Capitalist expansion and agri-food systems in the Southern African region:

A study on the relationship between the Southern African Confederation of Agricultural Unions (SACAU) and small-scale farmer associations

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ACRONYMS

ABC	Agricultural Business Chamber (South Africa)
ACT	Agricultural Council of Tanzania
ACTESA	Alliance for Commodity Trade in Eastern and Southern Africa
ADM	Archer Daniels Midland
ADP	Agro-dealer Development Programme (AGRA)
AGM	Annual general meeting
AGRA	Alliance for a Green Revolution in Africa
AgriSA	Agri-South Africa
ARC	Agricultural Research Council (South Africa)
BAT	British American Tobacco
BAU	Botswana Agricultural Union
CAADP	Comprehensive African Agricultural Development Programme
CCAFS	Climate Change, Agriculture and Food Security
CEO	Chief Executive Officer
CFU	Commercial Farmers Union (Zimbabwe)
CGIAR	Consultative Group on International Agricultural Research
COMESA	Common Market for Eastern and Southern Africa
CPM	Coalition Paysanne de Madagascar
CTA	Technical Centre for Agricultural and Rural Co-operation
DFIs	Development finance institutions
DRC	Democratic Republic of Congo
EAFF	Eastern African Farmers' Federation
EC	European Commission
ESAFF	Eastern and Southern Africa Small Scale Farmers' Forum
FAAP	Framework for African Agricultural Productivity
FANRPAN	Food, Agriculture and Natural Resources Policy Analysis Network
FAO	Food and Agriculture Organisation of the United Nations
FARA	Forum for Agricultural Research in Africa
FDI	Foreign direct investment
FEKRITAMA	Confédération des Agriculteurs Malagasy
FOSCA	Farmer Organisation Support Centre in Africa
FUM	Farmers' Union of Malawi
GDP	Gross Domestic Product
GIZ	German Development Cooperation
GM	Genetically modified/genetic modification
GMO	Genetically-modified organism
GNI	Gross National Income
IARCs	International agricultural research centres
ICT	Information and communications technologies
IFAD	International Fund for Agricultural Development
IFAP	International Federation of Agricultural Producers
IFOAM	International Federation of Organic Agricultural Movements
ILC	International Land Coalition
IP	Intellectual property
KARI	Kenya Agricultural Research Institute
LDCs	Least Developed Countries
LENAFU	Lesotho National Farmers' Union
LVC	La Via Campesina

MAPP	Multi-country Agricultural Productivity Programme
NARO	National Agricultural Research Organisation (Uganda)
NARS	National agricultural research systems
NASFAM	National Smallholder Farmers' Association of Malawi
NAU	Namibia Agricultural Union
NEPAD	New Partnership for Africa's Development
NGOs	Non-government organisations
NNFU	Namibia National Farmers Union
OECD	Organisation for Economic Co-operation and Development
OPVs	Open-pollinated varieties
PAFO	Pan-African Farmers' Organisation
PAFFO	Pan-African Farmers Forum
PPPs	Public-private partnerships
PROPAC	Plateforme Sous-Régionale des Organisations Paysannes d'Afrique Centrale
R&D	Research and development
RAP	Regional Agricultural Policy
RISDP	Regional Indicative Strategic Development Programme
ROPPA	Réseau des Organisations Paysannes et des Producteurs Agricoles de l'Afrique de l'Ouest
SACAU	Southern African Confederation of Agricultural Unions
SACPA	Southern African Cotton Producers' Association
SADC	Southern African Development Community
SATH	Southern African Trade Hub
SBF	SADC Business Forum
SCC	Swedish Cooperative Centre
SEYFA	Seychelles Farmers Association
SFOAP	Support to Farmers' Organisation in Africa Programme
SNAU	Swaziland National Agricultural Union
SPS	Sanitary and phyto-sanitary
UN	United Nations
UNAC	União Nacional de Camponeses (Mozambique)
UNFCCC	UN Framework Convention on Climate Change
UPOV	International Union for the Protection of Plant Varieties
USDA	United States Department of Agriculture
WRS	Warehouse receipt system
ZFU	Zimbabwe Farmers Union
ZNFU	Zambia National Farmers Union

EXECUTIVE SUMMARY

1. INTRODUCTION

The focus of the study is on why peasant movements and small farmer unions join both the Southern African Confederation of Agricultural Unions (SACAU) and La Via Campesina (LVC). What is it that SACAU offers? Why is SACAU an attractive option for small farmers in this period? The study starts off with a background on the dominant agenda in African agriculture and reasons for the rapid growth in interest in the potential of African agriculture in the past few years after decades of neglect. A brief overview of the regional agricultural economy, agricultural policies, key regional value chains and agricultural investment follows. This work needs to be deepened in future to better understand the variations, similarities and core trends at work in the region. Without this, it will be very hard to engage strategically on agriculture at a regional level, and farmer organisations will remain reactive, constantly behind the curve, reacting to and perhaps eventually documenting history instead of making it.

Following this regional overview, the study considers the basic structure and membership of SACAU and its key priorities. These priorities are building farmer organisation; regional markets, trade and value chains; financing of farmer organisations and value chains; and policy influence. The study concludes with some considerations on why small-scale farmers and their organisations might choose to join SACAU, and some thoughts for reflection.

2. BACKGROUND: COMMERCIAL AGRICULTURE IN SOUTHERN AFRICA AND NEW FRONTIERS OF ACCUMULATION

2.1 New frontiers of accumulation

There is growing consensus that we have entered a period of structurally higher food prices. The United Nations (UN) predicts that food prices as a whole will rise at least 40% in the next decade (Vidal, 2011). The United States Department of Agriculture (USDA) and Organisation for Economic Co-operation and Development/Food and Agriculture Organisation (OECD-FAO) predict that global wheat and grain prices will be 30-60% higher in the coming decade than they were during the period 2002-2007 (Headey, *et al*., 2009:17). This is not merely a result of increasing demand for food, but is also related to the expansion of money supply in the wake of the 2008 economic crisis where governments created money to increase liquidity. There is a simple economic relationship between increasing money supply and increasing prices: when the former rises, so does the latter.

As a result, land and agricultural production have become more important as a site both for speculative activity and for potential profitable investment in production. Africa is seen as the 'new frontier' of accumulation (Goldman Sachs, 2012). The continent is said to contain 60% of the world's "uncultivated, arable land", much of which lies in southern Africa (Thomas, 2012:6), putting aside the question for now about whether that land really is lying idle, or whether people are using it but in ways considered to be unproductive from the standpoint of capital accumulation. Speculation in land is coupled with increased competition for natural resources (land and water), especially in the context of the simultaneous global energy crisis which has its roots in the increasing cost of extraction of fossil fuels and perceived limits to future availability especially of oil (Klare, 2004).

Rising investment in African agriculture and land is thus part speculation and part investment in productive capacity. At least 15 private equity funds, with a current value of US$2 billion, have recently set up or are in the process of setting up, with the objective of investing in agricultural production and processing in Africa (Thomas, 2012). Other general funds are also opening up to agricultural investment, previously seen as too risky. According to Thomas (2012:6) "smallholder integration is a fundamental component of these funds".

We should note the advancing of this frontier is still in the early stages: in 2010 Africa still only received 4.4% of global foreign direct investment (FDI), most of which was directed towards energy resources (coal, oil and gas). In southern Africa, the main destinations for FDI were Angola (oil) and South Africa, although the latter experienced sharp declines in FDI in 2010. Other countries receiving higher amounts of FDI in the region are Democratic Republic of Congo (DRC), Zambia and Madagascar, with consistent growth in FDI to Mozambique (Selelo, 2011). Despite this growth, intra-regional FDI remains limited apart from investments made by South African companies. This is dealt with in more detail below on agri-food investments.

There are two aspects to new productive investments in agriculture. On the one hand is the production and export of raw or semi-processed materials for consumption outside Africa, in a continuation of Africa's colonial role as an exporter of raw materials. On the other hand is an emphasis on building local and regional markets in Africa – driven by FDI itself – where an inflow of resources produces a consumer economy (Louw & Kapuya, 2012:33). This applies to agriculture and food as well as more broadly.

McMichael (2012: 681-82) argues that investments in African land and agriculture are driven by speculation that land and food prices will rise. Investment decisions are based on returns on capital rather than any concern for the state of food security in Africa. However, these essentially speculative investments are, according to McMichael, "illusory solutions to a fundamental accumulation crisis of the neo-liberal project". They will only result in a short-term boost to returns on capital, but cannot solve the longer term contradictions of rising costs of production (energy) and reproduction (wage goods, including food), and the role of financial capital in structuring prices.

2.2 Agriculture in the economies of the region

Long-term trends in agriculture and food production unfold in the context of economic and demographic transitions in southern Africa, including urbanisation, migration, increasing incomes especially in growing middle classes, a continuing role for agriculture as a major employer in the region, climate change, and a high degree of competition linked to globalisation and regional integration. Gross National Income (GNI) per capita across Africa more than doubled between 2002 and 2010[1]. In the southern African countries we are looking at in this study, average annual per capita Gross Domestic Product (GDP) over the period 1997-2011 shrunk in Zimbabwe and DRC, grown relatively slowly (less than 2% per year on average) in Madagascar, South Africa, Tanzania, Seychelles, Botswana and Lesotho, and relatively fast (over 4% per year growth on average) in Malawi, Namibia and Angola. Mozambique had the fastest average growth in the region, at 7.7% a year over the past 14 years[2]. Even though these figures disguise vast and even growing inequalities between and within countries, they indicate expanding economies overall.

Agriculture as a percentage of GDP in the region has remained in a band between 15% and 17% over the period 2002 and 2011, and services have fluctuated between 42% and 48% of GDP[3]. The fundamental structure of African economies has thus not changed in this period, but services, including information and communications technologies (ICT) for supply chain management, business co-ordination, financial and resource flows, skills development etc are an important

[1] African Development Bank 2012 "Country profile macro-economic indicators, Africa", http://dataportal.afdb.org/Reports.aspx?type=DataByTopic&key=REP_CPMI
[2] World Bank, "World Databank", http://databank.worldbank.org/data/home.aspx
[3] African Development Bank 2012 "Country profile, Africa"

component of the economy in tandem with primary productive capacity. Remuneration in services is higher than in primary production and stimulates domestic demand, including for food.

Appendix 1 shows various statistics for agriculture in countries where SACAU has membership, drawn from the World Bank and FAO. The first two columns show agricultural value added as a percentage of GDP in 1997 and then in 2011 for comparison. Agricultural value added is the net output of the sector after subtracting intermediate inputs. In no country is there significant growth in the share of agriculture in GDP. In a few countries there was a significant drop in the share of agricultural value added in total GDP. These include Tanzania, Lesotho, DRC, Zimbabwe and Swaziland. The data doesn't tell us the reasons for this. It could be a result of collapse of the agricultural economy, or a result of rapid expansion in other sectors. But we can get the overall sense that agriculture's role in the regional economy is declining somewhat, for whatever reasons.

These two columns also show us the relative size of agriculture in the national economy. Here the region can be divided roughly into those where primary agriculture still constitutes between half and a quarter of value addition (DRC, Mozambique, Malawi, Madagascar and Tanzania), those where primary agriculture is between a quarter and a tenth of value addition (Zambia, Zimbabwe and Angola) and those where agriculture is a minor sector (Swaziland, Lesotho, Namibia, South Africa, Botswana and Seychelles).

The third column gives an indication of the value of agriculture, and here the World Bank's data indicates that agricultural value addition (outputs minus intermediate inputs) in Angola is the highest in the region, followed by South Africa, Tanzania, DRC, Mozambique and Zambia. A 'second tier' consists of Madagascar, Malawi and Zimbabwe. Smaller agricultural economies are Namibia, Botswana, Swaziland, Lesotho and last Seychelles with a very small agricultural economy. That Angola has a greater agricultural value addition than South Africa seems very strange, but other FAO data appears to confirm this. Further investigation is required to understand this unexpected data.

From this we can see that DRC, Tanzania and Mozambique have relatively large agricultural economies that are also significant sectors in these countries. Even though Tanzania shows a dramatic drop in agricultural value addition as a percentage of GDP, a closer look at the data shows growth of more than 4% a year in nine of the 14 years from 1997 to 2011. Agricultural value addition in Mozambique has grown at an annual rate of more than 7.5% over the past 6 years, including 3 years of growth above 10% a year. In contrast, DRC's growth in agricultural value addition has been far slower at less than 3%, following a number of years of contraction before 2002, coinciding with the civil war in that country. Just on the basis of these three countries we can see that the region's agricultural economies display a wide range of different trajectories.

The fourth column shows the agricultural population as a percentage of the total population in the country. This is not the same as employment in agriculture or the number of producers, but combines these with households relying on agriculture for their livelihoods. Here we can again divide the countries in the region into three rough categories. First are those where more than half the population is in agriculture (Mozambique, Seychelles, Tanzania, Malawi and Madagascar all with more than 7 in 10 people in agriculture in 2010, and Angola, Zambia, DRC and Zimbabwe with between 50% and 70% of the population in agriculture). The second group is those where less than half of the population is in agriculture, but still a significant minority. This group includes Botswana, Namibia, Lesotho and Swaziland. South Africa is an outlier in a category of its own, with less than 10% of the population in agriculture in 2010. Now we begin to get a fuller picture of the continuing importance of agriculture in the region. Even though agriculture is not necessarily the largest economic sector in most countries, the majority of the population in the region is still reliant on agriculture for their livelihoods.

The next column shows the change in the proportion of the population in agriculture from 1997 to 2010. In every country in the region, the agricultural population has declined as a share of the overall population. Above all, this signals increasing urbanisation. The greatest drop in the proportion of the agricultural population occurred in Namibia, Swaziland and then Zimbabwe, and the slowest change occurred in Botswana, Mozambique and Angola.

The next column shows average fertilizer consumption per hectare in the countries in the region over the 8 years from 2002 to 2009. South Africa used by far the highest average amount of fertilizer per hectare in the region. An 'intermediate' group consisting of Malawi, Zambia, Zimbabwe and the Seychelles indicate agricultural economies that have partially embraced Green Revolution technologies. A third category of countries (Tanzania, Mozambique, Angola, Madagascar, Namibia and DRC) had very limited use of fertilizer. To some extent we can consider commercial fertilizer use as a proxy for the adoption of industrial agricultural techniques.

There are a rising number of 'food surplus' countries in the region (Louw & Kapuya, 2012:vi). The final two columns of the table in Appendix 1 show average annual net cereal imports (imports minus exports) and average annual net imports as a percentage of domestic production over the period 1997-2009 for each country. All countries in the region are net cereal importers. Some have net imports that are more than their domestic production (Botswana, Lesotho, Swaziland and Namibia), a number have cereal imports which are significant in relation to domestic production (Angola, Mozambique, DRC and to a lesser extent Zimbabwe) and those where imports are relatively small in comparison with domestic cereal production (Tanzania, South Africa, Zambia, Madagascar and Malawi).

2.3 Regional agricultural policy

Efforts are under way to 'harmonise' agricultural and trade policy to make it easier for capital to circulate in the region. Without trying to deal with all the details of the many policy processes here, we can highlight a few key issues for consideration. The discussion is framed in the context of public-private partnerships (PPPs) and the role being allocated to the state by the dominant global neo-liberal project. This opens up fundamental questions about the state as an instrument for transformation in the current conjuncture, since states are currently being used to advance the interests of large-scale private capital accumulation. Concretely, a pivotal role is assigned to the Comprehensive African Agricultural Development Programme (CAADP) as a market-friendly framework with buy-in from African governments. Evidence of regional-level harmonisation efforts can be seen in regional seed policy and trade liberalisation as two key agendas of relevance to small-scale farmer organisations in the region.

The role of the state in creating an 'enabling environment' for capital investment manifests in the emphasis on PPPs, where the state develops and manages the institutional framework for the creation of markets, and investment in infrastructure and research, while the private sector is responsible for "product development and deployment" (Louw & Kapuya, 2012:ix). Investments in African agriculture almost uniformly involve partnerships between national states, development and charitable institutions and private sector interests. Even equity funds work with development finance institutions (DFIs) (Thomas, 2012), thus utilising public resources for the facilitation of private profit and capital accumulation. A good example is the US$25 million African Agricultural Capital Fund, with investments from three charitable foundations (Gatsby, Rockefeller and Gates) and one private sector institution, JP Morgan. In the arrangement, JP Morgan's investment takes the form of debt whereas the foundations provide equity, i.e. the former carries less risk. Not only will JP Morgan be paid back first (with associated profits), but 50% of its loan is guaranteed by the US state

(GIIN, 2012:3-4). So for very limited risk, private speculative capital receives publicly-backed concessions for investment.

The New Partnership for Africa's Development (NEPAD) and CAADP, its related agricultural programme, are explicit in their support of a strategy that attracts FDI on the basis of investor-friendly policies and systems. The limits to Africa's development essentially are identified as lack of capital and expertise. CAADP is the political reference point for investors. It is market- and investment-friendly, and strongly influenced by the Consultative Group on International Agricultural Research (CGIAR) on technical agricultural matters. CGIAR is the network of international agricultural research centres (IARCs) initiated and financially supported by Rockefeller Foundation but now deeply embedded in commercial public-private plant breeding and other activities oriented to commercialisation of agricultural activity. Amongst others, it is a primary source of germplasm for the Alliance for a Green Revolution in Africa (AGRA) and other commercial breeding programmes. Commerce is thus not a purely private sector matter: AGRA, SACAU and others work closely with national agricultural research systems (NARS), e.g. the Kenya Agricultural Research Institute (KARI), the National Agricultural Research Organisation (NARO) in Uganda, the Agricultural Research Council (ARC) in South Africa, and others in the region.

Efforts at developing regional agricultural policies confront the challenge of a wide diversity of systems and practices in agriculture, as well as in national level policies. The Forum for Agricultural Research in Africa (FARA) was set up to operationalise CAADP's Pillar IV on agricultural productivity. In 2006 FARA produced the Framework for African Agricultural Productivity (FAAP). The framework aims for a 6% annual growth rate in agriculture with investments channelled to four streams: i) extending the area under sustainable land management and reliable water control systems (where sustainability is measured first and foremost in terms of financial returns); ii) market access interventions based on improving rural infrastructure and building capacity for trade; iii) increasing food supply and reducing hunger (using the market as the primary mechanism of distribution and allocation); and iv) agricultural research, technology dissemination and adoption (again with an emphasis on commercially viable, i.e. profitable, technologies) (FARA, 2009:3). Key challenges identified include "capacity weaknesses [without specifying what capacity], insufficient end user involvement, ineffective farmer support systems, systematic fragmentation between elements of the overall innovation system (research, extension, training, farmer organisations, private sector, consumers etc.)" (FARA, 2006:13). FAAP has three principal elements: i) institutional reform; ii) increasing total investment; and iii) harmonising funding (FARA, 2006:14).

This apparently 'neutral' technocratic language, the logic of which appears to be unarguable, can be reinterpreted from the angle of capital accumulation. The first and third streams for investment (extension of the area under production and increasing production) can be considered, respectively, to be the multiplication of circuits of accumulation and the 'thickening' of these circuits. In the first, new spaces are identified and brought into processes of accumulation (extensification of production). In the second, the pace of accumulation is speeded up (intensification of production). This is the essence of productivity. The second and fourth streams of investment (market access and research and technology) can be considered to be methods for increasing productivity, and the same goes for efforts to co-ordinate and align innovation systems. Here 'modern' agricultural technologies are identified as an essential part of increasing productivity. FAAP emphasises the "adoption of modern or improved technologies" (FARA, 2006:8), thereby implying that current and historical African practices are inefficient or obsolete.

This integrated approach to investment in African agriculture generates a number of markets. There are markets for input technologies such as fertilisers, seed, agrochemicals, credit, construction, telecommunications and the numerous services involved in knowledge and operational management, organisational development, training, research and development and so on. In addition, output markets are created in the form of storage and transportation infrastructure and equipment, trading, brokering and marketing services and so on. Each of these constitutes a potential avenue for the deployment of capital for profitable return. This capital can be traced back to private banks that generate fiat money through debt[4]. This is not to say that all these processes of increasing and expanding production do not benefit (some) producers or (some) consumers in Africa. But at the broadest level of critique, the important thing to recognise is that farmers are primarily conduits for the expanded circulation, growth and accumulation of capital by others. The principal economic function of a farmer in this model of economic development is as a generator of added value, the bulk of which is appropriated by external agents.

This logic and the renewed investment thrust in African agriculture must be situated in the broader context of speculation, the role of finance in the production process and the accumulation crisis identified by McMichael above. The emphasis on growth in agriculture to increase competitiveness in domestic and international markets in FAAP (FARA, 2006:8) links the programme strongly to the logic of capital accumulation. Whether there are alternatives to this or not is something that farmer organisations should consider.

National governments are tasked with aligning their policies with the continental framework of FAAP, with any activities having cross-border advantages being passed to a regional level (FARA, 2006). On this basis, each region develops its own Multi-country Agricultural Productivity Programme (MAPP). The Southern African Development Community (SADC) MAPP is a 15 year programme based on three 5 year plans, which also builds on earlier regional integration agreements such as the 2003 Regional Indicative Strategic Development Programme (RISDP) and the Dar es Salaam Declaration on Agriculture and Food Security in SADC. Regional priorities identified are initiating and strengthening farmer-managed groups and networks (with an emphasis on marketing groups), improving availability and accessibility of inputs, and improving information flow between farmers, policy makers, markets and advisors (SADC-FANR 2008:viii). Key priorities for the first phase are strengthening regional research and development (R&D) institutions and improving access for farmers (especially smallholders) to "improved and profitable" technologies and to markets (SADC-FANR, 2008:ix). "Routine joint regional activities" are anticipated by the end of the second phase. 38% of new investments will be allocated to research and technology generation (SADC-FANR, 2008:ix). SADC's Regional Agricultural Policy (RAP) (SADC, 2012) adds further detail. Funds are expected to come from "international co-operation partners" and national governments. In practice, however, most of the funding has come from OECD countries and multilateral funding institutions (e.g. World Bank) and private institutions such as AGRA which are not accountable to any public governance institutions. Although African governments have agreed to invest 10% of national budgets into the agriculture sector, most are investing in the range of 3-6% (Mushita, 2011:5).

Seed policy is a key focus for the private sector in the region. Efforts are well under way to harmonise seed policies regionally to enable free trade, including intellectual property (IP) protection, and regulations in favour of genetically modified (GM) seed. Harmonised laws are based on the 1991 version of the International Union for the Protection of Plant Varieties (UPOV) which essentially limit the rights of farmers to save and share seed, and transfer significant power to commercial plant breeders (ACB, 2012c). The Common Market for Eastern and Southern Africa (COMESA) has a draft policy statement and guidelines for the commercial planting of GMOs, trade in GMOs, and acceptance of emergency food aid with GMO content (Mushita, 2011:22).

[4] That is, money is created out of nothing but a debt obligation, thereby increasing the amount of capital in circulation on the basis of debt issuance. This is a central feature of the restructuring of the monetary system following the collapse of the Bretton Woods regulatory system in the early 1970s and followed up by other fundamental financial system restructuring processes.

The RAP (SADC, 2012:53-67) aims to increase intra- and extra-regional trade in agricultural products. Key intervention areas are i) improving farmer access to regional input (seed, agrichemicals, finance) markets through promoting regional linkages and reducing tariff barriers; ii) promoting regional output market efficiency through harmonising trade systems and promoting regional partnerships; iii) enhancing price risk management and stabilisation through mechanisms such as warehouse receipt systems (WRS)[5] and contract farming; iv) rationalise and harmonise trading systems in a variety of ways; and v) improve use of existing infrastructure and promote additional agricultural infrastructure development. On investment, the policy aims to cross-border private sector partnerships and investment and PPPs, stimulate national level advance of agribusiness strategies, and establish regional governance systems to enable agricultural investment and financing in the region (SADC, 2012:68-74). Farmers and their organisations will need to engage more closely with the policy and its implications for them.

2.3 Key value chains and geographical focus areas

This section considers three key value chains being targeted in the region with significant implications for smallholders, viz. maize and soybean (AECOM International Development, 2011) and cotton (Louw & Kapuya, 2012). In these priority areas, the geographical focus of USAID value chain development (working through the Southern African Trade Hub (SATH)[6] in which SACAU is a partner) is Zambia, Malawi, Mozambique, South Africa and Zimbabwe, given their similarities and well-established industrial linkages (AECOM, 2011:3). The Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA) has a strategic focus on maize (Malawi, Zambia and Tanzania) and livestock (Botswana, Ethiopia, Sudan) (COMESA, 2012). ACTESA is the main regional government institution organising agricultural trade and investment. It is a specialised agency of COMESA which is a regional governmental body like SADC.

Soya and maize are important crops for industrial agriculture. They can be rotated with one another for year-round production, they are row crops amenable to industrialisation and mechanisation, and both are key GM crops. In South Africa, the only country in the region currently using GM technology commercially, GM completely dominates the market in maize and soya. 78% of maize seed sales in South Africa in 2011 were GM, as were 85% of soya seed sales, in a rapidly expanding sector (ACB, 2012a). Both crops also have biofuel potential.

Table 1: 5 largest maize producers in southern Africa, 2006-2010 average

Country	Tons produced, 2006-2010 annual average
South Africa	10,525
Tanzania	3,441
Malawi	3,176
Zambia	1,784
Mozambique	1,769

Source: Grant et al., 2012:19

Maize constitutes 79% of all cereals produced in region (Louw & Kapuya, 2012:4). It is the second largest regional agri-industry after poultry. The main maize producers are South Africa, with more

[5] Warehouse receipt systems are where farmers store their grain and are able to get credit for it before sale, which is then taken off after sale. It gives farmers more flexibility in when to sell their produce and smooths cash flow.

[6] http://www.satradehub.org/

than 60% of regional production, followed by Tanzania, Malawi, Zambia and Mozambique (Grant, *et al*., 2012:19) (Table 1).

South Africa is a major market with just less than half of regional consumption. 52% of South African consumption is for human consumption, with 47% for animal feed (Grant, *et al*., 2012:13). There is very minimal use for biofuel at present, either in South Africa or in the region more broadly. Outside South Africa, human consumption (77%) is more significant than animal consumption (12%) (Grant *et al*., 2012:16). While the beef feedlot industry in South Africa is a major consumer of maize for animal feed, poultry is the main sector for animal feed in the region as a whole (Grant *et al*., 2012:14).

Table 2: Cereal yields in southern African countries

Country	Cereal yields, kg/ha 2010		Country	Cereal yields, kg/ha 2010
Angola	643.8		Namibia	372.7
Botswana	543.6		Seychelles	-
DRC	771.5		South Africa	4,161.8
Lesotho	908.9		Swaziland	1,225.7
Madagascar	2,986.5		Tanzania	1,332.5
Malawi	2,205.7		Zambia	2,547.0
Mozambique	1,006.0		Zimbabwe	751.5

Source: World Bank databank, http://databank.worldbank.org/data/home.aspx

Cereal yields in South Africa are much higher than in the region. Table 2 shows South Africa had an average yield of 4.16 tons/ha in 2010 compared with 1.09 tons/ha (for maize) in southern Africa excluding South Africa, according to Grant, *et al*. (2012:20). This is the result of the dominant use of Green Revolution technologies (hybrid and GM seed, synthetic fertilisers and pesticides, irrigation, credit). On the flipside, South Africa also has the highest levels of structural inequality. In South Africa large-scale commercial farmers dominate maize production, whereas in the region, the structure of production is based on large numbers of small-scale and subsistence farmers. Fully half of the regional crop (excluding South Africa) is produced by those who do not trade at all and therefore production is substantial but non-commercial.

There is high adoption of modern maize varieties - mainly hybrids but also improved open-pollinated varieties (OPVs) - in South Africa, Zimbabwe, Zambia and Kenya, and very low in Angola, Mozambique and Tanzania (Grant, *et al*., 2012:28). Only South Africa plants GM seed commercially. Because of restrictions on sales of GM in the region, South African producers are forced to sell outside the region (e.g. Mexico) and the country's regional sales are not GM seed. As indicated above, there is an agenda to open the region to GM seed and products derived from GM seed.

South Africa, Malawi and Zambia are net surplus maize producers, with Zimbabwe anticipated to join them in coming years. Export bans are in place in Zambia and Malawi (Grant, *et al*., 2012:30). Malawi has a major informal cross-border maize trade. Lesser but still important informal cross-border trade is also found in DRC, Zimbabwe and Zambia (Grant, *et al*., 2012:33).

The main producers of soya are South Africa, followed a way back by Zambia and relatively small amounts being produced in Malawi, Zimbabwe, Mozambique, Angola and Tanzania. There is rapid expansion of soya production in Malawi. Smallholders are the main soya producers in Mozambique and Malawi, and large-scale commercial farmers dominate in South Africa and Zambia. There are some efforts to develop contract farming arrangements, but this still constitutes a minimal proportion of overall production. Commercial farmers of soya in Zambia and Zimbabwe have better yields than those in South Africa despite the use of GM in the latter. This is partly due to better growing conditions, especially higher rainfall (Opperman & Varia, 2011:12). Irrigation is used for soya production in Zambia but not much elsewhere in the region. Processing capacity is mainly in South Africa, followed a way back in Zimbabwe, Zambia and Malawi (Opperman & Varia, 2011:25). The industry is expected to expand vastly: southern Africa is currently a significant net importer of soy products and substitutes (e.g. palm oil). Soya is a major input into animal feed, and has biofuel potential. There is high demand from the poultry industry, especially in South Africa (Opperman & Varia, 2011:10).

There is widespread cotton growing and trading in the region, with Zimbabwe, Tanzania, Zambia, Mozambique and Malawi the most significant producers. High quality cotton comes from Zambia and Zimbabwe, and cotton is of poorer quality from Mozambique and Tanzania. Cotton is mostly grown by smallholders in rotation with food crops (Bennett, *et al*. 2011:4). Contract farming with ginners providing inputs and market is widespread everywhere except in Tanzania. Cotton is mostly rain fed, and yields are low even compared to other rain-fed regions (e.g. West Africa). This may be accounted for by poor input and extension services in southern Africa.

As with maize and soya, competition in cotton is driven by GM technology, with pressure on producers to adopt or fall out of the market (Bennett, *et al*., 2011:10). South Africa permits the commercial planting of GM cotton. Malawi, Zambia, Mozambique and Zimbabwe have “the necessary legislative and institutional apparatus” to approve GM use, but so far only Malawi has permitted confined trials of GM cotton seed (Bennett, *et al*., 2011:11). GM adoption may encourage mechanisation of production.

Exports are mainly of unprocessed raw cotton (Louw & Kapuya, 2012:vi). Liberalisation of cotton marketing has occurred in most countries although government interventions remain in some places, e.g. floor prices. However this is based on consultations with both producers and ginners where the latter have more resources to convince government of their price proposals (Bennett, *et al*., 2011:9). The region has excess ginning capacity as a hang-over from past public sector investments. There are high levels of global competition in apparel manufacturing. The main regional exporters of apparel are Lesotho, Madagascar, Mauritius and Swaziland, with growth driven by Asian investors (Bennett, *et al*., 2011:17).

Livestock is important in the region, but seems to be less of a priority for capitalist development at present. Around half of grain goes into animal feed in South Africa, thus creating a ‘grain-livestock complex’ with the weight to alter production relations across the region as demand for raw materials and need for the expansion of opportunities for capital accumulation increase. Cattle and poultry are the major livestock sectors. Livestock data in SADC is of poor quality. Based on existing data, countries with the largest herds across all livestock types are Tanzania then South Africa, followed some way behind by DRC, Namibia, Malawi, Angola and Zimbabwe. Between them Tanzania and South Africa account for 57% of the region’s total cattle population (Louw & Kapuya, 2012:5-6).

2.4 Regional agricultural investment

As indicated above there is an increasing use of PPPs for agricultural investment. South African banks, including Standard Bank and Absa Agribusiness Frontline and Africa, amongst others, play a key role. Standard Bank has received funding from AGRA to leverage additional capital for agricultural loans in eastern and southern Africa. There are presently ten key investment funds focusing on agriculture in sub-Saharan Africa[7]. Capital is sourced globally, with funds mainly domiciled in South Africa and Mauritius if not outside Africa, with an institutional investor base including pension funds and development finance institutions (Thomas, 2012). For some funds, the anticipation of returns of up to 30% suggests speculative investments (Hall, 2012:839).

The focus of regional agricultural investment is the modernisation and commercialisation of production through the adoption of the latest technologies; the extension of credit to kick-start the circulation of capital; building physical and institutional infrastructure to add value to primary agricultural products as a profit-making enterprise (i.e. building value chains); the integration of farmers at whatever scale into formal value chains; building domestic and regional markets for value-added agricultural products; and working towards policy and institutional frameworks to enable and support these. Contract farming, outgrower arrangements and off-take agreements are key methods of bringing small-scale farmers into formal markets (World Bank, 2007), as are public and private sector aggregation programmes to gather volume before distribution (Opperman & Varia, 2011:22).

As seen above, South Africa is a major regional producer in most commodities. There is an increasingly co-ordinated movement of South African commercial farmers to the north (through the AgriSA Africa committee), ranging from concessions to consortia and agri-businesses, and increasingly reliant on external financing through transnational partnerships (Hall, 2012). The objective is to realise "regional economies of scale" through joint projects (AgriSA, cited in Hall, 2012:827). In 2010 AgriSA was engaged in negotiations for land acquisitions with governments in 22 African countries (Hall, 2012:823). South African land acquisitions in the region are driven by biofuels expansion, especially jatropha, sugarcane, maize, soya and palm oil (Hall, 2012:828). An example is AgriSAMoz, an association of South African commercial farmers in Mozambique to support these farmers to secure rights to land, with involvement of the SA government. Already 800 farmers are established, with another 800 waiting to secure land rights (Hall, 2012:830-831). It must be noted that these projects are not received passively.

The sugar sector provides an example of regional expansion from South Africa. Illovo and Tongaat-Hulett purchase or lease of state-owned estates, build outgrower schemes where core mills and estates are established and supply agreements with neighbouring small-scale farmers; and engage in contracting farmers to supply mills (Hall, 2012:832). These sugar companies are vehicles for global capital (Illovo is owned by UK multinational Associated British Foods). Their agenda is to expand access to international markets, for example by taking advantage of beneficial trade terms to Europe for Least Developed Countries (LDCs) which they don't have in South Africa (Hall, 2012:835).

There is growing foreign and South African investment throughout the food chain across the region. Mhlanga (2010:7) provides a list of the largest foreign companies in different nodes of agri-food value chains in the Africa (Table 3).

[7] Key funds for southern and sub-Saharan Africa include Actis Africa Agribusiness Fund, Advanced African Solutions, African Agricultural Fund, African Agricultural Land Fund, Agri-Vie Agribusiness Fund, Carlyle Group Sub-Saharan Africa Investment Group, Chayton Atlas Agricultural Company, Futuregrowth Agri Fund, Silverlands Fund and Standard Bank Private Equity (Thomas, 2012:11)

Table 3: Largest foreign and African multinationals in African agri-food chains

	Biggest foreign companies	Biggest African companies
Inputs	BASF, Dow Chemicals, Bayer, Du Pont, Linde Group	Sasol, AECI, Omnia, Chemical Services Industries, Chimiques du Senegal
Food processing	Nestle, Unilever, Archer Daniels Midland (ADM)	Tiger Brands, Tongaat-Hulett, Afgri
Beverages	Coca-Cola, InBev, Anheuser-Busch, SABMiller	Distell, Nigerian Breweries
Tobacco	Altria Group, British American Tobacco (BAT), Japan Tobacco	Eastern Co., BAT-Kenya, Société Ivoirienne des Tabacs
Food retailers and distributors	No foreign[8]	BidVest Group, Pick n Pay Stores, Massmart, Shoprite, Spar
Food services	Compass Group, McDonald's, Sodexo	Anglovaal Industries, Astral Foods, Rainbow Chicken

Source: Mhlanga, 2010

There are many other South African companies operating throughout agri-food value chains, including Pannar Seed (acquired by Pioneer Hi-Bred in 2012 following South African competition authority approval), Illovo Sugar, Senwes (whose African operations were merged in 2012 with Bunge, one of the world's largest grain traders), Pioneer Foods, Clover and Oceana Group (Louw & Kapuya, 2012:13). South Africa is thus not only exporting farmers but also its value chains (Hall, 2012). South African corporate retailers (supermarkets) are major players in the region, and are introducing modernised (profitable) procurement systems. Key requirements of volume, packaging, consistency of supply, quality, food safety, labelling, cold chains, cost and logistics make it difficult for many small-scale producers to enter into supply relationships with supermarkets (Louw & Kapuya, 2012:viii). The region is experiencing "rapid and uneven modernisation of domestic markets" (Louw & Kapuya, 2012:viii), with higher value and export markets increasingly the preserve of larger-scale producers. Walmart's entry into the region is likely to lead to major shifts in supply chain functioning (Greenberg & Paradza, forthcoming). Centralised procurement, regional sourcing networks and specialised wholesalers capable of differentiating products are some of the likely effects arising from restructuring of supply chain arrangements (Louw & Kapuya, 2012:17).

These investments have contradictory outcomes. They may generate lower consumer prices, and opportunities for producers and processors, but they also pose a challenge for small retailers, farmers and processors who cannot meet entry requirements (Louw & Kapuya, 2012:9). They threaten to disrupt long-standing food production and distribution networks, although supermarkets still constitute a small proportion of the food market regionally and in most individual countries, and significant 'informal' food distribution systems are likely to remain in place for a long time.

There are obstacles to capitalist expansion, and investors are not guaranteed of success. Some examples include poor transportation and communication infrastructure, lack of efficient distribution systems, and lack of operational and well-co-ordinated logistics systems (Louw & Kapuya, 2012:9). From a capitalist point of view, investment is thus required in institutional and physical infrastructure to ensure "broad-based, low-cost access to competitive well-functioning markets" (Louw & Kapuya, 2012:viii). Resources are also required for first stage processing, rural and wholesale marketing facilities, power sources and equipment, cold and dry storage, and mechanisation. The expectation is that this will be mainly private sector funding, with a role for the

[8] Walmart, the world's largest company has subsequently acquired South Africa's Massmart, which has a presence in 13 sub-Saharan African countries with 235 stores (Fastmoving, 2011)

public sector to "create and maintain conditions that favour investment in agribusiness and agro-industries by the private sector" (Louw & Kapuya, 2012:10).

Investors are also confronted by fragmented and weak policy and governance systems. The corporate agenda is to harmonise regional policies in favour of greater private sector activity, including secure land tenure in the form of private property. Bilateral investment treaties to secure investors' assets and the right to repatriate profits are seen as essential for expanded investment (Cotula and Vermeulen, cited in Hall, 2012:831). The South African government supports this agenda across the region, including government policy to support the export of white commercial farmers into the region and the provision of resources for this. South African Agriculture Minister Tina Joemat-Pettersson is quoted as saying "if we can't find opportunities for white South African farmers in this country, we must do it elsewhere in the continent" (cited in Hall, 2012:831). SACAU must be understood as a regional organisation to advance this thrust. It emanates from South Africa but is part of a global agenda of agricultural modernisation in Africa.

3. SACAU'S BACKGROUND AND STRUCTURE

3.1 Background

SACAU describes itself as "a regional farmers' organisation that was established in 1992. Its membership is open to national farmers' unions and regional commodity associations in Southern Africa. It is involved in agricultural development in the region by strengthening the capacities of farmers' organisations, by providing a collective voice for farmers on regional and international matters, and by providing agriculture related information to its members and others stakeholders."[9] A condition of membership in SACAU is that organisations more or less represent the (commercial) farming population in the country.

Very little information is available about SACAU's early history, but it is clear that it emerged as an effort to expand into the region by South Africa's white commercial farmers and agribusinesses. The federation has raised its public profile since the mid-2000s when it began orienting towards smaller farmer associations in the region in an effort to expand its geographical scope. It is based in South Africa.

SACAU receives funding from a range of private and government sources including the Swedish Cooperative Centre (SCC) which provides core funding to the Secretariat, Agricord[10], the French Embassy, USAID, ABSA Bank, Bill & Melinda Gates Foundation, FAO, the International Fund for Agricultural Development (IFAD), ACTESA, COMESA, the European Commission (EC), German Development Cooperation (GIZ), the International Land Coalition (ILC), the ACP-EU Technical Centre for Agricultural and Rural Co-operation (CTA), and the UN Framework Convention on Climate Change (UNFCCC)/Climate Change, Agriculture and Food Security (CCAFS). It therefore receives a combination of private and public/development sector funding, linked to a broad 'modernisation' and commercialisation agenda, including from other farmer associations globally in the old International Federation of Agricultural Producers (IFAP) camp (more below).

[9] http://www.sacau.org/

[10] Comprised of the national farmers' organisations of Belgium, Canada (Quebec), Finland, France, Italy, the Netherlands, Portugal, Spain and Sweden, including SCC

3.2 Structure

SACAU is based on national producer associations, which must represent their constituencies on a voluntary basis, be autonomous, farmer-governed and independent of political organisations (SACAU, 2006:5). Members are general farmer organisations (not national commodity associations), but membership is also open to regional commodity structures representing national commodity associations at regional level. No such regional commodity structures exist in southern Africa at present.

SACAU's governing body is a Council consisting of representatives from three member organisations elected at the organisation's annual general meeting (AGM). SACAU is governed by a Board of Directors consisting of a Chair, two Vice-Chairs and two other members, all elected by the Council (therefore no direct election of individual leadership). The Chair/President is elected for a one year term, with a limit of five terms. A Secretariat based on Pretoria oversees the day-to-day functioning of the organisation. The Secretariat consists of the Chief Executive Officer (CEO) (currently Ishmael Sunga) with 11 staff. Sunga has a history of research on land and agriculture in Zimbabwe, and has regularly collaborated on research and writing with Sam Moyo.

The current Council consists of:
President - Felix Jumbe of the Farmers' Union of Malawi (FUM)
Vice-President - Theo de Jager (AgriSA)
Additional members: Hajasoanirina Rakotomandimby from Coalition Paysanne de Madagascar (CPM), Salum Shamte of the Agricultural Council of Tanzania (ACT), and Ishmael Sunga (CEO)

Associate membership of SACAU is extended to agri-businesses, co-ops or other organisations participating in agricultural value chains at a regional level. Honorary membership is offered to individuals or organisations for a maximum of 5 years.

3.3 Current members

SACAU started with the commercial farmers' unions of South Africa, Zimbabwe, Namibia and Zambia. It currently has 16 members in twelve countries (Table 4). Three additional applications are under consideration in Angola and DRC, and SACAU aims to have representative organisations in every southern African country. Membership fees are currently US$1,500/year, with a proposal to double them tabled at the 2012 AGM.

The size and strength of the different member organisations is uneven, with some large, established commercial farmers' unions and some smaller, more recently established associations. Thirteen of the 16 are smallholder farmer organisations. These can be divided roughly into mass-based organisations with direct membership (e.g. UNAC in Mozambique and NASFAM in Malawi) and representative bodies where local farmer associations or commodity organisations affiliate to an umbrella body. The table indicates a number of small, recently formed organisations (e.g. SEYFA in Seychelles, LENAFU in Lesotho and SNAU in Swaziland) with some of these established on the basis of assistance from SACAU. Member organisations have substantial differences in resources, and most are resource constrained apart from the bigger commercial unions (e.g. in South Africa and Zimbabwe) (Jere, 2005:19). There is a strong sense that AgriSA is the power behind the network, with support from Zimbabwe's CFU, although the latter has been decimated as result of land reform. AgriSA and the CFU work closely together and consider themselves to be sister organisations.

SACAU aimed to associate with the International Federation of Agricultural Producers (IFAP), which had its roots in northern European farmers groups which "may have had some ambivalence about market liberalism, but often backed centre-right political parties" (Borras, *et al*., 2008:179). IFAP was essentially the private sector counterpart to FAO on its formation after the 2nd World War. Borras *et al*. (2008:171) label IFAP as 'conservative' and indicate medium and large farmers were dominant in the federation, although it also had poor peasants and small farmers amongst its ranks.

IFAP was liquidated in 2010 in what appears to be a financial and political crisis and efforts were made to replace it with another similar body, the World Farmers Organisation (WFO) in 2011. The WFO's first General Assembly was hosted by AgriSA in South Africa (farminguk.com, 2011). Its President is from the US, with representation on the Board from Zambia, Japan, Canada and Norway. The WFO's key task is described as enabling agricultural producers "to improve their positioning within the food supply chain… to get better returns from the market" (WFO, 2011).

Table 4: Current SACAU members

Country	Member organisations	Notes
Botswana	Botswana Agricultural Union (BAU)	No readily available information, although BAU appears to have been established through the Ministry of Agriculture. Appears to have been formed in the 1960s.
Lesotho	Lesotho National Farmers' Union (LENAFU)	Registered in 2008 with SACAU assistance. It consists of 55 organisations, 54 of which are very small (all but one below 100 members) and one large organisation – the National Wool and Mohair Growers' Association with 43,590 members[11].
Madagascar	Confédération des Agriculteurs Malagasy (FEKRITAMA) Coalition Paysanne de Madagascar (CPM)	Established in 1987. 47,000 members in 2009[12] in 2,015 farmer associations. 95% of members own less than 3ha of land each, and there are no formal rights to land. In 2010 it had representation in 19 of Madagascar's 22 regions (Snelder, *et al*. 2010:13-19). Has food sovereignty as one of its objectives, and appears to be a member of the International Federation of Organic Agricultural Movements (IFOAM)[13]. Formed in 2001. Platform of 300 farmer organisations. Member of the ILC, Eastern and Southern Africa Small Scale Farmers' Forum (ESAFF), Via Campesina and IFAP[14]. Food sovereignty as one of its objectives.
Malawi	Farmers Union of Malawi (FUM) National Smallholder Farmers' Association of Malawi (NASFAM)	Established in 2003, as an umbrella of mainly commodity association affiliates[15]. 78 affiliated farmer organisations with over 260,000 farmer members (Malawi News Agency, 2012). Movement formed in 1997 and currently with over 100,000 smallholder farmer members, mostly farming less than 1ha each. Built around clubs of 10-15 individual farmers that combine to form action groups as the focal point for extension, support and crop aggregation. Action groups combine to form associations that then represent members at a national assembly. Has a commercial unit with a national network of farm supply shops (currently 47 and expanding at around 10 per year)[16].
Mozambique	União Nacional de Camponeses (UNAC)	Movement with 83,000 members in 2,100 local branches[17]. Member of Via Campesina, with food sovereignty as an objective.

[11] http://www.lenafu.org.ls/list-of-participants/
[12] http://www.agro-info.net/?menu=organisations&view=organisation&organisation_id=15317
[13] http://www.ifoam.org/about_ifoam/around_world/aosc_pages/Org-Africa-Countries/Madagascar.html
[14] http://www.landcoalition.org/organizations/cpm
[15] http://www.farmersunion.mw/home/index.php?option=com_content&view=article&id=50&Itemid=56
[16] http://www.nasfam.org/index.php?option=com_content&task=view&id=69&Itemid=79
[17] http://www.actor-atlas.info/national-actor:mz-unac

Namibia	Namibia Agricultural Union (NAU) Namibia National Farmers Union (NNFU)	In existence for 63 years. White large-scale commercial farmer's union, with 70 affiliated farmers' associations[18]. Outreach to 'emerging farmers'. Close relations with AgriSA. Established in 1992 to represent Namibia's 'emerging' (black) and communal farmers. In 2008, had 130 affiliated farmer associations organised in 12 regions, with a cumulative membership of 35,000 (NNFU, 2008:7).
Seychelles	Seychelles Farmers Association (SEYFA)	Established in 2002, currently with 79 individual members[19].
South Africa	Agri-South Africa (AgriSA)	White large-scale commercial farmers' association, based on commodity associations and regional membership. Former South African Agricultural Union, a powerhouse behind the National Party under apartheid. Increasing concentration in commercial farming in South Africa, with around 45,000 large-scale farmers at present, though not all represented in AgriSA.
Swaziland	Swaziland National Agricultural Union (SNAU)	Established in 2008 with support from SACAU. 78 farmer associations, commodity groups and co-ops representing 1,468 members. Individual membership being phased out and farmers must join associations and commodity groups to be part of SNAU[20].
Tanzania	Agricultural Council of Tanzania (ACT)	Established in 1999 as Tanzania Chamber of Agriculture and Livestock, and changed its name to ACT in 2005. Currently 97 registered member organisations (including a few individual honorary members). Members range from co-ops and farmer associations to corporations. Member of East Africa Farmers' Federation (EAFF)[21].
Zambia	Zambia National Farmers Union (ZNFU)	Originated amongst large-scale settler farmers 107 years ago. After independence, more small scale farmers joined and the name was changed in 1992 from Commercial Farmers' Bureau to ZNFU. Consists of 59 district small-scale farmer associations and 10 large-scale farmer associations. Also has 10 corporate members, commodity associations and formed an agribusiness chamber in 2004. Was a member of IFAP[22].
Zimbabwe	Zimbabwe Farmers Union (ZFU) Commercial Farmers Union (CFU)	Established in 1991 after merger of Zimbabwe National Farmers Union and National Farmers Association of Zimbabwe, both which represented black farmers since the 1930s[23]. Represents new farmers who benefited from the fast-track land reforms, with claimed 300,000 members[24]. Rooted in settler agricultural organisation more than a century ago. Mostly represents large-scale commercial farmers. Provincial structure with parallel commodity associations[25].

[18] http://www.agrinamibia.com.na/index.php?module=Pages&func=display&pageid=5
[19] http://www.seychelles-farmers.sc/directory/seyfa-members
[20] http://www.trademarksa.org/news/farmers-union-membership-comprises-60-women
[21] http://www.actanzania.or.tz/index.php
[22] http://www.znfu.org.zm/
[23] http://english.peopledaily.com.cn/200208/16/eng20020816_101565.shtml
[24] http://www.zbc.co.zw/news-categories/agriculture/21247-zfu-empowers-farmers.html
[25] http://www.cfuzim.org/index.php

4. SACAU'S KEY FOCUS AREAS

SACAU has four key focus areas:

i. Building representative farmer organisation in the region, with an emphasis on capacity, finance and information;
ii. Strengthening regional trade, including regional value chain development and information on commercial opportunities;
iii. Financing for organisations and for practical activities to build commercial agricultural value chains; and
iv. Facilitating organised farmer input into regional policy to advance these objectives.

No strategic plan beyond 2010 is publicly available and the 2006-2010 framework remains the latest on the website. It is apparent, however, that SACAU is closely aligned with regional and continental government agendas for African agriculture.

4.1 Building farmer organisation

Problem statement: farmer organisation in the region is fragmented and farmers do not have an effective platform to push for their common interests. Farmer associations in the region are weak and unable to provide services to members.

SACAU's objective is to build farmer organisation and regional co-operation amongst farmers and their organisations, including facilitation of capacity development for farmer organisations in the region, and providing a platform for collective voice and for appropriate information (SACAU, 2006:6). It is looking for nationally-representative organisations and to build a united voice for farmers regionally. This agenda is shared by the World Bank (2007), AGRA and others who emphasise farmer organisation as a key building block to realise capitalist modernisation of agriculture. It is also shared by organisations such as LVC who have a different agenda based on food sovereignty. There is therefore an overlap in strategic direction on this score, although the types of organisation and the ways of building them are likely to differ.

SACAU recognises the unevenness in organisation between different associations in the region. It aims to provide support to different types of organisation: farmer unions or associations, commodity associations and co-operatives (Jere, 2005:8). Farmer unions or associations generally bring together sub-national or district associations or commodity associations under one umbrella. In some countries, e.g. South Africa and Zimbabwe, there are national farmer associations for commercial farmers and separate associations for small-scale (often understood as interchangeable with black or 'emerging') farmers. Some farmer organisations, in particular commodity organisations, also have corporate members (Jere, 2005:14).

In a report commissioned by SACAU and the Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN), Jere (2005:6) highlights the usual challenges in building organisation: lack of financial resources and dependence on donors, and lack of capacity and organisational infrastructure. Farmer organisations have identified their key objectives to include providing technical skills to members, representing members' interests, and facilitating and improving market access (Jere, 2005:11).

SACAU is part of the Support to Farmers' Organisation in Africa Programme (SFOAP)[26] initiated in 2009, funded by the EC with IFAD as the executing and supervising agency, and with additional

[26] www.sfoap.net

support from FAO and the CTA. The programme works with four regional farmers' organisations in Africa: Réseau des Organisations Paysannes et des Producteurs Agricoles de l'Afrique de l'Ouest (ROPPA) in West Africa, the Eastern African Farmers' Federation (EAFF), the Plateforme Sous-Régionale des Organisations Paysannes d'Afrique Centrale (PROPAC) in central Africa and SACAU in southern Africa. Together these formed the Pan-African Farmers Forum (PAFFO) in 2010, now the Pan-African Farmers' Organisation (PAFO). SFOAP aims to build strong farmers' organisation through building institutional capacity, including training and strategy, networking, policy and lobbying and advocacy, communications and a significant input into staff, equipment and resources.

SFOAP has regular interactions with AGRA, which has established the Farmer Organisation Support Centre in Africa (FOSCA), and also seeks to build farmer associations and networks in Africa. FOSCA has ongoing collaboration with SACAU (FOSCA, 2012). They attend the same forums, and are part of the same agenda. In 2010, SACAU received US$3.2m from the Gates Foundation (core donor of AGRA along with the Rockefeller Foundation) for a 3 year programme to strengthen farmers' organisations and increase SACAU's smallholder farmer membership[27].

Although SACAU works with organisations that have small-scale farmers amongst their members or are even majority small-scale producers, it still operates in the mould of bigger is better. According to SACAU CEO Ishmael Sunga (2009), there is a "tendency to romanticise smallness – every enterprise wants to grow and prosper". Agricultural production and farming is framed in the language of enterprise and business. These are at the core of SACAU's orientation towards agriculture and farmer organisation, primarily as a business with a focus on commercial agriculture. Nevertheless, there is undoubtedly an overlapping of agendas in building farmer organisation.

4.2 Strengthening regional trade for commercial agriculture

Problem statement: farmers are not aware of commercial opportunities domestically or in the region; regulatory frameworks impede the connection between supply and demand of agricultural products in the region; terms of trade are unfavourable to farmers; and farmers are not actively involved in trade negotiations.

To respond to these problems, SACAU aligns with the agenda to 'modernise' African food production and distribution using the latest technologies. It aims to promote the 'viability' of agriculture in the region with a focus on building agricultural markets and an emphasis on cross-border trade. It seeks to increase farmers' participation in agricultural policy and trade negotiations, and to share information amongst farmers, especially on regional trade and trade opportunities.

SACAU is a member of the SADC Business Forum (SBF), formed in 2005 to promote the interests of the private sector in the region, including policy harmonisation to make investment and trade easier. It is also a member of the SATH, a USAID-sponsored initiative aiming to increase agricultural and agri-business competitiveness and trade in the region, with the backing of big business from South Africa.

SACAU works throughout the value chain. In seed, it promotes agro-dealer development programmes (Sunga, 2012:12). Again this is the same agenda as AGRA, whose Agro-dealer Development Programme (ADP) is a core intervention (ACB, 2012b), mainly in East and West Africa and a bit in southern Africa. These networks are based on private sector distribution of 'modern' inputs focusing on improved seed (both open-pollinated and hybrid), synthetic fertiliser and

[27] http://www.gatesfoundation.org/Grants-2010/Pages/The-Southern-African-Confederation-of-Agricultural-Unions-OPPGD1147.aspx

extension advice oriented towards commercial production. Sophie Murphy has developed a typology of approaches to small-scale farmers in development thinking (Table 5).

Table 5: Narratives on small-scale farming

	Yesterday's Economy	**Agriculture to Reduce Poverty**	**Room in the Shade**	**Small-Scale = Good Business**	**Food Sovereignty and the Right to Food**
Economic assumptions	- Market-based growth - One global market - Reliance on exports (and insistence on imports) - Focus on efficiency as primary value - Global value chains (GVC)	- Market-based growth - Many markets, but exports the most important - Focus on efficiency, but also local capital formation and employment - Look at rural economies, not just farmers - GVC	- Market-based growth - Niche markets are profitable and plentiful - Focus on specialisation and meeting standards - GVC	- Market-based growth - Small-scale farmers are the majority (and plentiful) and so important as consumers and farmers - Niche markets are profitable and plentiful - Focus on specialisation and meeting standards - GVC and production webs	- Local markets come first - National and Regional markets ahead of global - Focus on employment & local capital formation - Comfortable With govt regulation - Production webs
Small-scale producers and agriculture	- Agriculture is mostly irrelevant to a modern economy - Aim for less than 2% employment in agriculture - Food should come from industrial producers	- Food should come from mix of small-scale and industrial farms in short to medium-term - Governments should aim at a slow transition to less than 2% employment in agriculture - See roughly 25% of the current small-scale farmer population as viable	- Small-scale producers as a vital and necessary part of agricultural production, but also a minority - Focus on entrepreneurs	- Exploit/work with small-scale producer attributes - Small-scale producers are the majority and likely to remain so for some time - Small-scale producers as basis of the rural economy	- Agriculture & rural economies are the heart of development - Small- scale producers should grow our food - Diversity and small-scale over monocrops and industrial-scale production

Source: Murphy, 2012:20

The typologies span a range from neo-liberal narratives ("yesterday's economy") to food sovereignty. If we consider these typologies, SACAU is somewhere in the middle ("room in the shade") in its economic assumptions, but leans closer to the neo-liberal model in its approach to small-scale farming ("agriculture to reduce poverty" and "room in the shade" with some elements of "yesterday's economy"). That is, SACAU adopts a market-based growth approach, and sees a role for small-scale producers but mainly in niche markets where the focus must be on meeting quality and standards.

This is in line with global shifts in recent years either towards greater recognition of the role small-scale farmers play in global food production (IAASTD, 2009; De Schutter, 2010) or towards seeing commercial potential in small-scale agriculture in some places and conditions, targeting niche markets within the paradigm of corporate value chains (World Bank, 2007). There is no inherent inconsistency, for example, in the promotion both of small-scale agriculture in niches and the simultaneous promotion of 'supermarketisation' of food distribution. These niches are in sectors that are commercially competitive for small-scale, labour-intensive production e.g. horticulture, cotton, tobacco, poultry, even cattle.

Building regional markets is seen as key to the expansion of commercial agriculture: according to the World Bank (2009:xiii), in Africa "regional markets appear to offer the most promising opportunities for expansion over the short to medium term". SACAU follows this logic, placing emphasis on building regional markets and of integrating small-scale farmers into these formal markets and facilitating free trade across national boundaries. This requires the reduction of trade barriers between countries. SACAU accordingly targets tariff and non-tariff barriers, including sanitary and phyto-sanitary (SPS) regulations, and "trade distorting and protective subsidies" provided by 'developed' country governments to their producers (SACAU, 2006:17).

SACAU is a member of the Southern African Trade Hub (SATH). The Hub operates across economic sectors, and aims to increase farmers' competitiveness and to increase regional trade. At its 2012 conference, on the theme of connecting farmers to agricultural value chains, SACAU invited ABSA Bank, the South African Agricultural Business Chamber (ABC), Afgri, Massmart/Walmart, Senwes and SABMiller to address the conference. All of these emanate from South Africa, giving a clear sense that SACAU is driving the agenda of corporate South Africa in its quest to expand into the region.

Box 1: Cotton as an example of SACAU's market-building work

In 2008 SACAU received funding from the SCC to carry out the Fair Deal in Cotton Contract Farming project. The geographical focus was in Zambia, Malawi and Zimbabwe, where SACAU worked with ZNFU, FUM and ZFU respectively. The project aimed to develop a more equitable partnership between contract cotton farmers and agri-businesses. Main activities were the development of cotton commodity associations, contract negotiations (including farmer training, research and organisational development), and lobbying and advocacy (http://www.agro-info.net/?menu=projects&view=project&project_id=24088&tab=definition).

The project eventually led to a declaration of cotton associations to establish a regional cotton association, the Southern African Cotton Producers' Association (SACPA), with representatives from commodity associations in Malawi, South Africa, Mozambique, Zambia, Madagascar, Swaziland, Tanzania and Zimbabwe. It aimed to be set up by end August 2012 but does not yet appear to exist as an independent entity. This signifies both the thrust of SACAU's work but also the limits it faces in realising its own plans.

4.3 Financing

Problem statement: farmer associations in the region are under-resourced and credit for production and expansion is not readily available.

SACAU seeks to mobilise donor funding to support its objectives, which including strengthening member organisations. It has been able too raise some resources to support these activities. For example, through SFOAP, national associations in Lesotho, Madagascar, Seychelles and Swaziland were provided with financial resources to recruit and pay salaries for professional staff for the first time[28].

However, the primary thrust with regard to financing is to facilitate the linking of farmers to finance institutions, and by lobbying for improved and simplified financing mechanisms in the region to enable farmers to gain access to financing. In 2012 SACAU teamed up with AGRA to host a Farmers' Organisation Forum on the topic of linking farmers to markets and financial services (*SACAU News*, Nov 2012:1). The meeting involved farmers from the region and financial institutions.

The current focus is on value chain financing. This signifies a shift from security-based finance (where farmers put up physical collateral, e.g. land, against which money is borrowed) to value chain financing (where secure contracts are taken as credible collateral). Legally binding contracts are thus a key element of financing (Louw & Kapuya, 2012:23) and this justifies interventions at policy level to ensure the rule of law.

Financing is heavily dependent on whether lending institutions see profit potential in farmers' activities. If there is a market that permits the realisation of exchange value (i.e. can the product be sold for a profit that covers both the producer and the financier?), the financing will come. Thus production finance cannot be pursued outside the context of concrete surplus value realisation projects. There must be a return on capital, without which there will be no commercial financing. If there are too few banks or poorly tailored financial products (Mhlanga, cited in Louw & Kapuya, 2012:24), the analysis either is that banks and investment houses have overlooked this new market, or that the cost of producing the hard and soft infrastructure to liberate the profit is too high. The reality is probably a combination of these. Financial institutions appear to have recognised a potential market and are currently testing to see what the costs of (capitalist) development are. Financing for small-scale farmers thus presently mainly takes the form of seed funding to investigate its feasibility at larger scales. It is experimental and speculative, but based on hard evidence.

The danger in financing is that, in order to repay loans, farmers will be forced to pursue yields, thus requiring 'modern' inputs that can trap producers into debt. UNAC members in Mozambique interviewed for this report were unanimous in their agreement that production finance is very important. However, they did not agree it would automatically lead down the 'Green Revolution' path: "We realise we would need to change our production strategy, but we would not need to use GM (genetically modified seed). That destroys the soil, and there are health issues associated with it. We can increase our production without relying on Green Revolution technologies. We believe that with local seed and our existing soils we can increase production. But we need financing to do so" (UNAC focus group discussion, Maputo, 27/11/12).

4.4 Policy interventions

Problem statement: lack of effective farmer participation in policy formulation in the region.

SACAU offers a forum to discuss matters of common interest and to develop and advocate for policy positions based on these discussions. It seeks policy influence through conducting research to make informed inputs into policy at national and regional levels, and aims to facilitate policy dialogue with governments and private agencies.

SACAU has gone a long way on this agenda. It is officially recognised by COMESA and acknowledged as a regional farmer organisation by SADC, NEPAD, FAO and FARA (SACAU, 2006:16). It is a member of FARA, which is linked to CAADP strategic objectives, NARS and IARCs, and has a memorandum of

[28] "SFOAP achievements to date" http://www.sfoap.net/about_sfoap/

understanding with FANRPAN, a regional government body. SACAU is on the SADC working group responsible for designing the RAP. Key policy interventions include harmonisation of seed laws to enable commercial use of GM technology, and PPPs for agricultural commercialisation.

SACAU embraces GM technology as an option for increasing productivity, though it recognises there are obstacles to its adoption (this mirrors AGRA's approach to biotech). None of the stated obstacles have to do with problems with the technology itself, but with regulatory and capacity constraints and (inaccurate, according to SACAU) perceptions of farmers that the technology may be harmful (Sunga, 2012). SACAU's aim is to adopt harmonised biosafety and GMO policy frameworks for the region to enable the advance of the technology (SACAU, 2012), which includes protection of intellectual property (IP) and replacement of non-commercial seed distribution systems by market-based approaches (Sunga, 2012:10). This position is reflected in the RAP which sees opposition to GM technologies by most countries in the region as an obstacle to be overcome rather than a mandate to be followed. As such, the RAP seeks to "promote the adoption of biotechnology in crop and livestock development by: a. facilitating agreement on a harmonised approach to the safe use of modern biotechnology and clarifying how to deal with GMOs; and b. promoting regional collaboration in biotechnology and biosafety research…" (SADC, 2012:43). It appears that SACAU's position on GMOs is the position of regional governments, indicating some level of policy influence.

On PPPs, SACAU seeks to direct public investment to realising its agenda. It does not have a difficult time of this, since the investment agenda established through CAADP is a market-friendly agenda with a large role for the private sector and agribusiness. SACAU's priorities for public investment are: i) human resources, ii) science and technology in agriculture, and iii) infrastructure and irrigation. Of critical importance to capital is the need for an 'enabling environment' for profitable capitalist investment (Louw & Kapuya, 2012:27). This "human resource complex", as David Harvey (2006:398-400) terms it, takes time to build, and regional and local partners must be found to root it. Although national states are generally on board, it is not so easy for them to translate their desires into practice. First they must negotiate local social systems, encountering resistance, conflict and diversions along the way. Therefore the dominant agendas can best be understood as political projects, not inevitable outcomes following rational processes of policy formulation.

5. WHAT IS ATTRACTING SMALL-SCALE FARMER ASSOCIATIONS TO SACAU?

It is apparent from SACAU's focus areas that there is a lot of commonality in the agendas, at least at a superficial level. Building farmer organisation, increasing trade and sales of produce domestically and regionally, gaining access to resources for farming and amplifying the voice of farmers on issues affecting them will find little opposition amongst farmers and support organisations of any ideological stripe in the region. Therefore it is not surprising that farmer associations might choose to join SACAU. We see the situation that many organisations – especially the bigger, stronger ones – tend to participate in many different networks. This makes sense, because each of the networks might offer something slightly different, and may bring different resources to farmers and their organisations. Diversity, after all, is a principle of sustainability. It also must be understood that SACAU is not acting on its own, but is working within policy frameworks developed over the past decade by the region's governments. This gives them a blanket of legitimacy and allows them to pool their resources with those of national governments and other international actors and donors to advance their agenda.

Overlapping representation by farmer associations in 'rival' networks is common, e.g. IFAP and LVC (Borras, *et al*., 2008:172). Borras *et al*. argue that this reflects contradictory orientations within farmer associations. But it is probably a mistake to assume producers join organisations for ideological reasons. A lot depends on the opportunities that arise to secure and advance systems of production and distribution that benefit producers directly, and therefore we might better understand overlapping membership in practical rather than ideological terms.

According to UNAC members interviewed, membership of different networks has proven beneficial for them. Membership of LVC has deepened UNAC's understanding of agroecology and has also provided them with practical support on agroecological practices. LVC has also strengthened UNAC to engage with national government and strengthened their knowledge and ability to defend their lands and to produce. LVC has been with UNAC for many years providing support and so it is not really possible to compare LVC and SACAU, especially since SACAU has not reached farmers in many provinces where they farm (UNAC focus group discussion, Maputo, 28/11/12).

However, some members have benefited from membership in SACAU. For example in 2009 SACAU financed an agroecological project and has financed organisation building around Maputo (UNAC focus group discussion, Maputo, 27/11/12), one of UNAC's general assemblies was sponsored by SACAU, and farmers in Sofala received training on gender and leadership (UNAC focus group discussion, Maputo, 28/11/12). At a broader organisational level, UNAC has benefited from SACAU membership, especially by opening access to NEPAD and regional policy and governance institutions and processes. This is an important level of engagement since many donors and investors are working through these structures and institutions to unfold their own plans.

UNAC has therefore adopted a position of participating in both networks. With regard to SACAU, UNAC started out as an observer at meetings, to get a better understanding of the aims of the confederation. Others argue that "if we have an enemy, we need to get to know them in order to know what strategies to adopt" (UNAC focus group discussion, Maputo, 28/11/12). Although there are benefits, there are also contradictions. For example, UNAC has seen that SACAU at times makes decisions based on the interests of large-scale commercial farmers (e.g. in Zimbabwe and Malawi) rather than in the interests of small-scale farmers (interview, Renaldo Chingore, former President of UNAC, 28/11/12). The decision to join SACAU has also caused internal tensions, mainly based on long-standing ideological disagreements. According to a former leader of UNAC "it is a difficult struggle because rural farmers are desperate, and any proposal that appears attractive has a tendency to convince them" (Nnampossa, 2012:4).

These internal tensions should be understood in the context of the historical division between 'mainstream' farmer organisations and activist farmer movements globally. Although they have a similar set of concerns, they have different ways of realising them. Mainstream organisations (e.g. SACAU and the former IFAP to which it was affiliated) seek to integrate marginalised producers into circuits of accumulation, working within existing structures and building on the latest technologies and the credit system as the foundations of capitalist productivity. They therefore orient towards commercial production and economic growth as fundamental requirements. These mainstream organisations are connected to a large pool of resources, especially as African agriculture rises up the global policy agenda. Capital investment must be understood as the materialisation of an ideological vision, even if it does not always happen as smoothly as proponents might like.

Activist organisations seek to create alternatives to the commodification of agricultural production based on fundamentally different economic and political organisation, built on concepts of food sovereignty, solidarity and self-sufficiency. This means members sharing limited resources with their neighbours in reciprocity and building on this solidarity in agricultural production for food, fibre, medicine and fuel. This is a deep understanding of the role of agriculture its multiple uses and its integration into society. Agriculture is the material basis for humanity's continuing existence, and as such it must be protected and nurtured. This means not growing beyond the ecological means.

These are politically defined and ever-shifting terms, and their practical meaning is partly dependent on the balance of class forces globally and the available technologies. The activist thrust is towards widening the ecological definition to become much more fundamental to how we produce and consume.

UNAC members clearly state that local production is their first priority. According to one member "the main issue is not business. First it is food for the family, then local markets and later urban areas in need. Healthy food is our priority, and for that we must not damage the land" (interview, Renaldo Chingore, 28/11/12). UNAC members interviewed in Marracuene outside Maputo indicated they were "family farmers" first and foremost, but when asked whether they would be interested to selling to the national fresh produce market near to Maputo their unanimously said they would like to do so. This captures the tension precisely: farmers have been food producers for their households and their communities and they recognise the critical importance of maintaining this. But they also recognise the potential for agricultural production to generate an income, but this may mean engaging more directly with the formal system.

In a rapidly changing economic and social context, food producers are likely to combine elements of different production models to see what works best for them and the people around them. All support organisations recognise the key importance of strong farmer organisation to facilitate these choices. However, the content of organisation building may be quite different. Increasing knowledge about business and markets is important, since that is the current economic climate. But increasing knowledge about ecologically sound production techniques is also important, as is broader thinking about the limits of growth and possible alternatives for all humanity. Farmers are at the forefront of areas requiring fundamental change. Do we close our eyes and pursue short-term profitability, or do we continue to struggle for survival, trying to make ends meet with limited resources? Is there some way of sifting through available knowledge from all sides and adopting what works best in the short and long term? We need to know what knowledge is available and the extent to which adoption of technologies close off possibilities for the adoption of other technologies. Which decisions are irreversible and which can coexist with other choices? This means casting our nets widely, but also thinking critically about what returns to us. The way farmers respond to the dilemmas facing them will shape the path all of us will travel. These choices transcend individual well-being, but must incorporate it at the same time.

Different farmers have different interests, and this is sometimes difficult to manage in large, mass-based movements or organisations. There is a tendency to talk about undifferentiated farmer interests (Bernstein, 2009) when there are differences based on class and other social divisions (race, gender, location). SACAU talks about managing to combine the voices of small-scale and large-scale farmers in the region. However, the issue is not necessarily one of small- vs large-scale farmers, because small-scale farmers can also engage in ecologically and socially damaging competitive and profit-seeking behaviour in corporate value chains. The issue is more about growing differentiation between farmers able, by their life circumstances to integrate into formal value chains and markets, and the majority who are not able to do so. The dominant thrust in African agriculture, the agribusiness-, government- and donor-driven agenda, will accelerate this differentiation. It has occurred in Green Revolutions in Asia and Latin America already. This poses important questions about the class base of existing farmer associations and movements, and the associated questions of how to identify a core constituency and what strategies to adopt to ensure this constituency drives and leads the movements or associations while still being open to forming alliances with other classes. The key is the balance of power within farmer organisations.

SACAU has clearly defined its core constituency amongst commercial farmers, i.e. those who regularly produce for sale. This is certainly a fairly small proportion of the total number of food producers in the region. What role is there for activist networks and farmer movements amongst these producers, and amongst those who cannot connect into formal value chains for any number of reasons? What are the obstacles to social, economic and ecological improvements in agricultural production and food distribution? What knowledge exists amongst producers that can be shared with one another? Is there explicit agreement on larger political agendas amongst members?

Almost by definition, nascent capitalist farmers will have more resources at their disposal. This is true within organisations as much as it is across organisations (for example, AgriSA in comparison with SNAU). This means that within organisations, better resourced, better educated and better connected producers will tend to occupy decision-making positions. And these leaders are likely, not out of ill will but out of their own logic, to orient the organisation towards goals that serve their purposes. This is not to create enemies amongst farmers, but to raise the necessity of considering how to balance these distributions of power in favour of those with limited access to land, women, youth and others disempowered by the current distribution of resources (whether material or immaterial, like knowledge).

To use some old-fashioned language, small-scale farmers have become a central 'terrain of struggle', to define who and what these farmers are, and to determine the most appropriate paths of action to orient their production and activities in particular directions. SACAU has a clear agenda in this regard: to increase productivity and integrate farmers into formal systems of production and distribution lubricated by financial capital. Some farmers may agree with this agenda, others may not. Most farmers are merely trying to make ends meet. Some may share the vision of commercial production and the fullest possible integration into capitalist production, but for most this is too far from their practical reality. Likewise, some (many) support organisations may seek to advance this agenda. Most donors, philanthropic institutions, banks, governments, non-government organisations (NGOs), research institutes and parastatals are oriented to this agenda. For some it promises a path of accumulation and profit, for others, that's where the money is. Very few are looking for alternatives to this way of producing. Those that are fight an uphill battle, because they must rely on their own efforts, their own resources, to survive and to gain knowledge. But from the point of view of the future, a future where the collapse of an unsustainable system of agri-food production and distribution will be painfully obvious in its inevitability, the fruits of this uphill struggle will provide the basis for the continuation of human civilisation. The struggle is to build alternatives in the present that can keep people alive now while also reorienting production and distribution in preparation for a future without large systems in place.

There is some evidence that farmers in the region are not blindly accepting the argument that the alternatives are starvation or adoption of the full package of technologies and finance on offer by the corporations. SACAU and other Green Revolution boosters are constantly coming up against perceptions and beliefs amongst farmers and their organisations that run counter to the dominant ideological orientation. SACAU can't ignore these tensions within its membership if it is to build and sustain its credibility with farmer organisations. It will be forced, at least to some extent, to balance between the interests of member organisations even if its overall agenda is established by the large commercial producers. Two examples are attitudes to biotech and GM, and trade liberalisation.

On biotech and GM, although SACAU's ideological drivers see biotech as a key technology to be adopted, they have been forced to tone down and recognise room for choice whether farmers and consumers want to adopt (SACAU, 2011). This emerged from discussions with their members. UNAC focus groups and interviews revealed the same, with SACAU's support of GM technologies identified as a key point of disagreement (UNAC focus group, Maputo, 27/11/12; interview, Renaldo Chingore, Maputo, 28/11/12). SACAU may continue to influence regional bodies to adopt GM, but this will increase tensions with at least some of its member organisations who have different positions on this question.

On trade liberalisation there is a constant tension between large-commercial farmer associations that view trade restrictions in domestic and export markets as a major concern, and small farmer associations that see trade and market liberalisation as a key concern (see Jere, 2005:13). As indicated above, SACAU's position on trade is to open markets to regional trade through reducing tariffs. This is one of the key pillars of the dominant modernisation agenda, shared by national governments and agribusinesses alike. Large-scale farmers globally (including in southern Africa, especially South Africa, need markets in the region for their surpluses. But small-scale farmers are looking primarily for local markets. The agendas clash when cheap imports flood markets and destroy opportunities for small-scale producers. UNAC farmers tell a story of a project they had which aggregated peanuts from Nampula and then took them to Maputo to sell. But South African imports undercut the market and they lost the trade (UNAC focus group, Maputo, 27/11/12). Another focus group simply said that trade liberalisation "is not a goof idea because we will find it difficult to sell" (UNAC focus group, Maputo, 28/11/12). Others offered some reasons for the inability to compete that went beyond economies of scale: "buyers don't give value to local products. They will always buy international if they have a choice. One reason is packaging, the imported products are always better packaged that ours. Another reason is cultural; people think that what comes from outside is better" (UNAC focus group, Marracuene, 29/11/12).

Although mainstream organisations have a far greater pool of resources to draw on, even enabling them to establish institutes to pursue their agendas, both mainstream and alternative organisations continually confront obstacles to their practical realisation: weak organisation, poor or unimplemented policies, limited resources for investment, entrenched systems of formal and informal power, social isolation, and weakly developed technologies are impediments for mainstream and alternative orientations alike. As a result, the practical work is often very similar on the surface. Both are concerned with building and strengthening farmer organisation and representation, strengthening farmer choice (although by different means and leaning towards different goals), introducing a wider range of appropriate technologies (even if what these are understood to be might differ), and generating more resources both for reproduction and for the expansion of desired systems of production. The core of the differences in the two approaches relates to the distribution of value in production, the extent of control over technology and technological processes, and systems for the distribution of use values that do not rely on exploitation in production. The mainstream approach accepts the private extraction of surplus value (labour exploitation) as the necessary foundation for accumulation and technological innovation, the separation of conception from execution, and the necessity of the realisation of exchange values to liberate surpluses for further accumulation. For SACAU 'farming as a business' is the normative framework. Anything other than efficient business enterprise is viewed as ideological, but the discourse of business is viewed as non-ideological. Challenging this requires the development of convincing and practical alternatives to the business model. As part of developing their strategic approaches, farmer organisations should consider their approach to these and other issues they identify as pertinent.

SACAU is clearly part of the mainstream project to advance capitalist expansion in African agriculture. Although it has its roots in large-scale commercial farmers in South Africa, it is part of a much wider agenda that incorporates African governments as well as donors, agribusinesses and governments and their institutions globally. African agriculture offers the potential for profit, new markets both for inputs and outputs. This agenda is contradictory. It expands possibilities for some producers, introduces some technologies that might be useful, and promises improvements in the conditions of life for (some) producers and consumers. But it also displaces existing systems of provision, and excludes or marginalises the majority of producers.

The challenge for small-scale farmers and their organisations is what strategies to adopt that can both enable them to improve their lives through agricultural production while also placing agriculture on a fundamentally different path from one that increases dependence on external inputs and simultaneously undermines alternatives. For farmers to make choices about production techniques and technologies, and about systems of distribution, requires access to information, not only about one kind of production but about many different ways of doing. Farmers know traditional methods, and the mainstream is offering new knowledge about new technologies and systems. But the mainstream is doing this without any critique of those systems and technologies. It offers them as if they are the final solution to hunger and poverty. However, experience in other parts of the world show that adoption of these technologies can eliminate other possibilities and the technologies and systems of the Green Revolution have internal weaknesses (soil infertility, farmer passivity as a result of their separation from technological development, indebtedness etc). The key question small-scale farmers face is whether different technologies and systems of production and distribution can be blended or at least operate in parallel, or whether a choice must be made: food sovereignty or Green Revolution. Are these alternatives all-encompassing, or is it possible to produce hybrids, using the best of what is available? The response to this will determine what networks small-scale farmers and their associations will join. In order to assist farmers with this, proponents of food sovereignty and agro-ecological practices will have to work hard to make knowledge about these alternatives available to farmers, so that farmers will have options.

APPENDIX 1: Selected agricultural statistics for Southern African countries

Country	Agric value added (% of GDP), 1997	Agric value added (% of GDP), 2011	*Agric value added, US$m 2011*	Agric pop. as % of total pop., 2010	Change in agric pop. as % of total pop., 1997-2010	Fertilizer consumption, kg/ha on arable land, avg 2002-2009	Cereal imports minus exports, ('000 tons annual avg 1997-2009)	Net cereal imports as % of domestic production (avg 1997-2009)
Angola	9.0	10.1	*10,158*	69.2	-3.3	3.31	594.9	86.3
Botswana	3.7	2.5	*416*	42.1	-2.3	-	160.8	514.1
DRC	48.1	42.9*	*4,636**	57.2	-6.5	0.39	530.5	34.4
Lesotho	18	7.8	*168*	38.9	-3.7	-	209.3	152.5
Madagascar	31.6	29.1*	*2,295**	70.1	-5.9	3.12	255.5	7.6
Malawi	32.6	30.5*	*1,625*	72.9	-6.5	33.99	147.4	6.3
Mozambique	34.9	32	*3,546*	76.0	-3.2	4.43	671.6	42.0
Namibia	10.9	7.3	*933*	40.9	-10.7	2.20	158.8	142.9
Seychelles	3.5	1.8*	*15*	74.0	-4.9	24.50	16.7	-
South Africa	4	2.5	*8,133***	9.8	-6.3	51.34	1,048.5	8.6
Swaziland	13	7.9	*234*	28.8	-8.6	-	126.3	151.5
Tanzania	46.8	27.1	*5,780*	73.3	-6.3	5.46	530.1	10.7
Zambia	18.7	20.7	*3,538*	64.0	-6.7	29.27	97.1	7.7
Zimbabwe	18.9	12.8	*1,106*	56.3	-8.5	29.16	361.0	21.9

Source: World Bank, "World Databank", http://databank.worldbank.org/data/home.aspx
*2009, **2010

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