	0/0	9/11

* "Other" includes small, permanent towns.

** (Dry/Wet)

*** Very little maize flour is purchased during the wet season and, therefore, is not included.

siderably less importance during wet months, when herders often move out of these areas.

Herder reliance on large towns for purchases of maize grain and flour, even in the dry season, relates to: (1) the greater availability of grain at larger towns; (2) price differences for grain between large and small towns; and (3) the availability of bulk quantities (40 kilograms or more) in large towns, which wealthy herders prefer to purchase. The dependence on grain purchases is so strong in the long dry season that the location of reliable sources of grain influences herder decisions about migrations.

DISCUSSION

This chapter has shown the importance of seasonality in studies of rural–urban linkages in pastoral regions. By starting with the pastoral production system, the analysis has shown how roles of small and large towns change during the year, depending on the exigencies of the pastoral economy. A survey of towns that is not carried out during each major season is likely to misrepresent the importance of different settlements during the year. For example, during the wet seasons such large towns as Kismayo and Jamaame play very important roles in supplying goods, inputs, and services to herders, while in the dry season they are mainly important as markets for the sale of livestock. Small towns, in turn, particularly those that are located near important dry-season water points (for example, Afmadow), assume considerable significance as retail centers and suppliers of inputs and services during the dry seasons. In the *jilaal* season temporary retail settlements are established around important dry-season water and grazing zones.

Both small and large towns play integral roles in the pastoral economy of the region. Herders have social networks that include family members in urban centers, who can be mobilized when necessary. Settled households, in turn, frequently utilize nomadic family members to herd their animals, and many of these originally came from pastoral backgrounds. The dichotomy between rural and urban is blurred in most economic activities—marketing, production, and consumption—and in the smaller towns it is virtually non-existent. That settled merchants actually move out into the rangelands during certain seasons demonstrates the permeability of the rural and urban sectors.

The data collected in the study have implications for development policies in southern Somalia. For example, the redirection of the catt-

le trade toward Kenyan markets that resulted from the Saudi ban may actually yield greater regional benefits than the earlier, overseas trade. While the export of cattle to Kenya does not earn "hard" currency, it does earn a money—the Kenya shilling—that is the most reliable among east African currencies and can be used to purchase Kenyan products, including manufactured goods. In contrast to the overseas export trade, this commerce also involves small merchants, herders, and towns (less than 10,000 population) to a greater extent. For every 100 Somali Shillings earned from the Kenya trade, it is estimated that 32 shillings accrue to small towns, while 80 to 84 per cent of gross revenue remains in the region (Little, 1989).

The export of cattle from Kismayo port to overseas markets presents a very different scenario. This trade is controlled by a relatively small number of large traders, most of them based in Mogadishu, and most of the benefits accrue to large towns. The income earned from the overseas trade is less likely to be reinvested in the Kismayo region than is revenue generated from the Kenya trade, which involves a greater proportion of local traders. Small towns in the region only receive approximately 13 per cent of gross revenue earned from the overseas trade, while about 35 per cent of gross revenue is lost to the region. The latter figure is based on the F.O.B. (free-on-board) price and would be considerably higher if the figure was based on the import price at the country of destination.

These data show that, in terms of regional and small town benefits, the government of Somalia and donors would be prudent to de-emphasize the most volatile market—the overseas export trade—and emphasize the lower cost, more stable trade to Kenya. Yet, in spite of the marked decline in overseas demand for livestock, large-scale infrastructure investments are currently being planned for this market, including construction of an improved quarantine yard and holding ground at Lahaley outside of Kismayo town. The rationale for this is that improved health facilities for cattle are likely to reopen the Saudi Arabian cattle market for Somali producers. Even if this happens, however, levels of exports from Kismayo are unlikely to attain the volume of the early 1980s, since competition for this market is greater today, while the size of the domestic market for cattle in Saudi Arabia is smaller. A policy that emphasized trade to Kenya would increase regional benefits and promote the development of small towns in the western Lower Jubba.

NOTES

1. The research was carried out under the auspices of the Institute for Development Anthropology and Clark University Cooperative Agreement on Settlement and Natural Resource Systems Analysis (SARSA). The study of pastoralism and livestock marketing was part of a larger study on rural-urban linkages in southern Somalia supported by SARSA. I acknowledge the support of my colleagues in the larger rural-urban study: Hugh Evans, Michael Cullen, and Avrom Bendavid-Val. I also appreciate the support of the staff of the Livestock Marketing and Health Project (LMHP) in Mogadishu, who allowed me to have access to the market data that they had gathered in the lower Jubba. Dr. Alex Dickey of LMPH was particularly helpful. The above institutions and individuals, of course, are not responsible for the content of the chapter. Jonathan Baker and Poul Pedersen provided very helpful comments on this chapter.
2. A national population census was conducted in 1987, but the results were not available at the time of the field research. However, several attempts have been made to estimate current population by using rough approximations of the unpublished census data and other information (Hendy *et al.*, 1985; ARD, 1989; Evans *et al.*, 1988). The most recent published census results are from 1975.
3. The Shebelle River of southern Somalia is often classified as a perennial river, but the lower parts of the river dry up during the dry season. Unlike the Jubba, the Shebelle does not exit to the Indian Ocean but disappears into swamps located east of Jilib town.
4. Archeological evidence suggests that Kismayo may have been an important trading center in the fifteenth and sixteenth centuries, participating in East Africa's trade with the Middle East and Asia. Its status seems to have been short-lived, however (Menkhaus, 1989). Until the latter half of the nineteenth century Kismayo was a relatively insignificant actor in East African commerce. The Somali ports of Brava, Merca, and Mogadishu were far more important in eighteenth and nineteenth century trade (see Cassanelli, 1982).
5. It is obviously very difficult to estimate the annual volume of unofficial trade to Kenya. Cassam conducted research in both Kenya and Somalia to derive his estimate of about 50,000 cattle exported annually (1987). Using this figure, with the estimated herd sizes of the Lower, Middle, and Upper Jubba Regions and my own market data, I estimate some 30,000 cattle, or 60 per cent of the total, originate from the Lower Jubba Region.
6. Since the mid-1980s, the national economy has gone from bad to worse. The value of annual imports is currently about twice the value of Somalia's annual exports, while more than 70 per cent of the annual operating budget of the government is directly paid out of foreign aid. The market value of the Somali Shilling has declined from 37 SoSh = \$1.00 in 1983 (Samatar and Samatar, 1987: 686) to about 1500 SoSh = \$1.00 in 1989, with annual inflation presently above 300 per cent. Coupled with this dismal economic outlook is an even worse national political situation. The regime of President Siad Barre was overthrown in January 1991 after a prolonged and violent

struggle; and currently the country is controlled by different regional factions, with the Lower Jubba being under the dominance of the Ogadeen-based Somali Patriotic Movement. It has not been possible to receive reliable information on southern Somalia since late 1989 and, thus, this chapter does not attempt to assess the effects of recent political developments on the region's economy.

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Agricultural Marketing and Processing in Small Towns in Zimbabwe—Gutu and Gokwe

Poul Ove Pedersen

THE SMALL TOWN IN RURAL DEVELOPMENT

During the 1980s there has been an increasing awareness among development planners in Africa of the important role that small towns might play in rural development. However, this awareness has mostly resulted in considerations on the role of small towns as centres for public and private services to the rural areas, and in more general considerations on the development of local enterprises. On the other hand, very few studies or development plans specify the role of the small town in the rural production system. The reason for this is that it has been the urban-oriented development planners who have focused on the small towns and not the rural/agricultural-oriented development planners.

Theories of rural development on which most rural development planning is based, explicitly or implicitly consider the role of small towns to be negative. Rural development theories were developed during the 1970s as a reaction to the urbanization theories of the 1960s, which saw small towns as the last link in an urban system, through which innovations and new technology were diffused to the rural areas. These urbanization theories were not supported by reality. Instead, small towns came to be seen as points of exploitation. They were the seat of the rural bourgeoisie and the exploitative, superfluous middlemen, who were not seen to play any positive role in the development process. The development process should focus directly on farmers, and the support they needed should be provided directly by the government without the use of unnecessary intermediaries.

In most rural development programmes, this has led to a direct focus on the farmer and agricultural activities, which is obviously important in order to understand and support the rural development process.

However, it has not led to the degree of decentralization, which I think was intended. Rather it has led to a strong concentration in the capital cities of decision-making power and of processing and marketing activities related to agriculture (Hinderink and Titus, 1988). In

Africa, this has happened so much more easily because it tended to support the already existing colonial system.

It has led to a focus, on the one hand, on the already existing large-scale processing and marketing facilities in the large cities, and on the other hand on the development of very small-scale processing and marketing activities supporting the individual household or small groups of farmers, i.e., activities at an subsistence or artisan level (Helmsing, 1987 and 1989). But it has tended to block the development of rural industrialization, which would have to take place at that intermediate level, and which was rejected by the theories.

If we are to understand the role of the small towns in rural development and start an industrialization process in the rural regions, we will have to look at that intermediate level of agricultural marketing and processing and try to understand how it operates and why it has failed to develop.

This chapter tries to do this on the basis of empirical data from Zimbabwe, but starts with a short review of the structure of agriculture, agricultural policies and small town development policies in Zimbabwe.

THE STRUCTURE OF AGRICULTURE IN ZIMBABWE

Zimbabwe is an area with big variations in rainfall, and therefore also in the quality of land for agriculture. During the colonial period white farmers gradually took over most of the good-quality land. Here they established a small number of *large-scale commercial farms* (at present about 4,500) covering 40 per cent of the land. They are still mostly white owned.

As the white farmers took over the good agricultural land, the African population was pushed out to what are now called the *communal areas*. Here most of the African rural population is concentrated on a large number (about 800,000) of very small farms with an average size of 4–5 acres, but in some areas less. The communal areas cover 42 per cent of the agricultural land; of this 75 per cent is located in areas with low rainfall. In the communal areas land is government owned and allocated to the individual users. Private ownership of land is not possible.

The colonial government designated areas where African farmers could buy *small-scale commercial farms*. Here 8–9000 farmers, mostly African, own farms of 20–100 acres. They cover only 4 per cent of the land. Since independence a number of *resettlement areas* have been designated mostly on former white commercial farms and, therefore,

often on relatively good farm land. About 40,000 households have now been resettled on about 8 per cent of the land. These four different types of agricultural land still play an important role in administration and development policies in Zimbabwe.

During the colonial period, the development of towns, infrastructure and services primarily took place in the large-scale commercial farming areas, which produced most of the marketed surplus of agricultural products. Access to most of the communal areas was very poor and most of the agricultural products were used for subsistence.

However, during the last years of the colonial period and especially after independence, a successful effort has been made to increase the cash crop production in the communal areas. Road access, agricultural services and marketing facilities have been improved. Agricultural research and development policies have shifted from a sole focus on the large-scale commercial farms to the needs of the communal and small-scale commercial farmers. Especially in years with good rainfall, this has led to considerable increases in both the yields (although they are still low) and the marketed output. Thus the communal areas now produce more than half of the maize and cotton marketed in Zimbabwe.

However, cash crop production in the communal areas is very unevenly distributed. Although the communal areas as a whole have a considerable maize surplus, only 18 out of 170 communal areas account for most of this surplus (Amin, 1989). While only 10 per cent of the communal farmers control about half of the marketed surplus, 40 per cent have a deficit, even in an average year (Jackson and Collier, 1988). Thus agricultural cash incomes are still very limited. Most households depend on wage incomes, incomes from non-agricultural activities, or remittances from family members working in the urban areas.

Cattle and smaller livestock play an important role in the communal areas. But cattle are held mostly as draft animals and as a means of saving. Meat and dairy production is little developed (see, for example, Cousin, 1989).

THE NATIONAL POLICIES ON AGRICULTURAL MARKETING AND PROCESSING

Agricultural marketing and processing in Zimbabwe is highly regulated by the Agricultural Marketing Authority (AMA) and a series of marketing boards: The Grain Marketing Board (GMB), the Cold Storage Commission (CSC), the Dairy Marketing Board (DMB), and

the Cotton Marketing Board (CMB). These bodies were established in the colonial era and operate according to a series of agricultural marketing acts from the 1950s and 1960s, which are still valid. The purpose of the acts was to secure:

- the commercial farmers a stable market for agricultural products with reasonable and uniform prices, and
- the urban consumer regular supplies of agricultural products at reasonable and uniform prices.

The precise way in which this is done varies from sector to sector, but in general the marketing boards:

- buy agricultural products delivered to them by farmers at a prescribed price set by the government once a year after advice from AMA and the respective marketing board,
- store, handle and sometimes process agricultural products,
- distribute agricultural products to processing industries, traders, or consumers, and
- export and import agricultural products.

In general, the marketing boards have a monopoly on imports and exports and a partial monopoly on the national trade, which allows local private trade within the communal areas, but limits or prohibits it within the urban and commercial farm areas, and between the communal areas and the rest of the country.

Although the acts which regulate the marketing boards have not been changed after independence, the actual operations of the boards have. During the colonial period depots and processing plants were highly concentrated along the rail lines running through the large-scale commercial farm areas and the urban centres. After independence, the network of depots has been extended into the communal areas, so as to increase the production of cash crops there.

However, the trend has varied from sector to sector. It has been much more pronounced and also more successful for grains and cotton than for meat and dairy products. Thus the amount of marketed maize and cotton in the communal areas has grown rapidly since independence, while the amount of marketed milk and meat is still very small. At the same time, the amount of maize, and recently also of cotton, produced by the commercial farmers has gone down because the prices have been unattractive to them.

This dispersion of the marketed agricultural production into the drier and more densely populated, but less accessible, areas of the

country has led both to much larger year to year variations in marketed production and to increasing handling and transport costs. At the same time, the dispersion of the market for industrially processed food products has led to increasing distribution costs. Together with a wish to keep consumer prices low, this has led to increasing deficits and subsidization of the marketing boards (Davies, 1988; Wright and Takavarasha, 1989).

SMALL TOWN POLICIES IN ZIMBABWE

During the colonial period, Zimbabwe developed a pattern of urbanization where almost all urban development took place in the white, large-scale commercial farming areas, and very little in the communal areas. To change this pattern of urbanization, Zimbabwe has a policy to develop a number of district service centres and growth points in the communal areas to serve the rural population there (Wekwete 1987; Gasper, 1989). These policies were initiated in 1969 by the colonial government, but have been strengthened since independence. They have especially focused on:

- infrastructure investments, which have linked most of the district service centres to the national hard-surface road and electricity networks. Investments have also been made in local water and sewage systems, market places and bus terminals;
- investments in public services, especially primary and secondary education and health services; and
- housing schemes, especially for the increasing number of public and parastatal employees, who have moved to the district centres, but also to some extent to lower income households.

There are also a number of industrial development policies which could be used in support of the small town, for example:

- forex allocations and tax deductions for enterprises which establish themselves in the new centre
- support to small enterprise development through the Small Enterprise Development Corporation (SEDCO)
- support to housing and industrial development through the Urban Development Corporation (UDCORP).

Most of these measures, however, have not been geared specifically towards small towns, and the impact on their development has probably been limited.

Finally, but not least, the investments in agricultural services in the district service centres (for example, the grain and cotton marketing boards depots, the agricultural and veterinary extension services, and branches of the agricultural finance corporation) and agricultural pricing policies have together led to increased cash incomes and commercialization in the rural areas and, therefore, to a growing market for the activities in the district service centres.

Although these different policies probably have had varying effects, they have together led to a remarkable growth in many district service centres during the 10 years since independence. Both public services and trade have increased rapidly (doubling between 1976 and 1986) and the largest of the centres have grown from small villages to towns of 10–20,000 inhabitants.

However, the development of production activities has been much slower. This should not surprise us as this has been the experience of growth point and small town development programmes all over the world. This is often claimed to be due to lack of scale economies in the small town. Although scale economies in production obviously are very important in agricultural processing and marketing, with which we are concerned here, the lack of processing activities in the small towns in Zimbabwe is not caused primarily by small scale, but by the way agricultural and industrial development programmes have been conceived.

The following case studies provide a detailed account of the agricultural processing and marketing activities in two district service centres, Gutu and Gokwe.

THE TWO CASES: GUTU/MPANDAWANA AND GOKWE DISTRICT SERVICE CENTRES

Gutu/Mpandawana (approx. 20,000 inhabitants) and Gokwe (approx. 10,000 inhabitants) are among the largest of the district service centres in the rural areas of Zimbabwe, and thus are in no way representative of district service centres in the country. They were chosen to make sure that there were at least some agricultural processing activities in the centres already. The other criteria for choosing the two centres was that they should have different types of agricultural hinterlands, and thus represent different patterns of agricultural production.

Gutu district is located in a relatively dry area. Most of the district is communal land, but the western part of it is covered by large-scale commercial farms and resettlement areas; there are also some small-

scale commercial farm areas in the district. Maize is the dominant crop, although a large part of the district is unsuitable for it. Sunflower is becoming an alternative.

The district has a total population of 177,000 inhabitants of which more than 80 per cent lives in the communal areas. The communal areas have been long settled and are very densely populated, with an average farm size of only 3–5 acres of arable land. Consequently, most of the agricultural production is for subsistence. Cash crop production is limited, and most households depend on non-agricultural activities and remittances from urban family members.

Gokwe district is located in an area with better rainfall and lower population pressure. It consists primarily of communal land, although there are some areas with small-scale commercial farms. In the areas around Gokwe centre, maize is the dominating crop, while the rest of the district is an important cotton growing area. The district has a much larger cash crop production than Gutu.

The district has a population of 230,000 inhabitants and has had heavy immigration at least since the 1950s. There is still considerable net immigration.

Gutu/Mpandawana centre has about 20,000 inhabitants and is thus larger than Gokwe centre, with only about 10,000 inhabitants. However, Gokwe is growing much more rapidly due to the large immigration and growing cash crop production (especially cotton). It may very well overtake Gutu within the next 10 years.

The development of Gutu/Mpandawana business centre started back in the 1950s. It has a number of large-scale local businessmen, who have had 30 years to develop and consolidate their businesses. Gokwe is a much newer town, where few activities date back before independence.

AGRICULTURAL MARKETING AND PROCESSING ACTIVITIES IN GUTU AND GOKWE CENTRES

Agricultural marketing and processing activities are more developed and differentiated in Gutu/Mpandawana than in Gokwe, although the total employment is almost the same, a little above 200. However, in both centres the number of activities is limited and not very well integrated. The following description of the sector examines five sub-sectors: grain and oil seeds, cotton, livestock, dairy and fruit and vegetables (see Table 1).

Table 1. *Agricultural marketing and processing activities in two district service centres in the communal areas of Zimbabwe*

	Gutu/Mpudawana			Gokwe		
	Locally owned enter- prises	Branches	Total employ- ment ^(a)	Locally owned enter- prises	Branches	Total employ- ment ^(a)
The grain and oil seed subsector						
GMB-depot		1	34		1	48
Small roller mill		1	12		(1)	
Grinding mills	3	1	8	4		6
Bakeries	(1)	1	32	1	1+(1)	53
Confectionery/ take away food	(1)			1		7
Rice packing and distribution	1		2			
Popcorn production	1		2 ^(b)			
Chibuku depot ^(c)		1	5			
Oil extraction	(1)					
Subtotal	5+(3)	5	93	6 ^(a)	2+(2)	114
The livestock and dairy subsectors						
Butcheries	9		18	4		8
Soap factory	1		35		1	6
Hide buyer					1	1
Dairy depot		1	5		(1)	
Subtotal	10	1	58	4	2+(1)	15
Fruit and vegetable subsector						
Market vendors	80		80	75		75
Wholesales	2		2		1	6
Egg and chicken dealer					1	1
Subtotal	82		82	75	2	82
TOTAL	97+(3)	6	233	85	6+(3)	211
Total without market vendors						
	17+(3)	6	153	10	6+(3)	136

Numbers in parenthesis show enterprises which are planned but not yet operating. They are not covered by the employment figures.

(a) The employment figures only contain the permanently employed. Most of the larger enterprises periodically have casual workers, at the time of the interview probably around 30–40 in Gutu and 10 in Gokwe.

(b) Employment in popcorn production is unknown. It is part of the soap factory and included there.

(c) Chibuku is industrially produced traditional beer.

The grain and oil seed subsector

The grain and oil seed subsector is the largest of the subsectors. It employs about 100 people in both centres, a few less in Gutu and a few more in Gokwe. This does not include employment by approved buyers, general dealers and transporters, who play an important role in the subsector, but which is difficult to isolate and also very seasonal.

In both centres the GMB depot is the largest enterprise in the subsector. However, in contrast to the national level, where GMB plays a key role in the subsector, the local GMB depots in Gutu and Gokwe have few forward linkages to the local economy.

Besides the GMB depot, the subsector in Gutu consists of a small commercial roller mill, four small grinding mills, a large bakery, a small popcorn production unit, a rice packing and distribution enterprise and a depot for Chibuku beer (an industrially produced traditional beer). Another smaller bakery, a confectionery and an oil extraction plant are being established.

In Gokwe there are only two bakeries, one confectionery and four grinding mills at present, while a third bakery and a small mill, which will operate both as a commercial and a custom mill, are under construction.

A large part of the grain which is grown in the communal areas is used for subsistence consumption or sold locally. Most of this grain is milled by grinding mills in the rural areas. These grinding mills usually do not buy grain, but only perform a service function for local grain growers. The grinding mills in Gutu and Gokwe perform the same service for grain growers in the neighbourhood of the centres. Some of the grain consumed in the rural areas is used for brewing traditional beer. Only that part of the grain which cannot be consumed or sold locally is sold to GMB, either directly or through approved or non-approved buyers. How much of the harvest is sold to GMB depends on the size of the harvest. In good years GMB receives a larger share than in bad.

The grain bought by GMB is resold to the large milling companies or other large-scale users in major urban centres. Very little is sold locally. In Gokwe the GMB depot sells almost nothing locally and in Gutu it only supplies maize to the local roller mill, which receives about 2 per cent of the maize delivered by the GMB depot, and to the very small popcorn production. The local roller mill in turn supplies mealy meal to the local consumer market. However, it is difficult for it to compete even locally and it has hardly more than 20–25 per cent of the local market for industrial mealy meal. The local mill also sup-

plies the local bakery with the 5–10 per cent maize flour, which it uses to stretch the wheat flour, because wheat is often in short supply.

All other inputs to the local grain subsector are brought in from the outside; wheat and rice because they are not grown in the district, and Chibuku beer because it is no longer produced locally.

Of the oil seeds, cotton is by far the most important in Zimbabwe (see below), but sunflower has been growing rapidly in recent years (Mudimu, 1987 and UNIDO, 1988). Sunflowers and groundnuts are grown in both Gutu and Gokwe districts. The production of sunflower has been increasing especially on the drier lands of Gutu. Most of the groundnuts are consumed locally; some of them are first processed in the rural areas into peanut butter (Makombe, Bernstein and Rohrbach, 1987). At present no oil extraction takes place either in Gutu or in Gokwe centre. However, an oil extraction plant is planned, to be set up in Gutu.

Both in grain milling and in oil extraction by-products are produced which play an important role as stockfeed in livestock production especially of cattle and chickens. One of the serious consequences of the present lack of local processing is that these by-products, which could play an important role in developing the livestock sector in the communal areas, are transported out of the districts and fed into commercial livestock production instead.

The cotton subsector

Practically no cotton is grown in Gutu district. In Gokwe district on the other hand, it plays a large and growing role. However, in Gokwe, cotton is grown in the peripheral parts of the district and not in the areas around Gokwe centre. The cotton is collected by the Cotton Marketing Board (CMB) at its depots in the cotton growing areas and transported to ginneries in Sanyati and Kadoma, respectively. Thus the cotton largely bypasses Gokwe centre, and has very little impact there.

At the ginnery the cotton is divided into cotton lint, which goes to the textile industry, and cotton seed, which goes to oil extraction plants in the large urban centres. There are plans to set up a combined ginnery and oil pressing plant in Gokwe. Such a plant would lead to considerable local employment (probably 2–300 persons, of whom many would be seasonal). It would also secure local production of cheaper oil cake to be fed into the livestock sector.

The livestock subsector

The meat industry is partially controlled by the Cold Storage Commission (CSC) which runs abattoirs in the large towns. CSC buys most of its cattle from the large commercial farmers and much less from the communal areas. CSC has a partial monopoly on meat sales to the large towns, but at present the monopoly is heavily undermined by small private abattoirs operating just outside the towns. They buy cattle from farmers near the towns and thus have low costs. Therefore they can pay farmers more than CSC and still be profitable.

The result is that CSC, which has been expanding its production capacity rapidly since independence, has considerable overcapacity. At the same time, there is at the present price level a large unsatisfied demand for meat, and CSC regularly has to ration its deliveries. Therefore CSC has been very keen on increasing its intake from the communal areas. It operates a livestock development scheme, which finances the feeding of cattle from the communal areas for slaughtering.

CSC is not represented in Gutu or in Gokwe. Meat is sold by a number of small butchers, nine in Gutu and four in Gokwe. These butchers, however, get most of their meat from CSC. They also buy some cattle directly from commercial farmers, but very few from the communal areas, where cattle are generally of low quality. The butchers mainly buy from other sources when CSC is unable to deliver, which regularly happens.

Besides the butchers, the livestock subsector is represented by soap factories in both Gutu and Gokwe. The soap factories base their production on tallow and caustic soda. The tallow is in principle delivered by CSC. However, CSC is often not able to meet the demand. (One of the disadvantages of local slaughtering is that the tallow is usually not collected and, therefore, withheld from industrial processing). Some tallow is imported. Deliveries, however, are uncertain and the soap factories are regularly short of input.

Finally, there is a hide buyer in Gokwe who buys hides from domestic animals for resale to the tanneries in the large towns. In Gutu there is no such enterprise, although there are mobile buyers travelling in the district.

The dairy sector

There are no dairies in the communal areas; milk production there is limited and highly seasonal. Milk which is produced is either used for household consumption or sold unprocessed in the local area.

The commercial dairy industry is almost completely dominated by the Dairy Marketing Board, which runs six industrial dairies in the large towns. It is based on unprocessed milk produced by only 540 large commercial dairy farmers, of whom 530 are white. Until the 1960s the dairy industry only delivered milk to the white, low-density areas of the towns, but as milk production expanded, milk was also marketed in the African high density urban areas. After independence, the policy has increasingly been also to provide the rural population with milk. This has led to a change from production of fresh milk, which requires refrigeration, to sour milk, and to UTH milk with long durability, and recently also to milk powder, which is easier to distribute in rural areas without electricity.

It has also led the DMB to set up depots in a number of the new district service centres. Such a depot exists in Gutu and another is soon to open in Gokwe. These depots function as wholesale outlets for milk and milk products produced by DMB. The depots do not actively distribute milk outside the service centres, but they do make it easier for retailers from the rural areas to get dairy products.

Since the beginning of the 1980s, DMB has also operated an experimental dairy development programme for the communal and small-scale commercial farming areas. DMBs interest in an increased milk production, however, has been limited, as it already has difficulties in selling the milk it receives. The programme has recently been taken over by ARDA and the goal turned from milk production to a broader and more long-sighted cattle development. The programme is at present geared only towards the rural market and it is likely to be a long time before it can deliver milk to the district service centres (NORAD, 1989).

The fruit and vegetable subsector

In both Gutu and Gokwe fruit and vegetables are sold mostly by market vendors at the marketplace, although some general dealers and supermarkets also sell them.

In both towns the district councils have built roofed stalls for the market vendors, but especially in Gutu there are also licensed market vendors who operate outside the stalls. In both towns the number of licenced vendors is around 75, although probably there are a few more in Gutu. In addition, there are a number of unlicensed vendors who mostly operate in the residential areas.

In Gutu, most of the fruits and vegetables sold at the market come from Harare by bus. Often groups of three to five vendors send a representative to Harare to buy for the whole group.

There is also a fruit and vegetable wholesaler in Gutu who regularly ferries truckloads of bananas, oranges or other fruits and vegetables into Gutu to sell to the market vendors. A second wholesaler has recently been established, but does not function yet. Neither of the wholesalers have transport of their own. In addition, a white commercial farmer in Masvingo district regularly brings truckloads of cabbages and other vegetables to the market in Gutu as well as to other centres in the province.

Locally grown fruits and vegetables only make up a limited part of the supplies. In Gokwe, many fruits and vegetables are brought in from Harare by the market vendors, or by a recently established wholesaler. But here the local production covers a larger part of the supply than in Gutu.

This is partly due to the climate, which in Gokwe is better for vegetable growing. However, the characteristics of the market vendors probably also play an important role. In Gutu the market vendors are all women; mostly single or divorced women living in the high density residential area of the town, and without close relations to the potential vegetable growers. In Gokwe a number of the vendors are male vegetable growers from the nearby rural areas, and also many of the women vendors grow vegetables themselves. This guarantees a direct link between vendors and growers which does not exist in Gutu.

If the local supply of fruits and vegetables to the markets in the district service centres is to increase, that linkage obviously must be developed. The new wholesalers in Gutu and Gokwe claim that this is their long term intention. However, at present they get all their supplies from Harare and from commercial farmers.

Among market vendors in both Gutu and Gokwe there is considerable resentment against the wholesalers, who are seen as competitors rather than as providing a service.

AGRICULTURAL MARKETING AND PROCESSING ENTERPRISES: THEIR SIZE, ORGANIZATION, SUPPLIERS, MARKETS AND COMPETITORS

The enterprises in the agricultural marketing and processing sector in Gutu and Gokwe centres are generally small. If we omit the market vendors, there are 38 enterprises in the sector in the two centres, which on average employ seven persons each. Although all the enterprises are relatively small, there is a considerable variation. More than half of the enterprises only employ one or two persons, while the largest employs 48 (see Table 2).

Table 2. *The size of the enterprises in the agricultural marketing and processing sector in two district service centres in Zimbabwe (Gutu Mpandawana and Gokwe)**

Number of employees	Number of enterprises		
	Locally owned	Branches	Total
1	4	2	6
2	19	1	20
5		2	2
6		2	2
7	1		1
12		1	1
17		1	1
32		1	1
34		1	1
35	1		1
36	1		1
48		1	1
Total no of enterprises	26	12	38
Total employment	120	169	289
Average employment	4.6	14.1	7.6

* Market vendors not included

Of the 38 enterprises, ten are purely marketing and trading enterprises, while 28 have some manufacturing functions. However, of these thirteen are small butcheries with very limited processing and in two the manufacturing is limited to packing operations.

Many of the enterprises are not locally owned, but about a third are branches of national or other non-local enterprises. As they are larger than the local enterprises, they cover more than half of the employment. Even many of the locally owned enterprises are not independent, but part of larger conglomerates of local enterprises. This is especially the case for the butcheries, which are mostly run together with a general dealer shop or a supermarket, often as part of larger local conglomerates.

For most of the enterprises in the agricultural marketing and processing sector, the core of their market is the local urban retailers or consumers and bus passengers visiting the centre. From here their market stretches in varying degrees into the rural hinterland. In Gutu, some enterprises also market their goods in neighbouring towns, such as Masvingo, Chivhu, Chatsworth and Buhera. This is less the case

in Gokwe, which has a more isolated location. Only a few enterprises attempt to reach the national market.

The ability of the enterprises to reach both the local and more distant markets depends not only on their own internal efficiency, but also on the competition they meet.

Competition comes from the large national (or other out-of-town) enterprises, which are often better able to secure stable deliveries of scarce production inputs and foreign currency, and which often have a larger transport capacity and, therefore, are better able to reach the rural market.

Competition also comes from the rural processing activities at the household or village level. This competition varies strongly from product to product. Thus grinding mills and rural beer brewing which are based on local subsistence crops are very competitive, while rural bakeries and soap production, which are based on non-local inputs, often in short supply, generally are not.

The ability of the local enterprises to compete only partly depends on their own internal and local efficiency and market forces. It depends to a large extent on:

- agricultural marketing and pricing policies,
- administrative allocation mechanisms for scarce production inputs and foreign currency, and
- their access to the national economic, administrative and political networks.

THE ROLE OF THE AGRICULTURAL PRICING POLICIES ON THE SMALL TOWN PROCESSING ACTIVITIES

The present structure of the agricultural processing and marketing system in Zimbabwe is largely shaped by agricultural marketing and price policies.

The staple crops, grains and oil seeds, which at present are the most important productions in the communal areas, are regulated through GMB. Local private trade is legal within the communal areas, but all grains and oil seeds which are sold out of the communal areas or traded in the rest of the country must be sold to GMB. It buys crops from the farmers at a fixed price at the GMB's depots, and sells them again to millers and other industrial or large-scale users at a fixed but higher selling price, which is also at the depot gate. GMB's selling price for maize is around 35 per cent higher than the buying price. The difference should cover GMB's costs, although GMB has had a considerable deficit in most years since independence.

This pricing policy has two negative consequences for the development of small towns. Firstly, it makes it very difficult for the small commercial mill to compete with the large national mills. In milling, as in most other agricultural processing, there are considerable scale economies. A small mill serving the local market may still be able to compete because it has lower collection and distribution costs. In a country like Zimbabwe, with insufficient transport capacity, this should especially be so. However, with GMB's fixed selling price the small mill is not able to exploit these lower costs. There is every reason to believe that the local mill in Gutu, which today is hardly able to compete even in the local market would be perfectly able to do so, and expand its local market share, if it was allowed to buy directly from the farmers in competition with GMB. The same is likely to hold true for oil extraction, which is even more centralized than commercial grain milling.

Secondly, the pricing policy has tended to keep the communal areas in a semi-subsistence economy because it has made it much more attractive to grow crops for subsistence than for the market. At present, maize produced for the market is bought by GMB at a price of 215 Z\$/tonne, from which 15–30 Z\$ or more should be deducted for transport. The value of crops grown for subsistence, on the other hand, must be set either to the cost of maize bought from the GMB depot (at a price of 285 Z\$ plus transport from the depot) or the cost of commercial meal in the local shop. Consequently the value of crops grown for subsistence is at least 50 per cent higher than the value of crops grown for the market and in most cases more.

This has made it very difficult for the urban processing industries to expand their market into the rural areas. It has also made rural processing of subsistence crops, such as custom milling and rural beer brewing, more competitive than they otherwise would be.

The new mill under establishment in Gokwe is interesting because it represents a technological jump which may bridge the gap between the rural subsistence economy and the urban commercial economy. Where the Gutu mill is a miniature roller mill, the new Gokwe mill is rather an improved grinding mill which will be used both as a custom mill and a commercial mill, and thus attempts to compete in both markets.

However, for the Gokwe mill, its ability to compete is likely to depend on permission to buy grain directly from farmers.

Such permission should be easier to obtain in Gokwe than in Gutu (if it is needed at all) because the Gokwe mill will not need to sell its product outside Gokwe communal areas. The reason for this is partly that the Gokwe mill is smaller and partly that Gokwe town is loca-

ted in the middle of the communal area. Gutu town, on the other hand, (as many of the district service centres) is located on the border between the communal and commercial areas. The border cuts right through the town, and the Gutu mill is located in the commercial area where local grain trade in any case would be illegal at present.

However, a partial liberalization of the grain trade in and around the peripheral district service centres is likely to be beneficial to the small town processing industries, the communal farmers and GMB alike. Such a liberalization should reduce the role of GMB from being the only buyer to the buyer of last resort. It would obviously reduce the costs to the local processing industry; if anything it would increase the price to the communal farmer; and it would reduce the cost to GMB, which claims to have above average costs in the small depots in the communal areas.

The effect of a liberalization of the grain trade all over the country may be more questionable. Such a liberalization would make it possible for the large urban mills to buy cheaply from the large grain producers near the urban areas, and leave it to GMB to pay for the expensive deliveries from the peripheral communal areas. It would also leave the question about the national food reserves unanswered.

THE ROLE OF THE MINISTERIAL ALLOCATION MECHANISMS FOR SCARCE PRODUCTION INPUTS AND FOREIGN CURRENCY

Two of the main difficulties for the development of new enterprises in the district service centres are:

- insufficient allocations of scarce production inputs from the parastatals and other government controlled sectors, (for example, tallow from CSC, wheat and rice from GMB),
- lack of foreign currency for the import of capital equipment and production inputs.

Such allocations are made by the Ministries of Commerce, Industry and Finance. Although considerable effort is made to make allowance for small enterprises, administrative allocation procedures in general tend to favour large enterprises which are more stable and easier to identify than the many small enterprises which come and go, grow or decline. Small enterprises may well get into the allocation systems, but the systems tend to change slowly and slowly growing enterprises are likely only to have their allocation increased with considerable delay.

In sectors dependent on scarce inputs, such as bakeries and soap factories, it is generally difficult to run small enterprises. In such sectors, rural enterprises in general are not profitable, and in small towns branches of national companies have better chances of getting sufficient raw materials than independent local enterprises.

The other key problem is the allocation of foreign currency for investments in decentralized production capacity. At present, many of the large-scale industries, whether private or parastatal, have a large unused capacity. There is, therefore, an understandable reluctance to allocate scarce foreign currency to the establishment of new decentralized production capacity, although such new capacity might be more efficient and save foreign currency in the transport sector.

The central position of the administrative allocation systems in general means that branch enterprises and local entrepreneurs with close contact either to the large enterprises or to the national political-administrative system have much larger prospects for success than locally oriented entrepreneurs.

THE ROLE OF THE BRANCH ENTERPRISE IN THE LOCAL ECONOMY

The regional development literature generally favours the small, locally based, enterprises which are supposed to lead to a stable and locally rooted development. Externally owned branches, on the other hand, have a bad image, because they do not integrate into the local economy and are often closed for reasons unrelated to the local economy.

Both in international research and in policy, this has recently led to a strong focus on policies for development of small enterprises in the local industrial environment. Such policies are obviously important for the development of small towns. However, in developing economies where many sectors are led by supply rather than demand, national networks are often more important than the local. Branch enterprises with a built-in access to national networks obviously have a clear advantage over most locally owned enterprises. Therefore, there is good reason to look more closely at the role of branch enterprises in local development. This is not least the case in Zimbabwe, where much of the economy is dominated by relatively large enterprises, and much government effort has been used to convince them that they should set up branches in the district service centres, and in the agricultural marketing and processing sector which is concentrated to an extreme degree and highly dependent on the political-administrative system.

The negative image of the branch enterprise is based on studies of simple production units, often in the textile industry, which during the 1960s and 1970s moved from the industrial core areas to the periphery, first in the developed and later in the developing countries, in order to exploit cheap labour there. These were enterprises with very low capital intensity, a rudimentary local management, and little local integration except in the labour market. They were easy to set up, but also easy to close down, leaving few traces but unemployment.

This negative picture of the branch plant is obviously part of the truth, but it is not the whole truth. At the other end of the spectrum, there are subsidiary enterprises, with their own innovative management, which operate as independent enterprises in the open market. In between the two extremes there are branches with different degrees of freedom to follow their own development and integrate with the local economy.

There is always a risk that a branch enterprise will be closed by its head office for technological or economic reasons, unrelated to the economy of the branch itself. However, in general, big companies do not easily close their branches because it means that they lose the money they invested in them. As the branch is usually backed by much larger financial and other resources than the local enterprises, it will often survive short-term crises which might knock out the local enterprise. Also the branch often has better access to national administrative, economic and political networks, and thus may be a considerable asset to the local economy.

The small roller mill in Gutu can be used as both a negative and a positive example. It has been easier for it to sell its mealy meal to the locally owned retailers, than to the branches of national retail chains, which often do not make their own buying decisions and, therefore, are not able to integrate in the local economy. On the other hand, in order to improve its economy the mill (itself a branch) has packaged products from some of the local enterprises and distributed them through the national network of its mother company. In this way it has provided local enterprises with relatively cheap access to the national market.

The question is not whether an enterprise is locally owned or a branch, but how it is managed. Rather than fighting the branches, which are obviously there to stay, an argument should be made for a more decentralized management of them. Branch managers, who are permitted to exploit local economic opportunities and integrate into the local economy, are likely both to achieve a better economic result for their branch and have a larger impact on the local economy.

THE FEEDBACK BETWEEN THE FARMERS AND THE AGRICULTURAL PROCESSING IN THE SMALL TOWNS

Many balances must be secured if the national agricultural production is to function efficiently. Different crops and livestock must be balanced with agricultural resources. Farmers must have a secure market for their products, and processing industries must have the necessary inputs to utilize their production capacity efficiently. Urban consumers must have the necessary supplies to satisfy their demand. The agricultural development authorities and the marketing boards were originally established to secure some of these balances at the national level, and in Zimbabwe they have done it with considerable success. Seen from a small town perspective, however, the system is more problematic.

The agricultural development policies have succeeded in increasing the marketed production of maize and other crops delivered to the processing industries in the large towns, but they have made few attempts to diversify the agricultural production and marketing channels in the communal areas in order for the communal farmer to take advantage of the growing local urban market in the communal areas. This local market, where the local farmer has a clear locational advantage is, therefore, mostly supplied with food from the large towns.

As we have seen above, the marketing and pricing policies have at the same time supported the strong centralization of the processing industries inherited from the colonial era. They have also led to a heavy extraction of agricultural resources from the communal areas, which has destroyed the balance between crop and livestock production in the communal areas.

In the milling industry, maize is divided into mealy meal and a 20–25 per cent by-product. In oil extraction the oil seed is divided into consumer oil and oil cake, which corresponds to more than half of the original oil seed. These by-products, often together with other additives, are used in the production of stockfeed. Where most of the maize and oil seed is processed in the large towns, the stockfeed production takes place there. Even some of the by-products from the mill in Gutu are transported to Harare to go into stockfeed production.

Stockfeed is sold to livestock and dairy farmers, mainly as chicken feed and supplementary cattle feed. Stockfeed is a relatively cheap product, which is very sensitive to transport costs. The price of stockfeed therefore increases rapidly with the distance from the large towns. Consequently, most of the stockfeed is sold to the large commercial livestock and dairy farmers near the large towns.

Both prices and transport cost allowances are highly controlled in

the grain sector. Thus the milling companies are allowed to add a transport allowance to their price which corresponds to about 60–80 km. This has resulted in some limited decentralization of milling to centres other than Harare and Bulawayo (although not to the communal areas).

For stockfeed, however, the transport allowance increases with distance to 46.80 Z\$/tonne at distances over 196 km. This means that the price of stockfeed in most communal areas becomes prohibitive. This favours livestock and dairy production close to the large towns and is a hindrance for livestock production in the communal areas.

Of course there are many other reasons for the failure to develop the livestock sector in the communal areas. Livestock in the communal areas are primarily held as draft animals and savings, and will never be able to produce as much meat and milk as livestock on commercial farms. But if the maize (50,000 tonnes) and the oil seed which are transported out of Gutu district each year were processed in Gutu and the by-product were channelled into local cattle at the marginal cost, this obviously would make a lot of difference.

According to ZID's (1990) investigation of 759 communal farmers, their total herd of 3280 cattle produced, in a year, 432 cattle for sale, 447 cattle for slaughter and 1248 cattle which simply died of old age, illness, hunger or drought. Only 11 per cent of the farmers purchased stockfeed; the figures indicate that even a marginal effort might be enough to improve the livestock situation to an extent where more of the cattle could be sold or slaughtered before they die.

WHY AGRICULTURAL PROCESSING AND MARKETING ACTIVITIES HAVE FAILED TO DEVELOP IN SMALL TOWNS

Most enterprises in the agricultural marketing and processing sector in the small towns are obviously relatively small enterprises which have the same difficulties as small enterprises in other sectors. I have not been focusing on these difficulties, but rather on those which are specific to the agricultural marketing and processing sector, because it is so highly centralized: difficulties in creating linkages to the agricultural input producers, the controlled marketing and pricing system, the dominance of branches headed by managers without authority to integrate in the local economy, and the administrative mechanisms for allocation of scarce production inputs and foreign currency. These difficulties are all related to external linkages and control rather than to local and internal operations.

Small towns function as intermediaries between their rural hinter-

lands and larger towns. The success of small towns depends to a large extent on how these external linkages are managed. Our study of the agricultural marketing and processing sector is indicative of that. We can draw three conclusions:

- From a large town viewpoint the agricultural marketing and pricing system is often seen to subsidize the communal farmers. From a small town viewpoint it rather functions as a taxation on small town processing and on the deliveries of stockfeed to the communal livestock farmer.
- Agricultural development policies in the communal areas are primarily geared towards improved subsistence farming and an increased marketed production for large town processing industries. A greater effort should be made to diversify communal farming in such a way that the communal areas would be able to exploit the growing local urban market, where the local farmer has a clear locational advantage, but which today is largely supplied from the large towns.
- The increasing interest in "the entrepreneur" as an agent of local development should be supplemented with studies of the role of branch managers in local development.

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The Gurage of Ethiopia: Rural–Urban Interaction and Entrepreneurship

Jonathan Baker

This chapter is concerned with a discussion of a relatively small, but economically important, ethnic group, the Gurage of Ethiopia. It will attempt to explain why they have come to assume a dominant position as small and medium-sized entrepreneurs and traders in towns in Ethiopia, and especially in Addis Ababa.¹ It will also be shown that the maintenance and development of urban–rural networks have enabled them to maximise their economic opportunities. Finally, their role as middlemen and innovators linking the urban and rural spheres is illustrated.

Recent literature regarding the socio-economic organisation and structure of Gurage society is limited. The studies by Shack (1966 and 1973) and Fecadu (1970 and 1972) provide excellent descriptions of Gurage society based on fieldwork conducted in the 1960s. These provide useful material covering the pre-revolutionary period, from which some of the information contained in this chapter is drawn. In an attempt to provide a theoretical context for the empirical material the “economy of affection” approach articulated by Goran Hyden will be briefly discussed in the concluding part of the chapter (see also *Ærøe*, this volume).

THE BASIS OF RURAL GURAGE SOCIETY

It is necessary to have an understanding of rural Gurage society and its recent historical evolution in order to appreciate the emergence of urban–rural networks and the economic position of urban Gurage.

The rural home area of the Gurage is often referred to geographically as Gurageland. This is an area located in southern Shewa Administrative Region, about 200 kilometres south-west of Addis Ababa. Until recently Ethiopian census material did not contain data showing ethnic affiliation. The first comprehensive census of Ethiopia conducted in 1984, however, included questions relating to ethnicity, although the data have only just been released (Central Statistical

Authority, 1991). The enumerated Gurage population was 1.8 million and accounted for 4.4 per cent of Ethiopia's population. From the census data, it is clear that the Gurage, more than any other major ethnic group in Ethiopia, have a proclivity for urban life; 25 per cent were classified in the census as urban based. Furthermore, they constituted the second largest ethnic group in Addis Ababa (18 per cent of the total population of the city) where they are more numerous than much larger ethnic groups such as the Oromo. A little over 255,000 Gurage reside in Addis Ababa, accounting for 55 per cent of all urban-based Gurage. Two hundred and eight thousand other Gurage reside in other urban centres, particularly throughout southern and central Ethiopia.

The basis of traditional Gurage rural society has been, and still is, the cultivation of the *ensete* plant (*ensete edulis*), which because of its close physical resemblance to the banana tree is termed the false banana tree. *Ensete* is the main subsistence crop of the Gurage and the root provides their main source of food. However, all parts of the plant can be utilised for, *inter alia*, house construction, insulating material, fuel, household utensils, fibre for rope-making, and for medicinal purposes (Shack, 1966: 52–53).

Ensete is cultivated with the hoe and grows well with a minimum of care, although manuring maximizes yields. The *ensete* plant permits high population densities as is illustrated by the fact that two *ensete* producing *awrajas* (sub-regional administrative units) of Chebo and Gurage and Kembata and Hadiya have the highest population densities of any region in the entire country—131.6 and 278.7 persons per square kilometre respectively (Office of the Population..., 1984: 26). The mountainous nature of Gurageland precludes the cultivation of much grain; this must be considered as the most significant factor preventing large-scale settlement by northern Amhara invaders at the end of the nineteenth century (see discussion below).

Cash crops, such as *chat*², tobacco and coffee, are a small component of the agricultural economy. Coffee is apparently the main marketable commodity in Gurageland and increased in importance up until the 1960s (Shack, 1966: 67). On the basis, however, of more recent data for the 1980s, coffee production has not increased since then (Central Statistical Office, 1965 and 1982).

Within Gurage society there are seven politically autonomous clans which constitute the Gurage "nation" (Shack, 1973: 262). An important attribute of Gurage culture is that there is no central authority and no concept of chieftainship, but the principle of "collective consciousness" is the guiding principle (Fecadu, 1970: 210). It is this feeling of collectiveness which links all Gurage, whether they reside in

towns or in the countryside. Moreover, there is also a strong sense of responsibility and obligation towards other Gurage, including those in need. Although many Gurage have converted to Coptic Christianity or Islam, important aspects of their own indigenous belief systems are retained (Shack, 1966: 4). And although they constitute only part of the complex *ensete* culture of south-western Ethiopia, they form quite a distinct group:

Gurage culture is essentially uniform. Apart from the varied forms of language and religion, there exists a common set of artifacts, a common technology and mode of production, a common design in house building and patterns of settlement, and a common form of economic and social organization. The maintenance of these traditional forms of culture, which distinguish Gurage from other *ensete* cultivating tribes, is to the Gurage of paramount importance. Culture uniformity has persisted alongside the development of manifold different language groups. The mountainous nature of Gurageland, an essential factor in the development and maintenance of politically autonomous and linguistically different tribes, has had no effect on the form of Gurage culture (Shack, 1966: 37).

IMPERIAL CONQUEST: GURAGE RESISTANCE, DIASPORA AND ADAPTATION

The independence of Gurageland was crushed at the end of the nineteenth century when Amhara invaders from the north, under Emperor Menelik II, conquered large areas in the south, east and west of what is now Ethiopia.

Some of the Gurage clans strongly resisted Menelik's imperialism for a period of nearly twenty-five years, but eventually in 1889 Gurageland was pacified and came under Amhara control. The Gurage clans which resisted and rebelled against Menelik's annexations were killed or enslaved. Of the latter, many were brought to Menelik's new capital, Addis Ababa, where they worked in households of the feudal nobility (Shack, 1966: 261). Other Gurage migrated as free labourers to Addis Ababa in the early twentieth century as well as to other small, but growing, new towns in the southern regions. There, they took up a range of low-status menial tasks, despised by the Amhara. It is fair to say, therefore, that the Gurage's experience of urban life started with their final conquest by Menelik in 1889.

In Gurageland itself, the conquest produced much hardship and established a set of unequal relationships. As in other newly-conquered territories in southern Ethiopia, the use of land was expropriated by the conquerors and hitherto free peasant farmers were redu-

ced to tenants on their own land. They were obliged to pay a tithe (in kind) and provide services to the feudal state. Under the imperial regime a great variety and complexity of land tenure systems prevailed in southern Ethiopia (see Cohen and Weintraub, 1975 and Pausewang, 1983).

Unlike many other conquered peoples who could make tithe payments in kind (often grains and cattle), *ensete* was not acceptable as a tax payment and was considered as food unpalatable and unfit for northern Amhara consumption. This had two effects on Gurageland. First, imperial soldiers never adjusted to the diet nor to the life in Gurageland, as was the case in other conquered areas, and consequently few settled there permanently as farmers. The fact that Gurageland was never settled by the invaders to the extent that obtained in other southern regions, owes much to the nature of the local geography and, in particular, to the *ensete* plant. As Shack remarks, "to the Gurage, the *ensete* plant is a symbolic monument signifying the role it played in securing their lands" (Shack, 1966: 25).

Second, the fact that *ensete* was unacceptable as a tithe payment meant that the Gurage had to meet their obligations in labour services, and later in military service in the imperial armies (Fecadu, 1972: 119).

If the involuntary exile of many Gurage to Addis Ababa, following their final defeat in 1889, marks the beginning of the urbanization of the Gurage, the Land Tax Act of 1929 provided great impetus to a new wave of Gurage labour migration to the capital, and other towns in the south. The essence of the Land Tax Act was that the annual payment of tithe was to be a monetary one (Shack, 1973: 263). Consequently, the Gurage, who did not have a cash crop, were obliged to migrate to towns, especially to Addis Ababa, to find work to fulfil their tax obligations.

The particular nature of *ensete* cultivation, coupled with the closely-knit character of Gurage social and cultural organisation, permitted the out-migration of many males to Addis Ababa without negative effects on the rural economy. It has been estimated that the mean man-days spent on *ensete* production (planting and harvesting) is about three and a half months (Alemayehu, 1983: 3) and this takes place in a continuous period anywhere between mid-September and about mid-March. On this basis, males could be absent for up to eight months of the year. Ancillary tasks associated with *ensete* cultivation such as manuring and weeding are the responsibilities of women. Additional agricultural duties requiring the presence of men could be carried out by lineage related non-migrant male kin. In Gurage society these are often brothers of urban migrants (Shack, 1966: 108).

At the time of the introduction of the Land Tax Act, Addis Ababa had existed as the capital city of a greatly expanded empire for only 40 years. By 1935, its population had reached 100,000 (Solomon, 1985) and as such had developed a functional diversity and offered a great range of employment opportunities, far exceeding that of any other urban centre in the country. Thus, Addis Ababa provided a natural magnet for many uneducated and unskilled Gurage. A further attraction of Addis Ababa was its proximity to Gurageland, which provided migrants with relatively easy access to their home villages to plant and harvest *ensete*, to fulfil important social obligations such as attendance at major festivals and funerals, and to maintain and reinforce kinship networks.

Perhaps the most striking feature of the Gurage entry into the Addis Ababa labour market was the manner in which they came to dominate low-status occupations, far out of proportion to their numbers. Status and prestige are relative concepts, and in urban Ethiopia occupational roles were classified according to standards established by traditional Amhara socio-cultural norms.

In Ethiopian urban society, high status and prestige were, and to some extent still are, accorded to administrative, ecclesiastical and military roles, while low status was associated with trade, artisanal work, domestic service and manual labour. It is this latter group of occupations that the Gurage came to dominate.

There appears to be no one satisfactory explanation as to why the Gurage should be predominant in such low-status, but often financially rewarding, occupations as trade. But their reputation as being astute in business matters and shrewd entrepreneurs appears to be legendary, as the following statements indicate:

Some of their main characteristics are self disciplined behaviour such as hard work and industriousness and strong entrepreneurial predisposition. Most of them are engaged in private business, commerce and trade (Hailu, 1987: 105).

Another writer states:

Gurage engage in all sorts of work as long as they make material gain out of them. Since there is no stigma attached to any kind of work, what matters most is what one gets out of it... (Fecadu, 1970: 213).

These are not explanations, however, as to why the Gurage have been so successful as entrepreneurs in urban areas of Ethiopia. Historical factors appear to have had a strong influence in shaping Gurage attitudes, especially regarding trade. Gurageland was never isolated from trade developments in what is now southern Ethiopia. Historical accounts from the fifteenth century illustrate the importance of Gu-

rageland's juxtaposition along southern trade routes, which brought the region into "direct contact with commercial linkings to the world beyond" (Shack, 1966: 32).

Moreover, in the absence of readily marketable or exchangeable commodities in Gurageland (which *ensete* was not), the Gurage were obliged to become traders and middlemen in order to acquire goods not available in their home regions.

In more recent times, the close affinity that urban-based Gurage have to their villages and the strong sense of kin and clan solidarity must be considered very significant in explaining their need to accumulate money. Urban-rural cash flows for rural improvements are a very concrete expression of this attachment to the rural home.

Fecadu (1970 and 1972) provides a fascinating case study from the 1950s and 1960s where urban and rural Gurage were mobilised by rural elders in order to provide money and labour in order to develop local infrastructure and in particular to improve a 250-kilometre stretch of road linking Gurageland to Addis Ababa. An association known as the "Alem-Gena-Wollamo Road Construction Organization" was established with a well-defined organisational structure. Funds to finance the scheme were levied as follows: urban Gurage in hired labour gave one month's wage, self-employed Gurage gave the net profit of one month's income, while rural Gurage were assessed on the basis of the size of their farms and number of livestock they owned. The road construction project was a remarkable achievement, particularly in view of the lack of interest and prevarications of central government ministries. Apparently the scheme met no resistance from either urban or rural Gurage. This is not totally surprising, given the benefits that accrued in terms of greatly improved access to both the rural areas and to Addis Ababa. Finally, a range of strong traditional sanctions could have been applied to non-compliant Gurage including ostracism from the clan group, deprivation of normal social interaction, and non attendance at one's funeral (Fecadu, 1970: 212)—strong sanctions, indeed, for the Gurage.

THE GURAGE IN POST-REVOLUTIONARY ADDIS ABABA

The revolution of 1974 started a process whereby feudalism was eliminated from Ethiopia. For the purposes of this discussion, it is necessary to focus only on some aspects of this social and economic transformation in so far as it has influenced the position of both urban and rural Gurage.³

In 1975 the government introduced a far-reaching rural land re-

form, whereby all rural land was nationalised and usufructuary rights were given to the rural landless and tenants. Landowners were dispossessed of all but the legal maximum of land allowed per farming household of one-quarter of a *gasha*, about 10 hectares (*Negarit Gazeta*, Proc. 31, 1975). Furthermore, Article 4.1 of the above legislation clearly stipulates that "any person who is willing to *personally cultivate land* shall be allotted rural land sufficient for his maintenance and that of his family" (emphasis added).

To implement the land redistribution and to extend state power to the countryside, peasant associations were established (*Negarit Gazeta*, Proc. 71, 1975). Peasant associations varied in size, both in terms of population and area, although a minimum area of about 800 hectares was stipulated for the formation of an association. All rural dwellers were obliged to be members of a peasant association.

In urban areas, the government also introduced important land reforms (*Negarit Gazeta*, Proc. 47, 1975 and Proc. 104, 1976). All urban land was covered by the legislation and the centrepiece of urban life was the Urban Dweller's Association or *kebele*. *Kebele* had important rights and duties and, in theory, were democratically elected bodies. An additional feature of the urban land reforms was the restriction of house ownership. The ownership of extra houses was declared illegal and surplus housing was transferred to the *kebele* authorities who had the responsibility of renting this extra housing to the homeless (*Negarit Gazeta*, Proc. 47, 1975).

All urban residents were obliged to be members of a *kebele*, but no person could be a member simultaneously of both a peasant association and a *kebele*. As a member of a *kebele*, one was entitled to a certain amount of basic commodities and foodstuffs at a subsidised price from the *kebele* shop but this could only be obtained through a ration card which was provided by the *kebele* authorities to bona fide *kebele* residents. It was possible, however, to move permanently from a *kebele* to a peasant association and vice versa, provided the migrant had somewhere to reside, but both the sending and receiving associations had to accept the new resident. There appears to have been no restrictions on visits by relatives or friends from either the countryside to towns or from towns to the countryside.

This legislation presented the urban Gurage who worked and resided in Addis Ababa, but also had land in the countryside, with a fundamental dilemma. How to maintain both an urban and a rural household and so uphold the close urban-rural network, and thereby maximise urban and rural opportunities? Under the legislation referred to above, this would clearly have been illegal.

Because of the sensitivity of this issue, Gurage respondents were

unwilling to discuss whether they had land or not in Gurageland. According to Fecadu (1970: 210), Gurage from the Sodo area of Sidamo Administrative Region were well established in Addis Ababa and links with their rural areas less concrete. But in the survey of urban Gurage conducted in 1985, the vast majority of households came from western Gurageland, where there was a tradition of maintaining strong rural links.

The emotional attachment of urban Gurage generally to their rural origins and farms should not be underestimated and this is reinforced by the "Gurage attitude that a person who does not maintain his farm is considered as "rootless" even though he is well-established in the city..." (Fecadu, 1970: 210). Economic considerations for maintaining rural land are also very important. An urban Gurage with rural land always has recourse to his *ensete* farm in the event of business failure or long-term unemployment.

In the light of these considerations, it is highly probable that urban Gurage do have access to land in the countryside. How this is maintained is discussed later.

THE URBAN ECONOMIC STRUCTURE

As is to be expected, Addis Ababa as the primate city (with a population of 1.4 million) offers a wide range of employment opportunities.

With the revolution in 1974, state sector employment increased quite dramatically as a result of nationalisation of large companies, a growing bureaucracy and an increase in the armed forces as a consequence of the conflicts in the north of the country.

Table 1 presents an overview of the major employment categories in Addis Ababa. One striking feature of the information is the similarity in employment patterns between the Amhara and Oromo populations. The state provided 45 per cent and 46 per cent of employment for Amhara and Oromo, respectively, and was thus an extremely vital sector for these groups. By contrast, Gurage state sector involvement was much less, at 15 per cent, and this reflected Gurage traditional attitudes with their emphasis on avoidance of state employment.

The three sectors comprising trade, artisanal work and the bar/entertainment category constituted the core of the petty-capitalist sector of the city, characteristic of the informal sector. Incomes were often low, although the income range was extreme and varied from 10 Birr per month for some female street traders to 1800 Birr for owners of large bars.

It is clear from Table 1 that Gurage employment was highly concentrated in these three categories, which together accounted for 65 per cent of Gurage employment. Amhara and Oromo involvement in these three sectors was just over half that of the Gurage at 39 per cent and 34 per cent, respectively.

One remarkable feature of Table 1 was the relatively low level of unemployment, which ranged from 14 per cent for the Oromo to 7 per cent for the Gurage. According to informants, a good deal of unemployment was short term. It is increasingly being recognised that in the absence of state security nets, the poor cannot afford to be without work, however menial or poorly-paid it might be. It was apparent that Gurage unemployment was almost invariably of a short-term nature. The urban ethnic network could be relied upon to pro-

Table 1. *Economically active population (all household members) by ethnicity in Addis Ababa*

	Amhara		Oromo		Gurage	
	N	%	N	%	N	%
State employed:						
Civilian	323	30.8	64	25.2	26	10.4
Military/police	36	3.4	19	7.5	3	1.2
State transfers(1)	117	11.1	35	13.8	8	3.2
Trade sector	122	11.7	33	13.0	94	37.8
Artisans	55	5.2	20	7.9	36	14.5
Bar sector	225	21.4	33	13.0	33	13.2
Daily labourers	142	13.5	41	16.1	45	18.1
Others (2)	30	2.9	9	3.5	4	1.6
Total economically active/receiving regular income	1050	100.0	254	100.0	249	100.0
Unemployed	114	10.9(3)	35	13.8(3)	18	7.2(3)
Dependents	1619		502		454	
Grand total	2783		791		721	

Source: Field surveys of Kebele 17/14 and 5/11, Addis Ababa, 1985.

(1) Includes civilian and military pensions.

(2) Includes church-related occupations, private transfers (alimony and financial support from relatives living elsewhere), and begging (no Oromo or Gurage, eight Amhara).

(3) As a percentage of economically active population.

vide assistance in finding another job, however insecure or poorly paid. Moreover, because of these networks, Gurage never resorted to begging as a survival strategy.

GURAGE MIGRANT HOUSEHOLDS IN ADDIS ABABA

Many models of urban migration attempt to construct fairly simple classifications which explain why people move from one place to another. It is not the purpose here to enter into this discussion, but to indicate that Gurage migration to Addis Ababa has been, and is, a matter not of individual decision-making, but rather a collective responsibility of the rural household. This approach is in accordance with the principles of Gurage collective consciousness discussed above.

A total of 119 Gurage households were surveyed in Addis Ababa, of which 91 per cent were migrants. Eleven householders (seven males and four females) were born in Addis Ababa. Nine per cent arrived between 1930 and 1944, 79 per cent between 1945 and 1974 and 12 per cent since the revolution. The mean arrival age for male migrants was 18 years and for females 29 years.

By place of origin, 105 migrants originated in Shewa Administrative Region, two came from Sidamo Administrative Region south of Shewa, and one respondent did not answer. Most migrants from Shewa Administrative Region (83 per cent) came from the same *awraja* of Chebo and Gurage and a number originated from the same village. Of the total number of migrant householders, only six per cent originated from urban areas (places with populations of 2000 and over are classified as urban according to the Ethiopian definition), while the overwhelming majority, 95 per cent, came from the countryside.

This concentration of Gurage migrants, both in terms of the size and area of origin, contrasts sharply with other migrant groups in the survey. Amhara and Oromo migrants were drawn from a much wider catchment area and came respectively from seven and six different administrative regions in Ethiopia. Moreover, a substantial proportion of Amhara (39 per cent) and Oromo (40 per cent) migrated from other urban areas.

THE MIGRATION PROCESS

This section attempts to present a perspective of the migration process undergone by migrant Gurage in their move to Addis Ababa. It provides something of a retrospective view which also has relevance for contemporary Gurage migration to town.

Once the decision to migrate has been made collectively by the rural household in conjunction with urban kin, migration occurs directly to Addis Ababa. There was no evidence from the Addis Ababa Gurage survey that migrants went anywhere else prior to their departure for the capital. Accordingly, step-wise migration was not a factor in migration to the city. This is not to suggest, however, that step-wise migration does not take place in Gurageland—see, for example, Bjerrén, 1985, who describes, *inter alia*, various aspects of Gurage migration to the town of Shashemene in southern Shewa Region.

As indicated earlier, Gurageland is in relatively close proximity to Addis Ababa and bus services and lorry transport provide the means to reach the city fairly easily. Addis Ababa also has the largest concentration of Gurage outside of Gurageland and, therefore, migrant Gurage, through urban kinship networks, have access to a wide range of economic opportunities.

Table 2 illustrates the various reasons for coming to Addis Ababa and, not unexpectedly, the attraction of employment (81 per cent) is the dominant response. The eleven respondents (10 per cent) who answered that they came with relatives refers to young children who had no say in the decision to migrate. Four females came as associational migrants with their husbands and presumably had little influence on the migration decision, bearing in mind the subordinate position of women in Gurage society (Shack, 1966: 108). Five respondents migrated for specific and non-economic reasons—to obtain education and for medical treatment.

Most Gurage newcomers to Addis Ababa do not suffer from obvious problems of anomie or disorientation. As might be expected, Gurage urban-rural networks operate in such a way that newcomers on arrival are provided with accommodation (Table 3) and help in finding employment.

Table 2. *Gurage migrants: reasons for coming to Addis Ababa*

Reasons for coming to Addis Ababa	Males		Females	
	No.	%	No.	%
Employment	77	86.6	10	52.6
To obtain education	4	4.5	—	
To obtain medical treatment	1	1.1	—	
Came with husband	—		4	21.1
Came with relatives	6	6.7	5	26.3
No answer	1	1.1	—	
Total	89	100.0	19	100.0

Source: Field surveys of Kebele 17/14 and 5/11, Addis Ababa, 1985.

Table 3. *Place of residence for Gurage migrants on their arrival in Addis Ababa*

	With kin/lineage members N	With employer, as servant N	No answer/too young to remember N
Males	79	1	9
Females	17	—	2
Total	96 (88.9%)	1 (0.9%)	11 (10.2%)

Source: Field surveys of Kebele 17/14 and 5/11, Addis Ababa, 1985.

While the figures in Table 3 are striking, there is little reason to suspect them given the intensity and complementarity of Gurage kinship networks. Thus, urban Gurage are obliged to provide support for rural kin when they are in town, while rural Gurage are expected to fulfil obligations such as assisting rural families of urban Gurage.

Although newly-arrived Gurage migrants to Addis Ababa are provided for, in terms of shelter and food, they are expected to contribute economically to the uphold of the urban household whenever possible and/or save money for their rural families.

Young Gurage household members are expected to assist urban-established Gurage in their businesses, such as trading or the running of a bar. Gurage bar owners invariably employ Gurage males as waiters and bar assistants. Informal street activities, such as the selling of lottery tickets, cigarettes, newspapers and sundry goods, shoe cleaning, portorage and so on, are dominated by young Gurage males. Often the initial, but small, start-up capital required to purchase material to enter informal street activities, such as a shoeshine box, brushes and polish, is provided by a Gurage patron.

It should also be mentioned that young Gurage males and females are not uncommonly employed as domestic help by non-Gurage urban families because of their reputation as diligent and hard workers. As was shown in Table 1, begging and long-term unemployment are not options for the Gurage and all available economic niches in the urban labour market are exploited.

THE SELECTION OF URBAN JOBS: WHAT ARE THE OPTIONS?

As has already been shown, newly arrived Gurage migrants are assisted in the search for urban employment by established kin. This feature must to some extent determine the kind of future employment profile a person will have. Another point of interest, however, is to

investigate whether rural skills have any relevance for the urban job market.

Of the 108 Gurage in-migrant householders, 60 had been farmers in the countryside, nine had been shepherds, two traders and only two had the same occupation—weaving—in their rural villages as in Addis Ababa. The rest of the sample included 14 housewives, 14 young children, one student and one unemployed male. Five respondents did not answer the question.

An attempt to summarise the present urban employment profiles of the 60 Gurage migrant males who were farmers prior to their arrival in Addis Ababa is presented in Table 4.

Table 4 shows the Gurage employment pattern skewed in favour of traditional Gurage urban occupations. The trade, artisanal and bar sectors account for 75 per cent of all employment. These also bring the greatest returns, as is illustrated by the income figures. It is also obvious that rural skills have little bearing on the type of urban employment undertaken, nor for that matter the income level achieved. Thus, urban contacts as well as personal initiative must be considered as central in determining the eventual employment and economic status that a person attains.

What is lacking, unfortunately, in the analysis, is detailed employment histories of these former farmers after they arrived in Addis Ababa. For example, what were their first jobs, why and how did they attain their present employment, how important were kin in assisting in the urban job market?

Table 4. *Present occupations of Gurage householders who were farmers prior to migration to Addis Ababa*

Occupational category in Addis Ababa	N	%	Mean income (Eth.Birr)*
State employed: civilian	5	8.3	101.8
State transfers	2	3.3	65.0
Trade sector	24	40.0	475.4
Artisans	12	20.0	301.9
Bar sector	9	15.0	252.2
Daily labourers	3	5.0	56.7
Trader and commuting farmer	1	1.7	N.A.
Unemployed	1	1.7	N.A.
Dependents/private transfers	3	5.0	27.5
Total	60	100.0	263.8

Source: Field surveys of Kebele 17/14 and 5/11, Addis Ababa, 1985.

* The Ethiopian Birr has a fixed exchange rate of 2.07 Birr : US\$ 1.0.

GURAGE URBAN EXCLUSIVITY

Despite a pervading array of state controls, the Gurage apparently managed to manipulate, even circumvent, state power to a high degree. By avoiding, as far as possible, involvement in state processes of centralisation and institution building, it can be hypothesized that the Gurage were able to conduct their affairs and maintain urban-rural networks in a relatively independent manner.

It should be stressed at the outset that the Gurage tended, naturally, to be reticent about divulging information about their affairs which may not have been in accordance with Ethiopian law and revolutionary principles.

I suggest that the Gurage maintain an urban life style which could be considered as exhibiting a degree of ethnic exclusivity to protect knowledge of their affairs from outsiders. This exclusivity manifests itself through the limited use of their language by other ethnic groups,

Table 5. *Second language of heads of households in Addis Ababa by selected ethnic groups*¹

Second language	Amhara		Ethnic groups		Gurage	
	N	%	N	%	N	%
Amharic			142		107	
Oromo	121				2	
Gurage	5					
Tigrinya	2					
Wollayta	4					
Kembata	3				2	
Agaw	1					
Sidama	1					
Adere	1					
Somali	1					
English	49		5			
French	2		1			
Italian	6					
Arabic	1					
Sub-total	192	32.2	148	98.0	111	93.3
Did not know a second language	415	67.8	3	2.0	8	6.7
Grand total	612	100.0	151	100.0	119	100.0

Source: Field survey of Kebele 17/14 and 5/11, Addis Ababa, 1985

1. These three ethnic groups accounted for 92.0 per cent of all households in the survey.

and, with one exception, Amharic, the limited knowledge by Gurage of other languages, apparent lack of political involvement, little economic involvement in the state sector, ethnically-based clubs, and the rotation of kin and lineage members between rural and urban locations.

Table 5 shows the dominance of Amharic as the most commonly spoken second language among the Oromo and Gurage. Oromo is the mother tongue of probably 40 per cent of Ethiopia's population, while Amharic is probably the vernacular of 30 per cent of the country's population. Amharic, however, has acquired the status of *lingua franca* for historical reasons. Over 95 per cent of Oromo and Gurage used Amharic as their second language.

Furthermore, the Oromo language is the most important second language for the Amhara. Very few Amhara spoke Gurage, while no Oromo did so. While knowledge of Amhara is a *sine qua non* for the Gurage and the majority were conversant with it, the Gurage language was not accorded much significance by either the Amhara or the Oromo. Consequently, the Gurage language provides an excellent medium for articulating Gurage urban exclusivity. One implication of this is that Gurage could, for example, conduct business secure in the knowledge that what was being said was incomprehensible to the great majority of non-Gurage.

LACK OF POLITICAL INVOLVEMENT

Another area of urban life which was characterised by lack of Gurage engagement was political involvement and participation in urban state institutions such as the *kebele*. All *kebele* members could elect and be elected to positions on the various committees which had responsibility, within the framework laid down by the government, for running the affairs of the *kebele*.

As Table 6 illustrates, Amhara were represented on all *kebele* committees and this is a reflection both of their numerical predominance and active involvement in *kebele* affairs. The most important administrative position was that of *kebele* chairman; interestingly, the chairmen of the two surveyed *kebele* were Oromo. They were elected, according to many informants, because of their honesty and commitment to *kebele* affairs. Two minor ethnic groups, the Wollayta and Kembata, were also involved in *kebele* affairs, but only on the Revolutionary Defence Committee.

It would appear, therefore, that the *kebele* system did permit all ethnic groups to be represented and to play a role in improving urban

Table 6. *Kebele committee membership by ethnicity*

Committees	Ethnic groups				
	Amhara	Oromo	Tigray	Wollayta	Kembata
Policy	3				
Executive	4				
Revolutionary					
Defence	1	1		1	1
Inspection	5	3	1		
Judicial Tribunal	5				
Education/literacy	2	1			
Development	3	1	1		
<i>Kebele</i> shop	2				
Health	2	1	1		
Red Cross	3				
<i>Kebele</i> Chairmen		2			
Totals	30	9	3	1	1

Source: Field surveys of *Kebele* 17/14 and 5/11, Addis Ababa, 1985.

conditions. Having said this, it is striking that not one Gurage was represented on any *kebele* committee. They were the third largest ethnic group in both *kebele* after Amhara and Oromo. Gurage householders totalled 119, compared with 17 Wollaytas and 3 Kembata.

The legislation pertaining to *kebele* functions and procedures did not exclude any person from participating in *kebele* affairs and being elected to any committee. There were, therefore, no official restrictions on Gurage involvement in *kebele* affairs and the only conclusion to be drawn is that the Gurage were disinterested in *kebele* matters and gave priority to their business affairs. There is no doubt that a number of the important committees such as the policy, executive and inspection committees and the judicial tribunal demanded a good deal of time involving up to three meetings weekly. Gurage employment in the trade, bar and artisanal sectors, associated with long and irregular work hours, was therefore incompatible with a *kebele* agenda of regular and often long meetings.

The foregoing discussion would appear to portray the Gurage as a group lacking political and social commitment. This interpretation may, however, be misplaced and an alternative explanation may be necessary.

In late 1976, the Ethiopian People's Revolutionary Party (EPRP) started a campaign of urban assassinations, particularly in Addis Ababa (commonly referred to as the *White Terror*) in an attempt to

destabilise and overthrow the Provisional Military Administrative Council (PMAC), the forerunner of the Mengistu government. The PMAC launched a vicious counter-attack (known as the *Red Terror*) against the EPRP. This ruthless campaign of violence lasted until mid-1978, when the EPRP was eliminated as a threat to the regime. Little information is available regarding the ethnic composition of the EPRP but according to the evidence available, both urban and rural Gurage tended to support the EPRP (Babile, 1989: 114; Clapham, 1988: 54). If this was the case, then there was every reason for the Gurage to maintain a low profile in the *kebele*, to avoid being labelled as anti-revolutionary elements by the *kebele* and state authorities.

GURAGE SELF-HELP ASSOCIATIONS

Another way in which Gurage exclusivity is maintained has been through the development of Gurage self-help associations or clubs. The Gurage have a long tradition of self-help clubs as demonstrated by the road construction project mentioned earlier.

There are a variety of associations in Ethiopia which meet the needs of many groups, including labour-exchange societies which are rural-ly-based and religious societies which include both rural and urban sectors (Baker, 1986: 158–167; Hailu, 1987). For the Gurage in Addis Ababa there are two types of clubs which fulfil important economic functions: the *ikub*, which are savings clubs, and the *idir*, which are funeral societies.

The *ikub* is a rotating savings association where members pay a fixed amount of money each week or month into a fund and then cast lots to decide who should have the collected money. A person who has won the lottery once can not do so again until all members have had their turn. There is no standard size of *ikub* membership in Addis Ababa, and the level of contributions is decided by the membership. For *ikub* attracting a wealthy membership, contributions could be as high as Birr 10 or more a week.

The *ikub* provides an ideal network for cash accumulation for Gurage traders and bar owners requiring capital for business expansion. A major advantage is that money does not have to be borrowed from a bank, which requires interest payments and perhaps collateral. The *ikub* system operates on the basis of mutual trust, and consequently members are well known and have confidence in each other. For the Gurage of Addis Ababa, the *ikub* provides an excellent method of saving money within the security of the ethnic network.

Just under a fifth of all Gurage householders belonged to an *ikub*.

Interestingly, a higher percentage of women (8 or 35 per cent) were *ikub* members, in contrast to men where 15 (16 per cent) stated that they were members. One explanation for this gender differential may be that female householders generally have considerably lower incomes than their male counterparts. Once a person has accepted membership, the *ikub* represents a disciplined or even a forced method of saving for unexpected eventualities.

Members of *idir* contribute a fixed sum, weekly or monthly, and in return receive financial and other support for funerals. Members are expected to attend the funerals of diseased members and their families, and also to participate in mourning. The *idir* is an important component of Gurage urban life and allows them the opportunity to proclaim and reaffirm their commitment to the traditions of clan and kinship solidarity. Membership among the Gurage was high; 84 per cent of males and 87 per cent of females claimed *idir* membership.

A number of respondents in the survey stated that they also belonged to an *idir* in their home villages. This is because of the strong attachment that Gurage have to their rural roots and traditions. It is likely that some urban Gurage would wish to be buried in their lineage plots located in the *ensete* fields in their home villages (Shack, 1966: 114). Fecadu suggests that the kind of funeral a Gurage has, depends upon his contribution to his home village and also on his personal achievements. Those who have made "outstanding contributions" to the village would be accorded an important funeral (Fecadu, 1970: 209).

However, membership by urban Gurage of rural *idir* is, more than the assurance of a rural burial; it also reaffirms the reality of the urban-rural network.

NON-INVOLVEMENT IN STATE SECTOR ACTIVITIES AND ROTATION OF LINEAGE MEMBERS

Non-involvement in state sector employment provides the Gurage with a degree of flexibility which they otherwise would not have. As was shown in Table 1, only 15 per cent of all economically active Gurage were involved in the state sector, compared to 45 per cent of Amhara and 46 per cent of Oromo.

The regularity of working hours and the necessity of regular attendance at the work place which are characteristic of state employment are incompatible with the demands of Gurage traditions which require attendance at the home village during *ensete* planting and harvesting and to fulfil social and other obligations.

The circulation or rotation of Gurage household members between urban and rural areas is an important component of Gurage economic and social relationships. There are apparently no established routines which govern these movements although the return of many urban Gurage to Gurageland to celebrate the Christian festival of Meskel (finding of the cross) each September and presence at *ensete* planting and harvesting are predictable events in the annual calendar.

During other times of the year, wives of urban Gurage often visit their villages for varying periods of time. In the *kebele* surveys in Addis Ababa, it was found that about a third of the wives were away in the countryside in the immediate and, for women, busy post-harvesting/planting period. When wives were absent, it was not uncommon for young female rural kin to come to Addis Ababa to assume responsibility for the household (i.e. caring for young children, food-preparation and other household chores).

Although the data are necessarily sketchy, it is also probable that some urban Gurage returned to the countryside during the occasional redistributions of rural land which were carried out by the peasant associations. This was done to accommodate the increase in farm households through population increase. In this way, the urban Gurage could claim that they were personally cultivating their plots and had legal right to do so.

For young male Gurage from the countryside, an extended stay in Addis Ababa provides them with the opportunity to experience urban life and, more specifically, to "learn the ropes" of urban business and trade. It was a kind of apprenticeship which would prove invaluable should it be decided that they reside and work in Addis Ababa now or later on in their life cycles. Furthermore, this arrangement benefitted both urban Gurage and their rural kin. Urban Gurage were assured of a reliable but low-paid labour supply for their businesses, while rural kin would benefit through the transmittance of money and urban goods.

The statement by Shack (1972: 269) regarding the use of kin networks has as much relevance today as it did 30 years ago: "The employment of one's kinsmen and utilizing kin ties to further economic interests generally account for the success of Gurage in competitive urban market trade and wage employment".

THE ECONOMY OF AFFECTION: TOWARDS AN UNDERSTANDING OF GURAGE SOCIETY?

In this chapter, an attempt has been made to provide an understanding of the rationality of urban-based Gurage entrepreneurs and busi-

nessmen in Ethiopia. The discussion highlighted the importance of historical and cultural factors in influencing the present occupations of Gurage in Addis Ababa. It was shown that although Gurage are well adapted to urban life, the maintenance of links with their rural areas of origin was of great importance. Even though the Marxist-Leninist state attempted to exert a large degree of economic and political influence, the Gurage were extremely adept at circumventing a plethora of state controls.

Do the structures of Gurage economic, social and cultural organisations conform to the framework of an "economy of affection" model as suggested by Hyden (1983, 1985)? Hyden defines the economy of affection as referring "to the various networks of support, communications, and interaction among structurally defined groups connected by blood, kin, community, or other affinities. It links together in a systematic fashion a variety of discrete social and economic flows and exchanges based on criteria other than those guiding economic behavior in a capitalist or a socialist type of economy" (Hyden, 1985: 214).

He further suggests that to understand what is happening in Africa, "we really need to think beyond the market and beyond the state" (Hyden and Peters, 1991: 304) and thus the economy of affection "is an alternative economy that actively exercises influence on the national economy in either a positive or negative fashion and in many African societies today flourishes because of the breakdown of the state" (Hyden, 1983: 10). Hyden's economy of affection has three functions: basic survival, social maintenance, and development. In the case of the Gurage, it can be argued that social maintenance and development are the most significant elements. But Hyden also argues that the economy of affection holds back national development as communities "opt out" or remain "uncaptured" by the state. Thus, according to Hyden, the economy of affection with its "myriad of invisible micro-economic networks" will "gradually wear down the macro-economic structures, and eventually the whole system" (1983: 21).

In many respects, the structure and organisation of Gurage urban and rural communities have many similarities with the economy of affection model. Unlike Hyden, however, I would argue that the economy of affection approach as applied to the Gurage represents a positive development and a source of energy and vitality which should be encouraged. The Gurage system does not necessarily conflict with state interests and authority, but is complementary to it. For example, in the face of the inability of the state to provide sufficient welfare, employment and other support mechanisms, Gurage struc-

tures are in place to perform important economic and social security and "safety-net" functions.

Finally, Gurage economic and social networks do not appear to be a burden nor to divert resources, and should be seen in the context of providing mutual support and benefits for both urban- and rural-based clan members.

EPILOGUE

Since this chapter was originally written, Ethiopia has experienced a fundamental change. Ethiopia's highly-centralised, Marxist-Leninist regime collapsed in May 1991, and President Mengistu Haile Mariam of the Peoples' Democratic Republic of Ethiopia fled into exile to Zimbabwe. The Transitional Government of Ethiopia (TGE), which is a coalition of ethnically-based liberation fronts and organisations, now has responsibility for running the affairs of state until democratic national elections are held, at the latest, by early 1994. For the duration of this transitional period, the TGE is committed to economic and political liberalisation of the economy and to a dramatic move away from the rigid central planning and state control which characterised the former regime (Transitional Government of Ethiopia, 1991). In early 1992, the Ethiopian economy was in a chaotic condition, but a consortium of foreign donors and the World Bank have committed themselves to funding an Emergency Recovery and Reconstruction Project (ERRP) and will provide Ethiopia with more than US\$ 600 million over a 30-month period to "kick start" the economy.

CONCLUSIONS

Despite the upheavals caused by the 1974 revolution, including land reform, political control, institution building and so on, it would appear that the Gurage have manipulated and circumvented, to a large degree, a system of centralised control with the result that could be termed "business as usual"! It is too early to assess the implications of the new policies of the TGE, but the stimulus provided by the ERRP should have a positive impact on the economy, after a number of years of stagnation. For the Gurage, this can only be beneficial.

NOTES

1. Prior to the Revolution in 1974, Levantine business interests (principally Lebanese, Greek and Armenian) dominated the large-scale trade and business sectors in Addis Ababa. With the subsequent nationalisations and uncertain economic and political climate, many of these entrepreneurs left the country. To a large extent, Eritreans have filled the vacuum and during the Mengistu period (i.e. 1974–1991) took over the role previously assumed by Levantine capital. No studies have been undertaken to explain this Eritrean business ascendancy, and perhaps more importantly within the context of this present discussion, why the Gurage did not attempt to fill the more remunerative business niches which were vacated.
2. *Chat (Catha Edulis)* is a green leafed plant which when chewed produces a mild stimulating effect.
3. The data for most of the discussion which follows was collected over a four-month period of fieldwork in Addis Ababa in 1985. Two *kebele* (urban communes) were selected, one in the centre of Addis Ababa, *Kebele 17, Keftegnä 14*, and one on the northern periphery, *Kebele 5, Keftegnä 11*. A 50 per cent census (every other household) of each *kebele* was undertaken and 958 households were surveyed. Interview schedules formed the basis of the enquiry but more intensive interviews were conducted in selected households. A number of *kebele* officials were interviewed including both *kebele* chairmen. Both *kebele* were multiethnic and on a household basis the ethnic distribution was as follows: Amhara 612 (63.9%), Oromo 151 (15.8%), Gurage 119 (12.4%), Tigrean 46 (4.8%), Wollayta 17 (1.8%), Dorze 6 (0.6%), Kembata 3 (0.3%), Agaw 2 (0.2%), and Kaffa 2 (0.2%). What is said throughout refers to these two *kebele* with a representative sample of Gurage. There are other *kebele* in Addis Ababa (particularly around the main market area, *Mercato*) where the Gurage constitute the largest or one of the largest, ethnic groups, and where conditions may be different. However, it is unlikely that the main issues raised here regarding Gurage economic specialisation and urban-rural networks are that much different from those pertaining in the two *kebele* under consideration in this chapter.

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The Influence of Entrepreneurs on Rural Town Development in Botswana

Elwyn Jones-Dube

Lack of development in the Third World and especially in the rural areas has been a major concern of Third World governments for many years. It has been thought that in order to reduce migration, over-concentration of people in urban centers, stretched resources and the resultant underdevelopment in these areas, more effort should be made towards creating secondary centers which can relieve primary centers and redirect public and private sector capital to foster rural growth and development.

Secondary centers are smaller towns and villages which are peripheral to major trade and administrative hubs and are thus seen as having potential for promoting rural development. They tend to serve as centers for many types of social and government services and whatever commercial and agricultural activity which may exist in the area. They may also provide limited employment opportunities as well as facilities and services unobtainable in many villages and remote areas and often represent the first step towards "town life".

Few who live in Botswana would deny that severe rural/urban, centre/periphery differences exist. Unequal regional development has long been an issue of public concern and remains an unfulfilled aspect of Botswana's development strategy. Critical reports about these inequalities multiply because the fruits of development have not found their way to the rural areas fast enough.

In Botswana, as in other developing countries, there exists a rationale for promoting more equitable development of towns and rural areas. Such development, under the right conditions, could promote rural growth. Entrepreneurs have a major role to play in fostering rural and small town development. However, the extent to which this is possible is dictated by a number of constraints and obstacles, some of which will be highlighted in this chapter.

For the purposes of this discussion, an attempt will be made to outline the historical process which has impeded significant indigenous entrepreneurial development in Botswana. It is argued that given the characteristics of entrepreneurship in Botswana, it is indigenous

African capital in particular which is most needed to fuel rural development. Should government continue to fail to supply adequate rural infrastructure, private sector investors, irrespective of ethnic group, are likely to continue to seek safer, more viable, and lucrative investment opportunities in urban and regional metropolises, and rural stagnation will continue.

BOTSWANA—A SHORT BACKGROUND

Botswana is a large republic of 582,000 square kilometers situated at the center of the southern African Plateau. It rests at an altitude of 1,000 meters above sea level and is landlocked. Formerly the Bechuanaland Protectorate, it is bordered by the Republic of South Africa, Namibia, Zambia and Zimbabwe. Botswana has a population of more than one million and is a multi-cultural and multi-racial society which runs its economy along western economic lines. The climate is continental and semiarid. Eighty per cent of the country is covered by the Kalahari semi-desert and water is usually scarce. Drought occurs often. Despite its size, Botswana is one of the most sparsely populated countries in the world.

Botswana became independent on the 30th of September, 1966 during a period of severe drought which decimated large numbers of the national herd—mainstay of the national economy—and reduced one quarter of the population to destitution. At Independence, Botswana was counted as one of the poorest countries in the world and for several years, the United Kingdom, the former colonial power, provided funds so that Botswana could balance its recurrent budget.

Urban centers are a fairly recent phenomenon in Botswana. However, urbanization has increased faster in Botswana than elsewhere in Africa, and Botswana's town and large village populations have increased steadily since independence (Table 1 and Map 1). Botswana's population is young (over half of the inhabitants are under 15 years of age), the rate of migration within the country is high. "There is a sex ratio of 75 men to every 100 women for those between the ages of 20–40 and the rate of population growth is above 3 per cent" (Republic of Botswana, 1985: 11).

The poverty that Botswana faced following independence was halted when mineable deposits of diamonds, nickel and coal were found. The profits from the sale of minerals and from customs revenues accruing from the Southern African Customs Union (SACU), as well as foreign aid, have enabled government to finance its development programs (Table 2). The roads, telecommunications networks, health,

Map 1. Botswana: Administrative districts and major settlements

1. Railway	3. District boundaries
2. Main roads	4. Administrative districts

educational and social services which government provides would have been impossible without mineral revenues. While the present infrastructural development has been possible due to mineral revenues, it is not expected that these same levels of development will be possible indefinitely. It is, therefore, vital that Botswana diversifies its economy, creates employment, and develops its rural areas.

Economic disparities of wealth and income distribution are crucial issues influencing the need for rural development in Botswana. Colclough and McCarthy (1980: 202) were the first to point out that most Batswana have not profited from Botswana's mineral wealth.

Table 1. *Population growth in towns and larger villages, 1971–1991*

	Population		P.a. growth		Est. population		% of 1991 Total
	1971	1981	1971–1981	1981–1991	1985	1991	
TOWNS							
Gaborone	17 718	59 659	12.9	8.5	87 346	134 800	
Francistown	18 613	31 065	5.3	5.0	37 759	50 600	
Selebi/Phikwe	4 940	29 469	19.6	3.3	33 555	40 800	
Lobatse	11 936	19 034	4.8	5.0	23 135	31 000	
Jwaneng	–	5 567	–	10.0	8 150	14 400	
Orapa	1 209	5 229	15.8	3.3	5 954	7 200	
Subtotal	54 416	150 023	10.7	6.4	195 899	278 800	20.4
VILLAGES							
Serowe	15 364	23 661	4.4	7.0	31 010	46 540*	
Mahalapye	1 377	20 712	6.2	7.0	27 150	40 740*	
Molepolole	9 448	20 565	8.1	5.0	25 000	33 500*	
Kanye	10 664	20 215	6.6	5.0	24 570	35 170*	
Mochudi	6 945	18 386	10.2	5.0	22 350	29 950*	
Maun	13 637	14 925	0.9	5.0	18 140	24 310*	
Palapye	5 218	9 593	6.3	7.0	12 580*	18 900*	
Ramotswa	7 991	13 009	5.0	5.0	15 810	21 190*	
Tlokweng	3 906	6 653	5.5	7.0	8 720*	13 090*	
Mogoditshane	1 075	3 125	11.3	6.7	4 050	6 000*	
Subtotal	85 625	150 844	5.8	6.0	189 380	269 390	19.9
Total	140 041	300 867	7.9	6.2	385 279	548 190	40.3
National Total	596 944	941 027			1 090 700	1 357 600	100.0

Source: 1971 and 1981 *Census on Population and Housing*, Central Statistics Office.

* Indicates settlements expected to be urban by 1985 and 1991 respectively. "Urban" here defined as any settlement of more than 5 000 inhabitants with at least 75 per cent of the labour force in non-agricultural activities.

Subsequent reports have confirmed Botswana's inability to employ more than 32 per cent of the population in the formal and informal sectors (Republic of Botswana, 1985: 39). Because many rural households are without cattle there is a high incidence of rural poverty. Many of these households are headed by women (Republic of Botswana, 1985: 175). Income from crops has declined in recent years due to a number of factors including rural/urban shift, drought, government neglect of agriculture and because many rural people do not possess the productive inputs necessary for farming (Republic of

Table 2. *Gross domestic product, 1979–1988 (selected years) (Pula million)*

	1979/80	1981/82	1983/84	1985/86	1987/88 ⁽¹⁾
Agriculture	83.3	87.8	76.1	94.0	95.6
Mining & quarrying	210.7	103.1	405.9	938.5	1435.0
Manufacturing	29.2	71.2	82.0	125.9	163.3
Water/electricity	15.0	21.8	32.3	57.7	82.4
Construction	36.4	47.6	70.5	61.2	109.3
Wholesale/retail trade	157.0	182.4	276.9	416.3	624.2
Transport & communications	13.6	19.8	32.7	54.3	64.4
Financial inst's	57.6	62.1	86.5	142.6	200.1
General gov't.	100.6	156.3	224.6	325.7	478.9
Household, social & community service	20.9	32.7	43.5	66.7	82.0
Dummy sector ⁽²⁾	-14.8	-18.9	-28.9	-47.6	-66.7
Total GDP (Output)	709.5	792.9	1302.1	2235.3	3268.5

Source: *Republic of Botswana*, 1989: 5

(1) The 1987/8 figures are preliminary.

(2) The dummy sector is a correction for imputed bank service charges.

Botswana, 1985: 170). Combined with the lack of irrigation and unreliable rains, Botswana has become a heavy importer of foodstuffs. In order to make ends meet, many Batswana depend upon remittances from relatives, beer brewing, occasional and informal employment opportunities and, in the worst cases, government assistance to destitutes.

External and internal constraints have made it difficult for Botswana to develop its commercial and industrial base and raise the standard of living of the majority its people. External pressures exerted from South Africa, Zimbabwe and abroad have made Botswana an economic backwater peripheral to the stronger economies in the region. Internally, Botswana suffered under British rule because the guiding principle of the administration was that BLS (Botswana, Lesotho and Swaziland) countries "...existed to supply the requirements of the Union's labour market", (Alverson, 1978: 35) while the Protectorate's needs for education, basic infrastructure, and amenities and encouragement of indigenous economic activity were either ignored or discouraged. By 1973 government had been able to amass sufficient information to clarify the weaknesses of the economy (Republic of Botswana, 1973: 243) and by 1977 government drew up its first comprehensive list of problems and constraints affecting trade

and industry (Republic of Botswana, 1977). This statement of constraints has been refined and updated in subsequent Development Plans, the most recent of which reads as follows:

- a small internal market derived from a population of one million with a low average income, many of whom are outside the cash economy, in remote areas and with poor communications;
- relative remoteness from the major centers of international trade and dependence on neighbouring countries for access to the high seas and international markets;
- weak infrastructure and institutions, especially lack of a capital market to support the growth of the trade and industrial sectors in the country;
- a high degree of import dependence for basic requirements such as food and fuel and predominance of a single neighbouring country in the import trade;
- export trade dominated by the diamond and cattle industries with an almost negligible share for manufactured goods and an absence of awareness of export opportunities;
- a shortage of skilled manpower and managerial capabilities (Republic of Botswana, 1985: 235).

Given these constraints, development at the national level has been difficult to achieve and the incidence of investment in towns and villages has been sluggish to non-existent.

COLONIALISM AND ECONOMICS IN SOUTHERN AFRICA

Colonialism's effect on indigenous entrepreneurial activity within subject countries around the world has varied. It would seem that in those countries where activity in trade pre-dated colonial intrusion and served a well defined function in society, as was the case in much of West Africa, entrepreneurial activity continued despite colonial efforts to subvert or destroy it. Economic historians who have put forward theories of entrepreneurial supply in European contexts (Weber, 1930, Baran 1957, Papanek, 1962, Hagen, 1963, Staley and Morse, 1965) have noted that development and, *inter alia*, entrepreneurship need not be seriously affected by adverse social attitudes "unless they are allowed to become crystallized in government action" (Ehrlich, 1973: 649). In the case of the Bechuanaland Protectorate, adverse social attitudes on the part of British colonial civil servants did just that and, indeed, had negative effects on the fragile process of the emer-

gence of Batswana entrepreneurs. The attitudes, values and beliefs of the British civil servants were central to the stifling of indigenous economic activity (Ehrlich, 1973: 654).

In regard to the economic context of the region, Botswana's commercial and trade sectors have always been closely intertwined with those of her neighbors. Botswana's proximity to the Republic of South Africa, the political and economic metropole of the region, took place in such a way as to create a situation of underdevelopment of Botswana's economy which was used as a source for South African investment and consumption of South African goods and services. The replication of this strategy throughout the region resulted in the retardation of economic growth in all of the countries in the region.

According to Martin Legassick (1977: 175), this underdevelopment was part of a process which began with the discovery of diamonds and gold in South Africa. The effect of this was to transform the South African economy from a peripheral agricultural community, dependent on the European world economy, into a sub-metropole participant in the world economic structure whose internal development necessitated that the surrounding areas, already undeveloped, proceed into a state of underdevelopment.

This process was brought about in a variety of ways, the most important of which included the alienation of the indigenous Africans from their land, the imposition of taxes which coincided with the removal of traditional sources of income, the institution of a cash economy, of which the Africans were forced to take part, and the use of traditional institutions of social control to carry out the will of the British and South African white economic and political power structure (Jones-Dube, 1984: 97).

For Africans in South Africa the restrictive and repressive acts of the white minority culminated in the political ideology of "apartheid" which gained its legislative legitimacy in 1948 when the Nationalist Party came to power. Africans in the surrounding countries were also affected by the expansion of the mineral, agricultural and, later, the industrial development of the Republic. Their role in South Africa's development had been heralded in 1924 by General Smuts:

All the highlands of East Africa from the Union to Abyssinia are healthy for Europeans and can be made a great European state or system of states.... It is one of the richest parts of the world and only wants white brains and capital to become enormously productive (Legassick, 1977: 185).

South Africa's expansionist economy continued, and, aided by British and American capital and shored up by state power and racist ideo-

logy, managed to grab a share of economic surplus from European metropolises by using force and coercion in the exploitation of the indigenous population.

By the late 1950s, South Africa had reached a saturation point in terms of utilizing its own capital and for developing local markets for its manufactured goods:

The low wages of blacks make South Africa's domestic market comparatively small, so that capital seeking to reinvest must either move itself outside South Africa or must develop an export market large enough to produce economies of scale. For minerals and raw materials Europe provided the market, but in the manufacturing sphere the metropolitan market is hard to penetrate. For South African capital it is tropical Africa, with its colonially distorted economies, which is South Africa's natural outlet (Legassick, 1977: 194).

The development of South Africa's economy has had long term negative economic effects on the economies of the southern African countries, all of which fall within the sphere of South Africa's economic influence. Angola, Botswana, Lesotho, Malawi, Mozambique, Zimbabwe and Zambia all continue to exist within South Africa's orbit and, as yet, there is little evidence to indicate a change in this situation in a post-apartheid South Africa. Therefore, the work of the Southern African Development Coordination Conference (SADCC), a regional organization created to foster and coordinate economic development in the region, remains an important vehicle for spurring on economic progress in southern Africa. Without such effort, and even in the event of South Africa's joining SADCC (Sebolao and Tsiako, 1990), the Republic is likely to remain the prime regional center for investment capital as entrepreneurs seek lucrative economic ventures.

EARLY ENTREPRENEURIAL ACTIVITY

Pre-colonial trade

Bechuanaland in the latter part of the nineteenth century, was a largely undifferentiated and pastoral society. Communities of people were self-sufficient in the provision of the majority of their material needs and bartered with others for specialized craft products. According to Nangati (1982) pre-colonial Bechuanaland saw lively trading activity between the Bakwena, the east coast of Africa and with Batswana in the Transvaal. After the 1830's trade with whites began, culminating in trade links with Cape Colony. Trading with whites was

largely the incorporation of new partners into existing trading patterns. However, trade between equal partners was not to last. The extent of the disruption of this indigenous trading activity is indicated by Schapera's later observations which describe Tswana trade in basic commodities such as livestock, meat, corn and other food products as sporadic and an absence of tribal markets (Schapera, 1971: 138-139)

The European trader

From about 1830 onwards, hunters, travellers and traders began to visit Bechuanaland. Europeans did not settle at this point but they did trade with Batswana and hence introduced the material goods of western civilization. Unknown to them, they inadvertently started the process of transition from a self-sufficient peasant barter economy to a dependent cash economy. In order to acquire western goods, Batswana exchanged local products such as ivory and ostrich feathers and later, cattle and food products.

White traders began to settle permanently after the discovery of Lake Ngami in 1849. Thereafter they were found at the headquarters of each tribe. These were followed by white traders attached to Cecil Rhodes' pioneer column in the 1890s who by 1900 had crossed the Kalahari Desert to the present Ghanzi, Hukuntsi and Maun areas (Map 1). Historians have noted that the interests of these early white visitors were more closely tied to acquiring land and livestock than to trade (Best, 1970: 600).

With the increase in the number of traders coming to settle permanently in Bechuanaland and especially with the British expedition into the Rhodesias from around 1887, the demand for produce, cattle, wood and other goods grew in order to supply the wagon trains going north. The Central District, then known as Khama's Country, was especially affected by this boom in trade which influenced not only Chief Khama but also many other elite Batswana to try their hand at business. The economic boom created by the wagon trade came to an end with the completion of the railway line to Bulawayo. 1896 marks the year when the country was ravaged by a combination of rinderpest, which decimated the substantial cattle herds and destroyed the cattle industry for many, as well as the year when the railway replaced the wagon trade industry. From this period onwards Khama's Country, the Ngwato Reserve, lost ground in production due to deforestation of the land for the wagon trade and the shipment of wood to the Kimberley mines via the railway. Constricting political boundaries and declining terms of trade with South Africa also brought

business to an end. By 1903 Khama was forced to drop his ban on the export of African labor to the South African mines. Trade between Batswana and Europeans disappeared and was replaced by subsistence agriculture and labour migration.

The proliferation of white traders in Botswana continued at a constant pace up until the 1940s. But by the 1930s certain trends had crystallized. First, the European traders were beginning to feel threatened by the incursion of new Asian traders in the Protectorate and were using their influence to keep both Africans and Asians out of domestic trade in order to protect their own monopolies. Second, a small number of European families had established what might be called "empires" by way of numerous "bush" stores in the rural areas controlled from the tribal headquarters or transshipment centers along the line of rail. Third, trading activity in the country had been divided between whites and Asians in such a way that of the 144 licenses recorded in 1932, 131 were held by Europeans and the remaining 13 held by Asians (Best, 1970: 602).

Domestic trade patterns remained undisturbed for the European trader for the period 1932–1959. By 1959 the Europeans still dominated trade in all regions but the empires created years earlier were no longer pre-eminent. In 1959, one year prior to Harold Macmillan's famous "Winds of Change" speech in South Africa, Europeans held only 59 per cent of the trade licenses compared to 84 per cent during the previous decade (Best, 1970: 605). European concentration of business remained the same, except in the Ghanzi District, a European enclave, where several new shops opened, and in the European settlement areas in Francistown, Serowe and Maun. Following independence the traditional European commercial community decreased substantially in areas such as Molepolole, Mochudi and Lobatse, where shops were sold to Asians and indigenous Batswana as whites fled black rule.

The 1970s and particularly the 1980s were economic boom periods in Botswana. New types of businesses and industries have been initiated by a new breed of white business person from Zimbabwe and other surrounding states where economies have taken a downturn (for example, Zimbabwe and Zambia), or in reaction to sanctions in neighboring South Africa. At present, white commercial activity remains concentrated in the major urban centers and in the far northwest where whites have historically run the game parks and held the hunting concessions. On the whole, European commercial and industrial activity has become more diversified and sophisticated than was previously the case, but years of living in the shadow of apartheid and the resultant racism which permeated the region have alienated

whites and blacks so thoroughly that little transmission of business management skills from one group to the other has taken place. Further, white capital has not been invested in the rural areas, where Europeans made their fortunes selling basic commodities to Africans, but where they have few roots. The refusal of whites to assimilate into the fabric of the society which has accepted and nurtured their presence for the last one hundred years is symptomatic of southern Africa's historical past, and this situation continues to have a negative effect on regional and national development in general and rural development in particular.

Given this scenario, it is therefore unlikely that Botswana's whites will invest in growing agro-towns until such time as rural Botswana is capable of organising and utilizing existing factors of production and the risks of business failure, due to existing constraints, are significantly reduced.

The Asian trader

Asians first came to Botswana as traders under the protection of the British government in 1879 (Best, 1970: 601). The Europeans were not long in protesting their presence and wasted little time in trying to keep Asians from expanding their interests throughout the country. The European traders were assisted by the colonial administration, which itself had negative attitudes towards both Asians and commerce (Ehrlich, 1973: 651). In 1941 European resentment of Asian competition in the trade sector culminated in European denouncement of Asian business ethics (Botswana National Archives: 729/1). However, by the 1950s Asians had eroded European control of domestic trade and had managed to branch out of their Ramotswa-Lobatse axis. By the middle of the 1960s, Asians operated 95 stores throughout Botswana and were making deep inroads into Serowe and the Tuli Block, both traditional European enclaves. Asians continued to prosper despite the hostility of the Europeans. However, by the 1970s indigenous Botswana also began to challenge the proliferation of Asian businesses. Botswana contended that Asians had too much control over the economy and that their control of the private sector added up to exclusion of indigenous Botswana. Government responded to these criticisms by initiating the *Presidential Commission on Economic Opportunities* whose report confirmed the disadvantaged position of the emerging indigenous Botswana entrepreneur (Republic of Botswana, 1982: 15).

Like their white compatriots, the Asian business community in Botswana has left behind the "bush" shops from which it sprang. In-

stead, Asian capital has been used to fuel much of Botswana's private sector growth in major urban centers such as Gaborone, Francistown and Lobatse. Asian businesses in the smaller towns and villages have been extractive and uninvolved in local development. Unfortunately, the Asian business community has remained closed to non-Asians, whilst this group has entrenched itself in almost every aspect of the economy. The Asian's role has been to provide goods and services to an indigenous clientele with which it maintains little social or business contact, and hence no transmission of business skills to indigenous Batswana has taken place.

Like the Europeans, the Asians have lived in and profitted from rural Botswana but they have no roots or interest in its development. On the other hand, while the older Asians cling to their own version of "separate development" the younger, educated Asians in Botswana are showing signs of working with selected Batswana. Such partnerships appear to indicate a joining of forces between Asians with excess capital and indigenous locals who lack capital but possess strategic information on the state of Botswana's economy or have some influence in government.

The indigenous Motswana trader*

As stated earlier, Tswana society employed a barter system before European travellers and traders became common in the Protectorate. There is evidence of a mercantile tradition amongst the indigenous peoples. Dating from the middle of the nineteenth century onwards, white traders began to establish themselves in the various tribal capitals and trade between Batswana and white traders increased. By 1887 a substantial amount of trade activity was evident in the Protectorate, particularly in the Central District, the headquarters of the Ngwato Tribe, under the leadership of Chief Khama.

Parsons (1977) has written that about this time there was enough demand for Botswana products to draw the more wealthy and enlightened Batswana into business with the Europeans who controlled the wagon trade. This trade carried supplies from South Africa through to settlers in Northern and Southern Rhodesia and exported Botswana timber and other goods back to South Africa. This trade died out once the railway to the Rhodesias was completed and brought an end to prosperity in the Central District but, by then the Batswana had been touched by the entrepreneurial bug and saw an

* A citizen of Botswana is a Motswana; the plural form is Batswana.

opportunity to engage in commerce and to diversify their economic strength which had been concentrated in livestock.

Although some Batswana were eager to engage in trade, the political and economic forces and racist attitudes of the period were against them. This point is illustrated by the case of Chief Khama, who went into business after the demise of the wagon trade. Although his trading business prospered and was a source of pride for the tribe, it was seen to be competing with established South African trading interests and was ordered closed. Thereafter the white monopoly on trade and commerce was reasserted and indigenous attempts at business were strictly discouraged. Parsons (1975: 386) has written that

...the story of the company's demise illustrates the dimensions of the political pressure of the informal network which matched the subordination of the Bechuanaland Protectorate's administration to the South African establishment's interests.

Batswana continued their efforts to enter the commercial sector for many years. As late as 1928, a brother of the late Chief Seepapitso (Kanye) tried to set up a trading store, but was refused permission by the colonial administration based on the 1923 Credit Sales to Natives Proclamation. The Proclamation was a sequence of legislation introduced into the Protectorate after World War I to separate the powers and interests of white and black communities, under the guise of equitable segregation. Such discriminatory legislation became necessary "when economic depression on the one hand raised African consciousness to question customary discrimination, and on the other hand rendered European supremacy insecure at its economic base" (Parsons, 1975: 408).

Colonial legislation and South African economic interests managed to exclude indigenous Batswana from commerce until after the Second World War. However, by 1949 there were ten African-owned businesses in Botswana. This had come about as a result of African pressure for trading licenses following the war in which thousands of Batswana participated and were exposed to new ideas and experiences from abroad. The colonial administration had not been enthusiastic on the issue citing " dangers such as undercapitalisation, overly aggressive European competition, and lack of experience" as justification for refusing to grant trading licenses to indigenous Batswana (Best, 1970: 603). The turning point came when the colonial administration was pressured into challenging the exclusive right of the Europeans to hold trading licenses in the Tati Native Reserve (Francistown) where the Tati Trading Company, a private concern, held considerable mining and land concessions and controlled the

area as its own. The Tati Company lost the case and the number of Africans who took out licenses increased immediately. The Restricted General Dealer's license was introduced shortly after the Tati case was resolved, and was expected to facilitate greater participation of Africans in the trade sector. In a short while indigenous Batswana began to compete with Asians and Europeans already operating in the Native Reserve.

By 1959, 53 licenses were held by Africans. All but three of them were for the ordinary General Dealer's License rather than the more restrictive license created for Africans. Those who took out the licenses had generally been shop assistants or salaried employees in European areas (Best, 1970: 607). By 1968 Batswana held 31 per cent of all trading licenses and 90 per cent of restricted General Dealer's licenses.

They had become traders in the new capital, where there was wage employment, and in some of the larger villages like Tonota, Bobonong and Mmadinare, but few indigneous Batswana sold more than the basic necessities of life and no manufacturing of any significance came into being (Molutsi and Osafo-Gimah, 1987: 5). By 1982 indigenous Batswana business was still concentrated in cattle, small general dealers, bottle stores and small scale retail activities (Table 3) while the companies that accounted for more than half of all production were majority foreign-owned (Table 4). It was also a matter of observation that most companies of any significant size—foreign or locally owned—depended on foreign management (Republic of Botswana, 1982: 10).

Table 3. *Retail and wholesale business establishments, 1984*

License type	Foreign Ownership	Batswana Ownership	Total	Batswana as % of total
General trading	190	478	668	72
Small general	7	751	758	99
Fresh produce	27	340	367	93
Restaurant	18	403	421	96
Speciality	87	103	190	54
Petrol station	26	56	82	68
Wholesale	47	70	117	60
Chemist	3	10	13	77
Total	405	2 211	2 616	85

Source: Republic of Botswana, 1985: 237.

Expansion of indigenous entrepreneurial activity in the rural areas was equally unimpressive. African economic activity in the more remote areas of the country was sluggish owing to the lack of roads and other infrastructure, high transportation costs and the limited spending power of the residents of these areas. While this situation has improved compared to a decade ago, Table 4 shows the continuing urban orientation of the manufacturing sector.

Table 4. *Profile of the formal manufacturing sector, 1984*

Subsector	No. establishments operating				Location		Labour force	
	Botswana owned	Mixed owned	Foreign owned	Total	Urban	Rural	Local	Foreign
Meat & meat prod.	—	1	1	2	1	1	1 956	41
Dairy & Agro-business	1	4	3	8	6	2	46	9
Beverages	1	7	5	13	9	4	579	27
Bakeries	3	3	7	13	10	3	377	20
Textiles	8	8	32	48	43	5	2 432	87
Tanning & leather	—	4	3	7	6	1	419	23
Chemical & rubber	—	2	14	16	16	—	393	32
Wood & wooden products	1	6	5	12	9	3	448	22
Paper & paper products	—	2	4	6	5	1	238	22
Metal products	9	7	21	37	33	4	1 490	79
Building materials	7	4	15	26	19	7	1 063	38
Plastics	1	3	4	8	8	—	262	16
Electrical	1	3	6	10	9	1	318	33
Handicrafts	—	1	2	3	3	—	52	4
Total	32	55	122	209	177	32	10 073	453

Source: Republic of Botswana, 1985: 236.

During the 1970s and 1980s government assisted entrepreneurs by creating a national development bank, encouraging the cooperative movement, instituting financial assistance programs and by reserv-

ing certain types of businesses for indigenous Batswana. However, having entered the already small commercial sector, indigenous Batswana have operated under considerable disadvantages both in terms of their late entry and due to the constraints inherent in Botswana's economic position in southern Africa. As a result, Batswana businesses tend to lag behind those of the Europeans and Asians in size, sophistication, profit-making, employment creation and expansion possibilities. The disparities which exist between indigenous-owned and non-African-owned businesses remain a heated issue which takes second place only to the issue of exploiting business opportunities itself.

CONTEMPORARY BOTSWANA: GOVERNMENT STRATEGIES TOWARDS ENTREPRENEURSHIP AND RURAL DEVELOPMENT

The years following independence saw Botswana move from one of the poorest countries in the world to self-supporting status. Overall, economic performance since independence has improved to a point unmatched by any non-oil producing country in Africa (Republic of Botswana, 1985). However, by the late 1970s it became obvious that a strategy was required to combat the country's major ills. These included a paucity of trained manpower, inadequate employment, insufficient international and indigenous entrepreneurial investment, inadequate agricultural production and poor infrastructural development. By the late 1970s the depth of these problems and their long-term implications could no longer be ignored. New initiatives and strategies were required, the first of which came in the Fifth National Development Plan (1979), which proposed to draw together three disparate problems facing the country—increasing indigenous entrepreneurial activity, creating employment, and fostering rural development (Republic of Botswana, 1985: 54).

In pursuit of this new approach the Presidential Commission on Economic Opportunities (1982) recommended that government play a more leading role in fostering Batswana enterprises which served as a breeding ground for local entrepreneurship. Government was to expand and improve its small enterprise extension service, provide direct financial assistance to entrepreneurs, and relax unnecessary regulations that hampered citizen enterprise (Republic of Botswana, 1982: 20).

Another recommendation of the Report was the creation of the Financial Assistance Policy (FAP) which came into effect on May 1, 1982. Its major objectives were to (1) create more employment oppor-

tunities, (2) promote productive businesses, (3) allow for a greater degree of import substitution, and (4) promote the export of goods produced in Botswana. FAP grants were divided on the basis of investment level into three category sizes, including small, medium and large. Most activities in manufacturing, mining and agriculture, except for cattle, were eligible (Republic of Botswana, 1982: A.38). FAP has been evaluated twice since its inception. Criticism of the policy centers around the high costs of job creation, poor record keeping and slow processing of applications by government officers (Morapedi and Jones-Dube, 1989: 85). With the exception of FAP grants awarded to agricultural and some agrobusiness enterprises, Table 5 shows that FAP beneficiaries have not initiated the rural enterprises government expected and that despite FAP's added incentives to locate businesses in rural areas, recipients still tended to locate in urban and major village areas. As the 1988 evaluation of the FAP notes, further incentives are required "to increase considerably ... the apparent reluctance to invest in the more remote areas where markets are small, skilled management and services are unavailable and certain costs are high, for example, transportation and energy" (Republic of Botswana, 1988: 71).

Table 5. *FAP summary results, medium scale industrial projects, May 1982—November 1984*

Project sector	No. of projects			Projected employees		
	Rural	Urban	Total	Rural	Urban	Total
Textiles	4	13	17	42	778	820
Concrete products	5	2	7	121	53	174
Mechanical projects	1	7	8	10	157	167
Woodwork projects	3	5	8	92	157	249
Sorghum milling	8	1	9	53	8	61
Bakery projects	5	2	7	178	37	215
Leather/Leather Goods	1	4	5	27	293	320
Meat products	—	1	1	—	17	17
Paper products	2	4	6	115	144	259
Chemical projects	1	2	3	8	34	42
Food processing	3	3	6	145	90	235
Other	7	11	18	352	305	657
Total	40	55	95	1 143	2 073	3 216

Source: Republic of Botswana, 1985: 240.

Having created an economic environment which made capital available, government took steps to create a rural environment which would draw investment and foster the rural employment that had been hoped for. To achieve this, the National Settlement Policy (NSP) was introduced to counteract the prevailing bias of investments and migration towards the urban areas, especially Gaborone. The main goal of the policy was to form a framework for the distribution of investment, in a way that better reflected the settlements' size, population, economic potential, level of infrastructure and their roles as service centers to surrounding regions (Republic of Botswana, 1985: 84).

The investment/settlement framework consists of three major levels—primary, secondary and tertiary. At the primary level there are the large towns of Francistown, Gaborone, Kanye, Lobatse, Mahalapye, Mochudi, Molepolole, Selebi-Phikwe and Serowe. These centers have populations ranging from 15,000 to 75,000 each, representing 27 per cent of the national population. Taken together, they represent a viable investment alternative for indigenous and foreign entrepreneurs. Secondary level settlements include the larger villages and mining towns, and include Bobonong, Ghanzi, Gomare, Hukuntsi, Jwaneng, Kasane, Masunga, Moshupa, Orapa, Palapye, Ramotswa, Tonota and Tsabong. These towns and villages are spread throughout the country from the more remote areas in the west to the densely populated areas along the line of rail and amount to about 80,000 or 9 per cent of the national population. These areas have an important role to play as district and sub-district centers and are links between primary centers and village areas particularly in terms of marketing and commercial activities. At the tertiary level the emphasis is put more on areas than on individual settlements. Tertiary areas are functional units capable of being developed as productive units (Republic of Botswana, 1985: 84).

There are several implications associated with the new National Settlement Policy. First, the policy was a clear signal from government that the previous strategy of formal sector development in urban areas had come to an end. Government focus was now on rural development, including the informal sector, which like arable agriculture, had previously been neglected (Republic of Botswana, 1983: 179). The NSP was intended to have an effect on the practices of indigenous entrepreneurs such as high and middle level civil servants, rich peasants and cattle barons, who had concentrated their resources in commercial cattle rearing, agriculture, land speculation and the retail trade in order to secure their financial futures and to take advantage of existing economic opportunities. Their capital has been invested in business enterprises which were expected to make the quick-

est, highest returns possible with the least amount of risk—an equation which is not obtainable in the present rural investment climate.

Almost all manufacturing has remained in the hands of foreign nationals (Table 6) while indigenous investment in rural areas took the form of inputs into arable agriculture, small general dealers and bottle stores. These ventures have generated few benefits for the rural population in terms of employment, transfers of technology, provision of basic services or backward-forward linkages to the rest of the economy.

Table 6. *Ownership of manufacturing firms, 1979–84*

Ownership	1979		1984	
	number of firms	%	number of firms	%
Batswana	15	17.0	32	15.3
Joint venture	26	29.5	55	26.3
Foreign	47	53.4	122	58.4
Total	88	100.0	209	100.0

Source: Republic of Botswana, 1985: 236.

Private sector response to government initiatives to foster indigenous entrepreneurial activity in rural areas in productive activities has been mixed. Entrepreneurs agree that it was prudent of government to begin providing conditions for investment in manufacturing and trade activities, given Botswana's vulnerable climate for cattle rearing and agriculture and increasing competition from other diamond producing countries. The resultant change in strategy, encouraging local production of goods and services for local and export markets, was rightly activated. However, entrepreneurs feel government has not done enough to remove existing constraints on business activity in manufacturing and trade (Botswana Employers Federation, 1988: 89–102). At a recent meeting of entrepreneurs, government officials, international aid donors and private sector representatives, many of the problems still to be tackled to facilitate indigenous entrepreneurial activity in the economy were identified. They included the following:

1. improvement or development of infrastructure, including good roads, water, electricity and telephone services at a subsidized rate to keep entrepreneurial costs down and ensure a reasonable profit;
2. offers of financial assistance to decentralize businesses and industries from urban to rural areas;

3. make FAP grants available to businesses outside manufacturing as long as they create jobs and are favorable to entrepreneurs willing to locate in rural areas;
4. the creation of promotional agencies to mount aggressive campaigns in order to identify, motivate and educate prospective indigenous entrepreneurs;
5. national education programmes which incorporate and emphasize practical industrial skills;
6. establishment of appropriate institutions for special programmes to attend to the training and educational needs of the business community;
7. the creation of a national vocational training system to develop skills for a dynamic business sector;
8. creation of loan and credit guaranteed schemes and security to the commercial banks for entrepreneurs who fail to meet their commitments or requirements;
9. subsidization of concessionary interest rates through banks by government for the exclusive use of small enterprises;
10. more use of tax holidays and concessions for entrepreneurs;
11. exemption from payment of taxes for small scale entrepreneurs for set periods;
12. formulation of policies which remove discriminatory laws affecting women's participation in business activities;
13. overhauling existing wages policy to encourage higher production and social justice;
14. investigation of means to raise business profitability;
15. development of strong national business organisations to cover commerce, industry and manpower.

CONCLUSIONS

This chapter has outlined the historical process of indigenous entrepreneurial development in Botswana. It has shown that indigenous Batswana had a mercantile tradition of their own which declined rapidly sometime after 1830. Thereafter, trade was entirely in the hands of Europeans who began settling in Botswana around 1849, followed by Asians who began arriving in 1879. Europeans and Asians established chains of bush stores which were extractive. Neither of these immigrant groups took interest or invested in the rural or urban centers to any large extent.

Indigenous Batswana were excluded from trade activity by the British colonial administration until the landmark Tati Company vs

Bechuanaland case in 1949 after which Africans were eligible to engage in trade. Having won the right to conduct business, the first indigenous Batswana entrepreneurs concentrated their business efforts almost exclusively in small general dealerships, bottle stores, petrol stations and other small-scale retail activity. Industry associated with production remained in the hands of non-Batswana. Further, given Botswana's status as an economy dependent on that of her stronger neighbor to the south, there was little urban or rural development of any significance for many years.

A series of events in the 1980s changed this situation forever. First, the Southern African Development Coordination Conference (SADCC) came into being with the aim of promoting regional development outside the RSA orbit; second, a Presidential Commission on Economic Opportunities established beyond doubt that indigenous Batswana were operating at a disadvantage in comparison to their European and Asian counterparts. Following this finding the Financial Assistance Policy (FAP) was initiated to provide the capital and business advisory services which indigenous Batswana felt they lacked. Third, mounting international pressure on South Africa to end apartheid resulted in an outflow of business from that country and more exposure for Botswana resulting in Botswana being viewed as a potential business and manufacturing alternative to South Africa. Lastly, government embarked on a plan to foster economic diversification from diamond mining and cattle production towards employment creation, rural development and productive enterprises.

During the last decade, the face of entrepreneurship in Botswana has taken a significant step forward. Indigenous Batswana, Europeans and Asians have begun to join forces to form companies and partnerships for the first time. Indigenous Batswana are actively forming manufacturing companies of medium and large scale. Individuals in the middle and lower economic groups are starting businesses of a productive nature and there is growth of an active informal sector for the first time in Botswana's recent history.

The next decade of development will be the period in which the factors of production are likely to come together in Botswana, and investment in small towns and large villages will begin. Already government has taken steps to re-direct its development strategy and most recently, it has made serviced land more readily available, understanding as it does that once the incentives are in place, enterprising entrepreneurs will take advantage of them and proceed to identify and exploit viable productive and employment creating industries in rural areas. Much of Botswana's future rests on government and her people making the right decisions at this important juncture in her economic history.

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Entrepreneurial Milieu in Smaller Towns—the Case of Masvingo, Zimbabwe

Jesper Rasmussen

Recent theoretical debates in the field of regional industrialization have paid increasing attention to the role of local dynamics and specific local actors, especially the entrepreneurs and their enterprises. This chapter outlines a model of how such localized dynamics interact with the functional factors of agglomeration, labour market, services, etc. previously in focus in industrial theories. Altogether these elements constitute an “entrepreneurial milieu”, in which the enterprises operate.

This model is applied to the case of Masvingo, a medium-sized Zimbabwean town. This is a town with a certain industrial structure and a very heterogeneous social configuration, consisting of an old white bourgeoisie, a new black elite and numerous artisans and traders. The chapter presents the local socio-cultural environment and the existing urban agglomeration factors, and illustrates by using three enterprise “success stories” how a certain combination of factors can create a successful entrepreneurial milieu.

THEORETICAL APPROACHES TO PERIPHERAL INDUSTRIALIZATION

Industrialization outside the industrial core areas has remained a theoretical problem since the infancy of capitalism and many theories and strategies have been proposed for understanding and “solving” the problem.

One of the most influential theoretical traditions has been the theories of polarized development (Perroux, 1955; Hirschman, 1958; Myrdal, 1957). This emphasizes *agglomeration advantages and sectoral linkages* as key explanatory factors for the spatial clustering of industrial activities in certain areas. Growth diffusion and implanted growth poles became the subsequent solutions to the peripheral areas.

This theoretical approach came increasingly under fire as it became

clear that relocation of industries in peripheral regions, often on a very large scale, operated like aliens with only few local spread effects. Some authors, still in accordance with the general theory of polarized development, claimed that peripheral industrialization depended more on development of the local demand than on implantation of industrial complexes (Johnson, 1970; Rondinelli and Ruddle, 1978). Peripheral industrialization is seen here primarily as *demand-led*.

Another group of more fundamental critics pointed to the outright adverse effects of implanted industries and external investments in peripheral regions (Southall, 1988; Schatzberg, 1979). They claim that externally based *enterprises exploit peripheral regions* more than they induce growth. The logical conclusion drawn from this viewpoint was therefore to reduce the relations with the core as much as possible.

However, all these theoretical approaches have tended to regard the problem of peripheral industrialization as a function of various economic (and political) dynamics, be it agglomeration, demand growth, or exploitation. Hence the term "functional" regional development theories (Friedman and Weaver, 1979). What has not been considered more than superficially is the qualitative nature of the local socio-economic and cultural fabric, which surrounds the operating enterprises.

A mounting body of evidence, primarily from European countries, has pointed to the importance of such qualitative factors in regional industrialization, for example, the specific region's history, class structure, tradition for entrepreneurship, work practices (Rasmussen, 1990a, 1991). The point is not that agglomeration, demand, and external dominance are unimportant factors, but that regions, i.e. the locally acting enterprises, authorities etc., can act and react differently and with more or less success under the given structural conditions.

This interaction between enterprises and their environment has been drawn into focus by the recent Scandinavian "network-approach" to local enterprise development (NordReFo, 1990). This tradition is inspired by the so-called "territorial approach" (Friedman and Weaver, 1979) with respect to paying attention to a range of local specific factors. However, the network approach opens up the "territorialists" excessively "localized" view where the importance of external relations are not considered. The network approach regards the enterprise and the entrepreneur as nodes in a network of business and social relations from which they can draw on information and resources for enterprise development. This environment is what I call the entrepreneurial milieu—based in the local environment, but including external relations.

While the network studies have presented important new empirical findings, the theoretical foundation is still rather hazy, or confined to micro-level modelling (see Rasmussen, 1988). The approach is quite clear on the methodology (studying the myriads of relations), but weak on explanatory hypotheses' in which relations are the most important for an explanation of a given enterprise's behaviour.

A THEORETICAL MODEL OF AN ENTREPRENEURIAL MILIEU

Inspired by the network approach, I will here forward an explanatory model of an entrepreneurial milieu, which brings the local actors and their surroundings into the centre-piece of the analysis (Figure 1; see Rasmussen, 1991 for an elaboration). The model is situated on a "meso-level" of abstraction between the concrete micro-factors affecting an individual enterprise or entrepreneur, and the macro-societal dynamics of class relations, social division of labour, etc. Thus, the model attempts to outline the factors which influence the preconditions for entrepreneurial decisions in a given environment. However, it must be emphasized that at the level of the individual enterprise there is scope for a variety of choices (technology choice, product choice, organization choice, etc.) depending on the individual entrepreneur.

Figure 1. *The entrepreneurial milieu of the small enterprise*

The concept “entrepreneurial milieu” signals the intimate relationship between enterprise success and a conducive local environment. The model is explanatory in the sense that it proposes a range of main causal factors for local enterprise development, thereby drawing on some of the insights from the functional theories.

Key factors affecting the small enterprise in peripheral regions

The left part of Figure 1 depicts the dynamics of external economies or agglomeration economies. The main point about *linkage opportunities* is that they exist and are accessible, not that they are physically close, although in reality they often are geographically clustered in urban environments. The same argument applies for the *urban agglomeration factors*, embracing auxiliary relations to authorities, banks, business services, repairs, educational institutions, etc. However, a few distant relations, for instance an auditor in another town, might still be accessible if telephones and postal services work, or if the entrepreneur frequently visits the other town.

Finally, the existence of an adequate *labour market*, both for production skills and for managerial tasks, determines the scope of industrial possibilities in a certain location.

All these factors affect the *access to information*. Information access plays an absolutely crucial role in agglomeration advantages. The very existence of urban and sector agglomerations establishes the preconditions for a relevant information flow. It is from such information that adequate decisions on innovation and adaptations to the market conditions can be taken, which again are prerequisites for enterprise success.

The *demand magnitude and diversity*, situated in the lower part of Figure 1, directly affects the enterprise. In peripheral regions, demand is mostly local in nature. The magnitude of demand is affected by the affluence in the region and seasonal or annual fluctuations. The less stability in demand, the less are the possibilities for large-scale industries to emerge. The diversity of demand depends on the economic differentiation of the population, and culturally-determined consumer tastes. If consumer tastes are rather homogeneous with limited regional or social diversity, as is the case in Zimbabwe, it provides increased opportunities for mass-producing external firms to penetrate the local market.

All these dynamics for industrial growth have been revealed by pioneers like Marshall (external economies), Perroux/Hirschman (sector linkages) and Myrdal (cumulative agglomeration advantages). The point here is that these dynamics are still valid, no matter the

locality. But what these authors did not pay attention to in their functional theories was the specific role of the locality and the actors.

The right part of Figure 1 depicts three main socio-cultural factors affecting the actors' capability of running an enterprise and adequate decision-making.

First, the *entrepreneurial capacity and tradition of entrepreneurship* embraces the factors decisive for getting the enterprise off the ground. Education and work experience affect the entrepreneur's capability to start and operate a business and to handle the relevant information in the network. But the drive to become an entrepreneur also depends on the tradition of self-employment and on the tradition and acceptance of social mobility. If social mobility is not socially recognized, entrepreneurs will tend to remain small, or they would have to break with the very network from which they emanate. The capability of undertaking a business venture is affected by two different types of networks: The family network and the professional network. The family network influences the ability to mobilize resources necessary for the business (inheritance, family loans, family labour, etc.). The professional network is crucial for mobilization of adequate managerial and technical skills, market and product knowledge, and contacts to relevant persons, which the entrepreneur himself has not obtained through his own educational and working background.

Second, the *patterns of social interrelations* determine how easy information and contacts circulate among a large number of actors in the local environment, and between the locality and other regions. Solidarity relations (ethnic solidarity, family-based solidarity, or community feelings towards the locality) are the foundation for the needed trust between various actors, which again is a precondition for extended information exchange and perhaps also for mutual support. The existence of unequal patron-client relations are likely to give another pattern of information flow than would a tradition of more symmetric relationships. A minimum, or critical, duration of residence is often needed to establish such solidarity and trust relations, but external contacts (for example, family, friends or kin in other localities) are equally important for the acquisition of new information. Such external contacts can also be accumulated by temporary migration to other localities.

Third, *work practices* matter for the functioning of enterprises. The acceptance of social mobility as a common social norm encourages workers to improve their skills and eventually to establish their own businesses. A flexible organization of work improves the possibilities for rapid changes in production, overtime work in peak periods, part-time work in slack periods, etc., factors which are crucial for

small enterprises. Existing trust relations, as mentioned above, will enable the entrepreneur to delegate more work to the employees, and will allow a more "flat" hierarchy in the enterprise without excessive rigid control measures.

These territorial practices determine, apart from family labour and capital mobilization, the density and content of the social network, which is the other key element in the entrepreneur's access to information. These informal contacts frequently coincide with functional business relations, where a formal relation is "carried" by an informal relation (for example, knowing the supplier and bank manager personally). The point in our separation of the two logics is that functional relations may exist without any personal knowledge or bounds (this will be the situation where goods are acquired on the anonymous free market, as assumed in the functional paradigm), but most often they do not, and that matters.

While agglomeration of linkages and supporting activities establish the preconditions for a *relevant* network, a well-working local socio-cultural system contains the preconditions for the very *establishment* of a network. Both are important. A town and a sectoral agglomeration can be very large, but if the socio-cultural environment constrains the informal contacts and is not geared towards entrepreneurship, enterprise formation and success are likely to be limited (as experienced in former highly industrialized regions in the northern UK, the Ruhr and northern France). Conversely, no matter how well local solidarity and willingness are for enterprise creation, the lack of sectoral linkages, skilled labour power and supporting factors will cripple most attempts down to the level of petty crafts (as in many peripheral regions in Africa).

In the following section, I describe empirically some of the important elements mentioned here. Some subsequent case histories will illustrate how these different elements are at work in a successful entrepreneurial milieu.

MASVINGO: A PROVINCIAL TOWN IN ZIMBABWE

Masvingo is the oldest town-like settlement in the country, established by white settlers a century ago. It is a provincial centre in the south-eastern province which has more than 1 million inhabitants. The town itself had around 40,000 inhabitants in 1988. Masvingo has long been a "depot town", dominated by retail and wholesale outlets and branches of government and parastatal departments. Manufacturing activities have been relatively limited, and in 1984 there

were only 15 registered manufacturing enterprises and 11 construction enterprises compared with more than 100 enterprises in commerce (CCE, 1984).

The local socio-cultural environment for different entrepreneurial groups

Masvingo has several distinct groups of businessmen with very different social origins and very different local social networks in town and outside. The subsequent segmentation of the business community makes it very difficult to speak of one business "community" in Masvingo. Rather there are several business communities.

In Masvingo, in contrast to the smaller district centres, there is an important *old white urban business community*. These businessmen run some large firms, mostly in retailing, sometimes covering the whole province with branches, but managed from Masvingo. These firms are inherited family businesses, and these local empires were founded in the 1940–60s. This old white business community has strong local roots either in town or in the vicinity. They conceive Masvingo as "their town". They have—according to their own view—built the town.

Still within the white community there is another group of *middle-sized businessmen* operating smaller modern enterprises in production, services and trade. These businesses resemble the businesses of the few Asian or coloured businessmen in town. Like the large-scale businessmen, most of them have resided in Masvingo for decades, if they were not born there. The Asian businessmen have, to a large extent, their own network, as is typical for the whole of Eastern Africa, stretching across large distances along ethnic and family lines.

Masvingo experienced a big exodus of middle-sized white businessmen, artisans and professionals after Independence in 1980, leaving quite a number of "holes" in the remaining service structure (garages, construction enterprises, retailers, etc.). These holes are about to be filled by new enterprises, and the remaining white business community now seems determined to stay. Several among them have recently invested considerable amounts in new enterprises and enterprise expansions. The long duration of residence and the relatively small number of white Zimbabweans in Masvingo have created a strong local network among them, which embraces white managers and professionals working in local branches of large companies, banks, etc.

However, the economic growth in the region has also come to the attention of the large national companies now investing in Masvingo. So while the local large-scale white businessmen can still exert con-

siderable influence on the local business community, they are themselves under pressure from outside. In contrast to the old business community, many executive newcomers and some children of the larger businessmen regard Masvingo as an outpost. Several of the large enterprises have a hard time attracting professionals or top quality artisans, as Masvingo is regarded as a step down in one's personal career. The long distance from friends (in Harare), lack of entertainment and notable lack of good schools constitute additional reasons for making Masvingo less attractive for academics and executives.

Black Zimbabwean businessmen only entered formal business in Masvingo after 1980 and have evidently not consolidated themselves to the same extent. There are now a few *large-scale black businessmen* operating in the hotel sector and in commerce in the "township", Mucheke, where the bulk of the black population lives and where white businessmen do not operate. Thus, although the distributed goods are roughly similar to the goods sold by white businessmen, the black traders operate in a separate market segment. The emerging black entrepreneurs enter business from quite other spheres, notably from important political positions in central, provincial or local government. Not surprisingly, this entrepreneurial group has a considerable voice in politics. The survey did not identify any medium-sized or large-scale black businessmen in Masvingo who had previously conducted business in small centres or the rural areas.

An increasing number of *small- to middle-sized black businessmen* open a retail shop, a butchers shop, a bar, a bottle store or a small metal workshop in Mucheke. These small-scale black businessmen come from all kinds of places: the rural hinterland, the cities, a distant area. Even the small enterprises are also "formal" in the sense that they pay stand rates and an annual licence. Finally there is a group of *mobile or disguised businessmen and -women* selling goods at the market or the bus terminal and producing/selling all sorts of goods from their residences (illegal bars, home sewing, knitting, etc.). In a statistical sense, they account for the main share of the number of operating businesses, but not for the main share of total turnover.

For the black businessmen and workers, the attachment to Masvingo depends to a large extent on the duration of residence and the area of origin. For those coming from the immediate hinterland, Masvingo is regarded as the nearest place to obtain an income, as is also the case in the small district centres. The wife remains at home and the husband frequently visits the family, if he is not himself residing at home.

For those who have stayed in town for decades, first as a worker and later perhaps with a business, Masvingo becomes "a home". By

this is meant a place where the whole family is gathered, and neighbourly or community relations become as important as family relations "back home". The mounting demand for urban property is a good indication of this "psychological urbanisation". Still, most people express a desire to return to their rural homes after retirement.

New migrants from distant areas and short-term temporary workers primarily regard Masvingo as a prospective market, or as providing an income possibility. New migrants and temporary workers normally rent a single room while the family remains in the rural home. Small businesses set up by such persons are unlikely to prosper in the short term. The isolated situation of these migrants makes it difficult to establish an urban network from which they can draw assistance and information.

Agglomeration effects and industrial linkages: Some cases

I here confine the discussion to some case histories, exemplifying how local linkages in skills and production evolve, and how a well-functioning network can provide the preconditions for "success stories" in an entrepreneurial milieu. However, it needs to be emphasized that entrepreneurial strategies are not necessarily preconceived and well planned according to the "objective" conditions. It is often a question of grasping the chance when it suddenly arises.

Example 1: The locally-trained young entrepreneur

"A" is a somewhat unusual black contractor. Unlike most black persons in Masvingo, he grew up in town, where his father operated a business. In 1980, after Form Two he joined the large local contracting firm for a five-year apprenticeship as a bricklayer. He later supplemented this with on-the-job-training in mining construction in the nearby mining town for a couple of years.

Returning to Masvingo "A" was employed by the local department of the Ministry of the Housing. However, a bribe was needed to maintain a stable job there, so he returned to the mining town in 1985, where he received additional courses and was given a driver's licence by his employer. After two years in the construction company, "A" decided to become independent, when at the age of 30 he was offered a large contract. He has now acquired sufficient technical experience, a driver's licence, and a network of contacts to potential customers.

But how to start a business financially? Since the termination of his apprenticeship, "A" has saved money in the local bank. Already by 1982 he had bought a concrete mixer, and later also a small van. He

has not yet accumulated enough capital to be able to undertake full contracts, but he is now beginning to establish contacts directly with the manufacturers with the purpose of acquiring cheap materials. Being young and not mingling with the large entrepreneurs in town, it is difficult for him to develop contacts and trust, and hence to be accepted and offered lower-priced goods and credit by local building merchants. His bank would probably refuse him a loan at this time, but he prefers in any case not to rely on borrowed capital. In his view, too many people around him have regarded a loan as their own money without worrying about repayment; the adverse consequences of indebtedness can clearly be seen with some of his competitors. All financial administration, which is much larger than he originally anticipated, is now left to a local accountant.

After two years of independent operations, "A" is now offered plenty of jobs and has 10 workers in his employment. He is now compelled to refuse extra work, as he will not exceed his own supervisory capacity of two jobs at a time. "A" has no other source of income; his skills are his security net. As he comments: "You have to be committed at least 90 per cent of the time to a profession in order to do it properly".

Example 2: Continuity, firm resurgence and network

In Masvingo, there is only one relatively "large" welding firm, "B2", with 17 employees, producing window and door frames. It is owned by a Harare-based holding group which took over in 1988 the premises from "B1", another black-owned Harare holding group. The former 44 employees were sacked and a new management from Harare and a new workforce were installed.

The manufacturing process is divided into a number of sub-functions and is relatively mechanised, which distinguishes this firm from the small welding enterprises. The main customers have been various public sector institutions, but in 1989 they started to supply one of the large-scale white local merchants (only 100 metres away) and they hope soon to deliver to the large-scale white local contractor. The latter did not reject the idea, but demanded quality control at the factory gate because of bad experience with deliveries from the former enterprise, "B1".

In the black township industrial area, a garage owner embarked on window frame production in 1989. The middle-aged black garage owner entered a partnership with a former black skilled welder from "B1", when he was sacked, and this skilled welder brought with him a couple of employees from the former firm to form the new enterprise, "C". At the time of the interview they employed a total of 10

people, but no relatives. According to the owners, relatives would just impede the productivity. Although just started, "C" has now managed to get a supply contract with a large-scale local white merchant firm, thus getting a chance to escape the low-cost market with all its credit and administration problems. "C" has borrowed some steel bars from the enterprise "B2" and some cutting disks from another enterprise, which points to the operation of a local network. As "C" still lacks certain machines, they can only supply their customers with window frames and not with doors.

Besides themselves, "B2" and "C" only considered one other welder as a real local competitor. This is a third small welding enterprise, "D". There were no white welding enterprises producing window and door frames in town. The remaining small welders were, with a certain element of truth, considered as producing inferior quality products. The third enterprise, "D", had in fact machinery for door-frame production and was willing to undertake sub-contracting for "C". It would have been quite obvious for "C" to exploit this opportunity, as they only lived 300 metres apart, but here the network did not function. One of the reasons might be that "D" as a newcomer in town was regarded as an enemy (competitor), and not as a competing partner.

Example 3: Product diversification and innovation in the local network

In 1988 "E" established a firm with 15 employees specializing in plan-drawing, truss manufacturing and timber sales. The firm also undertakes special requests, (for example, a custom-built small boat). By cooperating with a local branch of a national building merchant firm, which offers all materials but timber, "E" can provide a total "packet product" to customers: from design and a bill of quantities to delivery of all needed materials.

The firm's white entrepreneur has been in town for more than twenty years, first as a public service surveyor, then for 17 years as a draughtsman in two building merchant firms in town. The establishment of the firm was closely interrelated with the closure of "B1", mentioned above, where his wife and his present chief engineer were employed. Other skilled personnel were also recruited from the ruins of "B1" and some have been head-hunted from the building merchant firms, in which he has worked and has accumulated an intimate personal knowledge. The present cooperation on deliveries with the building merchant branch is also firmly rooted in the personal network. "E" has worked for ten years together with the manager, who at the same time is a personal friend. His former network is also

used for acquiring customers. A large proportion of the institutional customers, whom he served while working in the two other building merchant firms, have followed him to his new firm.

As machinery was unavailable at the time of establishment, "E" decided to build machine saws, planes, drillers, etc., from electromotors and various steel items. This was done by the chief engineer and turned out to be a lot cheaper than any normal procurement would have been. Thanks to this unexpected success, "E" has now started to advertise for production of custom-built machinery. Furthermore, another successful local firm now wants "E" as a sub-contractor on some welding jobs. Thus, in some senses the innovative chief engineer has become more important for the enterprise than the entrepreneur himself, who is mainly skilled in wood and drawing.

"E" wants to expand his enterprise, but it is difficult to find qualified welders in town. He employed one and sent him on a paid upgrading course in the city, but he never returned. This failure has deterred him from trying again. In general, "E" finds the whole concept of having employees difficult. The town is a "small community" and the entrepreneur is considered "responsible" for his employees and almost obliged to employ their relatives first. These are not always the best qualified, but it does create a better atmosphere, and presumably greater efficiency in the firm when employing relatives of the employees. In order to enhance efficiency, all employees receive a production bonus of the total turnover.

The firm obtains most of its business services locally (lawyers, accountants, bank), although the bank's Bulawayo branch manages more important business. In general, the relations with Bulawayo are important. A sister of "E" works in a Bulawayo firm, which delivers goods to the Masvingo area. As "E" does not have adequate means of transport, he borrows space on lorries from his sister's firm when they pass Masvingo from Bulawayo on their way to the hinterland.

THE ENTREPRENEURIAL MILIEU: REFLECTIONS

These case histories have thrown some light on the concept of entrepreneurial milieu. Let us reflect on some of the important empirical lessons.

First, *the functional factors* of urban and sectoral agglomeration, and a certain labour market have clearly shown their importance. Without the history of industrialization in Masvingo (the existence of "B1" and some large building merchants), it would have been hard to mobilize the necessary labour power and entrepreneurial skills for the

enterprises "C", "E" and "A". The absence of earlier industrialization and adequate skills is exactly one of the key problems in the smaller district centres. Even in Masvingo, we observed some labour market deficiencies ("E" lacked qualified welders, "A" looked for qualified builders, large enterprises had trouble in attracting executives).

An important lesson is that the role of external versus local enterprises is perhaps not the most important factor when assessing the role of various enterprises. The traditional theoretical stereotypes of the "good" local enterprises and the "bad" or exploitative branches of externally-owned enterprises need re-examination.

We have already seen the importance of the externally owned "B1" for the skill development and enterprise continuation in Masvingo. Although the company closed down, the key persons and their embodied knowledge remained and emerged in the form of new enterprises. Similarly, we have seen how the start of "E" depended on both skill and network acquisition in some of the branches, and, most important, a continuous cooperation with a branch in marketing and product delivery. However, in some branches of certain other large companies, almost all decision-making and recruitment are decided from headquarters, leaving the branch with hardly any local spread effects. Thus, the degree of decentralization in large companies seems to be a more important factor than the state of ownership (local vs. external).

The urban agglomeration relations to banks, authorities, services, etc., functioned in the sense that local banks and accountants could handle most tasks in our examples. However, when firms grow larger, the centralized Zimbabwean structures became a serious obstacle; the bank could not pay out larger sums of money for, say, air-tickets to Europe without HQ confirmation; import allocations could not be handled by local branches of government ministries, etc. In fact, an owner of a large local company had to spend three months per year in Harare, solving such bureaucratic problems. This indicates the kinds of constraints facing business operations in Masvingo under the present conditions of excessive centralization.

It is important also to observe the *missing* potential relations in the urban agglomeration of Masvingo. Despite the construction of a large technical college, the relationship between the town and this educational institution was practically non-existent, and there were no plans for establishing such a relationship. A close interaction, with short-term or evening courses for employers or workers, could improve the entrepreneurial milieu considerably.

Turning the focus to the *territorial dynamics*, several issues have been highlighted. First, the heterogeneous socio-cultural milieu has facilitated solidarity and network creation within the groups, but not

across the groups. Being within one of the powerful groupings, in casu the white business community, it seems that capital mobilization, good relations to key businessmen, easy flow of information, etc., are much less a problem than would be the case in a larger, less structured and less wealthy grouping. Almost all relations are already "set up", if the entrepreneur has resided in Masvingo for a long time, if he belongs to a prosperous social group, and if he has proved trustworthy. It seems, however, that the old strict ethnic barriers were lessening somewhat (for example, white merchants commenced purchasing from black manufacturers), but many years still have to pass before the ethnically based networks are weakened.

Entrepreneurship differed from group to group. The willingness seemed to exist in all groups (despite lagging business traditions among many black families, with "A" as an exception), but the abilities differed. With respect to capital mobilization in family networks, the long established town dwellers were better off, while newcomers first had to build trust relationships for friend/family loans, or more slowly, their own savings, as the example with "A" showed. With respect to the technical capabilities, individual variations matter more than adherence to a social group. Conversely, with respect to managerial capabilities, it seemed crucial to "know" persons with experience in these matters, within the network of friends, as "E's" comprehensive network suggested. If all factors needed for enterprise inception are left to personal trial and error, or professional service is bought on the open market, the venture is more likely either to fail or to be unaffordable.

Finally, with respect to work practices and habits, it seemed as if the widespread Fordist rigid division between management and workers in Zimbabwe is less significant in small enterprises in a small town like Masvingo. In such a place, workers are less anonymous. Hence, employer obligations and patron-client relationships tend to increase, as exemplified by "E's" labour recruitment. This may be a strength if patron-client relations are founded on trust (whereby work is carried out even when the boss is absent). But it can also be an obstacle if family obligations become so heavy that they adversely affect the efficiency of the enterprises (the reason why "C" did not want family members in the business).

The Masvingo evidence is somewhat ambiguous on this point. It suggests that patron-client trust relations have evolved among old-town dwellers, but that several were afraid of excessive family involvement in their businesses. The Masvingo evidence, and evidence from other small Zimbabwean towns, suggests that long-term, non-family, territorially-based trust relations are more conducive for en-

terprise efficiency than heavy reliance on the family network, exactly because the latter implies excessive obligations. This is contrary to the positive role of the family network found among Asians and in many newly developed regions in Europe. Perhaps Hyden (1983) has a point about inefficiency caused by reciprocal family obligations in Africa, but his alternative, anonymous free market capitalism, does not seem preferable. What is needed is not anonymity and a breakdown of all personalized relations, but an emergence of trust-based personal relations with some limitations of obligations. This requires, at least, a certain duration of residence in an urban environment.

CONCLUDING REMARKS

Theoretically, this chapter has attempted to analyse local industrial development on a meso-level, avoiding both abstract general conclusions and mere empiricist micro-level descriptions. I have advocated the merging of both functional dynamics and territorial practices in the concrete analysis of enterprise strategies, business relations, and social networks, in order to understand industrial dynamics on the local level.

The "success stories" presented in addition to the general description of Masvingo, have provided a small platform from which analyses of local enterprise development can continue. Linking this chapter to the ongoing debate on regional and small town industrial development, several issues seem to require closer examination.

First, the role of branches is more complicated than just being "good" or "bad". Second, the functional dynamics of agglomeration impose certain limitations on industrial development in smaller towns. In other words, certain activities (depending on the market, technology, linkage requirements) truly belong in larger towns and a forced decentralization is therefore often inappropriate. Third, the local (and national) socio-culture and the actors belonging to this socio-culture play important roles in industrial development. They determine to a large extent how the existing production opportunities are in fact exploited. In other words, production opportunities, new markets, etc., are not exploited automatically in an optimal way. Local actors can exploit such opportunities with different degrees of success.

Besides the success stories presented here, there are many stories of failure, which have not been treated here. Industrial failure often "bury" the success stories in statistical aggregations in Africa's present gloomy state of industrial affairs. The point of highlighting some successes is therefore to indicate that things in fact can work under

certain conditions. It is my hope that other studies will also take up the challenge to specify not only the macro-conditions for industrialization, but also the conditions on the local level.

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The Role of Indigenous NGOs in the Development of Small Town Enterprises in Ghana

Sally Burrows

In this chapter, I wish to draw attention to important activities and potentials of non-governmental organisations (NGOs) in supporting the development of very small-scale enterprises in the smaller towns of Ghana and their rural surroundings.*

LEVELS OF URBANISATION

In 1985, the urban population of Ghana was 32 per cent out of a total population of 13.7 million. This 32 per cent is distributed fairly evenly over the various sizes of urban settlement: major urban centres (populations of more than 100,000, offering the highest level of urban services), of which there are only four in Ghana; intermediate towns (populations of 20,000 to 99,999, offering middle level of services); and small towns (populations of 5,000 to 19,999, offering the lowest level of urban services)—see Figure 1.

Most towns in Ghana are “multi-functional”. This also means that, once a town becomes an administrative centre, it tends also to become a trading centre, and some level of industry then follows, and so on.

Past colonial policy of a rigidly export-led economy led to the development of the southern half of the country and neglect of the northern half. Urban investment was restricted to towns essential for servicing the economy. Many previously important urban centres in the north declined. This policy was also the main cause of migration of much of the able-bodied population from the north to jobs in the south, further contributing to underdevelopment of the north.

Since independence, although greater attention has been paid to development of the country, as a whole, than was the case in the colonial period, it has been within the framework of constraints of economic

* This chapter is based upon a study commissioned by the Netherlands Organisation for International Development Cooperation (NOVIB).

Figure 1. *Proportions of population living in major urban centres, small towns and rural areas, 1984*

Source: Ghana Population Census, 1984

upturns and downturns and the current Economic Recovery Programme, in which export revenue increases remain a vital factor. In the decades of Ghana's economic decline, many previously vibrant intermediate towns in the south have declined dramatically and stagnated economically. In the period 1970 to 1984, several of these towns in the south experienced negative population growth, indicating out-migration.

The distance that rural dwellers have to travel to reach urban services, including access to agricultural inputs and markets for produce, is currently a major bottleneck, inhibiting the pace of development. Poor transport facilities compound the problem. It has been found that farms nearest to towns have the highest rate of production per unit of land and labour. Take, for example, the case of a lorry, vital for transporting produce, which breaks down and needs a new spare part. If the nearest town where a spare part can be purchased or manufactured is one day's travel away, costing time and money on fares, the repair is likely to be delayed far longer than if the part could be obtained and fitted within one day. There are still cases where produce rots in the rural areas, while prices for the same produce remain high in the major urban centres.

MIGRATION PATTERNS

Structural adjustment policies may account in part for the apparent shifting trends in urbanisation patterns. The highest urban popula-

tion growth rates are found in certain northern intermediate towns, whereas the growth rates of the major urban centres appear to be significantly slowing down. The population of the Greater Accra region, where two major urban centres are located, grew at a rate of 5.2 per cent from 1960 to 1970, while national average population growth rate was 2.4 per cent per annum. From 1970 to 1984, the growth rate of the Greater Accra region dropped to 3.3 per cent (national average 2.6 per cent). On the other hand, high rates of growth were recorded in certain intermediate towns in the northern half of the country, where there are no major urban centres. Moreover, while the populations of Kumasi and Takoradi (two major urban centres outside the Greater Accra region) grew at a rate lower than the national average, several northern intermediate towns grew at a rate significantly above the national average. Figure 2 shows the relative population growth rates of various selected towns.

The inhabitants of the major urban centres with low incomes have been hit particularly hard by structural adjustment policies. Incomes are very low; the minimum wage is about \$0.60 per day, while food, transport and energy prices have steadily increased. The inhabitant of a major urban centre has to pay for everything, including all food. The World Bank (1980) estimates that the cost of food alone absorbs approximately 50 per cent of an urban dweller's income in Ghana.

Figure 2. *Population growth rates of selected towns, 1970-84*

m.u.c.: major urban centre

Source: Ghana Population Census, 1984

By contrast, most inhabitants of smaller towns or rural areas grow food, and accommodation is cheaper or free. There is anecdotal evidence that nowadays the amount left in the pocket for clothes, education and social activities may be roughly equivalent for the low-income dweller in a major urban centre and a rural dweller. Earlier, there was a substantial flow of funds from urban dwellers to their rural family members. Very broadly, it seems that this is no longer the case amongst the low-income groups.

There is little recent data on migration patterns in Ghana. But studies that have been done show that by far the most common reason for rural-urban migration is economic need, resulting from rural poverty. Migration is the only hope of meeting basic financial needs, such as buying clothes or paying for children's education. This goal may not in fact be realised, but the hope remains a strong pull. "Stepped" migration is common: that is, migration from a village to a small town to a larger town to a major urban centre. Increasingly, it seems that the semi-skilled or unskilled and semi-literate or illiterate stop at the intermediate towns, particularly in the north. Generally, the level of skills are lower in the north than in the south of Ghana. Therefore, amongst this group, movement within the northern half of the country appears to be as common as north-south movement. This is the group that would be hit hardest by structural adjustment programmes in the major urban centres. Are people realising that the possibilities for improving one's economic position by moving to the major urban centres have become very slim?

From the author's own discussions with village dwellers, most families had some family members who had migrated to urban centres in the hope of increasing the family income. Of those remaining, all of those spoken to said they would prefer to stay in the village, if only they could find some way of increasing their income there. Some people already commute at weekends from the towns to the village and would consider living in the village permanently if they could find income-generating opportunities in the village or at daily commuting distance.

INFORMAL SECTOR/SMALL-SCALE ENTERPRISES

The World Bank (1988) states that, even though only about one third of the population live in urban areas, output from urban-based economic activity accounts for around half Gross Domestic Product (GDP). Moreover, urban output is rising even faster than the overall GDP. The bulk of this activity has been in the informal sector, which

means small and very small-scale enterprises. There are myriads of small-scale producers and processors: shoe-makers and repairers, mechanics, tailors, beer-brewers, weavers, carpenters, food-processors, etc. Probably at least half of those in the smaller towns are also engaged in farming.

Very few formal sector enterprises are located in the smaller towns. Those that are, are usually operating below full capacity. The informal sector and small-scale enterprises are therefore particularly important here. Indeed, it would seem that the small-scale enterprises are likely to become even more important in the economy, at least in the near future. Under policies of structural adjustment, formal employment in the government sector is being drastically cut back and many state-owned enterprises are being closed down or offered for sale to private investors. But private investment is not following as fast as was hoped. Also, trade liberalisation has been a double-edged sword. While, on the one hand, it increases access to imported materials and equipment (for those who can afford them), it has, on the other hand, hit hard those industries which cannot compete with foreign imports, notably the textile industry, leading to further contraction of formal-sector job opportunities.

A recent study of small-scale manufacturing and repair activities in one intermediate town in Ghana (Riedel, *et al.*, 1988) identified the main constraints on their growth and potential to be the following: inadequate managerial and technical skills; inadequate machinery and equipment; lack of finance to purchase raw materials; lack of access to credit; poor markets; inadequate infrastructure (poor roads, transport and electricity supply); and government discrimination in favour of support of larger enterprises.

NEW INFLUENCES

There are two recent developments that are bringing rapid change to the intermediate towns and small-scale enterprises in them. The potential future impact of these developments is enormous—particularly in the north, which is the most urban-deprived area.

Firstly, electrification of the north: five important intermediate towns have been connected to the national electricity grid since July 1989. This dramatically increases the potential for industrial and manufacturing activity, including manufacture of tools and spare parts for agricultural machinery and machinery for food-processing.

Secondly, the present policy of decentralisation of government. This involved the inauguration of 110 district assemblies around the coun-

try in 1988 and 1989. In tandem with this, many major government departments (including agriculture and small-scale industries) are being decentralised to the district level. District assemblies have a wide range of responsibilities. These include responsibility for preparing district development plans and initiating development programmes. Central government has provided some basic training for assembly members. Also, technical planning units have been set up to assist assemblies in preparing their development plans. These are essential, because planning skills at district level are weak. But the decentralisation process will take some time to complete, and it is still too early to tell how effective the system will be.

Nevertheless, the powers of the district assemblies to raise local revenues and the arrangements for access to national revenues ease the way for investment in the district capitals, which are intermediate towns. One of the major factors influencing a town's growth in Ghana has been and remains its importance as a political and administrative centre. Thus, the economies of many district capitals are now likely to experience a boost.

It can be said that at national policy level, the interdependence between rural and urban areas and the need for a hierarchy of functioning urban service centres to support economic growth is widely accepted. But, aside from provision of some basic infrastructure, government support for small-scale enterprises in intermediate towns is as yet very limited.

THE RELEVANCE OF NON-GOVERNMENTAL ORGANISATIONS

There are a multitude of organisations (upwards of 300) of an extremely wide-ranging variety in Ghana that are classified as "NGOs". The activities of NGOs are generally accepted by government as an important complement to governmental activity. Recently, much attention has been focused on strengthening the working relationship between government and NGOs.

Broadly, NGOs engaged in development activity in Ghana include:

1. foreign-based international organisations, both religious and secular, with ample financial backing from headquarters;
2. benevolent societies: groups of well-educated, well-placed and well-wishing people giving primarily financial assistance to poorer sections of society;
3. self-help community organisations (both religious and secular), including women's groups, residents associations, and town/village development committees;

4. associations of small-scale entrepreneurs and producers in the informal sector, including trade/occupation associations, such as tomato-sellers associations, potters associations, carpenters associations etc. This includes various cooperatives;
5. indigenous "service" NGOs (of Ghanaian professionals) giving technical support services, but not funding, to community groups;
6. credit unions with support from a national association.

Very few of these organisations are working in the intermediate towns, but the work of those that are is very significant. The last three have a particular relevance to the field that we are considering. The first are organisations of small-scale entrepreneurs. The other two are organisations providing support services to small-scale entrepreneurs. These reach the smallest scale enterprises, which are the backbone of second-stage productive activity in Ghana and which presently receive virtually no government support.

First, let us take the example of an association of entrepreneurs, the Techiman Mechanical Association. Located on the main north-south and east-west routes in the centre of Ghana, Techiman town is a focal point for exchange of agricultural products and consumer goods between northern and southern Ghana and draws international traders from neighbouring Ivory Coast and Burkina Faso. The market is also the first point of sale for most of the agricultural products grown in the area, which is one of the most productive in the country.

As a consequence of its importance as a trading centre, there has also been a steady development of small-scale manufacturing, processing and repair activity in the town. This has been boosted by its recent connection to the national electricity grid. It is one of the fastest-growing towns in Ghana. Between 1970 and 1984, its population more than doubled, and is now estimated to be 30,000.

Techiman Mechanical Association

The Techiman Mechanical Association was formed in 1973. It brings together masters of all the trades associated with vehicle repair and production of agricultural equipment etc. in Techiman, including blacksmiths, welders, mechanics, tyre-repairers, electricians and so on. There are approximately 200 members. They are all small-scale operators, working alone or with a few apprentices.

The first achievement of the Association was to bring together in 1976 all the trades on to one large site, known as the "magazine". This enables both horizontal and vertical integration. Previously, they were located on different sites all over town. This made repair of vehi-

cles that needed more than one skill, slow and difficult. Now that all trades are on one site, a vehicle can easily be passed from one trade to the next (horizontal integration). Masters exchange ideas in order to solve difficult problems. They also sub-contract work according to each master's particular knowledge and equipment. If one mechanic cannot finish a job for lack of a certain tool, he can either borrow from another who has the tool, or sub-contract that part of the work to the other (vertical integration).

As with the market, the "magazine" draws clients from afar. But the level of work that can be done there is limited, thus delaying essential transport repairs. For instance, the nearest lathe (vital for manufacture of machinery and spare parts) is in Kumasi—half a day's journey each way. The nearest large vehicle battery-charger is also in Kumasi. Oxygen cylinders (for welding, etc.) can only be filled in Accra—a day's journey each way.

But Techiman's recent connection to the national electricity grid has vastly extended the possibilities for upgrading the level of work that could be done in the "magazine". The Association aims:

- to set up a small manufacturing plant with a lathe for the manufacture of spare parts for sale to members; and
- to acquire some of the more expensive tools and equipment, which each master may occasionally need but could never afford to own individually, to form a central pool for hiring out to members.

One of the major constraints on the Association is lack of access to funds. Members pay dues equivalent approximately to \$0.30 per month. The Association has been unable to raise a commercial bank loan, because these small-scale operators cannot offer the necessary collateral. Behind this constraint lies another. The leaders do not have the skills to plan their strategy and prepare proposals in order to gain access to other development funds, such as low-interest loans without collateral requirements. They lack the information on where to turn for such assistance. They would not know where to start. So the considerable potential to improve vital transport repair services in this important intermediate town remains untapped.

There are many other similar trade associations, of both men and women, in towns in Ghana: carpenters, oil-processors, cooked food-sellers, etc. Some are active, others not. But their potential is enormous given assistance in:

- organisation and animation skills;
- planning and management (including financial management) skills;

— information on where to go for assistance (both technical & financial).

Government assistance to small-scale industries that is presently available does not reach this level of "small". In order to qualify for assistance, a business must have a certain minimum capital that is way above the level at which these enterprises operate.

It is intended that staff from the new decentralised government departments will be able to give assistance to groups such as the Techiman Mechanical Association and others. But whether this is realistic or not remains to be seen. So NGOs that can provide this assistance play a vital role. Two examples follow of NGOs that are working to address some of the needs just outlined.

Amasachina Self-Help Association

Since its foundation in 1967, Amasachina Self-Help Association has evolved from being purely a popular movement into an organisation that also provides technical services to members. Amasachina means "unity". The Amasachina Self-Help Association stresses that there must be unity before there can be development. Amasachina promotes integrated development through self-help. Groups of people linked by place of residence or occupation form an Amasachina group. There are currently over 1,000 Amasachina groups in rural and urban areas (mostly in the Northern Region), of which 500 are said to be "serious" and 300 "very active". Apart from broadcasting a weekly radio programme, Amasachina Head Office assists individual groups in orientation and mobilisation and in getting access to technical advice and services.

For example, the potters' (women) group near Tamale have a problem of how to transport their products to the market and their productivity is low because of low levels of technology. Through Amasachina, they are now experimenting with bicycle trailers and they have been put in contact with the Intermediate Technology Transfer Unit (ITTU) in Tamale for assistance in upgrading their technologies. The ITTU is surveying local clay deposits to see if it might be possible to introduce a potting-wheel to improve quality and output. Amasachina Self-Help Association played a vital role in linking the small-scale producers to a "formal" source of technical assistance, which they did not know was previously available.

Shea-nuts are an important agricultural product in the north of Ghana. The shea-nut processors (women) normally work individually. They buy from rural pickers, process the nuts laboriously by

hand and sell the butter and oil. It is a very long process of pounding and churning. Through their Amasachina group, the individual processors each contribute a certain amount of money, buy in bulk (at a discount) and come together on certain days to process the nuts together. Working as a group, the profit margin is higher. They are also more likely to be able to afford as a group to buy machinery (currently being developed) to increase output and reduce the extremely heavy labour burden involved.

With its extremely broad base, Amasachina Self-Help Association is well-placed to encourage rural-urban links; for example, by linking the shea-nut pickers directly to the shea-nut processors. This would cut out the middlemen and thereby increase the income of the productive parties.

Ghana Cooperative Credit Union Association

The Credit Union movement in Ghana grew out of traditional savings systems, such as *susu*. Credit unions have proved to be a highly effective way of mobilising savings and loans in areas without banks, or for people (particularly women) who do not have access to banks for a variety of reasons. Even in towns where there are banks, illiterate and semi-literate people rarely use them. They are often intimidated by bank procedures, they cannot get bank loans without collateral which they rarely have (especially women), and bank loans are usually very expensive. In addition to high interest rates, unauthorised additional payments are frequently demanded by bank officials. As mentioned above, lack of access to credit for expansion of business is a major constraint on small-scale enterprises.

The alternatives are the *susu*, money-lenders or borrowing from relatives. The *susu* usually permits a saver to borrow only what they have saved (less commission). Otherwise the lending rate is very high. Moreover, many small-scale businesswomen tell stories of having large sums of money "locked up" with a *susu* collector, who simply refuses to give them their savings. Interest rates charged by money-lenders may be as high as 40 per cent. Borrowing from relatives is not preferred because it can entail inheritance problems later.

The basic concept of the credit union is that a group of people, united by some common bond (for example, residence or occupation), come together to save. After a minimum period of saving, each member is entitled to borrow from the union. Each union sets its own lending policies and procedures, but typically a member may be allowed to borrow twice as much as she or he has saved. Interest rates will cover inflation. The credit union is entirely self-managed and self-financed

by the members. Executive committees are elected. Of the members, only the secretary needs to be literate. Perhaps because of this and the strong sense of "ownership" that it entails, repayment rates on loans in a well-managed union are extremely high—close to 100 per cent. As of December 1988, the total capital base of all the credit unions in eight out of ten regions of Ghana was Cedi 460 million (\$1.3 million). The Techiman Market Women's Credit Union, for example, was formed in June 1988. By July 1989, it had 200 members and had accumulated a savings capital of Cedi 1.2 million. Through their credit union, for example, those members trading in yams are able to borrow at the time of harvest and buy more yams than they would otherwise have been able to do. This increases their own turnover as well as increasing the potential market for yam farmers. There are also many successful credit unions of farmers, centred around the smaller towns, enabling farmers to hire labour at planting, weeding and harvest times.

The national Credit Union Association performs various vital services for its member unions, including:

1. education and training. This includes general orientation on the concept of the credit union, the operating structure, how to choose and elect officers, advisable lending policies and interest rates, and training of officers in simple book-keeping;
2. auditing services;
3. operation of a Central Fund where individual unions put surplus capital and receive current bank interest rates on it. The Fund acts as a revolving loan fund for unions to borrow from—for instance, if their membership entitled to and requesting a loan at any one time outstrips their current capital;
4. occasional visits to follow-up initial training.

These are just a few examples of a wide range of NGO activity. Many of the NGOs addressing the needs of workers' and community groups also suffer from similar constraints to those groups, although they may be one step ahead. They too suffer from:

1. lack of financial resources with ensuing dependence on external funds from fickle donors. This makes long-term planning and consistency difficult;
2. limited skills in programme planning and management;
3. lack of access to information to stimulate new ideas and improve practices;
4. lack of contact with other organisations working on similar problems which leads to duplication, and occasionally, ignorance of relevant government policies.

However, these NGOs have a very solid base and good orientation. They have proved themselves to be sustainable, despite limited skills and little or no external support.

CONCLUSIONS

To sum up, the intermediate towns have a vital role to play in the hierarchy of urban settlements that is crucial to development in the market economy of Ghana. They are essential in the process of:

1. unlocking the resources of the rural hinterlands;
2. development of industry to increase local processing of agricultural products;
3. providing improved services and opportunities for improved standards of living for the bulk of the population.

The long distance that people have to travel for even fairly basic urban services and markets are striking bottlenecks to development. Moreover, there is some evidence that bringing better urban services closer to the rural areas and increased economic opportunities could have a significant impact on reducing rural-urban migration.

In Ghana there are currently two major factors which are likely to boost the opportunities for economic activity and therefore for small-scale enterprises in intermediate towns: electrification of certain northern towns, which are already key urban centres because there are no major urban centres in the north, and decentralisation of government.

Small-scale enterprises play a vital role in the economies of intermediate towns and their rural hinterlands. It is in this sector that the bulk of the population is economically active and it remains the main engine for development in Ghana. Indeed, under structural adjustment policies, their importance to the national economy is likely to increase. Yet much of their entrepreneurial flair remains untapped.

Little government support presently exists for very small-scale enterprises. However, the NGO sector has long been active in this respect and has enormous potential for increased action at the grass-roots level. In particular, indigenous associations of small-scale entrepreneurs and producers and organisations providing support to those groups and to individual entrepreneurs deserve greater support and attention. They have many constraints (both internal and external), but they have maintained a persistent energy in the face of considerable hardship with little or no external support. How much more could they achieve, if given the necessary support?

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Urban Workers as Farmers: Agro-links of Nigerian Textile Workers in the Crisis of the 1980s

Gunilla Andr

Kano and Kaduna are industrial cities in northern Nigeria with large industrial wage labour forces. In the 1970s, the workers seemed well on their way to an urban life, having left rural living and agricultural work behind. They were well schooled, often with a varied career in several non-agricultural jobs, and with aspirations for further education to equip themselves for moving further and permanently into the urban world.

When crisis hit the industry in the early 1980s the vulnerability of this process of wage-labour formation was exposed and its instability as a base for urbanisation was demonstrated. The insecurity of workers in import-dependent industries was exposed when the bottom fell out of the oil boom. There were mass redundancies and real wages fell so much that an extra job on the side became a necessity for many, in spite of an increasing work load in some factories.

Kano with its very old commercial base can provide a range of other types of income as a supplement and alternative. Kaduna with its location in an area with greater access to farming land has been able to offer some opportunities for supplementary farming. As a recently formed city, its supply of other options are, however, much weaker. Many see no way of staying in the cities if they lose their jobs. The option of returning to the rural areas is again having to be reluctantly considered by these workers.

The strength of the remaining agro-link upheld by this newly-formed labour force and its implications for the strategies pursued by the workers, is one of the circumstances brought out in this crisis. The workers are largely first generation urbanites: their parents were farmers; they still have access to land in their home areas; they know how to farm. This has implications at three levels:

- Many workers are able to supplement their wage incomes by work on the land if given the opportunity.

- They commonly have a fall-back possibility in the rural areas, if forced out of work in the city. Although reluctant to take this opportunity, except as a last resort, its existence all the same provides some security in an exposed situation.
- In more indirect, but no less powerful, ways workers' access to alternative forms of livelihood affects their bargaining position vis-a-vis their urban employers and their possibilities to remain on their jobs.

The remaining rural links, in combination with the agricultural base in and around the city, are thus factors for the workers' possibilities to cope in time of crisis, to defend their jobs and to remain in the city. Naturally these issues contain important implications for the development of the city itself. How stable is the base on which it provides for its population?

This chapter contributes material on the agrarian links of the workforce in the textile industries of Kano and Kaduna. The material is drawn from a survey made in 1987 in the context of a wider study of labour and industrial crisis in Nigeria.

BACKGROUND

The crisis of the Nigerian textile industry

By 1980, Nigeria had developed the third largest textile industry in Africa, surpassed only by Egypt and South Africa, with some 100 factories and some 100,000 workers, not including vast numbers of small garment firms and craft producers. The industry faced major difficulties, including fierce competition from smuggled Asian products and a fast receding domestic raw material base. Five years later, by 1985, the industry had lost about 40,000 workers and was operating at some 40 per cent of its capacity (Andræ and Beckman, 1984 and 1987).

In 1980 the causes of the crisis were due to the distortions brought about by the oil boom of the 1970s: A sharp rise in the external value of the Nigerian Naira, the erosion of its domestic purchasing power, and sectoral dislocations caused by massive spending of oil revenue and heavy imports (Andræ and Beckman, 1985). In 1985 the cause was a recession following the steep fall in oil earnings that began in 1981, the full impact of which was only temporarily postponed by borrowing. The domestic market shrank. But the textile industry was unable to meet even this reduced demand. It had become critically dependent on imported raw materials and as the import capacity of

the economy collapsed, industrial production fell as well.

For the workers, the implications of this crisis was first of all a dramatic loss of employment. By 1987 as much as 50 per cent of the jobs may have been lost in the industry as a whole. Inflation, exacerbated by the drastic devaluation of the Naira, severely affected real incomes. The trade union estimated that by 1987 their real incomes had declined to 25 per cent of what they had been at the beginning of the decade.

This study: context and material

As part of a wider study on the crisis of the Nigerian textile industry (Andræ and Beckman, 1984) we have elsewhere discussed the response of the industry (Andræ and Beckman, 1987). The effect on workers' conditions and the response of the labour union is treated in another paper (Andræ and Beckman, 1991). The latter study also touches on the way the bargaining strength of workers vis-a-vis the industry relates to the structure and background of the labour force. It draws on a preliminary analysis of material from a survey made of workers in selected textile industries in Kano and Kaduna. The present chapter is based on the same survey material, with emphasis on the discussion of workers' links to supplementary and alternative activities, particularly in agriculture.¹

The survey was made in 1987 with the help of the National Union of Textile, Garment and Tailoring Workers of Nigeria (NUTGTWN). The main data body is from five factories each in the two cities of Kano and Kaduna. A body of more extensive interviews with 220 workers is supplemented with shorter interviews containing selected questions, to cover altogether 465 workers, 153 in Kano and 312 in Kaduna. When nothing else is stated, the analysis in the account below is based on the narrower range of questions asked of 465 workers. There is a bias towards shop-stewards and active union members, particularly in the shorter interviews. In other respects, a balanced selection was attempted, but it must be emphasized that representativeness is not perfect. There is likely to be an over-representation of young, more educated workers in our material. And we reached only those who were still in employment.

Kaduna and Kano

Kaduna is located in the middle of less-populated territory, surrounded by stretches of extensive agriculture. It is a colonial city that was established early this century as the capital city of Northern Nigeria.

It retained its importance during the early post-colonial period because of the northern political dominance of the new federation. State investments were purposely directed to enhance this position. The state structure has since been broken down from the original three to the 19 states at the time of the interview (later further subdivided to 30). But Kaduna continues to be the unofficial capital of "the North", with a population of somewhere around one million by the mid-1980s. Numerous federal, regional and state agencies, and the regional headquarters of banks, insurance companies and other commercial houses make it primarily an administrative centre. However, its industrial status has grown rapidly. Its industrial base is characterised by large companies based on state and multinational capital, sometimes in combination. It has a petroleum refinery, a motor vehicle assembly plant and a brewery. But it is the textile industry that dominates, with a concentration of nine firms, of which some are very large.

Kano has a very different history and current structure. It is an old commercial and cultural centre, with the largest traditional market in West Africa, a terminal of many centuries of prosperous trans-Saharan trade. It has a large informal trading and manufacturing sector. It is an important centre of Hausa culture and of Muslim learning, with a probable population well in excess of one million by the mid-1980s. The modern industry that grew up in the post-war era was based on local merchant capital, including partly indigenised "Leventine" (mostly Lebanese) family firms. The oil boom of the 1970s boosted further development along these lines and family capital is still very strong. But the boom also attracted multinational companies of the import substitution kind, flour mills, breweries, pharmaceutical and chemical industries, plus some metal working industries and assembly plants. There also remain some primary processing industries like sawmills, tanneries, and a number of dormant vegetable oil mills. It is the capital of Kano state, the most populous state in the federation, with a densely populated hinterland that has been under permanent and intense cultivation for centuries.

Both cities are situated in a predominantly Muslim and Hausa-speaking environment, but Kaduna is also a primary urban centre for the linguistically and culturally more diverse Middle Belt to its immediate south, with a strong Christian element.

The textile industry

At peak, pre-crisis production, some 100,000 workers would have been found in the textile manufacturing industry proper in Nigeria (excluding garment manufacturing). They were found in factories of

frequently over 1,000 workers, in one case as many as 8,000, but always over 100. The Nigerian textile industry is concentrated in Lagos, Kano and Kaduna. Between them they house some 80 per cent of total capacity in the industry, with variations for different processes. The rest is scattered among smaller cities, mainly in the southern states, with a smaller concentration in Aba.

Between 12,000 and 16,000 textile workers were found in a small number of large companies in Kaduna. Four of the nine textile factories in this city are integrated mills with spinning, weaving and finishing processes. State involvement is strong in all of these and dominates one, KTL, which also has Nigerian management. Two of the others have Chinese capital participation and management, UNTL and (the temporarily closed) Nortex. One is Japanese run, Arewa. These integrated mills are all large, with a potential workforce of between 3,000 and 8,000 each.

Two smaller factories are closely related by ownership and management to one of the larger mills, UNTL. Unitex spins, and Supertex only prints. They have 700 and 350 workers, respectively, at full production. The remaining three factories, Chellco, Dagazau, and the Blanket Factory are smaller weavers, with Indian owners and management participation.

In Kano the textile industry comprised 19 factories in 1987. It has one integrated spinning, weaving and finishing mill, with a capacity to employ 1,600 workers. This is the newly established Gaskiya, with all Nigerian capital, but Indian management. Established in 1985, it employed nearly 1,000 workers in early 1987. One other mill, an old blanket factory, NTM, once had a capacity for employing 1,500 workers, but recently this has declined to 400–500 workers. The remaining mills are smaller. They spin, weave or make embroidered lace. Most were established in the 1970s. Only two of those that are presently functioning were started before then. Apart from Gaskiya, two more factories were established in the 1980s. As many as nine factories have a substantial Levantine interest and management, some with a background in textile trade, and some second-generation Nigerian citizens. There is one Indian owner, in Terrytex, and one of Egyptian origin, in Norspin. The second major owner group is of local Kano merchant and industrial capital. A number of the well-known Kano families participate in the industry: Gashash in NTM, Dandawaki in NTP, Dantatta together with Lebanese interests in UTIL and USL, Badamasi in Gaskiya and Ishiaku Rabi in Bagauda. There is one Kano-state owned factory, KTP.

FARMING IN THE CITY—SUPPLEMENTATION OF WAGES

The increasing need to supplement wages

Real wages fell dramatically as the minimum wage was frozen in 1983 while the cost of living continued to rise. This has put continuing pressure on those workers who have been able to stay in employment to find additional sources of income in order to supplement their wages. Unlike textile workers in some other parts of the world (see, for example, Boyd, Cohen and Gutkin, 1987), those in Nigeria are used to and expect to earn a living wage covering also the reproduction of a family. This claim has some social legitimacy, as workers are nearly all male, with heavy family responsibilities.

One specific feature of the labour structure here is that only a small percentage of the textile workers are women (cf. Afshar, 1985). In these factories, they are usually limited to few well-defined tasks such as drawing, designing and final checking. Only in the garment industry in the south, which is not covered in this study, do they have a dominant role.

While in our study most workers are over 20 years old, in Kano over one third are under 25 and nearly all, 90 per cent, are under 35. Kaduna, with its slightly older industry, also has a slightly older age structure: only 11 per cent are under 25 while nearly 10 per cent are over 40 (Table 1).²

Table 1. *Age structure*

Percentage of workers Age group	Kano	Kaduna
21–25	36.1	10.7
26–30	37.4	38.3
31–35	15.5	24.7
36–40	5.8	16.6
41–45	1.3	6.2
45+	3.2	1.6
Uncertain reply	0.6	1.9
Total	100.0	100.0

Nearly all workers are married, often with more than one wife, and have a number of dependents, who are usually with them in the city. Apart from children, other younger relatives commonly stay with them, to go to school, but they also often help in the household. They rarely contribute any income.

Workers know how to farm

Workers are used to having a multiple livelihood strategy for themselves or within their families. Local farming is an option that is close at hand when it comes to supplementing wage income. It is common in West Africa that persons who have left agriculture still keep up some local household production of food as a sideline activity. Whether they are able to do so depends on access to land, which as usual has both a physical and a social aspect to it.

Our interviews confirm the well-established fact that the overwhelming majority of the workers in these recently established industries are first generation non-farmers. In Kano, 15 per cent had non-farming parents, while in Kaduna no more than 8 per cent did. A very large section of the workers had previously worked as farmers themselves, and as many as 46 per cent of those interviewed in Kaduna stated this as their only previous work experience. For Kano the figure is 28 per cent. We may safely assume that these workers carry a large reserve of knowledge that will enable them to respond to the needs and opportunities offered for local agricultural work on the side.

The strong farming background of the workers in the textile industries in both cities can be summarised as in Table 2. The particular strength for Kaduna workers in this respect can be emphasized.

Table 2. *Indicators of rural and farming background*

Percentage of workers in each category		
	Kano	Kaduna
Parents are farmers *	73.6	87.5
Only farming as previous job	27.5	45.8

* data from smaller sample of more extensive interviews

Those from the similar climatic zones of the northern savanna and the Middle Belt will be at an advantage in this respect. Those from the same state, and particularly the same city and its fringes, are likely to have relative advantages both of knowing the local conditions for farming and of social access to the land.

About 40 per cent in both cities originate from the eight northern savanna states which we have defined as the North in Table 3.³ The so-called Middle Belt (here very narrowly delimited as Plateau and Benue states), which lacks major industrial cities, is an important

source of labour in both cases. This is particularly so in Kaduna, which lies closer to that region. Kaduna takes half of its labour force from these areas in addition to a large part of the 28 per cent originating from the Kaduna state who come from the bordering rural areas to the south in Southern Zaria. Only 11 per cent come from further south. Apart from recruiting more substantially than Kaduna from its neighbouring northern states, Kano also draws slightly more from the forested states further south. In the smaller sample of more extensive interviews, about 60 per cent of the 21 per cent workers originating in Kano state were drawn from the city and its commuting-distance area.

Table 3. *Home-towns of the labour force by region*

Percentage of workers		
Region	Kano	Kaduna
Same state	20.9	28.4
Other North	22.2	9.7
Middle Belt	39.2	49.4
South	15.7	10.6
Uncertain reply	2.0	1.9
Total	100.0	100.0

City farming is common as a supplement

In Kaduna as many as 30 per cent of the textile workers in our survey in fact supplement their wage incomes by work on the land in the city. The figure for Kano is only 13 per cent. The physical availability of land is certain to explain a large part of this difference, but we also need to take into account the existence of alternative opportunities for income supplementation, as discussed below.

The relevance of the previous farming experience is revealed; those who came straight from farming had a higher per cent of city farming experience than others. The influence of a regional factor is also confirmed. In Kaduna, it is in particular workers from the North who are able to or who choose to farm, around 50 per cent of them. For those of Kano state origin, 34 per cent in city farming is a high figure, compared to the 13 per cent for the total of Kano workers. It would very likely increase if we distinguished those from the municipality itself and the nearby commuting areas, to take account of the social access factors.

There are other factors, like education, relating to other aspirations, which we shall discuss below. In Kano, 58 per cent of those with only Koranic schooling farm, as against 7 per cent for those with post-primary education. In Kaduna the incidence for those with post-primary schooling is 20 per cent compared to 36 per cent for those with primary education or less. Table 4 summarizes these relationships.

Table 4. *City farmers by background*

Percentage who farm in each category	Kano	Kaduna
Previous job: only farming	19.0	35.8
Regional origin: same state	34.4	51.1
Education: secondary school	7.1	19.5
Total city sample	13.1	30.4

Another 20 per cent in Kaduna want to farm in the city but do not; a little higher among those from outside the North, who have the least access. In Kano, another 10 per cent of the workers wanted to farm, but not doing it, indicates there is less access to land than can be satisfied. Again the less favoured groups, the other northerners (12 per cent) and those from the Middle Belt (17 per cent) are the ones that say they would want to but do not farm now.

We have assumed that the need to supplement income by farming has increased after the pinch of the crisis around 1983. Our results are somewhat difficult to interpret on this point, but they do show that city farming was quite substantial even before the crisis. Thus, while it is not only a crisis phenomenon, it has probably increased as a result.

City farming and other forms of supplementary income

West African cities are known for their large informal sectors, partly productive, partly the solution to extreme poverty by the sharing of receding income opportunities (for example, Sethuraman, 1985). The straddling of the urban work force between wage work and other, more or less temporary, work in this unregulated sector is an important feature of the urban socio-economies in this region. Our data show that farming mingles with a variety of activities as an important source of supplementary income for industrial wage workers.

In Kaduna, supplementation by farming is about as common as gaining extra income from other jobs (Table 5); 31 per cent who farm compared with 27 per cent who have other sideline jobs. There is a certain overlap, so that 16 per cent of the workers in this city have both types of extra income. But as many as 54 per cent have neither.

In Kano, the low 13 per cent urban farmers compares to 35 per cent having extra income in the city from other sources, as seems logical in such a large commercial centre. Only 5 per cent have both types of income, while 50 per cent have neither.

Thus the commercial city profile of Kano prevails. This city reveals slightly greater opportunities for supplementation by non-agricultural activities than in the younger and more specialised city of Kaduna, where farming is more common. Access to land within manageable distance from the city is certainly greater in Kaduna than in Kano, whose neighbouring "close-settled zone" of very high density farming has already been heavily pressed by the expanding city, and whose inner city land has been occupied by urban functions for many centuries. It is logical that workers of local origin have greater access to agricultural land in and around Kano.

Table 5. *Farming and other supplementary income*

Percentage of all workers in each city				
Kano	Farm	No farm	Uncertain	Total
Other urban income	5.2	27.5	2.6	35.3
No urban income	7.2	51.0	1.3	59.5
Uncertain	0.7	3.2	1.3	5.2
Total	13.1	81.7	5.2	100.0
Kaduna	Farm	No farm	Uncertain	Total
Other urban income	15.7	10.6	0.6	26.9
No urban income	14.1	54.2	1.3	69.6
Uncertain	1.0	2.5	0.0	3.5
Total	30.8	67.3	1.9	100.0

About half of the workers have to manage without any extra income at all. Some indicated that the work-load at the factory, which for many workers has been increasing as a result of the crisis (cf. Andr and Beckman, 1991), is all they can cope with, irrespective of their needs.

Concerning the content of these other types of extra jobs, our data bring out expected differences between the cities (Table 6). In Kano, trading is the most common activity, occupying 17 per cent of the workers. Sometimes this involves goods bought from the textile factory, but sometimes different goods, such as building materials are sold in the market or soft-drinks are sold from the home. Next in importance is mechanical or electrical work, where the factory skill can presumably be used. Tailoring is practiced only by a few. As expected workers of local Kano state origin are better represented in the group having other urban income, as much as 50 per cent do. Over 30 per cent in this category do some trading, while 6 per cent are involved in tailoring. The local bias suggests that, apart from need or willingness, social opportunity is a factor, for example, via access to capital, markets, and maybe also informally contracted labour.

For those in Kaduna factories with extra urban-type income, no particular type of job provides income for more than 6 per cent of the workers. Tailoring has only 5 per cent of the total in this category, but among those of local Kaduna origin it is as much as 10 per cent.

Table 6. *Types of other extra jobs apart from farming*

Percentage of workers Job types	Kano	Kaduna
Tailoring	2.6	5.4
Other craft	0.0	3.8
Mechanical/electr.	7.2	2.9
Trading	17.6	5.8
Taxi	1.3	2.6
Other	5.2	6.1
Combination	1.3	0.3
None	59.5	69.6
Uncertain	5.2	3.5
Total	100.0	100.0

WORK OUTSIDE AGRICULTURE—ASPIRATIONS AND ALTERNATIVES

We have so far discussed how the farming background of industrial workers continues to influence their livelihood options and contributes to the multiple occupational base of the city population in the current crisis. We proceed to look at the nature of the urban links of

these immigrants to the city, their aspirations, preferences and their perceptions of the options ahead when their urban livelihood is threatened.

Pessimistic prospects under threats of redundancy

The labour force has been severely reduced in this crisis. What happens to those who leave? What are the alternatives open to these workers, and what are their aspirations for and prospects for staying in the city?

Labour unions have negotiated a system to regulate terminations, including allocating gratuities to those who have stayed a long time in the company. Its application is uneven (Andr and Beckman, 1991). Some workers, however, leave with quite substantial gratuities that allow them to start other activities. But from a previous situation of high turnover of the factory work force, the tendency in the 1980s has turned towards greater job stability; few workers have risked voluntarily giving up a safe income in spite of its falling real value.

Workers display great pessimism as to their prospects for staying in the city if they are made redundant. Half of Kano workers and three-quarters of those in Kaduna think that they may not be able to make a living in the city in this situation. Trading and education stand out as more substantial alternatives in Kano and, somewhat surprisingly, other wage work. We may relate this to greater hopes of Kano workers to remain in the city than is indicated by Kaduna workers. Table 7 shows the response to the question "If you had to leave your work in the factory, could you make a living in the city"?

Table 7. *Options in case of retrenchment*

Percentage of workers	Kano	Kaduna
Would go home for:		
farming	35.9	63.5
other, incl. combination with farming	9.2	11.5
Would stay in city for:		
trading	13.7	1.3
tailoring	1.3	0
other wage work	7.2	0.6
other and comb.	14.4	9.6
other, incl. education	9.2	1.3
Don't know what to do	5.9	8.0
Uncertain reply	3.3	4.2
Total	100.0	100.0

Reluctance to go back to farming

The expressed preference to stay in the city roughly corresponds to the perception of limited possibilities there. But the reluctance to give up an urban livelihood is also considerable (Table 8). To the question "If you have to leave this factory would you go back to farming", the following answers were obtained:

Table 8. *Propensity to go back to farming*

Percentage of workers Would go home to farm	Kano	Kaduna
Only if no other way	27.5	18.9
Yes, in the city	2.6	4.5
Yes, at home	40.5	63.8
Yes, unspecified	2.0	3.8
Never	21.6	3.9
Uncertain reply	5.9	5.2
Total	100.0	100.0

In Kano, 22 per cent say they will never go back to farming and another 28 per cent only as a last resort, altogether 49 per cent. In Kaduna where perceived prospects to stay were shown to be smaller, 4 per cent say they will never return, and 19 per cent only if they have to, a total of 23 per cent.

Investments in a life outside agriculture

This reluctance to return to agriculture makes sense considering the investments that large sections of the labour force have already made in urban life and the aspirations to move away from agricultural work in the rural areas that this implies. This is indicated by their level of education and their non-agricultural work experience in the factory and in other urban jobs.

Until recently even primary education would have guaranteed a job outside agriculture, and can be taken as a sign of such aspirations. Industrial workers are well educated in western type schools, even in these northern states where Muslim culture is strong. Nearly all have primary school background and many have some post-primary education as well, sometimes in the form of commercial or technical training, although it may not have been completed.

Table 9. *Workers' educational background*

Percentage of workers Schooling	Kano	Kaduna
None	—	1.9
Koranic only	7.8	2.6
Including primary	32.7	61.2
Including post-primary*	55.6	32.1
Uncertain reply	3.9	2.2
Total	100.0	100.0

* In the more extensive interviews, 4.8 per cent in Kano and 7.6 per cent in Kaduna stated that they had polytechnic training.

Kano workers are more likely to have post-primary training (Table 9). We assume this is associated with the larger number of recent employees and the biased sample.

As we have seen, the great majority in both cities have farmer parents and many have agriculture as their only previous work experience, apart from the large group who came straight from school. There is, however, also a group of well-established urban wage workers, as can be seen from their previous job careers (Table 10); 45 per cent in Kano and 22 per cent in Kaduna have had such other jobs, mostly in the same city. This includes a more substantial share of workers who had jobs in other textile factories.

Table 10. *Previous work experience*

Percentage of workers	Kano	Kaduna
No job/schooling	21.6	26.6
Farming	27.5	45.8
Other textile	14.4	8.7
Other wage work	16.3	4.5
Other non-farming work	9.8	6.4
Non-farming combinations	4.6	1.9
Uncertain reply	5.9	6.1
Total	100.0	100.0

The high figures for no previous job experience or only agricultural work are balanced by length of employment in the textile industries (Table 11). Kaduna workers had been in employment with their fac-

tory much longer than the Kano workers and thus have not had the opportunity for other wage work. Three-quarters in Kaduna had been employed since before 1981, compared to less than one quarter in Kano.

Table 11. *Year employed in the factory*

Percentage of workers in each city		
Year	Kano	Kaduna
1961-65	0.7	3.2
1966-70	0.0	17.9
1971-75	4.6	17.6
1976-80	17.0	34.6
1981-85	50.3	19.6
1985-	23.5	1.9
Uncertain	3.9	5.1
Total	100.0	100.0

The more extensive interviews found that 40 and 54 per cent, respectively, planned to go for further training. The higher figure is for those in Kaduna, where the level of training is lower to begin with. Very few attended any courses at the time of interview, however. The interviews also indicated that many workers do not foresee a life-long attachment to industrial work. Some see it as an entry into other wage work, and aspire to go on to clerical work or teacher training programmes.

A well-formed wage labour force

These workers thus represent a core that is well established in their roles as urban based wage workers: well educated, with rather long experience in wage employment, many with other non-agricultural jobs behind them, as is summarized in Table 12. We may see them as well "formed" as an urban wage labour force. Apart from the small sections of urban-origin workers, particularly in Kano, these are migrants of mostly rural origin. Although there are certainly also remaining elements of more temporary migrants among them, it appears likely that many had come to stay in the city, at least throughout their active lives. In fact, the emphasis in our sample on shop-stewards and union-active workers and on those workers that have managed to stay in employment in spite of the crisis, they can probably be seen as containing the "best-formed" wage workers of all.

Table 12. *Summary of workers' urban wage-work orientation*

Percentage workers in respective categories by city		
	Kano	Kaduna
Post-primary education	55.6	32.1
Other non-farming jobs before this	45.1	21.5
Other wage work before this	30.7	13.2
Employed in the present textile factory before 1981	22.3	73.3

The two cities differ by the type of urban alignment for their workers that is indicated by this material. Workers in Kaduna are more closely tied to the present factory and are thus more vulnerable if retrenched. As opportunities for other urban work are perceived to be less than in Kano (12 per cent in Kaduna against 37 per cent in Kano thought they might be able to stay in the city), their higher degree of anticipation that they would have to return to farming if retrenched, is probably realistic. But the lesser reluctance to do so that they demonstrate (64 per cent in Kaduna against 41 for Kano would), may also indicate a lesser degree of social integration in urban life outside their own factory.

THE REMAINING AGRO-LINK

In a situation when jobs in industry are seriously threatened, the option of going back to agriculture in the rural home areas has to be seriously considered by the workers. It is a feature of the Nigerian political economy at the present stage of development, that such an option still exists for many workers. In the expectation of the workers, it appears that the peasant society which they thought they had left may still offer a retreat, if need be. It may be contrary to the strategies and aspirations for their lives, but going back to agriculture still provides a fall-back if they are forced out of work in times of crisis. The reality behind this expectation needs to be documented from the rural end. However, our survey material from the urban end can give some indication of this situation.

Many workers still have access to land in their home-areas

The general rural and agricultural origin of this largely first-generation urban wage labour force is one condition for considering this option (see Table 2).

The significant feature to probe here, and which is common to many African economies, is the extent to which access to land is still maintained. As is shown in Table 13, in both cities over 70 per cent say that they own land; only 9 per cent do not at all, while the rest have some, but not enough to live on. The similarity here between the cities is worth noting. Contrary to what we have indicated regarding the background of the workers, those in Kano do not stand out as being further separated from agriculture when it comes to land ownership.

Table 13. *Ownership of land in the home area*

Percentage of workforce owning land	Kano	Kaduna
Yes	71.2	70.2
Yes, but not enough to live on	16.3	17.3
No	9.2	9.0
Uncertain reply	3.3	3.5
Total	100.0	100.0

The level of participation from the city in farming activities at home is, however, not significant. From our more extensive interviews, we found that more direct involvement is maintained only by the 3 per cent in each city, who participated with their own work. Another 17 per cent of Kaduna and 8 per cent of Kano workers had paid labourers to work the land (Table 14). In most cases, it was in the hands of relatives, who farmed it for themselves.

Remittances from workers to their home areas for productive purposes did not seem to be important, and were not indicated as important as means of reproductive support either, but the issue was not systematically pursued. As noted above these workers generally had their reproductive responsibilities (wives and children and one or two younger sisters or brothers) in the city. Support for older relatives at home was mentioned, but not as a generally important form of contact.⁴

Contacts with the home area appeared to be mainly social links. The great majority, 75 per cent in Kano and 79 per cent in Kaduna, visited their home area no more than three times a year, most commonly only once a year, usually for the end-of-year holiday, when many factories close down. Only three workers in Kano went home

as often as once a week. The stated reasons were nearly always only to visit, but in a few cases this was combined with helping parents on the land.

The farming option

We assume these indications of rural links to mean that the family land of the industrial workers is still in the hands of their family, and that they still consider themselves eligible for the customary rights to its use, if they were to return to live there. The reality behind this expectation is probably a rather open question. It varies between regions according to local conditions, and maybe according to how long workers have been away. The level of contact and interaction is probably a factor for sustaining this right. Changing economic and social conditions in the rural areas will alter the potential of local communities to absorb returnees, a change that is possibly much greater than the workers themselves expect or perceive.

Commercialisation of farming land is continuing. Systems of providing for extended families by spreading members' work into several sectors and areas will also be affected by the spread of wage work, expanding education, the aspirations of women, and changing relations between generations, etc. This has changed the availability of livelihood positions in the rural areas as well as the readiness of families to share their rural resources with those who have left for wage work in the cities. In some areas of Africa, for example in Kenya, this process has gone far enough for workers to feel that their escape routes back to agriculture have closed in the same way as they did for urban workers in industrialised countries. The reality behind this general expectation of escape routes indicated in this material is therefore an important question to pursue.

The rather weak inclination to use this agro-link and actually return home (see Table 8), may be connected with a perception of shrinking opportunities. The more extensive interviews show that only a small minority were actively planning to go into farming; 6 per cent for Kano and 18 per cent for Kaduna. A line of research to pursue is to match the information on the background characteristics of workers with varying intensity of agro-links with other data on the conditions in the areas they come from.

Table 14 summarizes the indications mentioned on the strength of workers' agro-link to their home areas.

Table 14. *Indicators of workers' agro-links to their home areas*

Percentage of workers in each category by city		
Type of link	Kano	Kaduna
Own land at home		
— Enough to live on	71.2	70.2
— Some, but not enough to live on	6.3	17.3
Farming at home*		
— By own work	3.2	3.2
— By paid labour	8.1	17.1
Plan to go into farming*	6.4	18.4
Will farm if retrenched		
— Yes	40.5	63.8
— Only as a last resort	27.5	19.9
— Subtotal of above	68.0	83.7

* only sample of more extensive interviews

Comparing the two cities, the access to land gives a remarkably similar indication, while farming at a distance by paid labour was practiced twice as often by Kaduna workers. When it comes to plans and perceived possibilities to return, Kaduna again turns out to be closer to the farming option, just as it was shown to be on indications of a background in the rural economy.

LABOUR FORMATION, URBANISATION AND THE CRISIS: SOME CONCLUDING NOTES

Urbanisation and labour formation

This chapter presents data on the agro-links of industrial workers in two Nigerian cities as they appear in a situation of economic crisis. Our analysis is informed by concern with the implications for urban development of the particular process of wage labour formation that we find in this context.⁵

The history of Third World industrialisation demonstrates that wage labour has been formed by certain processes of separation from land or other means of production, for longer or shorter periods, and by more or less violent means (Van Onselen, 1976). The conditions of wage work have been defended by laws and state regulations to remain permanent and acceptable (Portes, 1983). In practice, it is often backed by supplementary ways of livelihood in order to remain sustainable. In this way, it intermingles with the complex urban informal sector which is such an important feature of Third World cities

(Sethuraman, 1981). Recently, the importance of urban agriculture has also been noticed in this context, (as, for example, in studies in Kenya by the Mazingira Institute and other chapters in this volume). In African peasant economies the initial process of wage labour formation is still under way. Its mechanisms, permanence and completeness are being documented.

The question of the permanence of this process has been put in focus also in advanced industrial countries, where the recent process of informalisation of large-scale production into sweat-shops and the proliferation of informally organised services and of specialised "consultancy" firms for a wide range of previously formally integrated functions, testify to the reversability of this process (Portes, 1983).

What is observed in Nigeria is the reversal of a seemingly well-established trend of formation of industrial labour, when in the crisis of the 1980s, workers are again thrown back on their urban informal and agricultural livelihood, as the instability of the import-dependent industrialisation process is exposed. The extent to which this decline contains elements of more permanent de-industrialisation remains to be seen.

The degree to which this reversal to agriculture appears possible for the majority of workers in terms of maintained links to the rural origin, testifies to the unfinished separation of wage workers from their land. As we have already pointed out, it contrasts with what is found, for example in Kenya, where a high level of commercialisation of land ownership has closed this escape route for large sections of the urban working class (Kongstad and Mikkelsen, 1983).

The reversal has important consequences in the rural-urban dimension. It puts in focus the vulnerability of urban development in the context of vacillating conjunctures of a petroleum-dominated peasant economy. The stability of the urban industrial base is no greater than the particular form of capitalist development on which it is based.

A remaining link to the peasant surroundings implies remaining potentials for re-absorbing the labour force that it had once supplied. Whether this potential is being realised is a matter that will require further studies and the setting of this survey in the context of other work on Nigerian development.⁶

The farming alternative: strength or threat?

Another area of concern is the implications of the reconstituted agro-link for the power of wage workers in defending their interests. Workers' access to alternative forms of livelihood may, on the one

hand, strengthen their bargaining position vis-a-vis their urban employers and enhance their possibilities to remain in their jobs with better conditions than may otherwise have been possible. Potentially, however this connection also works the other way around, by opening the possibilities for the industry to let real wages fall while still keeping the labour force.

Bargaining power is a complex issue. Social credibility of demands, visibility as a force, consciousness of rights, levels of mobilisation and forms of organisation are some constituting factors. In another report from this project (Andræ and Beckman, 1991) we have pursued this aspect. A striking difference between these two cities in workers' achievements in defending their conditions of work in this crisis was related to the differences in workers' structures and backgrounds that we have also described in this paper. We have related these to differences in levels of unionisation, and in union strength. Workers' access to supplements and alternatives has a special significance in this context.

The discussion may eventually be related to the significance of the production/consumption nexus in understanding the form for industrial development, and the mechanisms that create the different "structured coherence" of different urban regions, as discussed by Harvey (1989). Such models in the tradition of regulation theoretical formulations of Aglietta, which consider the modes of workers' reproduction alongside relations within workplaces, and are set in a broader structural and political context at the city level have been further developed, for example, by Warde (1988). They offer fruitful possibilities for studying the strategies of workers in different cities in reaction to and as agents of the industrial restructuring processes that these cities undergo as demonstrated, for example, by Griffiths and Johnson (1991) in explaining the difference in the militancy of Lancaster mining workers in the great British mining strike of the 1980s. The cases of Kano and Kaduna, with their different historical and current socio-economic conditions, are well suited for a study in this direction. The data presented here will be useful for this purpose.

NOTES

1. This chapter represents a first structuring of the survey data from the angle in question. The analysis is intended to be deepened by a fuller discussion of the specificities of the Nigerian situation in relation to experiences elsewhere and in particular by expanding the comparative analysis of the two cities into a study of their respective reproduction regimes, in line with recent regulation theoretical discussions.
2. In comparing the two cities, we may note that the tendency for higher representation of local workers in Kano to raise the average age evidently does not overrule the opposite effect of higher turnover due to less security of employment there, at least in this slightly biased sample. This point will need closer scrutiny of the data as the study proceeds.
3. States as delineated in 1987.
4. This is contrary to the assumptions of Main (1989) in his studies of redundant Kano workers.
5. It ties in to an approach elaborated in the discourse on international labour studies as summarised, for example, by Munck (1988) and Freund (1988).
6. See, for example, Olukoshi (1986), Lubeck (1986) and Main (1985) on Kano workers and, for example, Hinchliffe (1973) on Kaduna Labour.

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Looking for a Better Life in Town: The Case of Tanzania

Margaretha von Troil

This chapter discusses the relationship between rural and urban life based on research in Tanzania in 1984–85. The research focused on technology transfer and technical training. In case studies of Finnish technical cooperation, it was necessary to learn about the educational and technical background of the local workforce, and also to know more about living conditions in a village, since the majority of Tanzanians have a rural background.

The attraction of paid job opportunities draws especially young people from their traditional rural environment to nearby towns. The prospect of a future as unpaid labour on the family plot is outweighed by the search for a “better life” with its own financial rewards. Technical education and technical skills, even if locally available, do not guarantee an income when there is a lack of tools and equipment, raw materials and transport facilities.

This analysis emphasizes the situation of people, their aspirations and shortcomings. The impact of the institutional and socio-economic environment on career planning and migration patterns is discussed based on information collected in a remote and isolated area (Mtwara and Lindi) and in a rather more advanced area (Arusha). The historical setting for this analysis is the period of economic recession and crisis which followed an era of optimistic self-reliance ideology, and which finally led to an agreement with the International Monetary Fund in 1986.

Under the umbrella of political idioms, leaders as well as ordinary people use the same language to formulate and implement strategies. These strategies may be contradictory or incompatible, but the use of cohesive political idioms makes it possible to avoid situations which might lead to political crisis (Martin, 1988: 18). The notion of political idioms versus real life situations is here contemplated on the basis of discussions and interviews with Tanzanian peasants and workers, particularly bearing in mind the relevance of these idioms for their choosing a rural or an urban life form.

IDIOMS AND REALITY

Cohesive political idioms applying to the contemporary Tanzanian context are those of *tradition*, *redistribution*, *family relationships*, and *knowledge*. The idiom of tradition encompasses the concept of *ujamaa*, and so does the idiom of family relationships, as the policy of *ujamaa* deliberately has been linked with the traditional institution of the extended family. According to the idiom of redistribution, those in authority must redistribute in exchange for their position. Today the state has replaced the traditional leaders and has thereby taken over the obligation to give away goods and symbols and to see to it that the social order is observed. Also the parental role of leadership is emphasized.

The idiom of knowledge legitimizes power through linking to the value systems of both traditional social organization and the colonial system, the idea being that education leads to power. According to Nyerere, himself a teacher and called *mwalimu* (the teacher), to lead is to teach. Political leaders must promote policies which will offer education to every one, thereby implying that everyone should have the possibility of getting into positions of authority associated with a nice life-style (Martin, 1988: 18 ff.).

The title of this chapter, "Looking for a Better Life in Town", reflects the search to find ways to make ends meet, to get better housing, to secure education and vocational training, paid job opportunities, etc. Simultaneous with this quest for personal well-being is an internalized obligation to contribute to the common good, in line with the *ujamaa* socialism of Tanzania. The common good may indeed be consonant with the personal interest, but there may also be a cognitive dissonance between the moral obligation to work for a national goal and the personal ambition to succeed in life. While in Western thought the opposite of socialism is capitalism, it has been argued (Frostin, 1988: 31) that in the Tanzanian context the opposite of *ujamaa* or Tanzanian socialism is *ubinafsi*, meaning both "selfishness" and "individualism". Various courses of action emerge, springing from differences in environment and personal orientation, and, as it seems, from different modes of interpreting and internalizing the political idioms.

After independence in 1962, national development efforts were characterized by efforts to modernize and industrialize the country. With the Arusha Declaration in 1967 the new development strategy was to be self-reliance, which identified agriculture as the key sector on which the nation was to rely both for subsistence and for exports in order to get necessary foreign exchange. This did not, as such, rep-

resent an innovation in the national planning strategy, since the same planning ideology had been part of German as well as British colonial thinking. Moreover, a team from the World Bank had already at the time of independence presented a proposal to concentrate the peasants into village settlement schemes, a proposal which was approved by the new, independent government (Hyden, 1982: 71).

The settlement idea culminated ideologically in the *ujamaa* philosophy, which claimed to be modernization through tradition. The philosophy which initially was meant as an appeal for the peasants to resettle voluntarily in *ujamaa* villages became, however, official state policy. As the new settlement scheme failed to attract the majority of small-scale farmers to leave their traditional homesteads, coercive measures were taken from 1973 to 1976, both with regard to compulsory village settlements and to agricultural production demands (Hyden, 1982: 129 ff.).

Today, in retrospect, Tanzanian officials admit that one of the faults made was the lip-service paid to rural development. In spite of much talk of agricultural production goals and of building rural infrastructure, there was actually a disinvestment in agriculture, and a disproportionate share of resources was directed to industrial development (Anon., 1990). By tradition, the African peasant has been rather independent compared to the wage worker or the civil servant. Small-scale farming has aimed at catering for subsistence and basic needs. Consequently to pressure the farmer to cater also for national needs through endeavours in communal farming and production of cash crops inflicts extra work and implies a conflict of interest (cf. Hyden, 1982).

CINDERELLA PEASANTS

The three regions of Mtwara, Lindi and Ruvuma, covering the country's South-Eastern corner (Map 1), have a reputation as the "Cinderella Country" (F. Mchauru, 14.6.1985: personal communication). The area borders to water in three directions: in the east to the Indian Ocean, in the south to the Ruvuma River, marking the border with Moçambique, and in the north to the Rufiji River. Floods reduce road access to Dar es Salaam to only six months of the year. An alternative inland route from Mtwara to Dar es Salaam takes days to cover, being 1,700 kilometres. As there is no railroad connection, the only remaining options for reaching the area are by coastal ship or by airplane.

As a consequence of the difficult transport situation, the population of the area is isolated from other parts of the country. Those living

elsewhere not only have a rather vague idea, but are also prejudiced concerning Mtwara-Lindi. During the colonial period it was almost considered a punishment for a civil servant to be stationed there, and still today the reputation of Mtwara and Lindi has some resemblance with that of Siberia. And it may even happen that a person posted there, never reports to the new duty station.

Map 1. *Tanzania: Regions*

1. International boundary
2. Regional boundary
3. District boundary

Mtwara Region covers 17,750 square kilometres and Lindi Region 63,700 square kilometres. In 1978 the density of the population was 43 per square kilometre for Mtwara but only 8 per square kilometre for Lindi, where the Selous Game Park occupies a great part (Census 1978). In 1984 there were close to one and a half million inhabitants in the area, while the estimate for the year 2001 is slightly over two millions. The 1988 Census Report, however, does not show an increase

in population in the regions of Mtwara and Lindi, where the annual average population growth 1978–1988 was lower than in the nation as a whole, namely 1.4 per cent in Mtwara and 2.0 per cent in Lindi compared to the national average 2.8 per cent.

Two explanations for the comparatively low population growth are migration to other regions, and a higher rate of child mortality than in Tanzania as a whole. While in 1984 the regional population was 86 per cent rural, the estimate for 2001 is 77 per cent rural and 23 per cent urban (Mtwara-Lindi Water Master Plan Revision, 1986). The majority of the people in the area are Makonde, Mwera, Makua or Yao. The main form of subsistence is small-scale farming.

I refer below mainly to information gathered in four neighbouring *ujamaa* villages on the Makonde Plateau in Newala District, Mtwara. The population of the ward to which the four villages belong was 11,000. The four *ujamaa* villages had a population of respectively 1480, 1950, 422 and 2117, the first two actually forming one big village. Because of the vicinity to the Moçambican border, 400 *ujamaa* villages had been established in Mtwara and Lindi Regions by 1969 in order to strengthen the defence of the southern border, a figure which at that time represented half of all *ujamaa* villages in the whole country (Hyden, 1982: 102; Prime Minister's Office, 1974).

The Makonde, who originated from Moçambique, settled on the plateau in search of food but also to escape raiders. The Makonde Plateau served as a stronghold, owing to the escarpments and because people chose to settle in the thicket. The choice to withdraw from potential dangers was deliberate, although it meant living far from water. It is estimated that most of the migration of the Makonde from Moçambique took place between the second and third quarters of the nineteenth century (Liebenow, 1971: 20 ff.).

Today, the situation is different: most people live in *ujamaa* villages and have thus abandoned their "hidden" homesteads. On the other hand, despite some increases in the community infrastructure, lack of transport facilities, drinking water and other essential commodities were identified by the inhabitants as severe problems.

Ujamaa, which was supposed to enhance modernization through tradition meant for the peasants, longer walking distances to fields and cultivation plots, a growing scarcity of firewood, simultaneously with their being introduced to communal farming, as well as some modern methods. Peasants on the Makonde Plateau complained that there was a shortage of hoes, which was still their main farming tool for shifting cultivation. On the other hand, they also referred to these methods as primitive and expressed a desire for tractors. Cattle were rare, and oxenization had not reached the area even as an idea. There

were no wheelbarrows, very few bicycles; in fact, hardly any wheels at all. Farming as a means of subsistence required hard work by both women and men.

Cashew trees which formerly yielded a cash income had experienced drastic declines in harvests. The reasons for this were three-fold: that the trees were old and uncared for, some form of tree virus or disease had attacked them, and unfavourable producer prices. Cassava represents a staple food, the starchy root being prepared as *ugali* (stiff porridge), while the green leaves are made into a stew. Meat was so difficult to obtain that even rats were eaten. The Plateau, with an elevation of between 500 and 800 metres above sea level, is gradually becoming more susceptible to erosion. The dense population has kept their traditional system of shifting cultivation, but the reserves of new fertile land are becoming limited. This has led to cultivation activities near the escarpments, causing erosion (Rwenchungura, 1989).

The life and endeavours of the villagers on the Plateau may be contextualised using the earlier mentioned cohesive political idioms. The idiom of knowledge implies that power and well-being follow from education, which motivates young Tanzanians to look for training and educational possibilities. Whereas compulsory primary education is given in all *ujamaa* villages, secondary education is difficult to obtain. Primary school leavers are assessed according to their school achievements when competing for admission to secondary education. In the four villages, there were very few students enrolled in secondary schools, and there were no regular secondary schools in the district. As primary schools were short of textbooks and other equipment and the home conditions were not conducive for studying due to inadequate reading lights, children in these villages could not compete with those from more advanced areas. Still, higher education had a very good reputation, representing for many villagers in Tanzania the only road to a better future—a future which rarely will be spent in the home village.

There seemed to be a preference for general or more academic education compared to technical education or vocational training. It is symptomatic that the one local technical school did not attract primary school leavers. Young boys were not motivated to use this readily available opportunity for entering into a technical vocation, because they did not see any future in it. One bottle-neck was the general lack of tools needed for establishing a workshop in the village.

But village life also seemed stagnant to young people, who demanded more stimuli and yearned for modern life with bigger crowds, access to novelties such as walkman radios and music tapes, fancy

clothes, and money in their pockets. Parents did not pay them for hard work on the *shamba*, and therefore some preferred to be idle in the village until they could grasp the chance to move to Mtwara town, which seemed to be the preferred destination, or to Newala or Masasi district centres, unless they found their way to Dar es Salaam. The distance to Mtwara town, which has a population of about 75,000, is about 180 kilometres.

Newala is the administrative centre of the district, with approximately 25,000 inhabitants. The walking distance from the centre of the study village area is 40 kilometres. As there was no bus service, the common method of transport was on foot. Civil servants, including school teachers, had to fetch their salaries in Newala, which caused a recurrent absence from work for two or three days a month. Despite the hardships involved in reaching Newala, the excursion still brought a pleasant change to the normal routines, and was used to purchase basic items unavailable in the village shops, such as soap, salt, and matches.

The scepticism regarding enrolment in the technical school and a potential future as a technician in the village, was in marked contrast to a vocational pride shown by village craftsmen in the area. There were several traditional *fundis*, mainly blacksmiths, but also others who may be considered entrepreneurs, such as carpenters, bicycle-repairers, tailors, shop-keepers and traditional healers. Blacksmiths worked in small cooperatives, and their skills were learnt through an apprenticeship, often with an elder relative. On the Makonde Plateau it was common that the maternal uncle took a responsibility for his young relative, and they would form a work team. The same was often the case with the other village craftsmen. This technical learning process differed from the vocational training taught in a technical school or college, because there was a personal affiliation between the craftsman and the apprentice, who would normally form a team. However, the traditional village *fundi* did not depend only on income from his workshop, but would combine his professional skill with regular farming activities.

Indeed, village blacksmiths complained that there was a shortage of raw material, particularly scrap iron. Carpenters were hampered in their work by a shortage of sawn timber and nails. Still, these traditional craftsmen had a recognized and esteemed position in the local community and did not entertain plans to migrate from the area. Their services were needed and their entrepreneurial activities conformed to the cohesive political idioms, particularly the idioms of tradition and of family relationships, but also that of knowledge, as the status of the traditional craftsman among his fellow villagers is lin-

ked to his acquired technical and practical knowledge.

Women have also entered into entrepreneurial activities. Women's activities, however, seemed to be considered as part of the private sphere and were not officially registered enterprises. The local branch of the women's organization *Umoja wa Wanawake wa Tanzania* had formed small cooperatives for making clay pots which were sold. Women were also engaged on an individual or family basis in beer-brewing activities in order to earn money. It was common that the women in each household put up a temporary beer-shop one day each month, but in addition there were women who had taken up beer-brewing on a full-time basis. It was explained that brewing and selling beer were normal activities, but still alcoholism was a problem in some households, where the husband could spend all his money on beer while his children did not go to school due to lack of proper clothing.

It is likely that many women would have preferred a different way of raising the extra money they so well needed, had they had the opportunity to do so. Here the internalized contradiction between *ujamaa* and *ubinafsi* (between socialism and selfishness) suppressed innovative initiatives, which might have been considered selfish. As this applied to men as well, it was hard for young people to visualize an alternative life in the village to that of traditional farming. The lack of incentive in the community ethic of *ujamaa* stifles entrepreneurship and individual creativity, according to the critics of *ujamaa* (Frostin, 1988: 45).

There was a small market place in the centre of the village area, where dried fish, groundnuts and oranges were sold twice or three times each week, but no baskets or other handicraft items were displayed. There were no small industries in the area, except for a SIDO (Small Industries Development Organization) workshop in Mtwara town and one in Lindi town, and workshops linked to mission stations. To get money people sold surplus crops, or worked as day-labourers for a retired civil servant-cum-politician who had settled in his home village.

According to the idiom of redistribution, a leader gives protection and help in exchange for his position and since he represented the ruling elite of the nation, he was probably looked upon as an asset to the villagers. His modern house, beautifully furnished and equipped with electricity (using a generator), his large number of cattle, his fields and his paid labour represented a class of its own in the village. He had succeeded in achieving a "better life" and had returned to his village, a dream so many Tanzanians nourish but few have been able to realize.

URBAN WORKERS

Arusha is a pleasant urban centre in Northern Tanzania, with good road access to Nairobi, to the Kilimanjaro Region, and to Dar es Salaam. A pleasant climate, job opportunities and other services attract migrants from all over Tanzania. Arusha was planned to be the administrative centre for the East African Community, which collapsed in 1977. Because considerable resources already had been directed to Arusha in order to serve the EAC, the city, which today has 135,000 inhabitants, has remained an important congress and conference centre, both nationally and internationally, but especially in the African context. Arusha, together with Dar es Salaam and Tabora, are the regions of Tanzania which have attracted most migrants. The Arusha Region, particularly Arusha town, has received people from the neighbouring Kilimanjaro, Dodoma and Singida Regions due to out-migration (Sitari, 1986).

In the early 1970s, the National Development Corporation planned an industry to produce fibreboards, as there was a large demand for this type of product in the building sector. It was also thought that fibreboards could be exported. Arusha was chosen for the location of the factory because the raw material could be obtained from forest plantations on the slopes of Mount Meru, near Arusha town. The factory was built by Germans, who also installed the machinery, but was financed through the national budget (Mustonen, 1985: 24). It has been running since 1973, and employed in 1984/85 between 350 and 400 persons. Since 1974 Finland has given technical assistance to the factory, having added a sawmill as well as other Finnish technical equipment. Since my study took place during the economic crisis, the factory was facing both marketing and production problems, and as a means to reduce costs there was a reduction in the number of personnel.

About one third of the employees came from Arusha Region and another third from the neighbouring Kilimanjaro Region. However, each region in mainland Tanzania was represented at the factory. Twenty two had come from Tanga Region, 20 from Singida Region, more than ten each from Kagera, Mbeya and Coast Region. Eight persons had come all the way from the "Cinderella country" (Mtwara, Lindi and Ruvuma Regions). Of the total, only 14 per cent lived in their own house, whereas 21 per cent rented a house, 53 per cent rented a room and 12 per cent stayed with relatives or friends. The longest commuting distances were between 10 and 20 kilometres. Loggers usually lived near the various logging sites, and did not come to the factory (Sitari, 1986).

To be a town-dweller and to get regular pay is a dream which had been realized by most of the employees in the fibreboard industry. But rent and housing costs were more expensive in the town than in a village. Generally food had to be bought whenever it could not be brought from the home *shamba*, and other temptations reduced the amount of money left in the pocket or savings account. Although according to the idiom of family relationships the new migrant was welcome to stay with his and her kin, the newcomer also had an obligation to support parents or other close family left in the village from an often rather meagre income. The buying power of the minimum wage* is illustrated by the following incidence: an employee who had been allowed to eat in the factory canteen as an advance payment, and used this opportunity once or twice per day, was left with only nine Shillings in cash by the end of the month!

An analysis of the reasons for joining the fibreboard industry provided evidence that, in addition to a need of earning one's living and of supporting relatives, there was a strong interest in getting linked to an employer who might provide training or career opportunities. At the same time, many said they joined the factory with the aim of helping the nation. For many Tanzanians today, a way of acquiring vocational or professional education is through joining a company or parastatal and getting work training there. The work training is mostly restricted to work orientation and on-the-job training, but in some cases external training in a training institute is included.

The employer, being the more powerful in the relationship, is expected to provide other support to the workforce besides the regular pay, an assumption which reflects the idiom of redistribution. However, there is also an expectation that the employer assumes a paternal responsibility for the well-being of the employee, such as provision of extra loans, equipment, work clothes and food—thus reflecting the idiom of family relationships as well. Even though these wishes were rarely met, the attitude remained. When tools or spare parts were taken from the factory, it is possible that someone guilty of a theft considered it a right.

Some people had joined the factory because they had a special competence or interest in forestry and the wood industry. Those who had received training seemed to anticipate new opportunities to be trained. The idiom of knowledge is emphasized by a Tanzanian proverb, according to which education is like an ocean, and has no end. Still,

* 810 Tanzanian Shillings per month at the time of this study, which then corresponded to 270 Finnish Marks (about US\$ 40).

on-the-job training had a much lower status among the staff than education which gave a certificate, which is parallel to the interest in secondary and academic education, whenever obtainable. To possess certificates gives self-confidence, and leads to a better bargaining position.

There was frustration among those workers who were not selected for external training. But craftsmen who had received training opportunities and possessed certificates were also disappointed, since they did not have tools at home and therefore were unable to do extra work in order to earn more. It is possible that some of the craftsmen solved their dilemma by "borrowing" company equipment.

When considering the future plans of the employees, it is interesting to note that these plans often included farming, animal husbandry, and even a return to village life. Urban employment was not seen as a break with an earlier way of life, but as complementary. The minimum wage was small compared to living expenses, but when crops were grown or collected from the home village, money could even be spent on, for instance, building materials for a good house.

The wish to return to village life was for some accompanied by a desire to bring improvements back to the village, and also to start a workshop or even a small sawmill there. The wish to improve living conditions and the wish to develop professionally were usually combined. On the other hand, it was not always easy to combine both the urban mode of life and the idiom of tradition. For many a young man it was difficult or impossible to raise the money needed, for instance, to buy all the cattle requested for a dowry, and the marriage age was generally higher among the urban workers than had been the case in their home village.

The majority of the employees at the factory came from a village or rural community, their parents being peasants. Indeed, very few had a family background where neither of the parents was engaged in farming. Occupational backgrounds of parents other than farming were administration, education, and commerce, or technical vocations such as drivers, builders, carpenters, and tailors. The fact that one or both of the parents had acquired some skill other than farming was likely to have influenced the occupational choice. However, the home, neighbourhood and village environment as such could provide the practical stimuli that served as a breeding ground for an innovative mind. These technical stimuli included experience of bicycles and bicycle repairing, housebuilding, radio and radio repairing, tractors and tractor repairing, ploughs, milling machines, and carpentry. However, some employees stated that they lacked experience of technical devices.

DISCUSSION

The situation of the villagers in Mtwara, who look for chances to migrate to a location where they can get the opportunity of a paid job, and the situation of the urban workers in Arusha represent two sides of the same phenomenon. In an earlier study, Tanzanian aircraft mechanics were interviewed after the conclusion of three years of vocational training in Finland (von Troil, 1986: 56–57). The background and career orientation of the aircraft mechanics supported the findings in the present case studies: education is seen as the route out of the village, but also that once education combined with a better position have been achieved, it may be attractive to resettle in the village. The technical interest was raised already during childhood. Technical devices in the home environment had served as teaching instruments for fostering both curiosity and an inventive mind, and had in most cases inspired the young men to enter into a technical school or college.

The *ujamaa* philosophy gives emphasis to the cohesive political idioms of tradition, of redistribution and of family relationships, and marks a preference for the *status quo*. Most peasants stay where they are and adhere to the traditional mode of life. On the other hand, not all who migrate from the village succeed in building a better future for themselves and their families. Norms and group control are stronger in the small village, but so too is the sense of solidarity. In the urban environment the newcomer is more anonymous, norms are looser, and the individual may feel lonely and alienated. Housing is a problem. The income from a job is not sufficient to cover expenses, and even high officials take up other activities in order to make ends meet.

Still, the urban mode of life offers new impulses, many of which focus on the individual rather than on the collective group. A growing individualism and selfishness (*ubinafsi*) is a threat to the socialist ideals, but also a challenge. To bridge the gap between the isolated rural community and the anonymous urban environment there is a need for mixed rural–urban communities, where it is possible to preserve the idiom of tradition and family relationships *and* to combine this with career development, better housing, and an improvement in the quality of life. Communication and transport facilities, training institutions, health care and day care institutions, shops, workshops and small industries are needed as an organic part of the extended rural community, and would be welcomed by peasants on the Makonde Plateau in Mtwara, as well as by urban workers in Arusha, combining modernization and tradition.

POSTSCRIPT

In December 1990, Tanzania was revisited for the purpose of up-dating earlier data and the same areas were visited.

It was possible to observe some change in Tanzania, such as an increased building and construction activity in Dar es Salaam, Mtwara and Masasi towns, and in Arusha. There were signs of increased entrepreneurial activities, such as the trade of stall-keepers in the central area of Dar es Salaam, an improved and expanded market centre in Mtwara town, more hotels and other shops in Masasi town. In general life was a bit better than during my earlier stay. There were more goods available, including foodstuffs, clothes, tools and building materials. However, consumer goods were available at prices which were extremely high compared to the level of salaries and wages. Although the nominal minimum monthly wage had been raised to 2500 Tanzanian Shillings, it sufficed only to maintain a family for a few days.

Essential extra income had to be raised through additional income-generating activities such as farming or trading. As the value of the Tanzanian Shilling has depreciated drastically, in line with demands by structural adjustment policies, salaries and wages lag far behind the cost of living. This has resulted in a situation where it has been necessary to develop a variety of survival strategies. One of these has been a return to the village. As the prices offered to farmers for producing cash crops have become more attractive thus making cultivation more appealing, farming as the main means of subsistence had regained some of its attraction. While visiting the Makonde Plateau, I discovered that many of the young men who had left earlier to try their luck in town had been persuaded to return and take up farming.

Cashew harvests had started to recover, as methods had been devised, involving sulphur treatment, to counter the negative impact of cashew tree disease. Loans were granted by the Cooperative Rural Development Bank to purchase sulphur, and those tree-owners who had used this method had been able to profit from increased yields and foreign exchange earnings. The local and regional cooperatives now have at their disposal fifty per cent of any foreign currencies earned through their export sales; the remaining fifty per cent is reserved for the state treasury. A marked increase in the number of bicycles in Newala District indicated how these foreign currencies have been invested. Cassava production has increased, with the greatest part of output destined for export. This has also strengthened the farming economy. In this respect, the good harbour facilities in Mtwara town provide a relative advantage for exports of cash crops produced in this region, compared to inland regions.

Mtwara Region was hit dramatically by heavy floods in April, 1990, which led to loss of life, housing problems, infrastructural damage and erosion, resulting in a considerable drawback for regional development. However, solidarity with the victims of the floods was shown by people in other parts of Tanzania, who raised money and provided other material support, manifesting the national idioms of family relationship and redistribution.

Tanzanians are experiencing a period of ideological transition. The idioms of tradition, redistribution, family relationships, and knowledge are not exclusive for *ujamaa* socialism—they are deep-rooted in the Tanzanian cultural heritage, and may be reloaded with values and meanings to correspond to the economic and political reality in Tanzania of today.

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Survival Strategies of Migrants to Makambako—an Intermediate Town in Tanzania

Mogens Holm

In the last 15 years Tanzania has experienced a dramatic population flow to urban areas, especially to intermediate towns. It is, however, difficult to identify the economic benefits of urban migration for village people. Urban living costs are increasing and wages are fixed by the government without taking rising prices into account. The cost of housing and of urban services and facilities such as water have escalated, while employment opportunities have been severely reduced, partly as a result of increasing competition between job-seeking migrants.

Why do village people migrate to urban areas? How do they finance urban accommodation? And what kinds of survival strategies are developed?

Urban migration is basically motivated by an expected increase in standard of living, but fulfilment of this expectation is complicated. To migrate and establish urban residence in Tanzania requires surplus resources. To understand this issue, we need to consider the nature of social relations (extended family and friendship ties), and cultural relations (ethnic group obligations and home village ties) which provide access to urban and rural resources, for example, food production, petty trade, small-scale manufacturing, wage labour and other kinds of income-generating activities.

As the economies of less developed countries declined during the 1980s (Simon, 1990), there was evidence that the rural-urban income gap was narrowing considerably and that urban unemployment was increasing (Jamal and Weeks, 1988).

The income gap between urban workers and rural farmers has often been used as an explanation for the movement of rural people to urban areas, while urban unemployment is seen as a factor which reduces migration. As has been underlined by Jamal and Weeks (1988: 273-274), the rural-urban income gap is closing and the economic attraction and benefits of urban employment are therefore being considerably reduced. Moreover, the general rise in urban living costs has not been compensated by an appropriate increase in urban wages.

However, although the economic "pull" effect of the towns is limited, rural-urban migration has not abated. Consequently, the motives for rural-urban migration are considerably more complex "than a question of new arrivals entering a random queue for jobs" (Jamal and Weeks, 1988: 274).

Although migrants cannot expect to find a job immediately upon arrival in town, they can expect to be received by family members, or by people from the same ethnic and kinship group. Migrant families are therefore obliged to organize their urban survival strategy based on the utilisation of rural-urban links. Survival strategies of urban migrants in Tanzania are investigated and illustrated below, in the Makambako study.¹

THE URBAN HIERARCHY IN TANZANIA

Less than 20 per cent of the population of East Africa is urban (Gilbert and Gugler, 1982:6-7). Among these countries, Tanzania's urban population in 1980 was 13.8 per cent of the total population. And yet, Tanzania has one of the highest urban growth rates in the world.² The trend indicates an increase in the level of urbanization, from 2.5 per cent in 1948, 13.8 per cent in 1980, 18.5 per cent in 1988 to a projected 33.0 per cent in 2000 (Kulaba, 1984).

The urban hierarchy in Tanzania can be classified into four levels: The first level includes only Dar es Salaam, the only metropolis in Tanzania with 1.1 million inhabitants. The second level includes all the 22 regional headquarters and main towns ranging in size from 35,000 to 173,000 inhabitants. The biggest regional headquarters is Mwanza with 173,000 inhabitants. This is the second largest town in Tanzania, although it is more than six times smaller than Dar es Salaam. The third level includes secondary or intermediate towns, with populations ranging from 5,500 to 34,999. Intermediate towns are located at district and divisional level within the spatial structure of Tanzania. The fourth level includes small towns ranging from 2,500 to 5,499 inhabitants. Towns below 2,500 inhabitants are defined as villages in Tanzania.

Intermediate towns in Tanzania

Intermediate towns should not be defined only by their size. The number of inhabitants gives very little information, especially for purposes of international comparison. A town with 200,000 inhabitants is a very big town in East Africa, while in parts of Asia it would be

counted as a tertiary level town. Intermediate towns can also be defined by their functions as trade centres, including the range and type of urban facilities (both public and private services) which serve the urban and rural population. Intermediate towns function as economic and administrative *filters* between rural areas at the lower level, and regional and national areas on the higher level.

As a result of irregularities in defining the urban, rural and mixed categories selected for the 1978 and 1988 censuses in Tanzania, data are not available to allow a significant comparison between the level of urbanization in 1978 and in 1988. However, a calculation can be made of the growth rates between 1978 and 1988 for five selected regions: Iringa, Kilimanjaro, Arusha, Morogoro and Mbeya (Table 1). Changes in enumeration areas between the censuses have been checked and areas counted as urban have been "cleaned" for rural and semi-rural areas. The final calculation thus includes only the "pure" urban areas. Table 1 presents the growth rates for four levels of urban development: (i) Dar es Salaam, (ii) regional headquarters (5 towns with populations ranging from 35,000 to 175,000), (iii) larger intermediate towns including district/divisional towns³ and trade centres (12 towns with populations ranging from 10,000 to 34,999), and (iv) smaller intermediate towns (21 towns with populations ranging from 5,500 to 9,999 inhabitants).

Table 1. *Growth rates of selected regional headquarters, intermediate towns and Dar es Salaam, 1978-1988*

	N	Population 1978	Population 1988	Growth rate p.a.
Dar es Salaam	1	769,445	1,217,590	4.7%
Regional head quarters 35,000-175,000	5	305,340	527,282	5.6%
Intermediate towns 10,000-34,999	12	97,440	191,928	7.0%
Intermediate towns 5,500-9,999	21	62,270	116,290	6.4%

Sources: Tanzania Population Census 1978, Vol. II, Dar es Salaam, 1980.
Tanzania Sensa 1988, Bureau of Statistics, Dar es Salaam, 1990.

The larger and the smaller intermediate towns included in the sample grew at respectively 7.0 and 6.4 per cent per annum respectively, compared to the growth rate of Dar es Salaam and the regional headquarters which were 4.7 and 5.6 per cent per annum respectively.

While the national population increased in the period 1978–88 by 2.8 per cent per annum, the intermediate towns in our sample had in many cases an annual growth rate of 5 per cent or more. The growth rate of intermediate towns was in fact often double the growth rate of the total population.⁴

THE CASE OF MAKAMBAKO

Makambako was the headquarters or sub-headquarters for the construction of the TAZARA Railway, the TANZAM Highway, an oil pipeline connecting the harbour in Dar es Salaam with Zambia, and for the construction of the Makambako-Songea Highway. The town has therefore, since the beginning of the construction work in the middle of the 1970s, attracted manpower from the whole country. Market facilities, restaurants, bars, hotels and other public and private services have developed in the wake of these works. Furthermore, since Makambako is situated at the railway and highway junction in the centre of transport and trade networks from the Southern Highlands to Dar es Salaam, in-migration has continued after the end of the construction work. The town of Makambako is made up of three urban areas which, with an annual growth rate of 5.5 per cent showed an increase from 9,097 inhabitants in 1978 to 15,542 inhabitants in 1988. This is a rapid growth rate compared to that of Tanzania as a whole, but is below average compared to other intermediate towns included in the calculation in Table 1.

This study was undertaken in January–May 1991 in Makambako town, which includes the three urban areas of Ubena, Mwembetogwa and Mjimwena. The study included interviews with 283 migrant households using questionnaires, and informal discussions with key persons in Makambako and the surrounding villages.⁵

Even as a developing intermediate town, Makambako has limited water and electricity supplies, inadequate sanitation facilities, and lacks other kinds of amenities necessary for non-agricultural activities, such as processing and manufacturing on any substantial scale. Even government offices, postal and communication services, financial and extension services are very limited.

The main economic activities are trade and petty trade in a large number of *dukas* (small shops), marketing, restaurants and bars based on transit and local trade from five divisions in Njombe District. Makambako is a centre for the exchange of agricultural and non-agricultural products, for example, tools for farming, pesticides, fertilizers and textiles.

In view of its location at the junction of the TANZAM and Songea Highways, access to Makambako is excellent from the western and the eastern parts of the Southern Highlands, and in the north there is good access to the regional headquarter towns of Iringa and Morogoro, and to the national capital, Dar es Salaam (see Maps 1 and 2). But Makambako lacks internal infrastructure, i.e. a street network and urban facilities to provide a power supply, private and public facilities and extension services. Banking services and government administration are also very limited.

Furthermore, Makambako has no formal urban status and consequently lacks proper site planning. Since there are limited facilities for processing and manufacturing, Makambako remains a transit and

Map 1. *Makambako: National setting*

1. Study area
2. International boundaries
3. Railways

4. Main roads
5. Regional towns
6. District Towns

local trade centre, while local products and natural resources from the rural hinterland by-pass the town and are processed in other industrial and urban centres. The demand for qualified wage labour is therefore directed towards commercial and transport services and not towards processing and manufacturing activities.

For migrants, access to income-generating activities is not promising. Makambako's very limited demand for wage labour, coupled with the large manpower supply makes it difficult to obtain employment in the formal sector. Non-farming activities such as business, petty trade and small-scale manufacturing in the informal sector (production of local beer, *pombe*, and bamboo wine, *ulanzi*) draw large numbers of migrants (see Table 2). As there is great competition between the migrants and as their activities are subject to seasonal fluctuations, their survival strategies cannot be based solely on non-farming activities.

Map 2. *Makambako: Local setting*

1. District boundary
2. Division boundary
3. Railway
4. Trunk roads

5. Makambako Ward
6. Rivers
7. Makambako Town
8. Villages

MOTIVES FOR URBAN MIGRATION

The decision to migrate is made by individual migrants, by households or by the ethnic group or village. Migration is seldom to a place where nobody is known and the decision to migrate is therefore usually based on some information about conditions at the destination, including income-earning possibilities and the anticipated standard of living.

Table 2. *Reasons for migration to Makambako*

	N	%
Business	107	37.9
Waged labour	70	24.7
Access to family/friends	68	24.0
Access to health services	36	12.7
To farm	33	11.6
Improved transport facilities	20	7.1
Others	27	9.5
Total	361 ¹⁾	

1) 361 reasons given by 283 households.

Many households gave more than one reason for the decision to migrate to Makambako (Table 2) and different reasons were often stated by different members of the household.

The majority of the migrants stated that they wanted to migrate to Makambako to go into business. This category covers many activities, including selling products from their own *shamba*, import of, for example, tools or fertilizer, and small-scale production combined with distribution of commodities. Expectation of wage labour—in some cases by transfer by employer—was a popular reason, as was access to family members/friends and access to health services.

This sample contains only urban migrants, and yet more than one tenth (11.6 per cent) of the population stated farming as their primary motive for migration. The "others" group included, *inter alia*, people who, after forced migration to a village in the late 1970s, returned to Makambako after the liberalization of the villagization programme. These were the only cases of return migration noted in this study.

THE URBAN MIGRANTS' SURVIVAL STRATEGY

Migrants are faced with the problem of surviving in a town where income generation is difficult (perhaps more difficult than in the village) and urban living costs are increasing. Increasing household size leads to higher housing costs; the bigger the family, the higher the cost of accommodation. Water and firewood are expensive or entail transportation problems. Water is available in water kiosks but is expensive (10–30 T.Sh.⁶ per 20 litres in May 1991).⁷

A prerequisite for migration is that the urban migrants have the resources to finance the move and to establish themselves and their household in the urban area. A second condition is that they should have some relatives or ethnic kin to receive them and provide them with support; 83.0 per cent of the migrants knew somebody in Makambako before arriving in the town. The most common link was family members, but more than half of the 235 migrant households who knew somebody in Makambako, had links with people from the same ethnic group and/or friends (Table 3).

Table 3. *Reception in Makambako*

	N	%
Family	157	66.8
Ethnic group	125	53.2
Friends	121	51.5

Moreover, more than a quarter (28.3 per cent) of the sample households stated that they were accommodated by family members or friends when they first arrived in town.

On the other hand, migrant households retained a link to their villages of origin. Half of the migrants have parents living in the home village, 10 per cent have children there and 5 per cent have wives at home. Among the migrants in Makambako it is rare that wives or children are left behind in the home village. Although the head of household often arrives in town before the rest of the family, the period of separation of the family is limited, and after some years the family is reunited.

One tenth of the children are left behind in the home village, often to participate in the household of their grandparents. In this way, they contribute to the interaction between the home village and the family living in town.

Since nearly half of the migrant households in Makambako leave their parents in the village of origin, a break up of the extended family seems to be a trend among migrant families. On the other hand, 40 per cent stated that they have one or more family members living in the household in Makambako. The split up of the traditional multi-generation family appears partly to be compensated by the inclusion of other family members in migrant households. Thus in cases where the parents of the head of the household were living in the home village, 47.2 per cent of the migrant households included other family members in their households, while in cases where the parents were living in the town only 32.6 per cent included other family members in their households.

The migrants frequently continue to participate in village life. Once established as urban dwellers they retain ties with the village including frequent visits. Even after many years in town, migrants often refer to their village of origin as "home" and their urban dwelling as "residence". Often they spend their holidays in the village and continue to participate in funerals, weddings and other ceremonial occasions.

Of the migrants, 34.3 per cent are "high-frequency" visitors, that is they visit their village of origin at least once every second month, while 53.0 per cent are "low-frequency" visitors who visit their village less frequently; 12.0 per cent never visited their village of origin (Table 4).

Table 4. *Frequency of visits to home village*

	N	%
Once a month or more	76	26.9
Less but minimum once every second month	21	7.4
Less but minimum once every half year	57	20.1
Less than once every half year	93	32.9
Never	34	12.0
No information	2	0.7
Total	283	100.0

Even migrants coming from far away (born more than 200 km away from the town) and migrants with more than 15 years of urban residence, retain strong links with their villages of origin. There is no significant decline in rural-urban contacts with increasing distance to home village or with increasing length of urban residence, although there is a fall in the frequency of visits (see Table 5).

Table 5. *Frequency of visits by distance of birthplace*

	Frequency of visit									
Distance in km	Once every second month or more		Less than once every second month		Never		No information		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
>51	66	56.9	38	32.8	12	10.3	0	0	116	100.0
51–100	14	21.9	38	59.4	12	18.7	0	0	64	100.0
101–200	14	19.4	50	69.5	7	9.7	1	1.4	72	100.0
201<	3	10.0	23	76.7	3	10.0	1	3.3	30	100.0
Missing					1	100.0			1	100.0
Total	97	34.3	150	53.0	34	12.0	2	0.7	283	100.0

Table 6. *Migrants' seniority and frequency of visits*

	Frequency of visit									
Years of residence	Once every second month or more		Less than once every second month		Never		No information		Total number of migrants	
	No.	%	No.	%	No.	%	No.	%	No.	%
0–6	14	26.4	30	56.6	7	13.2	2	3.8	53	100.0
7–15	48	44.9	53	49.5	6	5.6	0	0.0	107	100.0
>15	35	28.7	67	54.9	20	16.4	0	0.0	122	100.0
Missing					1	100.0			1	100.0
Total	97	34.3	150	53.0	34	12.0	2	0.7	283	100.0

Migrants with 6 years or less and over 15 years residence in town apparently have less contact with their villages of origin than migrants with an intermediate length of residence (see Table 6). The reason for this is probably that migrants during their first years as urban dwellers have little surplus to maintain rural–urban links. Migrants who have resided in Makambako for between 7 and 15 years develop and maintain urban–rural links, as they are more likely to have a surplus to promote this interaction. After 15 years of residence there is again a decline in the need to visit the home village.

Migrants need village ties in order to retain their rights of access to rural resources. Consequently they visit the village quite often to participate in weddings, funerals and other traditional ceremonies or to farm their *shambas* (see Table 7). This is especially relevant for more than half (54.8 per cent) of the migrants who own *shambas* in the home village. More than one reason is frequently stated for visits to the home village and nearly all the visits involve contact with family members and friends.

Table 7. *Reasons for visiting home village*

	N	%
Visit family or friends	221	92.5
House maintenance	19	7.9
Weddings/funerals	157	65.7
Farming	62	25.9
Others	37	15.4

N = 239

Moreover, migrants often receive visitors from their home villages. In 1990, 81 per cent of the urban migrants in the sample received visitors from their villages of origin. It is probable that the visitors supply the urban households with agricultural products but the visits also express the interest from the village to interact with urban relatives; possibly in preparation for later migration.

Migrants in Makambako have intense interaction with their areas of origin. With frequent contacts and intense participation in important social activities, they maintain a security network to ensure their safety as town dwellers. Moreover, they keep a door open should it be necessary for the whole family or part of the household to return to the village at a later date, for example for retirement.

This network is a prerequisite for migrants. The poorest rural people very seldom have a sufficient network in town or surplus resources to fall back on in the rural area, and consequently they do not migrate.

URBAN DWELLERS WITH A RURAL LIFE

After taking up residence as urban dwellers migrants in many ways continue a rural style of living. Their urban survival is based on a rural subsistence economy; the majority of the migrant households are farmers—often in combination with other occupations—and nearly all households cultivate food for their own consumption.

Table 8. *Occupations of migrant householders*

	N	%
Farming	164	58.0
Business	89	31.6
Wage labour	70	24.7
Civil servant	12	4.2
Others	7	2.5
No occupation	3	1.1
Total	345	

N = 283

The 283 heads of households in the sample included 3 without an occupation, leaving 280 heads of households economically active. Together they had a total of 342 occupations (Table 8). Farming was the dominant occupation involving more than half of the heads of households. One third was occupied with business, one quarter worked as wage labourers while only 4.2 per cent were civil servants.

Table 9. *Occupations of migrants' wives**

	N	%
Farming	208	81.3
Business	42	14.8
Wage labour	32	12.5
Civil servant	9	3.5
Others	4	1.7
No occupation	7	2.7
Total	295	

*N = 256

Among the 256 married householders, only 7 wives did not have an occupation, and in the 249 remaining cases the wives had a total of 295 occupations, i.e. in 46 households the wives combined two occupations. More than four-fifths of the wives were farmers (Table 9). For most households farming was a professional activity. Some wives were engaged in business (14.8 per cent), some were wage labourers (12.3 per cent) and some were civil servants (3.5 per cent).

Combined occupations

Farming is obviously both an occupation and also a way of life for urban migrants. A large proportion of migrants practise a combination of farming, business and waged labour (Tables 10 and 11).

Table 10. *Combined occupations of head of households*

	N	%
Farming/business	40	64.5
Farming/wage labour	15	24.2
Farming/other occupation	5	8.1
Other combinations	2	3.2
Total	62	100.0

Table 11. *Combined occupations of wives*

	N	%
Farming/business	29	63.1
Farming/wage labour	14	30.4
Other combinations	3	6.5
Total	46	100.0

Farming is included in nearly all occupation combinations. To farm is a very common secondary activity to fall back on, especially for business people and less frequently for wage labourers.

In this sample there were no cases of civil servants involved in more than one occupation. They are subject to frequent transfer and their residence is consequently too temporary to organize agricultural production.

Farming and business are often combined because the agricultural producers also sell their produce. The level of urban wages has been fixed for a long time and urban farming is obviously a necessary supplement for survival.

Another aspect of rural-urban life style is concerned with food supply. Food is a major expenditure and the bigger the family the higher the costs. Migrants in Makambako use their rural networks to provide food for their own consumption and for sale in the market.

Table 12. *Migrants' food supplies**

	N	%
Grow food for own consumption	269	95.1
Grow food for the market	67	23.7
Buy food	270	95.4
Receive food from the home village	61	21.6

*N = 283

Migrants operate both as food producers in a subsistence economy and as producers/consumers in a market economy (Table 12). Even well-established business people keep *shambas* and leave their cultivation to their wives and children or to hired labourers as a form of private insurance, in case the business should fail. Moreover, nearly all the migrant households buy food in the market and one fifth receive food from the home village.

The migrant's food supply and food consumption provide a revealing example of combined factors in a survival strategy, depending on the fluctuations in the market. Economic activities can be guided in different directions, depending on fluctuations in the market. And depending on the seasonal changes in market prices, people may operate as buyers or sellers.

MIGRANTS AS ACTORS IN RURAL-URBAN DYNAMICS: CONCLUDING REMARKS

Migrants to Makambako make rational choices and identify locations for migration where better living standards can reasonably be expected.

They represent that part of the rural population which has surplus resources, however small. Village people deciding to migrate count on rural relatives to continue farming after the whole or a part of the household, has left. An agricultural surplus may be necessary to support the migrants at a later stage.

In Tanzania the living conditions of the poor are much better in rural areas than in urban areas. All Tanzanians have the right to land, and for those living in rural areas with a relatively low population density, farm land is adequate, although pressure on fertile land is increasing. That part of the rural population which lives on a subsistence minimum has no resources to organize the process of migration. Moreover they have very limited opportunities to evolve an appropriate survival strategy in town.

Establishing residence in Makambako and developing a survival strategy on the basis of rural–urban interaction, gives a marginal economic surplus and access to both public and private services and amenities.

The surplus is achieved by using both rural and urban resources. Seasonal fluctuations change the market situation and thus the conditions for income-generating activities; some periods will be dominated by agricultural activities, while other periods will be dominated by non-agricultural activities.

The motives for migration to Makambako are fairly complex but even with marginal economic benefits, migrants expect advantages from retaining links to urban facilities and thus they promote rural–urban interaction.

Presently in Tanzania “Fathers do not work for their sons”.⁸ When villagers agree to support urban migrants, they expect to benefit from participating in rural–urban interaction. Through family ties to the nearby intermediate town, they have better access to urban facilities and they may themselves be preparing a reliable network for future urban migration.

Migrants keep their kinship and family position in the village by participating in ceremonial and farming activities; a large number of migrants own a *shamba*. They retain their right to use rural resources. Rural–urban interaction between intermediate towns and rural hinterlands is a process of mutual benefit.

Equity in rural–urban interaction

Lipton (1988) highlights intra-village inequity as a background for migration:

What is happening, then, is that ‘intra-village inequality’ provides the better-off (seldom the best-off) villagers with the resources for urban education, job search and thus pull-migration (Lipton 1988:33)

and consequently urban migration draws on the village resources and leaves the village in a worse situation

As for those who stay behind in the villages, a quick look at the conventional economics suggests that migration should enrich them, because it means there is more land per villager; but migration leaves the remaining villagers, aiming to work that land, more probably leaderless, old, or female in sexist societies... (Lipton 1988:33).

It is the “better-off” farmers who migrate while the rural poor lack the resources for migration. As an outcome of migration a social gap

develops between the rural poor left behind in the village and the well-off migrating permanently or temporarily to town.

The rural poor have a very small role to play in rural-urban interaction. In general they are afflicted by rising prices, rising taxes and rising school fees. The poor farmers are economically dependent on local parastatals for the financing of fertilizer, seed, etc., and are forced to sell their products at the low official price, while the better-off farmers can sell their products when prices are favourable and to the best buyer on the free market.

Many of the effective factors which worsen the situation for the rural poor are also a consequence of the present critical economic situation in Tanzania. The future for the rural poor is not promising. Inequity is not between rural and urban, but between rural poor and rural well-off. Urban development cannot be reversed, so there seems to be very little future—in Tanzania—for the “retention of the rural population”.⁹

Since urban migration does not abate and urban development can be observed as an unavoidable factor in regional development, a strategy should be developed to avoid inequity and devise a perspective for regional development which benefits the rural poor.

In the Makambako study it can be stated that the main problem in rural-urban interaction is the lack of urban facilities, which obstructs both local and transit trade. More importantly, no facilities are provided for the processing of local resources. Consequently, local resources are processed in larger urban centres, such as Iringa, Dar es Salaam and Mbeya. A more promising strategy to avoid further development of inequity is through the development of local facilities for the processing and manufacturing of local resources, assisted by local financial and extension services (Simon, 1990).

With increasing urban employment and rising demand for agricultural products, such a strategy would benefit the rural poor. Within this strategy, intermediate towns could play a central role in the interaction between rural hinterlands and regional/national centres. Development of infrastructure and urban facilities at the intermediate urban level could avoid the problems inherent in further industrial and urban centralization.

Top-down governmental administration or local participation?

Experiences from the Makambako study illustrate the functions of an intermediate town in regional development and the kind of strategy by which inequity may be avoided. As mentioned earlier, a main reason for the malfunctioning of Makambako as an intermediate centre

for the rural hinterland, is the lack of infrastructure and poor urban facilities. To this could be added the lack of a powerful local government with local participation. The present government administration is highly centralized and offers no local participation.

A powerful local government with local participation is an important factor in local development and is necessary for the identification of local resources and the adequate application of those resources (Simon, 1990). Stagnation of the rural sector can be recognized by

...the over-centralization and over-bureaucratization of governments, increasing the fiscal burden, weakening popular local institutions, benefiting mainly elites and even resorting to counterproductive coercion (Southall, 1988:1).

The consequence of over-centralization and monopolized political power leads to inequity. Under these circumstances the role of intermediate towns as centres for decentralized government organizations is critical. This is, however, not a significant characteristic of the role of the intermediate towns, but a consequence of the strong centralized political and administrative system in Tanzania. Southall states:

It is... necessary to recognize that small towns are pawns among local, national and international forces. None of them can pretend to be independent of the nearest city or multinational corporation. If they are, they die (Southall, 1988 p. 3).

Intermediate towns cannot be discussed in isolation but the potential benefits of rural-urban interaction should be included in a discussion of examples where the outcome has been rural underdevelopment. At the local level, a strategy which involves local resources, manpower and agricultural products for development, avoiding further inequity, has promise.

Resources not yet identified by central authorities can be seen at the local level, and new methods for processing local resources can be developed when appropriate local private and public services are available. Local development is, in the end, related to "the nearest city or multinational corporations" and the change from a rural subsistence economy to a market economy will intensify the relationship. But through the development of local centres for processing, distribution and services, centralization in larger urban centres can be avoided and eventually a fair local distribution of produced value may be possible. A prerequisite for this is local participation and powerful local government.

NOTES

1. I would like to thank Jonathan Baker and David Simon for creative comments. This chapter is based on the results of a research programme on "Living Conditions and Expansion in Intermediate Towns in Tanzania" established to investigate the process of urban migration, the living conditions of first-generation urban dwellers and the survival strategies of migrants in selected intermediate towns in Tanzania. The research programme contains two main elements:

First, an investigation of migrants' living conditions and their survival strategies as urban dwellers and to ascertain how migrants adjust to urban life, how they integrate in economic activities and in social and cultural activities.

Second, an investigation of the process of migration to intermediate towns, in order to understand the motives of villagers who migrate from a rural to an urban life. One motive for migration is the expectation of improved living conditions in town, coupled with the unrewarding experience of rural life.

Intermediate towns have central functions in regional and national development in Third World countries and in this research programme some of the prerequisites for fulfilling that function are outlined drawing on examples from Tanzania.

2. The annual urban growth rate was 8.3 per cent between 1970–1980 (Gilbert and Gugler, 1982). By comparison, the average population growth per year 1967–1978, and 1978–1988 was 3.2 per cent and 2.8 per cent, respectively.
3. In the administrative hierarchy of Tanzania, the mainland is divided into 20 regions which are sub-divided into 104 districts. These are further divided into divisions, wards and branches.
4. This is highlighted by Michael Lipton (1988), who indicates that to get a "true" picture of the urban growth rate the following factors must be considered:
 - expansion of the urban boundaries or adding new settlements to urban areas;
 - increased natural urban population growth;
 - increased net in-migration.

For the calculation of the urban growth rates in this sample the census figures have been "cleaned" by checking the enumeration areas and, if necessary, compensation is made for changes.

5. In the Population Census of 1988, 2,316 households were counted in Makambako town, although by January 1991, there were an estimated 3,140 households. Of this total number of households, 1,546 migrant households were identified by the research team. A random sample of 316 migrant households was identified, and as 33 householders had deceased, moved from Makambako, or were identified as non-migrants, 283 households remained for interviewing.
6. 1 Tanzanian Shilling = 0.005 US\$ (May 1991).
7. A Makambako household with an average of 5.2 members used approximately 100 litres of water per day, at a daily cost of 50–150 T.Sh. per day.

There is thus not much left of an adult worker's monthly salary of 3,000 T.Sh. when the water has been paid for.

8. This issue has been highlighted by Sara S. Berry (1985) in a book by nearly the same name, *Fathers work for their sons!*
9. This is part of the title of Lipton's 1988 article.

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Strategies for Meeting Basic Food Needs in Harare

David Drakakis-Smith

Although the principal objective of this chapter is to investigate some of the strategies adopted by the urban poor in Harare to meet their food requirements, it is essential to establish at the outset a framework which will give such an empirical study a conceptual context. This is not an easy task given the fact that research on urban food distribution systems, particularly their spatial dimensions, is rather limited. There is a literature on food and the urban poor but it covers only patches of what most geographers would see as a complex and inter-related network of social, economic and political phenomena (Figure 1). Thus, there has been far less written about urban food supply systems than other basic needs, particularly shelter, despite the fact that food is the most basic of needs and that shortages are a more likely cause of urban instability than inadequate provision of housing or education. Only relatively recently has this situation begun to change and the urban food question been addressed more directly (see, for example, Rakodi, 1985; Sanyal, 1986, 1987; Tricaud, 1987; Drakakis-Smith, 1990).

This chapter will, therefore, commence with a brief overview of the principal elements in any urban food supply system for the poor, recognising the fact that in the real world these components overlap in terms of their spatial, social and economic activities. The components are three-fold: urban subsistence, the petty commodity retail sector and the fully commercialised retail sector.

URBAN SUBSISTENCE

Although subsistence food production is associated primarily with rural areas, there is a significant element still remaining within many cities in Asia and Africa (see Drakakis-Smith, 1991). It varies enormously both within and between countries, as well as throughout the urban hierarchy. In general, it is assumed to decrease in importance as urbanisation intensifies, but many observers have shown that in the face of escalating national poverty, it is increasing as both a national and a household strategy, in response to escalating food prices or

Figure 1. *The urban food supply system*

shortages. For example, Sanyal (1986, 1987) has indicated that the poorest urban households in Tanzania meet about one third of their food needs in this way, whilst Jamal (1988b) claims that Kampala is now 40 per cent self-sufficient in terms of calorie needs, largely due to the spread of *shambas* (see Jamal & Weeks, 1988). However, as Gefu (this volume) indicates, this strategy is not confined to the poor, particularly as middle-income households often have better access to land, labour and finance.

Not all food production within cities can be classified as subsistence; much is grown for commercial sale within the informal or formal sectors. Conceptual confusion may also result from the fact that its production may occur within an overlapping series of production modes (see Gefu, this volume). Nevertheless, in those cities where empirical research has been undertaken, a surprisingly extensive role for subsistence production seems to be apparent. The evidence from Zimbabwe corroborates this.

In spatial terms, subsistence production appears to emanate from

two distinct sources. First, there are the house-gardens of those fortunate to have some space around their homes; second, there are the stretches of illegal cultivation that characterize the peripheral areas of many cities in Africa. The relative importance of these productive areas varies considerably; in smaller or less intensively developed urban centres, garden production is often very important (see Thaman, 1982 for evidence from the Pacific), but in the more intensively developed cities, such as those in Southeast Asia, it is the peripheral areas which are most likely to be used. In many cities, however, rapid urban development has reduced the amount of land available for subsistence food production and the rural poor are sustained by inward transfers from friends and relatives in (often even more impoverished) nearby rural areas.

Petty commodity retailing

As the poor are increasingly prevented from growing their own food, so they are pushed into the commercial food marketing system and must find the cash needed to purchase their needs. Often this results in sacrifices in other basic needs or in remittances to needy rural relations. As with most other urban necessities, the state and/or the conventional sector often fail to meet the needs of the poor for cheap commodities and an alternative retail system has emerged to cater for such a market.

The resultant petty commodity or informal sector has been intensively investigated over the past decade or so, but as far as basic foods are concerned the coverage is patchy. Cooked food hawking has been well covered in many parts of the Third World, as have wholesale/retail markets. Few have covered the full range of activities and analysed the spatial dimensions of the sources of supply, distributive channels and consumption patterns (see, however, Jackson, 1978, 1979).

The consequence has been a massive and persistent misunderstanding of the petty commodity sector, its complexities and the role it plays in meeting the food needs of the poor (and other groups) in Third World cities (for example, see Bibangambah, this volume). Thus as Kaynak (1981) notes, most urban planners regard the petty commodity sector as grossly inefficient, both as a set of business enterprises and in offering a "food" service to its customers. On the other hand, evaluation against a set of western norms is totally inappropriate. Clearly the petty commodity sector is filling a need left by the inadequacies of the conventional supply system. Furthermore, it fulfils a variety of related functions from offering employment to providing an important milieu for social interaction.

Conventional or formal supply system

It is difficult to draw a precise line dividing the commercial food sector into formal and informal components; the shift from petty commodity to fully capitalized operations is both gradual and erratic, as well as being highly selective. MacLeod and McGee (1990) have termed this the industrialization of the urban food supply system and suggest that it is the consequence of two parallel processes.

First is the indirect changing of consumption patterns, typified by the westernization of diets, and usually resulting from the extensive social transformation linked to an urban-based, "modernization" process. In Sub-Saharan Africa urban areas per capita consumption of wheat and rice amounts to four times that of rural areas (Jamal, 1988a: 667). The second, direct change involves the structural dynamics of food marketing *per se* and covers a wide range of elements from the introduction of new retailing practices (such as supermarkets) to technological advances (such as refrigeration).

Both of these processes have involved the internationalization of the urban food retailing system in a wide variety of ways, from the type of commodities sold to the methods of selling and the types of retailing outlet. For many this is personified by the fast-food chain or the supermarket. Ironically, in the latter case, a retail medium introduced originally to meet the food needs of the poor in the United States is used in parts of the Third World to cater for the middle and upper-income market.

In all of this change, despite its ostensible private-sector character, a considerable role has been played by the state, not only in facilitating the penetration of western values and capital in general but in directly restructuring the food supply system by, for example, introducing and enforcing regulations on health and hygiene in the storage and retailing of goods.

Consequences

From the limited information we have on urban food distribution systems, it is clear that several areas for concern exist.

1. Food dependency is increasing, even in those countries which are agriculturally productive. It is all too common to grow commercial crops for export rather than meet indigenous food needs. In Somalia, for example, Jamal (1988c) reports a six-fold increase in food imports between the 1970s and 1980s. Most of this was food aid and did not move beyond the towns and cities;

2. Westernization of dietary patterns has exacerbated the above, reducing the market for indigenous products and changing production patterns (see Tricaud, 1987 on Freetown, Sierra Leone);
3. The state has accelerated this process by intervening on behalf of the formal sector and constraining the development of petty commodity enterprises, which in turn inhibits the production and marketing of local foodstuffs by local people;
4. Rarely is encouragement given to expanding urban subsistence production. Indeed, in most cases it is discouraged, even proscribed, because it spoils the modern image that planners and administrators wish to convey for their city. Indeed, for many years illegal peri-urban cultivation has been destroyed (Sanyal, 1986).

It is within such a framework of change that the investigation of the food supply systems of the urban poor in Harare must be set.

THE ZIMBABWEAN SETTING

The urban system in Zimbabwe is essentially a creation of settler colonialism, functioning primarily to facilitate the export of various primary commodities and the import of consumer goods. It has always accommodated the majority of the white population, 80 per cent of whom are urbanized. The black urban population began to accelerate during the 1950s, with the growth of manufacturing in Zimbabwe, and received a further boost during the UDI period as families sought to escape the rural-based insurgency. The period since independence in 1980 has seen a further shift into the urban centres as a result of the rescinding of legislation restricting African movement, residence and property ownership. The combined weight of settler and international capitalist interests, as expressed at the Lancaster House negotiations, has clearly muted the impact of the socialist government in changing the social relations of production. Indeed, despite attempts to redistribute farm land, rural poverty has increased since independence due to the further stagnation of employment opportunities on commercial farms. The result has been a further incentive to migration towards the urban areas, with a doubling of the population in the main towns during the 1980s. This has occurred despite the fact that a gross national migration loss, mostly urban whites, has been recorded since 1975. The statistical dimensions of growth thus conceals a more fundamental change in the ethnic and class composition of Zimbabwean towns.

As in so many developing countries, however, the pace of the ur-

ban influx has exceeded the capacity of the cities to absorb large numbers of low-income migrants, in terms of jobs, housing and many other aspects. National data are difficult to put together, but it would appear that the already dominant cities of Harare, the capital, and Bulawayo have suffered the main impact of this in-migration (Simon, 1984; Potts, 1987), and the combined populations of Harare and its satellite town of Chitungwiza now amount to over 1.5 million (Patel, 1984).

Visual evidence of the rapid growth of the capital is seen by the unprecedented appearance of large squatter settlements on the edge of the city. The number of households living as "lodgers" (sub-tenants) in the low income areas of the city has also increased rapidly since independence (Horrell, 1981; Teedon, 1990; Phiri, 1990). The growth in the urban population has also brought about changes in the composition of the labour force. As recently as 1969 the male urban population was almost double that of women, but by the mid 1980s there was gender parity. In absolute terms, the number of women entering formal wage employment in the non-agricultural sector has almost doubled during the last five years.

Within this overall growth, there has been a major switch in occupational patterns. Most significant has been the massive fall in the importance of domestic service (from one-half to one-fifth of all waged women), but this has not been accompanied by a switch to manufacturing, where women comprise less than 10 per cent of the work force. Most women work in the petty commodity sector, selling food or handcrafted articles at roadside markets. However, urban women also lower the cost of labour in general by supplementing the domestic costs of reproduction through non-remunerative, but economically valuable (and valorisable) activities, such as illegal urban gardening. In short, women are still exploited and the social changes resulting from independence have been disappointing (Batezat *et al.*, 1988).

Zimbabwe is thus at present subject to contradictory forces. Settler capitalism still dominates the commercial export market on which so much of Zimbabwe's foreign earnings depend, and in the cities is well represented in the urban bourgeoisie, particularly at management level. At the same time, neo-colonial capitalism continues to grow through foreign investment in manufacturing and services—not only from British sources, but also from South Africa (Stoneman, 1978; Thompson, 1984).

However, there have also been positive changes for the African population since independence. Despite the publicity given to the redistribution of rural land, it appears to be in the growth of an African urban proletariat and bourgeoisie that the most rapid transformation is occurring. This has led to some personal gains in income

and increased expenditure, as well as an improvement in housing standards as a black bourgeoisie has begun to move into formerly exclusive white, middle-income suburbs (Harvey, 1987; Cumming, 1990). It is against this backdrop that the present investigation of the food distribution system is set.

However, we must not divorce food from other basic needs and in this context the continued growth of an urban underclass must always be borne in mind. Rapid population growth and the accelerating rural to urban migration have created enormous pressures on urban resources so that despite the undoubted progress in areas such as education, health care and housing, the poorest families are still badly affected by undernutrition and inadequate housing, particularly if their incomes are irregular (see Loewenson, 1988; Sanders and Davies, 1988). As all basic needs are interrelated and interdependent, this means that attempts to improve the condition of the urban poor have been only patchily effective and urgent attention needs to be given to planning for improvement within a comprehensive framework. It is in this context that this examination of the food distribution system must be placed since this is one of the areas of need about which little information exists.

The urban food distribution system has, as might be expected, not received much in the way of direct attention from the government, although the latter has committed itself to research in the informal sector in general (Horn, 1986). Certainly research information on this aspect of the food marketing and distributive systems has begun to increase since Cheater's work (1979). In some instances, such investigations have traced the movement of food from its rural origins into the city (Smith, 1987) but primarily they have clustered around the operations of the urban informal sector (Brand, 1982; Horn, 1986). In contrast to even this modest expansion of research into informal food marketing, information on more capitalized urban retailing has been conspicuously absent in recent years. The last sustained piece of research was undertaken by Smout (1974) in the late 1960s and early 1970s.

It was partly to overcome the problems posed by such paucity of data, notwithstanding its quality, that this research investigation began by investigating the most basic characteristics of any urban food distribution system, its direct links with the urban household.

ORGANISATION OF THE PROJECT

The preliminary stage of the research project was a series of questionnaire interviews of consumers in three different socio-economic

areas of the city. The objective was to establish patterns of food production and purchasing, not only to investigate the differences between the various socio-economic groups, but also to enable more appropriate preparation of the principal focus of the research programme, *viz.* the investigation of the retail and distributive systems themselves.

Map 1. Harare: Land use zones and survey areas

Residential zones are graded on the basis of income and density from high income/low density (I) to low income/high density (IV)

The three areas in which the survey was undertaken were chosen not only to reflect appropriate socio-economic differences, but also because of the existence of background material, usually from previous research. The three areas selected are shown in Map 1.

1. *Mabelreign* is an area which expanded during the 1950s and 1960s and was dominated by a white bourgeoisie and proletariat until the 1980s, when a steady infiltration of black households began to

occur (Harvey, 1987; Cummin, 1990). It is now ethnically mixed. Our survey reflected this, with about one-quarter of the respondents being white families. From the outset, the main retail outlets were planned for a centralised retail area, with one or two smaller outliers (Smout, 1974). As with almost all other shopping centres, there is now a regular cluster of stalls selling fresh vegetables and fruits located adjacent to the main stores (Map 2a).

Map 2a. *Retail structure of Mabelreign*

2. *Glen View* is a peripheral area of site and service housing which has developed over the past ten years in response to the massive inflow of migrants into the capital during and after the war of independence. Traditionally urban public housing in Zimbabwe has been reasonably well provided with garden space, most of which has always been given over to food crops (and small animals)—a persistence of urban subsistence. However, as the urban authorities have become increasingly hard pressed to cope with the demand for housing, so plot sizes have declined and with this the ability of the household to meet their own food needs. The Glen View area is in general reasonably well-planned and its plots and

houses are in great demand; our survey area housed some 70,000 people.

There is a shopping centre in Glen View (Map 2b) in which food supplies are channelled through a supermarket, bakery and butchery. In addition, there is a collection of market stalls, similar to those found in Mabelreign. However, many of the subdistricts of Glen View have smaller clusters of market stalls scattered around, together with "tuckshops". These are illegal shops operated in a variety of ways—from a house, from a house-annex, from a free-standing stall or hut. They sell a variety of small everyday needs—from cigarettes to food and drink. As revealed below, these are an integral part of the food retailing system.

Map 2b. *Retail structure of Glen View*

3. *Epworth* is an area of squatter settlements which grew very rapidly in the early years after independence due to the toleration of the mission settlement on whose lands it is located. In contrast to the firm action against squatting elsewhere within Harare, this private land outside the city boundaries was beyond the jurisdiction of the authorities. By 1983, when the population of the area had reached some 35–40,000, the authorities decided to act and agreed with the mission to assume responsibility for the upgrading of the settlement. All residences identified as existent in 1983 (on air-

photos) will eventually receive some form of tenure; in the meantime, both private and public improvements to the houses and services are taking place. Few of the residences were recognized as squatter 'huts' by the local interviewers and in many places there is evidence of the steady provision of utilities, particularly water, at regular points.

Several informal retail "centres" already exist in Epworth, and there are plans to upgrade these into more conventional centres containing a range of services, including foodshops and woodlots. At present, however, tuckshops, small markets and hawkers provide most of the basic services (Map 2c).

Map 2c. Retail structure of Epworth

AN ANALYSIS OF THE RESULTS

Family expenditure patterns

Although patterns vary with income, food and drink take up by far the highest proportion of expenditure. Most families in Epworth and Glen View spend at least half of their income this way, with a sizeable proportion spending over 70 per cent on food and drink. In contrast, those in Mabelreign spend proportionately less, usually between 10 per cent and 40 per cent. These are proportions which have been corroborated by other surveys in Harare (City of Harare, 1987) and Lusaka (Rakodi, 1985; Sanyal, 1987). Indeed, Lipton (1988) has suggested 80 per cent expenditure on food as a measure of the very poor.

Within each area there is a general correlation of expenditure with income. One notable exception is the lowest income group (those with less than Z\$50 per week) for whom expenditure on food is curbed by essential outlays on fuel and housing. Indeed, in general terms fuel seems to be a considerable burden on the lower-income households, particularly as woodfuel is no longer freely available for gathering; this is particularly true for Glen View. For the lower income households of Glen View and especially Epworth, this means that cash remittances to the rural areas are uncommon and/or small, although even in Mabelreign the level of remittances is limited. However, as noted below, there is still a substantial flow of commodities (rather than cash) between rural and urban areas.

Food expenditure

Food expenditure was analysed through purchasing patterns related to a series of items selected as representative of all basic food purchases. Perhaps the most predictable result relates to overall expenditure on the items selected. In line with the differences between the districts in food expenditure which were noted above, there is no item on which those in Mabelreign do not expend more money. In almost every case there is a clear ranking of the three areas in the amount of money spent (Figure 2).

As for the frequency of purchase, the items proved to be very consistent in terms of purchasing patterns. This is essential if other measures of compatibility and comparison are to be extracted. Purchases varied in terms of the overall proportion buying that commodity; the rank order was bread, sugar, tea/coffee, beef, mealie, milk, soft drinks, vegetables, chicken, fruit and beer, with almost all purchasing the first five or six items, but only two-thirds purchasing fruit and one-third beer. Moreover, the proportion was consistent across the

Figure 2. *Weekly expenditure on selected food items*

The three columns relate to the three survey areas and from left to right are Mabelreign, Glen View and Epworth respectively

areas, except for chicken and fruit. In both these cases, the status of each area reflected the relative propensity to purchase them.

The items themselves, not unexpectedly, divided into reasonably distinct classes of purchasing frequency (Figure 3). Bread, milk and vegetables were all primarily purchased on a daily basis, although in Mabelreign this was less pronounced for vegetables, presumably because of the availability of refrigerated storage. Chicken, beef, beer and soft drinks tended to be a weekly purchase, although again the availability of refrigerated storage facilities tended to mean that in Mabelreign there was a secondary bias towards monthly purchases, whereas in Glen View and Epworth, this was skewed towards daily purchase. The less perishable commodities, such as tea, coffee, sugar and mealie were all predominantly monthly purchases.

The only commodity that did not fall into a clear-cut grouping was fruit, being spread evenly across the daily, weekly and rarely purchased categories. As noted above, this reflects a social bias, since fruit, unlike vegetables, is clearly regarded as a minor luxury. Thus

Figure 3. *Frequency of purchase of selected food items*

The three columns relate to the three survey areas and from left to right are Mabelreign, Glen View and Epworth respectively

it is often purchased daily by Mabelreign residents, weekly by Glen View residents and rarely by most residents in Epworth.

The implication of status variation for food purchasing and, consequently, for urban planning is much more clearly observable in the data on where and from whom the items are purchased. Overall, Figure 4 reveals the importance of supermarkets as a source of food, almost across the range of items. However, they are particularly important for Mabelreign residents, who made many of their simple purchases there, such as milk, bread and vegetables. Food shops were also consistently important, particularly for items purchased in specialist stores, such as meat (beef) or beer. In general they were less frequently used by Mabelreign residents. This variation is not necessarily a function of the availability of such outlets, for both Glen View and Mabelreign residents have both types available to them in their residential districts; for Epworth this was less true, particularly for supermarkets. However, as evident from earlier discussion, these outlets do not necessarily offer the services that purchasers require at a

Figure 4. *Retail source of selected food purchases*

The three columns relate to the three survey areas and from left to right are Mabelreign, Glen View and Epworth respectively

price they can afford. This deficiency is overcome in a variety of ways, as discussed below. In almost all areas, there are market sellers available near the shops. These were patronized primarily for vegetables and fruit (although chicken was important in Glen View), particularly in Epworth where other outlets are less frequent.

These outlets (supermarkets, shops and market stalls) constitute most of the fixed-point purchases for residents of the three districts. The problems of cost and distance are overcome in several ways. As in other Third World cities, hawkers, or mobile street traders, offer one alternative, but in Harare these seemed to be far less important. Only milk and fresh vegetables were bought on any large scale from hawkers, together with smaller amounts of other frequently purchased items, such as bread or fruit.

A more extensive solution to the burden of cost and the friction of distance in Harare is the tuck shop. These small illegal and informal stores were common in Glen View and Epworth, and performed the function of the "street-corner" general store. They were consequent-

Figure 5. *District source of selected food purchases*

The three columns relate to the three survey areas and from left to right are Mabelreign, Glen View and Epworth respectively

ly important for the purchase of the more basic food items such as bread or mealie meal, together with the cheaper and more storable of the less frequently purchased items, such as soft drinks, sugar, tea and coffee. Interestingly, their importance for particular items varied in Epworth and Glen View, presumably with the convenience of other types of outlet.

This element of convenience is clearly reflected in the areas in which people shopped. It might be expected that if, like Epworth, the local choice of outlets was limited, then nearby districts would be patronized. This is clearly not the case (Figure 5). Instead, the city centre was the principal alternative to the local district. But there is more to the data than this. It might also have been expected that those with the worse shopping facilities might patronize the city centre more, but this again was not the case. It was the more mobile residents of Mabelreign, whose jobs (particularly those of the spouse) were likely to take them into or near to the city centre who tended to patronize the shops there. For most residents of Mabelreign, only milk is not

a major city centre purchase. Indeed, for many items, such as meat or mealie, the city centre is their major area of purchase.

Interestingly, despite the limited range of shops in each district and the reliance on other ways to overcome the consequent inconvenience, distance to adequate food shops was not a major complaint of those interviewed (Figure 6). Indeed, one-third had no complaints at all and this was common to each district. Instead, high prices and frequent shortages were the principal complaints by far, mentioned by two-thirds and one-third respectively.

Cooked food purchases were not frequent in any of the areas, amounting to no more than a few per cent for purchases eaten in a cafe or restaurant, in the street or at work. Almost all of this limited number were living in Mabelreign and Glen View. The most frequently purchased type of cooked food was that consumed at home. Some 14 per cent made such purchases overall, but about two-fifths of those were from Mabelreign, one-third from Glen View and just over one-fifth from Epworth—presumably another reflection of income levels. Most purchases were weekly at most and the amount spent was almost always under Z\$10 per week. In the great majority of cases it was under Z\$5, particularly in Epworth.

Overall, therefore, patronage of cooked food outlets was poor; the overwhelming majority was bought at shops, with hawkers furnishing a miniscule proportion of the supply. This is in marked con-

Figure 6. *Principal complaints relating to purchased food*

trast to other Third World cities and is difficult to attribute to a lack of demand for cooked foods or an inadequately developed supply system. Culturally, there seems to be no reason why cooked food hawking should not have developed in Harare, since it has always been important in Southern Africa, most recently for women sellers (Beavon and Rogerson, 1986).

Food production and exchange

In many African cities, as elsewhere in the Third World, gardens have traditionally been an important source of subsistence food (Rakodi, 1985; Sanyal, 1987; Drakakis-Smith, 1990). Harare is no exception, and this holds true for each of the three survey areas. In both Glen View and Mabelreign, some four-fifths of those interviewed had gardens in which they grew food crops. In Epworth too, almost all gardens were used for food production, although only two-thirds had any garden space (Figure 7).

This type of production was dominated by vegetables, but there were differences between the areas. Glen View contained the most striking bias towards vegetable production, whereas Mabelreign and more particularly Epworth produced more of the basic staples, such as maize or potatoes. This probably reflects different reasons. In Mabelreign the gardens are large enough to make the growing of space-consuming crops somewhat more feasible; in Epworth there may be more of a preference for these crops.

Virtually all of the crops grown in urban gardens are consumed or retained within the producer household. Only in Epworth was a small proportion (about 5 per cent) sold, mostly to friends and neighbours,

Figure 7. *Sources of non-purchased food*

or by casual hawking. In addition, a reasonably high proportion of families kept animals, invariably chickens. Again this was most likely to occur in Epworth and least likely in Glen View.

Only a small proportion of the total respondents (about 10 per cent) admitted to cultivating another plot of land. This is likely to be an underestimate, because much of such cultivation is illegal (see Mazambani, 1979); but most of those who admitted to such plots lived in Epworth, where there was more open space and where the influence of the authorities was less marked. Most plots were very near to the house, but one-quarter in Epworth were at least 30 minutes walk away. Most of these plots in Epworth were (it was claimed) owned by the family (one-half) or by the church (one-third). Overall, therefore, only one-quarter admitted that they farmed illegally; most crops were basics, such as maize or potatoes, and were for self-consumption.

Just over one-third of the respondents claimed that they held land outside Harare from which they could receive food crops. However, the proportion varied considerably between the surveyed areas, with over twice as many families in Glen View claiming such land compared to either of the other areas (Figure 7). Glen View residents were also more likely to receive food from this source, with vegetables again being more prevalent than basic starches. In contrast, families in Mabelreign and Epworth who were obtaining food from external land tended to receive basic starches. Potts (1987) claims that only 40 per cent in her survey of migrants retained access to land and that relatively few of these used it productively due to the lack of family still resident on the land. Whatever the extent of the ties to land in the rural areas, it is clear that there is still a substantial subsidy from rural to urban households.

In addition to food from their own land, many families (about 20 per cent) also received gifts of food from the rural areas. This was common to each of the survey districts. The incoming food is mainly traditional basic crops, such as maize or sweet potatoes and vegetables. In return, there is a variety of exchange commodities, with processed foods, such as flour, being predominant in Glen View and cash in Mabelreign.

CONCLUSION

The role of food distribution systems in the development pattern of Third World cities, and their integration with the daily life of their residents is poorly understood. Beyond the general understanding

that food is the most important element in individual household expenditure patterns, there is a marked shortage of detailed empirical knowledge. The research reported here is designed to go some way towards filling the gap, at least in respect of the food supply networks for consumers in three major residential districts of Harare.

Patterns of food purchasing cannot be understood in isolation; they need to be seen within a broader context. For this reason the chapter gives some attention to the nature of the overall Zimbabwean setting. Similarly the field survey collected information relating to the social structure and migration histories of the sampled population. This part of the exercise confirmed that urban society had experienced many changes in recent years. For example, 80 per cent of heads of household had been born outside the city.

In the ten years since independence, agricultural production has risen substantially in Zimbabwe, particularly from small farms (Zinyama, 1987), although not uniformly so (Weiner, 1988). At the same time there has been considerable improvement in the delivery of health care, particularly in the rural areas. And yet, despite these changes, undernutrition remains a major problem in Zimbabwe, particularly for those with limited access to land or the income to purchase adequate supplies of food (Loewenson and Sanders, 1988). In this context, the urban poor seem to be particularly at risk (Sanders and Davies, 1988).

This is an urban social issue of which planners must take greater cognisance. In particular, there needs to be much more attention paid to the present and the potential role of urban subsistence in meeting some of the food needs of the poor. How this ought to affect urban planning is dependent on more information being collected, but it would appear that the provision of garden space in low cost housing schemes is a particularly important matter, as is the regulation of land use on the urban periphery. Designated and organized areas for cultivation would not only result in more food being produced, but also in improved environmental control and the avoidance of excessive woodland loss. At the very least, it would avoid the appalling sight of much needed food crops being burned because they contravene some dated planning legislation or, worse still, go against some bureaucratic notions as to what a modern city should look like. However, it is not only food production in the city which needs attention; the commercial distribution structure does too.

Most features of the urban economy and society in Zimbabwe have been shaped by the processes of a European colonial period. Although some of these processes have been fundamentally changed since independence, a large number of the structures remain, and this is especially true within the system of food distribution. Not only are there

strong European legacies in the pattern of food retailing, but there are clear signs that the contemporary development of the urban proletariat, and more especially that of the middle classes, is beginning to mirror certain European characteristics of life style and shopping patterns.

The three distinct areas in which this survey was conducted vary considerably in their social composition, but they provide strong evidence that social status and upward social mobility are having a profound effect upon the frequency, type and level of food purchasing. Partly this reflects the greater choices available to those with higher disposable incomes, but there are also considerations such as life-style, familiarity with different parts of the city and the availability of food storage facilities and domestic help to be taken into account.

Most of all, it is clear from the survey that expenditure on food is related to social status; in Glen View and Epworth most households reported spending more than half of their income on food, whereas in Mabelreign the absolute level of spending was higher but for some it constituted only 10–14 per cent of household income. For all areas, but most notably in Glen View and Epworth, the cost of food was the main problem reported, far outweighing questions of availability of food or distance to shopping facilities (Figure 6).

There appeared to be a fairly consistent purchasing pattern with respect to certain named basic items. Almost everybody, for example, reported regular purchases of bread, sugar, tea/coffee, beef and mealie. The position of mealie, the main food staple, at number five on this ranked list, may reflect its declining importance in middle-class diets, but more probably is explained by the fact that many urban residents grow it for themselves or have it sent in by rural relatives. In contrast, the relatively high position of beef in the list is explained by the facts that it is one of Zimbabwe's main food products and it is relatively cheap by world standards.

The locations and types of retail outlets from which people purchase their food were also investigated. These patterns have clear implications for urban planning. The role of the city centre in the pattern of food purchasing is interesting. To some extent, the city centre food shops provide an alternative for residents with poor facilities in their own districts. Much more common, however, is the usage of these shops by the more affluent and mobile residents of Mabelreign and by those who work in or near the city centre. Elsewhere, supermarkets and similar establishments proved to be especially important for the residents of Glen View and Mabelreign, although in the less formally planned area of Epworth such outlets are as yet rare. Specialised food shops figured prominently for specific items such as

beef and beer, but for vegetables and fruit the market traders who cluster at roadside locations or around the established shopping centres were particularly important. In Glen View and Epworth, small tuck shops were an important part of the retail scene for small scale, daily purchases. In contrast to many other Third World situations, both hawkers and cooked food shops played a relatively small part in the overall pattern.

Urban planners in Harare clearly need to give some thought to the role that the petty commodity sector plays in the food distribution system. To date there have been few signs of sympathy for petty commodity retailing and periodic blitz on all kinds of hawking activity frequently occur, usually under some spurious or thinly-linked guise, such as the clearing of prostitutes. Such policies are unsympathetic to the poor and have been shown to be so in many other countries. Even in Zimbabwe, the petty commodity housing sector has been incorporated into the state housing programme with some positive results. The same could easily be done for hawking activities, which clearly meet a need for cheap food.

Perhaps, therefore, the most disappointing aspect of the present system, and the one that poses some of the most interesting questions for future research in Zimbabwe, is the apparent lack of any "socialist" change in the food distribution system since independence. There seems to be little evidence of state involvement and every indication that planning for the formal side of the retail system is unchanged from the days before and during UDI, when most of the retail patterns were established. This stagnation not only encompasses the physical nature of the outlets themselves, but also the ethnic composition of management and staff. As a result, indigenous involvement in food retailing to the rapidly expanding urban population seems to have been concentrated on the petty commodity sector through tuckshops and market stalls.

Clearly, some changes have occurred, as new conventional retail outlets have appeared in the burgeoning low income housing areas, and new centres are planned as part of the upgrading programme for Epworth. But these are few in number and will still need to be supplemented by petty commodity activities for the foreseeable future.

But what of the ownership, management and staffing structure of the more recent conventional outlets? Do they reflect the pre-existing dominance of capitalistic and ethnic relationships? On the surface, the answer would seem to be yes, because there is little or no evidence of state involvement in retailing of this type. In other words, the socialist principles of the government, as in so many other areas (Drakakis-Smith, 1987), do not yet appear to have been incorporated

into a retailing programme. As a result this most bourgeois of activities has been left undisturbed (see also Berg, 1968).

The extent to which these conclusions relating to Harare are replicated lower down the urban hierarchy is to be the focus for further research, but present indicators are that the proactive policies towards urbanization in the communal lands will be accompanied by the facilitation of conventional retail establishments. If this occurs, it is likely that it will be at the expense of petty commodity retailing, as has occurred in the urban agglomerations in the bantustans of South Africa.

The ultimate objective of this and related research is to assist the urban poor in both large and small towns to improve their nutritional intake and, at the same time, to reduce their expenditure on food *per se*, releasing more of their limited income for other basic needs, such as housing, education and health care. But before we can suggest solutions we need to know much more about the nature of the problem and how it varies both within and between countries. At the moment, the information cupboard is very bare.

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Urban Agriculture as a Survival Strategy in Tanzania

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The rapid development of urban centres in Tanzania is historically associated with the colonial administration, which established towns as administrative centres. Both during the colonial period and after independence in 1961, urban centres acted as magnets for rural-urban migration because of their superior facilities relative to rural areas. The failure to arrest unplanned growth resulted in the development of squatter units within the boundaries of the urban centres as well as in the peri-urban areas. The latter eventually developed into the shanty towns which one is confronted with when entering some of the larger Tanzanian towns even today.

Urban population growth did not keep in tandem with economic growth. Tanzania's economy has always depended on agriculture. As of 1988, agriculture was responsible for 80 per cent of export earnings. It provided livelihood for 90 per cent of the economically active population and contributed 64.9 per cent to the GDP (*Africa South of the Sahara*, 1988: 991; Economist Intelligence Unit, 1990: 3).

In the 1970s and 1980s Tanzania's economic fortunes took a nose-dive because of, among other factors, global economic downturn and poor internal economic policies, which in turn resulted in poor performance of the agricultural sector—the main foreign exchange earner. The lack of foreign exchange brought about the near collapse of the industrial sector, which was relied on to absorb many of the urban dwellers. The net effect of all the above was to decrease incomes of all town dwellers. One of the strategies to earn or supplement income was to engage in urban agriculture.

METHODOLOGY

The *Urban Agriculture Research Project* was conceived at the Sokoine University of Agriculture in Tanzania in 1983. The research proposal was submitted to the International Development Research Centre (IDRC) of Canada for funding. IDRC approved the proposal and granted funds for the research to be carried out.

The research was intended to investigate the nature and origin of

Map 1. Location of surveyed towns in the urban agriculture study

1. International boundaries
2. Regional headquarters
3. Small Towns

food production activities within the urban centres and their peripheries in Tanzania. The research project covers six towns: Dar es Salaam, Morogoro, Dodoma, Mbeya, Kilosa and Makambako (see Map 1). The sample size was 1800: Dar es Salaam, 700, Dodoma, Morogoro and Mbeya, 300 each, and Makambako and Kilosa, 100 each. The sampling of respondents was on the basis of low and high density settlement patterns. Within the high and low density areas, an effort was made to include political leaders and non-political leaders, farmers and non-farmers as well as men and women. Table 1 shows the sampling procedure by ratios.

Table 1. *Sampling ratios by density, farming orientation, leadership and gender*

Criteria	Ratios
High Density/Low Density	5 : 1
Farmers/Non-Farmers	2 : 1
Non Political Leaders/Political Leaders	3 : 1
Men/Women	4 : 1

OBJECTIVES

This chapter attempts to do three things:

1. Describe the factors which have contributed to the growth of urban agriculture in Tanzania over the recent past.
2. Discuss the implications of the coexistence between agricultural activities and normal urban life and activities.
3. Draw conclusions and make recommendations as to how the government can handle the growth of urban agriculture as an income earner. Before doing the above, however, it is pertinent to review some of the literature on urban agriculture.

URBAN AGRICULTURE: A REVIEW

Cultivation of field and horticulture crops in urban centres in Tanzania is mainly done on two types of plots by urban dwellers. The first type is usually located on unbuilt spaces around the house. Such plots are generally used to grow high value, intensively grown crops such as vegetables. Such plots can generally be characterized as home gardens; their sizes vary with the availability of empty space around the house.

The second type of plot is to be found on the periphery of urban centres, within commuting distance, that is, as far as public transport can take the farmer. Depending on the size of the town, the plot may be as near as 5 km or over 15 km away. It ranges from 0.5–1 hectare in size and normally carries more than one crop. The most common crops grown in the peripheral fields include maize, plantains, pineapples, rice, cassava and coconut palms.

According to Sanyal (1986: 15), low income households take to farming because of household need and the supply factors. The need factor for cultivation is survival, while the supply factors involve the availability of land, labour, time, seeds, fertilizers, water, financial resources and so on, which are necessary for farming.

Shultz (1951: 209) hypothesized that "agriculture is favoured where it can benefit from the consequences of economic development originating in cities, including better markets for capital, labour, inputs and products". A common phenomenon among the urban poor is that the cultivation of field and horticultural crops does not really lead to an economic emancipation due to diseconomies of scale. Urban farmers normally work on small areas, with no prospect for expansion leading to increases in output and decreases in the cost for production per unit area cultivated. This discussion indicates why analyzing the fate of farming in highly urbanised regions is a complex matter (Lockeretz, 1987: 232).

The urban poor are not generally considered with sympathy by urban authorities; their existence and cultivation in the squatter areas is often denounced by authorities as contributing to the ugliness of towns and cities. The poor cultivate because they need to make ends meet. According to Tricaud (1987: 11):

Economic needs ... have transformed the land left over by urbanization (whether unsuitable for construction or awaiting to be developed) into gardens notable for their ecological richness and variety.

It is pertinent to mention here that the definition of "poor people" in the context of Tanzania, encompasses even those people who would be considered as "middle class" in other countries. The latter engage in urban farming to supplement their incomes due to very low salaries. The major activity for them is livestock keeping. Poultry and dairy production around the house in the suburbs is the main enterprise.

In all the six towns surveyed, the majority of urban farmers, especially from the high density areas, cultivate field crops away from their homes, as available land near residences is minimal. As pointed out above, the distances to the out-of-town boundary fields vary from 5 km to 15 km or more, depending on the size of the town.

The choice of crops grown on the home gardens depends on the availability of supply factors, including the population density, the market, the by-laws governing their growth, theft, ease of harvesting and immediacy of their use in the household.

The present study found that many plots held by the rural poor on the urban periphery are bought annually by city elites for development, mainly farming. Urban by-laws made under section 80 of the Local Government (Urban Authorities) Act No 8 of 1982 of Tanzania empower town and municipal authorities to destroy crops grown within the urban centres which are a metre high. This resulted in much maize being destroyed in Mbeya, Dodoma, Morogoro, and other towns during the 1987/88 season, sparking off a controversy among

politicians and ordinary people, as the most affected were the urban poor.

Low income earners (including those who would be regarded as "middle class" in other countries) mainly cultivate spinach, beans, cassava, tomatoes and other vegetables in their small home gardens (*Sunday News*, 8 April, 1990: 5). The tendency to grow tomatoes, cabbage and onions in the home gardens is related to the need for these crops to be regularly watered, protection against theft and ease of harvesting (Rakodi, 1988: 57). In general, food production in urban settings is undertaken in order to supplement incomes as well as to generate employment for the unemployed or underemployed (*Daily News*, 29 November, 1989: 3).

CONDITIONS WHICH ENCOURAGE URBAN CULTIVATION

The harsh economic conditions which confronted Tanzanians in the late 1970s and for the better part of the 1980s contributed much to the flowering of urban agriculture. The agricultural efforts in urban areas were aimed at supplementing food supplies for self-sufficiency, utilization of available supply factors, and taking advantage of markets.

Supplementing income

The urban poor are motivated to cultivate because of the need to supplement their incomes. The national economic downturn, coupled with high inflation rates, combined to eat into peoples' incomes. Increasing members of urban dwellers fall into the category of "poor". Thus engaging in agricultural activities around the house and on urban peripheries is a way of supplementing income through the sale of surplus produce. From a survey she conducted in Dar es Salaam, Tripp (1989: 5), noted that:

But these days the number of people with small projects has increased, because life has been hard. Wives help their husbands and husbands help wives because the wage is only T.Shs.1000 and no one can live on this.

What is clear here is the decreasing share of salaries and wages to the family income and the increasing contribution of agricultural production to income (Tricaud, 1987:17).

Provision of food for self-sufficiency

The majority of home gardens and the out-of-town fields (about 90 per cent) were used to grow field and vegetable crops which were

consumed in the household. The majority of those who engaged in such activities (about 80 per cent) thought producing their own food was the best cash-saving strategy for their households.

Utilization of the available supply factors

Agricultural activities in urban areas are also encouraged by the availability of supply factors, especially land, family labour, water and so on. These factors also determine whether an urban farmer will opt for an out-of-town field in addition to a home garden or not. Of the households surveyed, about 70 per cent had fields located 3–10 km away from their homes. This was possible because these households had family labour (average of 6 members), land and financial resources to purchase other inputs such as hand-hoes, fertilizers and seed. In the distant fields, the farmers were likely to grow such crops as rice, maize, cassava, bananas, sweet potatoes, Irish potatoes and ground-nuts. In general, the size of fields determined the choice of crops grown.

Availability of markets

The populations of the six surveyed towns are shown in Table 2. As can be seen, the market for urban-produced agricultural crops was large.

Table 2. *Urban and regional populations, 1988*

Name of Town	Region	Population
Dar es Salaam	Dar es Salaam	1,103,983 (2,315,947) +
Morogoro	Morogoro	117,760 (1,222,737) +
Dodoma	Dodoma	80,977 (1,236,719) +
Mbeya	Mbeya	124,069 (1,476,199) +
Makambako	Iringa	8,066 (26,888) *
Kilosa	Morogoro	23,500 (34,233) *

+ Regional population

* District population

Source: Bureau of Statistics, 1988

The main crops produced in four of the six towns were the following:

Dar es Salaam	African spinach, okra, eggplant, pawpaws, oranges, pineapples, sweet pepper, coconuts, cowpeas, poultry/poultry products, milk.
Dodoma	Tomatoes, African spinach, onions, Swiss chard, poultry/poultry products, milk, grapes.
Mbeya	Cabbage, tomatoes, Irish potatoes and beans, poultry/poultry products, milk.
Morogoro	Tomatoes, African spinach, sweet potatoes, poultry/poultry products, milk.

Crops are grown which are suited to the relevant environment, though overlaps are common. Fast-growing leaf vegetables which require more water and fertilizer are common in warm lowlands. Such crops do well in Dar es Salaam, Morogoro, Kilosa and Dodoma. African spinach is the most common leafy vegetable grown. The fact that it matures in 21 days increases its attractiveness as three crops are possible every two months. In the cooler environments, such as those in which Mbeya and Makambako are located, tomatoes, cabbages, carrots, Swiss chard, Chinese cabbage and sweet peppers thrive, due to the low incidence of disease and pests.

Within any environmental zone, prices of the various crops affect what is produced. The crop that commands the highest price in any season is produced in relatively greater quantities than other crops, as would be expected by economic rationality.

In the case of the small towns of Makambako and Kilosa, boundaries between the rural and urban environments are so diffuse as to make attribution of the source of vegetables sold in these markets difficult. They appeared to act as dormitory towns in which full-time farmers lived, farming in the nearby rural areas.

The survey data from the markets in Dar es Salaam, Dodoma and Mbeya indicated that of all the vegetables sold in the main markets in those towns, the following percentages came from within the town boundaries or peripheries: Dar es Salaam—50 per cent (with respect to African spinach); Dodoma—30 per cent and Mbeya—10 per cent. These are very rough estimates which need verification.

In the case of livestock products, the middle class living in medium-density areas and the well-off in low-density areas of the towns are the main producers. Whereas the poor in urban centres cultivate mainly to make ends meet, the relatively well-off engage in poultry and dairy production in order to supplement their incomes. To the well-off then, urban agriculture is a means of maintaining their standard of living.

LIMITATIONS CONFRONTING URBAN FARMERS

Lack of supply factors

The majority of the urban poor (about 80 per cent) said they found it difficult to sustain their agricultural activities because of the problem of securing land, financial resources, labour and water for irrigation. In the case of land, officially designated plot sizes in high density areas, are 314 metres square (24m x 13m), but in squatter areas, plot sizes are smaller.

Five of the surveyed towns (excluding Kilosa) are expanding their boundaries very quickly. This means that more and more rural land on the urban periphery is swallowed up. This has the effect of either pushing rural people further out or absorbing them into the urban system. The other effect is that the urban poor have their commuting distances and hence costs increased. This jeopardizes their farming activities.

While the official municipal and city boundaries may have remained unchanged, unplanned urban sprawl is a reality. When one moves southwards from Dar es Salaam, one notices the creation of a conurbation linking the city with the town of Kibaha, 40 km away. Farmland between these two places, where many Dar es Salaam residents have their distant fields, is rapidly disappearing. One deficiency that affects Dar es Salaam is inadequate transport. The quality of this service can encourage or discourage "commuter farming".

Theft of crops

With increased rural-urban migration, coupled with diminishing land, shortage of employment opportunities, and deficient transport facilities, theft of crops is on the increase. About 70 per cent of those interviewed indicated this to be a problem, particularly in home gardens. This was felt to be a particularly serious problem in Dar es Salaam, Morogoro and Dodoma.

Crop pests and diseases

Prevalence of pests and diseases was complained about by about 50 per cent of the sample of farmers. They limit the production of certain vegetables. The prohibitive prices of pesticides and fungicides, exacerbated by their scarcity, discouraged many of the poorer farmers. In Mbeya, 95 per cent of the farmers in the sample spray fungicides on their tomatoes. This is necessary because the high altitude and wet conditions in Mbeya ensure ideal conditions for fungal

growth, and not spraying with fungicides can mean total loss of the tomato crop. The price of tomatoes in the major market of Dar es Salaam (about 800 km away) is good enough to justify the expenditure on fungicides and insecticides.

Destruction of crops

Damage to crops by passers-by, stray animals (goats, cows and chickens which roam freely in many towns in Tanzania), vehicles, construction firms, town repair crews and town planning activities, were mentioned by about 30 per cent of the respondents as serious problems. This was more common on home gardens, as the majority of these were located on unauthorized open spaces which are liable to be developed at any time. A farmer using open space cannot expect compensation in the event of crops being destroyed to accommodate development projects earmarked for it.

Contamination of crops

About 40 per cent of the respondents complained that urban garbage and refuse contaminated vegetables, especially in home gardens. Some old refuse dumps had been settled by urban dwellers, for example Tabata in Dar es Salaam, Machinjioni in Mbeya and Mji-Mpya in Morogoro, where urban agriculture is practised on piled-up garbage dumps leading to contamination of crops.

RECOMMENDATIONS AND CONCLUSIONS

The number of urban poor in Tanzania is increasing rapidly as a result of two main factors. The industrial sector, which acted as a magnet for most of those who migrated from the rural areas in search of employment opportunities, has nearly collapsed due to global and local factors. The ranks of the unemployed and underemployed has grown. Another reason is the scourge of high inflation, which has eaten into incomes. Even those considered well paid by Tanzanian standards have seen their purchasing power fall precipitously. Making ends meet has become very difficult.

These two factors have caused urban agriculture to expand as a strategy to deal with the lack of paid employment and low income among the majority of the employed. In essence then, agriculture has been embraced in Tanzanian towns as a sole source of income for some, and as a source of supplementary income for others. It also provides

food for self-sufficiency. The availability of supply factors has had quite an influence on the success of the urban agricultural enterprise.

In undertaking their urban agricultural activities, the poor face many problems, the most important of which are lack of supply factors, theft of produce, by-laws restricting urban agriculture, crop pests and diseases, physical destruction of crops, and contamination of crops. Four recommendations are made.

1. Efforts by the government to allocate urban land for various uses have to take into consideration the need to set aside land for agricultural purposes. Since 1985, town authorities have been entrusted to set aside areas for urban agriculture. In Dodoma municipality, about 2530 hectares were surveyed and demarcated. In Dar es Salaam and Morogoro, several areas have been set aside for farming. While the urban poor are allowed to own up to 10 hectares land per household in the areas allocated, the initial costs for acquiring and developing these areas are too high. These farmers should be empowered to acquire and develop land through credit facilities on easy terms. The provision of infrastructure to these areas, such as roads and water should be accorded priority.
2. Urban authorities should protect and improve presently unusable land so that the urban poor can use them for cultivation. Such areas include the Msimbazi valley (with more than 500 hectares) in Dar es Salaam, and swampy areas in Mbeya, and in Morogoro municipality. Most of these areas can be improved substantially through filling, dredging, levelling, terracing or general land reclamation.
3. The urban poor should form small groups or cooperatives so as to benefit from bank credit. As Kihunurwa (1990: 23) has stressed:

Small farmers as individuals can rarely obtain credit directly from banks. However as long as they belong to functionally effective and well managed groups or cooperatives, they can easily obtain credit for the wide range of economic use despite the lack of tangible security.

4. Projects aimed at improving urban agriculture should be initiated by the government after taking an inventory of the urban poor and the available land. This would need a coordinated effort of experts. Town planning offices should liaise with professionals such as agriculturists, veterinarians, engineers, police, health workers, medical personnel, sociologists and conservationists during the initial plot identification phase (Mlozi *et al.*, 1989: 30).

Urban agriculture is a fact of life in Tanzanian towns. It is helping to take up the slack left by the near collapse of the industrial sector and high inflation. Few people are being paid a living wage. The need to

increase earnings through urban agriculture is thus very pronounced.

Despite its disadvantages in terms of aesthetics, health hazards and lack of comparative advantage over rural agricultural production, urban agriculture will be around for a long time until the traditional employment and income generating patterns of rural and urban areas are restored.

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Part-Time Farming as an Urban Survival Strategy: A Nigerian Case Study

Jerome O. Gefu

The economic crisis in which most Sub-Saharan African countries are currently engulfed dates back to the 1960s, when most primary producing countries were faced with deteriorating terms of trade in the face of global recession. The crisis further deepened in the 1970s, leading to the increased dependence of most developing countries on the industrialized West. For Nigeria, the crisis did not immediately manifest itself, as the unprecedented increases in oil prices of the 1970s provided some cushion effect. However, this oil boom era did not last long. The economy started showing serious signs of stress by the first half of the 1980s.

Although Nigeria was able to absorb the crises through the massive revenue derived from oil between 1973 and 1981, the collapse of the international oil price in the early 1980s forced the country to apply "austerity measures." In 1986, despite an announcement of the rejection of an IMF loan in December of 1985, Nigeria joined many other Sub-Saharan African countries in the IMF/World Bank-led Structural Adjustment Programmes (SAPs). The intention was to bring about internal and external financial balances through a combination of fiscal and monetary policies and programmes.

Prior to the structural adjustment programme, Nigeria's currency was widely believed to be overvalued¹. The devaluation of the Naira, therefore, became the first target of structural adjustment. By the end of the 1980s, the impact of SAP was so profound that the standard of living of the great majority of the population had been seriously eroded. The most hard-hit sector has been the wage earning group and those engaged in the informal sector in urban and peri-urban areas. Real income declined as high inflation, which accompanied the devaluation of the local currency, left these people in a precarious socio-economic situation. Declining real income has exacerbated urban and peri-urban poverty and lowered the living conditions of rural inhabitants, nutritional levels and health conditions of all.

The situation can be simply illustrated by the value of the wages received by salaried workers. The minimum wage in Nigeria was peg-

ged at ₦125 per month in 1981. This amount was worth about US\$156.25 at the then exchange rate of ₦1.00 to US\$1.25. The same minimum wage was still being paid in late 1990. The value of this wage (at the official exchange rate of US\$1.00 to ₦8.04) is only US\$16. Considering the other end of the wage continuum, the gross income of Nigeria's best paid academic professor stands at a mere US\$280 a month! Varying arguments have been put forward either in support or against SAP in Nigeria and elsewhere (Bangura, 1987; Loxley, 1987; Havnevik, 1987; ECA, 1989; World Bank, 1989; Commander, 1989; Bates, 1989). Propositions for alternatives or adjustments to SAP have been put forward (see, for example, ECA, 1989; World Bank, 1989; Morna, 1990).

Faced with the reality and constraints of declining income, many Nigerians employed in the formal sector have increasingly been forced to supplement their incomes by some form of informal activities, including farming (crop and/or livestock), transportation services, retail trading, consultancy services, contract taking and others. These are strategies for surviving harsh times imposed by macro-economic measures of the ongoing structural adjustment programme.

This chapter presents the results of a rapid assessment survey, with attention on those who engaged in part-time farming activities. The purpose is to determine as far as possible the level of involvement, the motivating factor(s) and general perception on part-time farming. The issue raised is the extent to which part-time farming is a survival strategy in response to the ongoing stress caused by structural adjustment.

Part-time farming had been going on even before the official introduction of SAP in 1986, although the incidence of part-time farming has increased since then. Part-time farming was done primarily to supplement family incomes, even though there does not seem to be a clear-cut, sound economic rationale. Despite the lack of apparent economic gains, most respondents considered part-time farming a worthwhile activity, as the costs of operation are disbursed gradually rather than all at once. Some part-time farmers indeed plan to expand their operations, apparently to take advantage of economies of scale.

METHODOLOGY

A short questionnaire was distributed to 550 academic and non-academic staff members of the Ahmadu Bello University, Main Campus, Zaria.² The sample was drawn randomly from the current directory

of university employees from different salary grades, disciplines and faculties. The questionnaire sought brief personal information, such as academic position, marital status and household size, plus details of part-time farming activities.

A conscious effort was made to limit the length of the questionnaire so as to encourage respondents to complete and send it in. Personal contacts and follow-ups were made with many of the respondents in order to facilitate a quick response. Respondents were requested to return their completed questionnaires by internal post, thus avoiding mailing costs.

The survey was conducted between June and August, 1990. This period was deliberately chosen as it is also the busiest time of the cropping season in this part of Nigeria. It is assumed that people tend to recall most of their farming activities during this period, especially in cases where farm records are not kept. The questionnaire return rate was 20 per cent, corresponding to 110 returned questionnaires.

RESULTS AND DISCUSSION

Respondents comprised staff members who occupied positions ranging from graduate assistants or equivalent to professors. The majority (77 per cent) of the respondents were married. Household size varied between 1 and 13 persons, with a mean of 8 persons. Household members, for the purposes of this study, comprised all those who, at the time of the survey, were physically residing in the same house as the household head.

All respondents indicated they were involved in a variety of part-time farming activities, ranging from home gardening to commercial production, involving several hectares of field crops. Respondents with farming experience of 6–10 years were in the majority (52 per cent), followed by those who have been doing part-time farming for over 10 years (32 per cent). Respondents with less than 6 years part-time farming experience constituted only 16 per cent of the total sample. This implies that part-time farming activities among wage earners of the type examined here pre-date the structural adjustment programme period in Nigeria. Indeed, about 82 per cent of the respondents had been involved in this informal sector activity over the past 6–15 years.

Those who had been involved in part-time farming for upwards of 10 years may have developed a sustained interest in farming, not necessarily for economic rewards alone but also for the satisfaction involved. Such sustained interest may have changed with the down-

turn of the economy in recent times and especially so with high inflationary pressures on agricultural inputs and labour costs. For those who consider the economics of part-time farming as a major determinant, it is considered worthless engaging in farming. But for others who have continued to farm even in the face of difficulties because of the interest, it has been a rewarding activity.

A variety of crops and livestock are raised. Among the crops planted are maize, sorghum, cowpea, popcorn, millet, vegetables, soya beans, rice and groundnuts. By far, the most commonly cropped grain is maize (Table 1), then cowpeas. This reflects the staple food items of the population. Maize can be put into a variety of uses, as a basic food for growing children and adults alike. It also has a wide acceptability among a heterogenous community, such as that of a university.

Table 1. *Distribution of area, by crop*

Hectares	Maize (%)	Sorghum (%)	Cowpea (%)	Popcorn (%)	Other (%)
< 1	63.6 (70)	80.0 (88)	60.0 (66)	91.8 (101)	88.2 (97)
1-3	20.0 (22)	20.0 (22)	36.4 (40)	8.2 (9)	11.8 (13)
> 3	16.4 (18)	—	3.6 (4)	—	—
	100.0 (110)	100.0 (110)	100.0 (110)	100.0 (110)	100.0 (110)
Mean hectares	4.6	0.15	0.52	0.06	0.08

(Figures in parenthesis are absolute numbers)

Since protein derived from cowpeas (beans) is comparable with animal-source protein and has considerable lower unit cost, many of the respondents who crop cowpea do so primarily for subsistence. Unlike most maize farmers surveyed, cowpea cultivation is meant to provide the protein requirements of the household (sometimes to complement animal-source protein).

A relatively smaller proportion of the respondents grow sorghum, popcorn and a variety of other crops, such as soya beans, groundnuts, rice, okra, and other vegetables. Most of these crops are grown around the house or on small patches of land near residences or office buildings. The contribution of these crops cannot be overemphasized, especially because they can be made readily available, fresh from the farm. Many trips to the market for basic food items, such as vegetables, can be saved if such crops are grown around the house.

Most operations are limited to one hectare and below. This is not unexpected, because of the costs and time that accompany a larger scale of operation (see below). The limited scale of operation may also be a function of land availability and accessibility. Most respondents

use the land around their homes and any other land that may be made available to them by the local inhabitants in villages around the university. In most cases, no fees are charged for such land leases, especially if it is not more than one hectare. In cases where a large expanse of land is hired for farming, fees may be charged.

It has become a common practice among land-owning communities to lease patches of arable land to individuals for one cropping season. In such instances, virgin lands are given. The tenant has the obligation of land clearing, tree felling, destumping and loosening the soil. Such land usually requires large applications of nitrogenous fertilizer to put it under grain production. At the end of the cropping season, after a lot of money has been spent on land clearing and land preparation as well as heavy fertilization, the cultivator is often evicted from the land by the owner on the pretext that a relation has an urgent need for the land.

This exploitation may have discouraged a number of academics from undertaking large-scale part-time farming, apart from other reasons associated with time constraints and lack of interest. A few part-time farmers have title to their land, although this is an exception rather than the rule.

About 81 per cent of the respondents kept some livestock, raising goats, poultry and sheep in that order (Table 2).

Table 2. *Number of livestock, by type*

Number	----- % -----		
	Sheep	Goats	Poultry
< 5	83.7 (72)	90.8 (81)	63.6 (56)
5-10	8.1 (7)	2.6 (2)	12.6 (11)
11-20	4.7 (4)	6.6 (6)	7.9 (7)
> 20	3.5 (3)	—	15.9 (14)
Total	100.0 (86)	100.0 (89)	100.0 (88)
Mean number	4	1	48

(Figures in parenthesis are absolute numbers)

The limited number of livestock kept may be due to the high costs and risks involved. Theft is rampant during festival periods such as Christmas and Moslem feasts. Theft of livestock is especially a great problem when animals are kept in areas which are not adequately secured. Morbidity and mortality are other reasons that may deter many people from keeping animals. The majority of those who kept livestock either have some professional training in animal science or have easy access to the services of livestock specialists. In such cases,

the fear of morbidity and mortality are taken care of. Livestock raising was more profitable than crop production on a part-time basis.

The majority of respondents kept less than five units of any one livestock species but more poultry than other animals. Again, this indicates that livestock raising is geared first towards meeting immediate household food needs.

Labour is by far the most expensive component of farming operations (Table 3); land costs the least. Supplies (including fertilizer, seeds, herbicides and pesticides) are the second most expensive input.

Table 3. *Costs of crop operation, by input*

Costs of operations in Naira	Labour	Distribution of costs as a %		Supplies	Land	Total
< 50	23.6 (26)	36.4	(40)	96.4	(106)	20.0
50–200	16.4 (18)	16.4	(18)	3.6	(4)	16.0
201–500	20.0 (22)	23.6	(26)	–		4.0
501–800	11.8 (13)	11.8	(13)	–		12.0
> 800	28.2 (31)	11.8	(13)	–		48.0
	100.0 (110)	100.0	(110)	100.0	(110)	100.0
Mean (Naira)	714.2	324.7		2.2		1041.1

(Figures in parenthesis are absolute numbers)

A comparison between the total cost (as can best be recalled)³ and the monetary value of farm produce shows an average profit margin of only ₦59.92 per part-time farmer each season. Higher profits⁴ are derived from maize cultivation followed by cowpea cropping (Table 4). However, the primary reason for crop production is to meet immediate household food requirements rather than for sale.

Table 4. *Crop yield (kg)*

Quantity (Kg)	----- Crop Type -----			
	Maize	Sorghum	Cowpea	Popcorn
< 200	27.3 (30)	88.3 (98)	71.8 (79)	92.7 (102)
200–500	16.4 (18)	3.9 (4)	23.6 (26)	3.6 (4)
501–1000	16.4 (18)	3.9 (4)	3.9 (4)	2.7 (3)
1000–1500	16.4 (18)	–	0.9 (1)	–
> 1500	23.6 (26)	3.9 (4)	–	0.9 (1)
Total	100.0 (110)	100.0 (110)	100.0 (110)	100.0 (110)
Mean kg	1200.0	272.0	140.2	40.0

(Figures in parenthesis are absolute numbers)

On the other hand, feed constituted the highest input cost component in livestock raising (Table 5). Poultry produced the highest profit margin, closely followed by sheep raising⁵.

Table 5. *Costs of livestock operation, by input*

Naira	Distribution of costs as a %						Total
	Labour		Feed		Health		
< 50	76.4	(84)	68.2	(75)	76.4	(84)	64.0
50–200	11.8	(13)	3.6	(4)	8.2	(9)	4.0
201–500	3.6	(4)	11.8	(13)	11.8	(13)	12.0
> 800	8.2	(9)	16.4	(18)	3.6	(4)	20.0
Total	100.0	(110)	100.0	(110)	100.0	(110)	100.0
Mean (Naira)	156.8		191.2		103.6		511.6

(Figures in parenthesis are absolute numbers)

CONCLUSION

Several survival strategies are being adopted in the wake of mass socio-economic stress in Nigeria. Increasingly, part-time farming is being carried out by urban wage earners to supplement declining real wages despite the evident diseconomies of scale and low profit margins. The phenomenal devaluation of the Naira which followed Nigeria's acceptance of the IMF/World Bank prescribed adjustment has left many wage earners (urban and rural) in a precarious situation.

Urban agriculture, which has received government support and encouragement through the provision of farm inputs at highly subsidised rates and other logistical support through the various agricultural self-sufficiency programmes, may remain a prominent feature of the informal sector in Nigeria's urban setting. This is especially so if the earning power of the worker is not substantially improved, with accompanying lower prices for food items. While awaiting better days, informal but legal activities should continue to receive government support. Production inputs should continue to be made available at subsidized rates to groups of producers considering the difficulty and prohibitive costs of procuring essential farm inputs and machinery. This calls, therefore, for some form of producer associations for an effective planning and disbursement of inputs such as supplies and credit.

NOTES

1. The exchange rate in 1981 was in the region of ₦1=US\$1.62. This fell to parity in 1986 and slumped to the current official exchange rate of ₦1=US\$0.125 (September 1990).
2. Zaria is a university and commercial town with an estimated population of over 100,000 inhabitants. It is located about 85 kilometres north of the city of Kaduna in central Nigeria.
3. No records were kept by respondents. The cost components given were based on recalls; not every cost could have been recalled accurately. The figures reported here should, therefore, be treated with caution.
4. Market values were placed on the crops. Maize and sorghum were valued at the current market price of ₦1.40/Kg, while cowpea and popcorn were valued at ₦4.8 and ₦9.0 per Kg respectively.
5. An average price of ₦380, ₦420, and ₦40 for goats, sheep and poultry (exotic breed), respectively, was used.

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Macro-Level Constraints and the Growth of the Informal Sector in Uganda

Jossy R. Bibangambah

It has become fashionable for commentators from rich industrialized and technically advanced countries to argue that the informal sector, characterized as unorganized and non-institutional, is an important source of urban employment and economic activity in poor countries like Uganda and hence, its growth is part of the dynamics of development.

This chapter argues that the informal sector is not synonymous with the small-scale sector; that the informal sector is not homogeneous; that some aspects of it are counter productive; that the largest part of it is what has been called the Magendo economy (Banugire, 1985) implying that much of the activity is illegal, as the activities include petty crime, smuggling, black marketeering, prostitution and corruption; that shacks, squatter settlements and other unplanned or chaotic settlements labelled "town" but devoid of minimal public services such as water, drainage, transportation, educational and health services, rather than being a manifestation of development are instead symptoms of economic decay. Similarly, the *ruralization* of urban areas through the invasion of cities and towns by subsistence agriculture and rural poverty euphemistically called *urban agriculture* symptomizes that very decay. Smuggling, junk collection, prostitution and drug peddling which have been identified as some of the activities that are a source of livelihood in the informal sector (Todaro, 1987) fall in the same category. All these are manifestations of socio-economic decay which represent Africa's development crisis. However much they may be painted and glorified by those who don't feel the pinch, Africans should not derive any gratification from them.

I fully concur with the view that the living and working conditions and incomes in the glorified informal sector are not much better than those of the rural poor. It is therefore mischievous to suggest the aspects I have identified as counter productive should be promoted as a major source of employment and income.

To provide more insight on the position I have taken, two fundamental questions need to be answered:

1. What is it that has decayed or is decaying and what are the causes of decay?
2. Are decay and ruralization of urban centres facets of the same phenomenon?

With respect to Africa, and Uganda in particular, what has decayed or is decaying can be identified in three broad categories: institutional capabilities, infrastructures, and social values and standards.

The term institutions can on the one hand be interpreted as rules of the game (Van Arkadie, 1989) or compliance procedures and moral and ethical behavioural norms designed to constrain the behaviour of individuals the most important being (1) rules defining private property rights and their allocation; (2) rules and conventions governing the relationships between participants in the economic or political process; (3) rules and conventions defining the economic role of a hierarchy of social institutions (for example, churches and cooperatives) and (4) rules and conventions restricting or facilitating participation in the economic process.

On the other hand, institutions can also be interpreted as organizations such as government departments, banks, schools, hospitals, etc. Consequently, decay of institutional capabilities relates to state collapse, moral collapse and deterioration of technological and managerial capabilities or capacities. Institutional decay in Uganda is a result of political anarchy and the technological and managerial vacuum created by the departure of many skilled persons, notably Asians who dominated industrial and commercial activities, exiled qualified Ugandans and technical assistance personnel who manned the administrative and professional services. Nevertheless, it can still be argued that the decay was largely triggered by neglect on the part of colonial and post-colonial regimes to create indigenous capacities and capabilities for development management. As Professor Mazrui (1989) puts it, "it certainly looks as if the whole post-colonial euphoria about modernization has been a mere illusion of modernity, a mirage of progress, a facade of advancement".

Both decay and ruralization are facets of the same phenomenon—the collapse of modernization processes, absence of viable institutions and at worst a reversal of developmental processes by regressive forces which have forced the non-beneficiaries of these negative changes to search for survival mechanisms including a retreat into subsistence agriculture in an urban setting. Regressive forces in the form of macro-level constraints will be fully discussed in a later section of this chapter.

THE RURALIZATION OF A CAPITAL CITY—THE CASE OF KAMPALA, UGANDA

My characterization of ruralization of urban areas in Uganda is based on a study of urban agriculture in Kampala, Uganda's capital city, by Samuel Zziwa of the Department of Agricultural Economics, Makerere University and Daniel Maxwell of Makerere Institute of Social Research (1990). It was a combined effort of an agricultural economist and a sociologist.

Although Kampala is an urban centre chosen from amongst many other urban centres in the country, the features of ruralization that one observes in Kampala are so commonplace in all other towns in Uganda that Kampala as a case study is representative of all and conclusions based on it should form a valid basis for generalization.

As already asserted, ruralization of urban areas is part and parcel of Africa's economic decay or crisis and therefore urban agriculture is not unique to the Ugandan capital. A study by the Mazingira Institute (1987) shows that 30 per cent of urban households in Nairobi are engaged in agriculture within the city boundaries. It is important to note that even for Kenya, a country known to have a sizable modern agricultural sector inherited from European colonial settlers, the vast majority of producer households in urban areas are engaged in subsistence agriculture, contributing to the "shanty-town" character or what Naipaul (1981) calls "bush" appearance or "bush life".

In Lusaka, capital city of Zambia, Sanyal (1985 and 1986) found that 60 per cent of low-income urban households were engaged in some form of cultivation. Evidence of the existence of the phenomenon of ruralization of urban centres is also available from other studies in this volume—Tanzania (Mlozi *et al.*), Nigeria (Gefu) and Zimbabwe (Drakakis-Smith). In general, therefore, we concur with O'Connor (1983) that cultivation is common throughout urban Africa.

The dualistic character of Kampala owes its origins to both history and what I have called decay. The western zone of the city called Mengo developed as the capital of the Kingdom of Buganda and retained a separate municipal identity until 1967 when kingdoms were abolished by the introduction of the 1967 Republican Constitution. As a capital of an African kingdom, Mengo had retained a predominantly African character, while the eastern, southern and central zones of what is now Kampala had a more colonial character. It is this historical development that has led to Kampala being classified as a "dualistic city"—partly indigenous and partly colonial (O'Connor, 1983), although the colonial form eventually became dominant.

In Kampala the informal sector, which must be viewed as a col-

lection of survival mechanisms of the urban poor, grew more sharply in the 1970s as a result of the collapse of the formal economy under the mismanagement and economic repression of the Amin regime. This mismanagement and economic repression are best described by Mamdani in his book on *Imperialism and Fascism in Uganda* under the sub-title, *Fascism and the Economic Crises* (Mamdani, 1983).

A study of Kampala's informal sector by Mwesigwa (1987) reached three conclusions: First, the small-scale sector expanded much more rapidly than the modern sector after Independence, and particularly in the period 1973–1985.

Second, this rapid expansion was a result of migration into the city combined with fewer employment opportunities afforded by the large-scale sector and rapidly rising costs of living. Kampala's population increased fivefold between 1948 and 1980, when the last official census was taken. Three reasons are cited for this increase: natural population increase, municipal boundary reclassification and rural–urban migration. In 1980, the city's population was officially put at 458,000. The current population is estimated at between 900,000 and one million. If both the 1980 figure and the estimate for the current population are correct, it means Kampala has been growing at an annual rate of over 9 per cent. Migration into the city represents the shifting of absolute poverty from the rural areas to urban slums and the urban poor, including for the first time a high proportion of government salary earners. In a sense therefore, the phenomenon represents an *urbanization of poverty*.

Third, the contemporary small-scale sector has a symbiotic or complementary relationship with other landuses including the central business district, residential areas, recreational areas, industrial zones, institutions, open spaces and transitional or mixed landuse areas. Urban agriculture was evident in all these places.

The argument by several writers that urban agriculture has an important contribution to make to Africa's economic development through contribution to food supply and self-employment is unhelpful. We need to place this agriculture into a perspective or scale of evolution of farming. If it is as backward and trapped in vicious circles of poverty as rural agriculture which also provides food and self-employment, it is no answer to our search for sustainable development.

The evolution of agriculture is seen as a transition from hunters and gatherers to the economy of subsistence cultivators and herds-men, to mixed or diversified farming, and finally to specialised farming.

While knowledge and skills are required to hunt and gather ef-

fectively, there is no science and technology of production involved as instruments of human intervention and deliberate alteration of nature. Members of the domestic household simply gather, hunt and consume. Their hands, legs and stones are the critical technological means of production.

In the second stage, (i.e. the economy of subsistence cultivators and herdsman), collecting and gathering from nature is replaced by clearing, burning, tilling, planting, weeding, harvesting and consuming. This pattern or cycle of crop operation marks the beginning of agriculture proper. Hunting is overtaken by animal domestication and husbandry. The technology of hand agriculture is supplemented by fire, hoes and *pangas*. While subsistence agriculture is a great advance over hunter and gatherer economies, what is done, how it is done and with what it is done, are still simple and crude.

The third stage, (i.e. mixed or diversified farming) is regarded as a logical first step in the transition from subsistence to specialized production. The staple crop no longer dominates farm output since new crops such as fruits, vegetables, coffee and tea, are established, together with simple animal husbandry. At this stage, farm operators have a marketable surplus which they can sell to raise their family's consumption standards and/or invest in farm improvements.

The final and last stage of the evolution of farming is the emergence of the specialized commercial farm. The emphasis is on monocropping, capital-intensive and labour-saving devices. On specialized farms, the provision of food for the family no longer provides the basic motivational objectives. Pure commercial profit becomes the criterion of success and maximum per hectare yields, derived from man-made (fertilizers, pesticides, hybrid seeds, etc) and natural measures, become the object of farm activity. Economic concepts such as fixed and variable cost, saving, investment and rates of return, optimal factor combinations, maximum production possibilities, market prices and price supports take on quantitative and qualitative significance. The emphasis in resource utilization is no longer on land, water and labour as in subsistence and mixed farming. Instead, capital formation, technological progress and scientific research and development play a major role in stimulating higher levels of output and productivity (Todaro, 1981; Katorobo, 1987). The stages of farm evolution are summarized in Table 1.

The immediate question before us is: where, on the scale of evolution, do we situate Kampala's or Africa's urban agriculture? In the case study of Kampala by Maxwell and Zziwa (1990), the majority of the enterprises that constituted Kampala's urban agriculture (69.3 per cent) were judged to be subsistence agricultural enterprises, where

Table 1. *Stages of farm household evolution*

Characteristics	Subsistence farming	Mixed farming	Specialized farming
Consumption of output	One dominant stable crop and auxiliary crops	Diversified	One dominant cash crop and auxiliary crops
Purpose of production	Domestic supply	Domestic and market supply	Market only
Work Schedule	Seasonal	Balanced	Seasonal
Capital investment	Low	Medium	High
Income	Low	Medium	High
Income security	Low	High	Medium price fluctuations
Ratio of income to value of output	High	About half	Low
Farmers professional know-how	Specialized	Diverse	Specialized
Dependence on a supporting system	None	Partial	Full

Source: Todaro (1981: 275).

the purpose of the productive enterprise was for direct household consumption. Only 7.3 per cent of the respondents were engaged in commercial production, and 23.3 per cent produced primarily for household consumption but also sold a significant amount of produce to supplement cash income. Many households reported owning no tools at all. The average household owned two hoes but only some owned an axe and *panga* (machet). This means that production relies on indigenous practices and resources that are available without great cost. Moreover, the cultivators even practice fallowing. All these are characteristics of stage two, (i.e., subsistence agriculture with its simple and crude technologies and heavy reliance on nature). If we accept that the cultivators in Kampala are subsistence farmers, we may also contend that they fit Hyden's (1983) notion of "uncaptured peasants", adept at avoiding and dodging state intervention.

Maxwell and Zziwa, like other proponents of the informal sector, especially urban agriculture, contend that urban agriculture is productive. But what level and context of productivity are we talking about? It is a low level of productivity equilibrium trap that is sustained by bounded rationality in that it ensures the minimum physiological consumption requirements necessary for the family's physical survival. The expressions *survival mechanisms*, *survival strategies*

and coping with the crisis which are used by proponents of the informal sector are all evidence of bounded rationality.

I do not agree that the formal/informal dichotomy is synonymous with large-scale/small-scale as the large-scale/small-scale dichotomy does not reflect on the structural anarchy, the preponderance of subsistence activities, urbanization of poverty and the "magendo economy". The original concept by Lewis (1954) of a modern/subsistence sector dichotomy is still a better specification of economic dualism in Africa.

THE PATHOLOGY OF UGANDA'S ECONOMIC CRISIS

Uganda's economic crisis has been that of increasing absolute poverty and persistent economic stagnation arising out of extended structural decline. Banugire (1987) has distinguished three stages of economic decline in an agrarian economy. The first is the recessionary stage which consists of a general decline in the rate of growth of incomes, usually associated with one or a combination of the following: a fall in export prices, a fall in demand for agricultural and mineral products, severe supply bottlenecks, crop failures due to drought, and abnormal dislocations such as political disturbances and wars.

The second is the structural decline stage where persistent recessionary decline and structural dislocations generate substantial changes in the roles of the various production, consumption and trade components of the economy. In particular, the leading dynamic sectors and sub-sectors decline in relation to the traditional and informal sectors in both rural and urban areas. Persistent structural deterioration eventually leads to the third stage, that of the regressive or *magendo* economy.

In Uganda the crisis that has taken us through all the three stages was set off by economic repression in the form of:

1. Partial nationalization (in 1970) through government purchase of a 49 per cent share in all major industrial enterprises, companies and banks.
2. Restrictive economic policies using the instruments of price controls and a fixed-exchange rate.
3. Amin's war of economic independence against the Asian community.
4. Economic mismanagement, especially in the form of inappropriate price policies, excessively low producer prices, excessively high export taxes, and an overvalued currency.

Consequent collapse of the commercial and industrial sector (or modern sector) that the Asians controlled, and the collapse of the production of agricultural export crops (Bibangambah, 1990), spread through the infrastructure and the export sector and produced macro-economic vicious circles and hyperinflation, bringing ruin to all other sectors. The chain of events and the macro-economic vicious circles constituting Uganda's economic crisis are presented in Figure 1.

Uganda's crisis illustrated by Figure 1 can be summarized as follows:

1. a particularly marked decline in the productive capacity of the capital-intensive industrial sector.

Figure 1. *Uganda's economic crisis, 1970–1985*

Adapted from the Summary Report of Uganda's Agricultural Task Forces Programme, April 1987

2. a drastic decline in the production of the major export crops, especially coffee, cotton, tea and tobacco.
3. an overwhelming and increasing dependence on coffee for Uganda's foreign exchange earnings, as cotton abdicated and tea deserted.
4. smuggling of large quantities of both primary produce and imported goods across Uganda's international borders. It is estimated that coffee smuggling was running at 25–35 per cent of the total crop during the crisis period.
5. an outflow of resources from the agricultural export sector into subsistence agriculture and informal trading.
6. intensified problems of low income and absolute poverty.
7. extreme difficulties in getting imported inputs, spares and raw materials.

In the rural areas, people's response to the crisis was manifested in the outflow of resources from the agricultural export sector into subsistence and the informal sector, eventually leading to the collapse of the agrarian economy. In urban areas, the response by urban workers and poorly paid civil servants, caught up in hyperinflation, took the form of informal activities, including subsistence agriculture in an urban setting.

One important peculiarity of Uganda's informal sector is the tendency for an individual to hold some form of employment in both the formal and informal sectors simultaneously. In Uganda's case, therefore, the informal sector, especially subsistence agriculture in urban areas, does function as a "subsidy" to the formal sector by supplementing unbearably low wages in the latter.

What have been identified as macro-economic constraints have been reinforced by several regressive tendencies in the Ugandan economy (Banugire, 1989).

1. a tendency towards systematic privatization of the public sector by those who manage it.
2. a tendency towards personalization of the private business sector (i.e., bias against corporate interests).
3. a tendency towards exploitation of the peasants by the state bureaucracy and business interests.

The privatization syndrome has weakened the social services and public sector enterprises, reducing them to private estates of politicians, bureaucrats and managers. The tendency towards personalizing private enterprises militates against the establishment and consolida-

tion of the corporate mode of management necessary for a dynamic, vibrant and responsible private enterprise sector. Both the public and private sectors must be blamed for the misuse of foreign exchange earned by the peasants through production of coffee. The two must also be blamed for lack of proper maintenance of the basic infrastructures.

CONCLUSION

The rise of the informal sector in Uganda can be interpreted in three possible ways. First, it can be viewed as a response to economic decline and the resultant price—wage traps and other poverty traps. Second, it can be seen as a response to economic repression in the form of controls, regulations and procedures. Third, it can be viewed as a manifestation of the dynamics of economic decay.

The *essentialist approach* as a basis for justifying the informal sector is not developmentally helpful. We need to transcend justifications based on mere survival and short-term crisis management and examine the extent to which the informal sector is productive, unproductive or counter-productive. Ruralization of urban areas cannot be a basis for long-term sustainable development.

What Uganda needs are both institutional and policy reforms to reverse the negative economic trends, eliminate regressive forces and create an environment and framework for a progressive economy. The present government, which has already restored a major part of the infrastructure, especially roads, and has liberalized trade, has a full appreciation of the task.

Entrepreneurial initiatives should be encouraged. But such encouragement should not be an excuse for the lack of a land-use policy, proper layout schemes, infrastructure, and building and environmental regulations, which are all concomitant with urban development.

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