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From Social Negotiation to Contract: Shifting Strategies of Farm Labor Recruitment in Tanzania under Market Liberalization

Summary. — This article highlights some of the contradictions and idiosyncrasies of agricultural market liberalization in Africa through the case study of Tanzania. Based on qualitative research and survey data collected in the country in 1995/96, this article suggests that one of the results of economic reforms has been a passage from social negotiation to contractual negotiation as the main vehicle for access to resources. Research findings show that farmers have shifted from recruiting farm labor through social networks to recruiting hired farm labor, and that socio-economic inequality is increasing. The author concludes that farming households are becoming more vulnerable to natural and economic shocks, and calls for policy solutions to address these problems.

Key words — Africa, Tanzania, agriculture, market liberalization, farm labor, social change

1. INTRODUCTION

Tanzania has come a long way from the single-channel marketing system of agricultural inputs and output of the 1970s and early 1980s. Gone are the days of villagization, *Ujamaa*,[1] parastatals, consumer goods shortages, and restrictions on trade. This is evident both by looking at the present organisation of agricultural trade and at the change in the symbolic representation of agricultural reforms (Ponte 1999b). Contemporary Tanzania has become a much more market-oriented country with a more friendly attitude toward business.

Consumer goods and inputs needed for economic enterprises are plentiful, and commercial activities have mushroomed in both urban and rural areas.

Although economic reforms have brought about a more lively economic environment and more possibilities to start or expand income-generating activities, these reforms did not necessarily benefit rural dwellers. Farmers and key informants interviewed in the country repeatedly emphasized that adjustment measures also meant higher school fees, user fees for health facilities, more expensive agricultural inputs, and a generally more expensive lifestyle. They also argued that these changes pushed farming households to seek economic activities and farming systems which could ensure a more steady flow of cash throughout the year and faster returns for their investment. This had an effect on the kinds of crops rural households grow and sell (crops with fast rather than slow returns to capital and labor), which in turn led to severe difficulties in mobilizing farm labor through "traditional" social networks. As a result, smallholders are increasingly substituting exchange labor and labor parties with hired labor, which leads to further rounds of undermining social networks and to more commercialization. In the words of a Tanzanian villager, "farmers are [now] too busy in making ends meet . . . to have time to get involved in organizing and negotiating labor parties."[2]

This paper examines the causes and effects of the passage from social negotiation to contract as tools for access to farm labor through the analysis of fieldwork data collected in Tanzania in 1995/96.[3] Section 2 lays out a brief history of economic reforms in Tanzania, focusing in particular on the liberalization of agricultural markets. Section 3 explains why economic reforms are leading to an increasing commercialization of rural life, and how this has pushed smallholders to grow crops with faster returns to capital. Section 4 analyzes how, under market reforms, farmers have been shifting their strategies of access to farm labor by

increasing the use of hired labor and abandoning labor recruitment methods based on social negotiation. Section 5 shows how this shift is shaping social relations. It also examines how the commercialization of farm labor recruitment may be contributing to a more unequal distribution of farm income. Section 6 summarizes the main findings and examines their wider implications.

2. TANZANIA: BRIEF HISTORY OF AGRICULTURAL LIBERALIZATION

The genesis of economic reforms in Tanzania can be traced to the publication of the "Berg Report," in which the World Bank singled out inappropriate macroeconomic policies in Africa as the cause of low GDP growth (World Bank, 1981). In the case of the agricultural sector in Tanzania, poor agricultural policies were said to have caused low growth of agricultural GDP in the late 1970s and early 1980s; therefore, drastic reforms were needed to come out of the crisis (see United Republic of Tanzania, 1985, pp. 7-10; and World Bank, 1983).

Agriculture was said to have suffered from strict regulation of trade and low crop producer prices. Between 1963 and liberalization, the markets of most food crops (grains, pulses and oilseeds) and export crops were monopolized by parastatal corporations and/or Cooperative Unions (CUs). Inefficient parastatals were accused of lack of coordination, poor transportation capacity and maintenance, untimely crop collection, inadequate storing, and delayed payments. Pan-territorial pricing was said to have encouraged regions with poor transportation infrastructure to grow crops with high transport cost (maize, for example), which could not be stored or transported adequately. Inefficiencies in the marketing system caused sporadic availability of inputs such as fertilizers and improved seeds. By the late 1970s, most private retail shops were closed, and Regional Trading Corporations were

charged with distributing food and consumer goods. Consumers who were willing to purchase these commodities faced rationing in official markets and unreliable supplies in parallel markets. Therefore, their incentives to increase production were curtailed by the lack of access to incentive goods to buy, especially in the late 1970s and early 1980s (see Bevan and Collier, 1993; Ellis, 1988; Lofchie, 1989; World Bank, 1983, 1991, and 1994).

The crisis eventually brought Tanzania to the table of negotiation with the IMF in 1980, when a three-year stand-by agreement was signed. By November of the same year the program had already fallen apart because of Tanzania's inability to meet certain performance requirements. Negotiations in 1981 did not produce a new agreement. In order to mobilize foreign exchange, the government had to design a reform program on its own—the National Economic Survival Program (NESP). NESP was followed in 1982 by another "domestic" Structural Adjustment Program (SAP), which aimed at "dealing with the country's serious structural problems" (United Republic of Tanzania, 1985, p. 2). In 1982 pan-territorial pricing of crops was abolished (Van Der Geest and Kottering, 1994, p. 72). After the failure of the Anti-Economic Sabotage campaign of 1983 in which the government tried to crack down on illegal traders of foodstuff and consumer goods, the government lifted the limits on transporting foodstuff to 500 Kg (Bryceson, 1993, pp. 99-100). With the 1984/85 budget, the government more than doubled agricultural expenditure, removed the subsidy on the consumer price of maize, raised agricultural producer prices, and announced a substantial devaluation (Gibbon, Havnevik, and Hermele, 1993). Shortages of petroleum and running water and the difficulty to get credit without the IMF "seal of approval" eventually led the Tanzanian government to agree an Economic Recovery Program (ERP) with the IMF in 1986. The election of the more reform-minded President Ali Assan Mwinyi in 1985 also helped to reach the final agreement.

The reforms included in ERP entailed profound changes in the agricultural market environment, especially in the food sector. All restrictions on transport and movement of grains were lifted (in 1987), and private traders were allowed to buy from CUs (in 1987) and from the National Milling Corporation (NMC) (in 1988). Finally, in September 1989, private traders were allowed to buy grains directly from producers (Bryceson, 1993, p. 101; World Bank, 1994, p. 139). The National Milling Corporation (NMC) was reduced to the role of buyer of last resort and manager of food security stocks. Also, producer prices of export crops were increased in real terms, and restrictions in the export of non-traditional export crops were relaxed.

A new program, called ERPII—ESAP (Economic Recovery Program II—Economic and Social Action Program) was agreed upon for the 1989/90 - 1991/92 period. Under this program, the procurement and distribution of agricultural inputs were liberalized, and the subsidy on fertilizer purchases started to be reduced. However, during the following adjustment program (ESAF—Enhanced Structural Adjustment Facility), the donors identified four major problems: poor implementation of tax reforms, an overly large public deficit, excessive monetary expansion, and the failure of agricultural cooperatives to reduce their outstanding debt with the banks. Because of these problems, the mid-term review of 1993 could not be completed and, by the end of the year, the program was suspended. Even if the government and the IMF agreed on a Shadow Program, covering the period from January to June 1994, fiscal and monetary targets were exceeded in 1993/94. Finally, all aid was suspended as a result of a tax evasion scandal. An agreement concerning the resumption of aid was reached with the IMF only in November 1996.

Notwithstanding the uneasy relations between the donors and the government, in September 1993 the Parliament passed the Crop Boards Act, in which the private sector was

allowed to participate in the procurement, price determination, processing and export of the main four export crops grown by smallholders: cashewnuts,[4] coffee, cotton, and tobacco (United Republic of Tanzania, 1995, p. 1). The official implementation of the act started in the 1994/95 buying season. However, in some areas of the country, it took place only in 1995/96. By 1995, the subsidy on fertilizer had been completely eliminated. These reforms led the IMF in 1995 to state that "with the support of the international community . . . the authorities [of Tanzania] are transforming perhaps one of the most regulated economies in Africa into one of the most liberalized. More could be done, but a lot has been achieved" (International Monetary Fund, 1995, p. 1).

3. MARKET LIBERALIZATION AND THE INCREASING COMMERCIALIZATION OF RURAL LIFE

Under market reforms, Tanzania has been going through a socio-economic transformation that I have described elsewhere as the "increasing commercialization of rural life" (Ponte 1999a). By commercialization of rural life, I mean the rising levels of "contractual" *vis a vis* "traditional" social negotiation over access to resources such as land, labor, markets and food. By "traditional" social negotiations I mean arrangements which involve reciprocity and redistribution mechanisms based on exchange of favors and on loyalty and allegiance. These arrangements were (and to a certain extent still are) carried out through clans, extended families, friends, neighborhoods, farmer groups, and political and religious organizations.

It is not possible to precisely define when "traditional" negotiation gave way to "contractual" negotiation in Tanzania because the process has neither been a linear one nor has it taken place in the same manner in different sectors of rural life and in different locations. However, I would argue that social negotiation over access to resources was

generally the rule in pre-colonial subsistence agriculture in Tanzania (see Schmied, 1989, pp. 49-56).[5] Under colonialism, taxation, export crop marketing monopolies, and laws requiring households to cultivate a minimum acreage of a specific export crop acted as instruments of market penetration. These processes weakened social networks as tools for access to resources (Iliffe, 1979; Koponen, 1995). However, during the *Ujamaa* era, public provision of services, state monopoly of agricultural marketing, and the government pressures for pooling together people's efforts for the sake of public good (i.e. self-help projects and village farms), mitigated process of contractualization of access to resources.[6]

As we have seen in Section 2, in the early 1980s the Tanzanian economy was characterized by a serious shortage of consumer goods and industrial inputs, which severely discouraged agricultural production (see Bevan, Collier, and Gunning, 1989). Starting in the mid-1980s, the implementation of economic reforms (especially the liberalization of external trade and the legalization of numerous economic activities), eased the shortage of consumer goods. Also, with agricultural market liberalization and the relaxation of by-laws requiring farmers to grow specific types of crops, farmers gained more freedom in terms of which crops to grow, how to market them and to whom. These reforms provided the conditions for unleashing the forces of rural commercialization.

One of the aspects of market reforms that has favored the process of rural commercialization has been households' increasing need for larger amounts and more regular supplies of cash due to: (1) higher school fees and higher health expenditures; (2) incentive effects which make people buy more consumer goods (coupled with copying effects due to the increasing pressure to consume goods which can only be acquired with cash in order to maintain social prestige); (3) the legalization of many business enterprises whose operation

require a regular infusion of cash; and (4) higher prices for agricultural inputs due to the elimination of subsidies.

Higher and more frequent cash requirements, coupled with the lack of appropriate banking and financial services in most of rural Tanzania, meant that farming households needed to change their distribution of resources between farm and off-farm activities and to change their farming systems. As a result, off-farm activities have become relatively more important as a source of income than in the pre-liberalization period (Ponte 1999a). Another result is that farmers—in the two districts I surveyed—have opted to grow crops with faster returns and/or with multiple or continuous selling seasons (see Table 1 and Appendix Table 2).[7] In this way, they can get faster returns for the capital and labor invested and/or a continuous flow of cash. If farmers cultivate slow crops, they have to wait longer from land preparation to sale. They might distribute sales throughout the year, which is the case in some areas for paddy and maize marketing, but then they have to deal with storage problems, social demands on their food stocks, and theft.

Table 1 here

Because fast crops need more labor in a shorter time, and because of the competing demands of off-farm activities on farmers' time, it has become more difficult for households to recruit farm labor through social networks. As we will see in Section 4, this process has led to a marked increase in the use of hired labor, in other words to the "contractualization" of farm labor recruitment. At the same time, as we will see in Section 5, social relations in rural areas of Tanzania are being redefined, and farm income distribution is becoming more concentrated in the hands of better-off farmers.

4. FROM SOCIAL NEGOTIATION TO CONTRACT: SHIFTING STRATEGIES OF FARM LABOR RECRUITMENT

Generally, smallholders in developing countries recruit farm labor through three channels. The first channel is the use of household labor, that is the labor of some or all of household members. This is the most common channel and in some cases the only source of farm labor. The second channel is the use of hired labor. By hired labor, I mean any labor recruited via contractual forms that entails performing farming operations on the basis of time (i.e. by the day) or piecemeal (i.e. by the acre of land prepared, or by the bag of a crop harvested) in exchange for a payment in cash or kind. The third channel is the use of exchange labor. By exchange labor I mean: (1) farm labor recruited through social networks and performed by a group of individuals/households under the understanding that they will perform similar operations in the plots of all the participants (thereafter called "group labor"); and (2) labor arrangements better know in Africa as "beer parties" in which local brew and food is offered to the participants as a form of gratitude, and in which the holder of the party is to a certain degree expected to participate to other parties organized by some of the guests. Reciprocity, however, is less strictly enforced than in labor groups, and depends on the social position of the hosts—that is, wealthier and/or more politically influential households will not be necessarily expected to show up at the parties of lesser influential households, but they are expected to provide better/more food and brew.[8]

As we can see in Table 2, the results of my survey show that in the 1986/87 season only 33 per cent of households in Songea Rural District and 48 per cent in Morogoro Rural District hired farm labor and/or machinery. However, by 1994/95, the proportion reached 50 per cent in Songea and 75 per cent in Morogoro. In 1986/87, the average farming household hired laborers and machinery for an equivalent of 10 workdays in Songea and 50 workdays in

Morogoro. By the 1994/95 season, these figures had grown to 25 workdays in Songea and 88 workdays in Morogoro.[9]

Table 2 here

Hiring labor has also become cheaper. According to my survey data, between 1986/87 and 1994/95, rural wages fell by 28 per cent in real terms in Songea, and by 51 per cent in Morogoro. The fact that rural wages fell in spite of increasing demand for hired labor is explained by two factors: (1) the increasing supply of seasonal laborers coming from other parts of the same district (in the case of Morogoro) and from neighboring districts (from parts of Tunduru and Njombe districts, in the case of Songea); and (2) the increasing supply of laborers from within villages. In both cases, these laborers are mostly poorer farmers who need to work in other people's fields to raise enough cash for inputs and/or other increasing household expenditures.

Table 3 shows the characteristics of hired farm laborers. In Songea, most hired labor is constituted by groups of male seasonal laborers who come from nearby districts, where there is a different agricultural season (Njombe), or where there are fewer economic opportunities (Tunduru). These laborers are usually given food and shelter by the hiring farmer, and they require piecemeal contracts (that is, a fixed amount of cash in return for a specific operation on a specific piece of land). In Morogoro, most hired laborers come from the same village. Most hired labor groups are a mixture of men and women, but there are also instances where farmers hire groups of men (for land preparation), or groups of women (for harvesting). In Morogoro, most laborers do not receive food or shelter, and they are usually paid according to the amount of time they worked.

Table 3 here

As described in Section 3, the changes that occurred in the mechanisms of access to farm labor in the two districts can be traced to the economic reforms that have created the conditions for the adoption of fast crops among smallholders. Because fast crops need more labor in a shorter time, and because exchange labor has become more difficult to mobilize, hiring labor and machinery has become a necessity. The existence of a strong relationship between expanding fast crop cultivation and the necessity of hiring labor is also confirmed by the data summarized in Table 4. As we can see, in Songea the crop with the fastest rising share of expenditure on hired labor is beans, a fast crop. On the other hand, slow crops such as maize, sunflower, and coffee have seen their share of hired labor expenditure drop significantly.[10] In Morogoro, an increasing proportion of expenditure for hired labor is also used for fast crops such as tomatoes and coconuts,[11] while decreasing proportions are dedicated to slow crops such as cotton, maize and sorghum.

Table 4 here

In theory, in Songea district, higher labor demands brought by fast crops could have been met by increasing the mobilization of exchange labor, which was still a popular labor arrangement in the area in the 1980s. However, exchange labor use did not increase because the competing demands on farmers' time made it more difficult to mobilize. Therefore, as Table 5 shows, hired labor progressively substituted exchange labor. In Songea, in 1986/87, hired labor represented only 5.4 per cent of total labor inputs used for the cultivation of the main four crops in each village (according to the share of total area planted). Exchange labor accounted for 12 per cent of the total, and the rest was household labor. By 1994/95, hired labor had risen to 13 per cent of total labor inputs, while exchange labor had dropped to 6.5 per cent. In places where exchange labor is still used, the tendency has been to organize smaller labor groups. This is because in smaller groups the turnaround time is shorter,

therefore they are more suited for fast crop cultivation. Also, "beer parties" have almost disappeared due to the long time and large effort that it takes to organize them.

Table 5 here

Furthermore, Table 5 indicates that the proportion of household labor employed in farm activities has remained fairly constant in the period under study. In theory, household labor employed in farm activities could be increased in three ways: (1) household members could work more hours/days in the fields; (2) less labor could be dedicated to off-farm activities, thus freeing more labor for farming; and (3) farming households could have more children. However, there are serious constraints to these strategies: (1) most farmers already work at the limit of their physical ability; (2) off-farm activities are currently highly valued because they raise important cash income which is usually spread throughout the whole year; and (3) the government and the donors have put a stress on fertility control in the 1990s in Tanzania (Richey, 1999); this, combined with higher costs for education and health care makes the option of having more children less feasible.[12]

In concluding this section, I would argue that market liberalization has made the cultivation of fast crops necessary and the mobilization of exchange labor more difficult. As a result, hiring arrangements have substituted exchange labor arrangements. This trend can be seen as a passage from social negotiation to contract, in other words as a process of commercialization of rural life. Commercialization of rural life has feedback effects in terms of increasing demands over farmers' time, which in turn leads to greater de-linking from social networks and so on. In the next section I analyze how this is changing social relations within and among households. I also formulate a working hypothesis for future research on the link between the contractualization of farm labor recruitment and the increase in socio-economic differentiation by class and gender that was observed in this research project.

5. CHANGING SOCIAL RELATIONS AND SOCIAL DIFFERENTIATION

The dramatic increase in labor hiring and the disappearance of exchange labor has brought profound changes on how people and households relate with each other in rural Tanzania. While access to farm labor on the basis of social negotiation among households has changed significantly, labor relations within the farming household have remained relatively unchanged. In what is still a patriarchal society, men do not require extensive negotiations to recruit the labor of their wives and school-age children. However, parents' control over male school-leavers is becoming more problematic because of the breakdown of the structure of authority based on age and parenthood. Young men have the possibility to be economically independent in emerging businesses, or to try urban life, more easily than women of the same age. Control over female children who still live with their families and have not yet married is still strict. Young women might be independently running a small-scale business, but they can still be asked to provide labor in the fields as deemed necessary by the household head.

However, maintaining social networks based on negotiation and re-negotiation of roles and loyalties outside the household is an expensive and a time-consuming activity, unless the returns for the time devoted to it are high. On the contrary, hired labor is easy to recruit and the agreements are straightforward. If cash is available, there is no need to ensure loyalty from other households or members of the clan. Avoiding social negotiation for access to labor also means that, after harvesting, farmers feel less obliged to distribute food to their extended family or to neighbors. In some cases, this has changed the way timing of sales is done. Several farmers told me that in the past they used to wait—when they could—before selling maize and paddy so that they could fetch a better price. However, many friends, neighbors, and especially relatives would come to them asking for a tin of maize or paddy

and they could not refuse because of the help these people had provided in their fields. Finally, these farmers decided that it was more remunerative not to ask for help and to sell crops quicker after harvest at a lower price rather than to be obligated to give a good portion of the harvest away.

One of the implications of contractualization of farm labor recruitment is a gradual passage from access based on social positioning and identity to access based on negotiation between individuals. Social negotiation takes places on the basis of one's position in a web of relationships. If one's position is at the center of the web, he/she can mobilize more resources because of different levels of relationship on the basis of age, kinship, gender, political and religious affiliation (i.e. a male elder who is a religious authority and has influence over local party/government structures). In this system, if one is positioned at the periphery, he/she obviously has less access to resources, but can still mobilize them on the basis of his/her positioning (i.e. a young woman organizing a brewing group with other peers). Under a more contractualized system of access to resources, powerful individuals can still get access to resources because they usually have the financial means to do so, while peripheral individuals find it more difficult to socially organize access to resources, and do not have the capital to do so contractually.

Table 6 provides an example of how the contractualization of farm labor recruitment may be behind rapidly declining farm incomes among more "peripheral" households. As we can see, the ratio of income from crop sales per capita raised in female-headed households in relation to male-headed households was lower in 1994/95 than in the previous seasons. The significance of the ratio in 1986/87 is limited by the small sample size of female-headed households. However, the comparison between 1990/91 and 1994/95 is fairly reliable, and shows that earnings from crop sales in female-headed households have declined (in real

terms) much faster than in male-headed households. This comparison suggests that female-headed households have become more vulnerable in a commercialized farm labor system, because they tend to have lower capital bases to hire labor, and because their labor bottlenecks are more stringent than in their male-headed counterparts.

Table 6 here

The increasing difficulty in recruiting farm labor through social networks is more pronounced for poorer and more marginal households also because they often need to hire themselves out as farm laborers to get access to increasingly expensive agricultural inputs. On the other hand, other individuals who did not have the social resources to become influential under a social negotiation system (young males, for example) may find economic success faster to be achieved under a contractual system (see also Seppälä, 1996).

Finally, the data summarized in Table 7 show that a process of social differentiation among households is taking place under commercialization of rural life. My working hypothesis (which provides a basis for future research) is that the contractualization of farm labor recruitment is one of the key contributing factors to increasing inequality. In Morogoro, where market liberalization progressed quickly since the mid-1980s and where the use of hired labor is more widespread than in Songea, the distribution of farm income is becoming increasingly unequal, with the top quintile gaining at the expense of all other quintiles. In Songea, where market liberalization progressed more slowly, and where exchange labor is still marginally used, the proportion of net farm income generated by the bottom two quintiles has remained fairly constant, while the top quintile gained at the expense of the second and third quintiles.

Table 7 here

6. CONCLUSION

In Tanzania, previous to economic reforms, social mobilization of farm labor allowed more marginalized sectors of rural societies to pool their efforts together and to overcome labor shortages. Market liberalization has increased the degree of commercialization of rural life due to easier access to incentive goods and higher cash needs. These factors, combined with agricultural liberalization, which opened new marketing options, have pushed farming households to shift from growing "slow" crops to growing "fast" crops for sale. This shift, in turn, has allowed farming households to ensure faster returns to their capital and a more evenly distributed cash flow throughout the year. "Fast" crops, however, need more labor in shorter periods of time than "slow" ones. As a result, a system of contractual access to farm labor has progressively substituted the system based on social negotiation, which could not meet the new labor needs of farming households. This phenomenon is not limited to Tanzania. Berry has made the case for Africa in general, stating that "[d]espite the continued prevalence of 'family labor' on small-scale African farms, farmers' ability to mobilize labor through customary social institutions and relationships has declined over time" (1993, pp. 138-9).

As a result of the contractualization of farm labor, marginal households find it more difficult to recruit farm labor through social means and do not have enough capital to do it successfully through contractual means. This is likely to be contributing to a more unequal distribution of farm income. Furthermore, substituting social negotiation with contract prompts a further round of commercialization, which breaks down more social ties. Therefore, poorer households are becoming more vulnerable to natural disasters and economic shocks, because weakened social networks will not be able provide an economic safety net as before, and because public provision of social services is declining.

Recognizing the adverse effects of the commercialization of rural life does not necessarily mean advocating a return to a romantic "golden-age" of socially-based access to resources. What it means is acknowledging that, in rural areas of Africa, farming households (especially poorer ones and female-headed ones) are becoming more vulnerable under market liberalization and that a process of widening inequality is taking place. From the point of view of policy-making, this entails more—rather than less—public provision of quality services in health, education and sanitation, support for the development of local crop processing enterprises, access to micro-credit (especially for women), and agricultural input support.

NOTES

[1] Analysts of Tanzania's political economy refer to *Ujamaa* [togetherness, familyhood] as the period of politics and policies inspired by "African socialism," which started with the Arusha Declaration of 1967 and ended with the signing of the Economic Recovery Program with the IMF in 1986.

[2] Interview No. 020315, October 20, 1996; translation by the author.

[3] For research techniques and methodology, see Appendix 1.

[4] In the case of cashewnuts, private traders had already *de facto* taken over the market in 1990/91, due to the collapse of the CUs in the main growing areas of Mtwara and Lindi Regions.

[5] A partial exception can be made for the economic activities linked to the caravan trade.

[6] At the same time, parallel markets, smuggling, corruption, and the widespread failure of village-based community projects to some extent counter-acted this tendency. Although it is difficult to speculate on what would have happened in Tanzania under a different economic

regime after independence, I would argue that the process of commercialization moved faster in countries characterized by different economic *ethos*, such as Kenya (see Lofchie, 1989, 1993; and Orvis, 1997).

[7] The switch from "slow" to "fast" crops does not seem to be limited to the two districts surveyed in my fieldwork. Anecdotal evidence I gathered in Iringa and Kilosa Districts points to the same direction. Also, in a recent contribution, Larsson (1998) has reported similar dynamics in Meru District (Arusha Region), where since the mid-1980s coffee has lost its position as the main cash earner for farming households. According to Larrson, a first phase of change in farming systems in Meru took place in the 1980s, when farming households rapidly moved into dairy farming, not much in substitution to coffee but in complement with it (Ibid. 15). As underlined by Larrson, coffee cultivation is a relatively "conservative" enterprise because, once established, it ensures a minimum cash intake. Dairy farming, on the other hand, is a much riskier activity (a cow can die unexpectedly) and requires more constant provision of inputs such as labor, fodder, and water. On the other hand, it ensures the daily cash income that coffee cannot provide (Ibid.). The second phase of changes in farming systems in Meru took place mainly in the 1990s. In this case, a process of substitution took place, when coffee trees were uprooted to make space for vegetable cultivation, especially tomatoes, which could be sold quickly at local markets or on the Dar es Salaam-Arusha-Nairobi highway. Although Larsson does not draw an explicit link between "slow" farm commodities (such as coffee) and "fast" ones (such as dairy and vegetables), the resemblance with the situation in Songea and Morogoro is striking.

[8] Traditional "beer parties" are sometimes portrayed negatively by analysts, because farming operations may be carried out in a relatively short time during the working day, especially when a large group is involved, and the rest of the time is spent drinking. This may raise

concerns in terms of inefficient allocation of working time and poorer health conditions. "Beer party" arrangements are also viewed as unequal because poorer households (and female-headed ones) may find it problematic to mobilize their party at a convenient time (if at all). However, in the two districts covered in my study, most exchange labor was organized thorough "labor groups," and very rarely (never in Morogoro) through "beer parties." Therefore, concerns relating to the efficiency of use of working time, health conditions, and inequality do not apply in this context.

[9] In 1986/87, out of the total workdays employed in Songea, 81.5 per cent consisted of manual labor, and 18.5 per cent were tractor services. The proportion of tractor service workdays, however, declined to 3.8 per cent of the total in 1994/95, due to problematic availability of tractors in the village where most tractor services are provided (Lilondo). On the other hand, between 1986/87 and 1994/95 in Morogoro the proportion of hired workdays consisting of tractor services remained fairly constant.

[10] Although tobacco is an important cash crop in Songea, the proportion of hired labor inputs employed for its cultivation has always been relatively low. In tobacco cultivation, farmers use hired labor mainly for land preparation (if they can afford it), which represents a small proportion all labor inputs required for the crop. Farmers told me that they do not like to hire laborers for other tobacco operations because these operations require a relatively high level of skills and more supervision than farming operations for other crops (with the possible exception of coffee cultivation).

[11] On the contrary, hired labor use decreased in cabbage cultivation (a fast crop) due to the severe incidence of a fungal disease and higher input prices, which caused a fall in planted area.

[12] In the case of Morogoro, although a comparable data set is not available, I would still argue that the expansion of fast crop cultivation has prompted an increase in the use of hired labor. This is because: (1) the use of exchange labor had already almost disappeared by 1986/87 in Morogoro; and (2) the constraints on increasing household labor inputs described above also apply.

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TABLES

Table 1. *Share of total sales by crop typology (% of total value of sales of top five cash crops)*

	Songea			Morogoro		
	1994/95	1990/91	1986/87	1994/95	1990/91	1986/87
Fast crops	48.9	21.1	11.1	73.5	61.0	41.7
Slow crops	51.1	78.9	88.9	26.5	39.0	58.3

Source: Farming Household Survey. For criteria of classification and calculation see Appendix 2.

Table 2. *Hired farm labor and machinery*

	Songea			Morogoro		
	1994/95	1990/91	1986/87	1994/95	1990/91	1986/87
Farming Households (n)	60	59	45	60	57	52
Households hiring farm labor and machinery (% of total sample households)	50	32	33	75	58	48
Total hired workdays per HH - hired labor workdays and equivalent machinery workdays combined (n)	25	15	10	88	63	50
Average daily wage or equivalent cost of hiring machinery (TSh, constant 1994 prices)	662	725	922	653	956	1338
Proportion of total expenditure on hired labor and machinery by type						
Labor	96.2	93.9	81.5	81.4	83.2	82.1
Machinery	3.8	6.1	18.5	18.6	16.8	17.9

Source: Farming Household Survey.

Table 3. *Characteristics of hired farm labor*

	Songea			Morogoro		
	1994/95	1990/91	1986/87	1994/95	1990/91	1986/87
Proportion of total labor expenditure by gender of laborers hired (%)						
All males	81.0	82.1	85.5	19.5	22.5	19.0
All females	0.0	0.0	0.0	7.9	7.0	9.4
Males and females	19.0	17.8	14.5	72.6	70.4	71.5
Proportion of total labor expenditure by origin of laborers hired (%)						
Same village	20.2	22.4	14.5	93.4	92.3	100.0
Seasonal migrants (from another district)	79.7	77.6	76.8	0.0	0.0	0.0
Seasonal migrants (from the same district)	0.0	0.0	8.7	6.8	7.6	0.0

Source: Farming Household Survey.

Table 4. *Expenditure on hired farm labor and machinery by crop (% of total expenditure)*

	Crop Type	Songea			Morogoro		
	F = fast; S= slow	1994/95	1990/91	1986/87	1994/95	1990/91	1986/87
Beans	F	23.6	8.7	4.3	0.7	0.4	0.1
Cabbage	F	0.0	0.0	0.0	2.4	6.3	3.9
Coffee	S	6.9	11.3	11.9	0.0	0.0	1.6
Cotton	S	0.0	0.0	0.0	0.0	3.0	4.8
Finger millet	S	0.4	0.0	0.0	0.0	0.0	0.0
Coconuts	F	0.0	0.0	0.0	4.2	3.1	0.0
Groundnuts	S	9.4	10.1	0.0	0.0	0.0	0.0
Maize	S	53.1	58.6	73.9	35.3	36.1	41.5
Paddy	S	4.0	8.9	3.7	39.3	38.4	31.3
Sorghum	S	0.0	0.0	0.0	6.5	7.7	10.4
Tobacco	S	2.6	2.4	2.8	0.0	0.0	0.0
Tomatoes	F	0.0	0.0	0.0	9.8	3.1	0.0

Source: Farming Household Survey. For criteria of crop type classification see Appendix 2.

Table 5. *Labor inputs by category in Songea*
(% of total labor inputs for the four crops with the highest acreage)

	Songea		
	1994/95	1990/91	1986/87
Hired labor	13.0	7.8	5.4
Exchange labor	6.5	9.8	12.0
Household labor	80.5	82.4	82.6

Source: Farming Household Survey.

Table 6. *Income from crop sales per capita by gender of household head*

	FHS sample (Morogoro and Songea combined)		
	1994/95	1990/91	1986/87
Female-headed households (n)	15	13	7
Average income per capita in female-headed household (TSh, constant 1994 prices)	31,599	47,742	64,789
Male-headed households (n)	105	103	90
Average income per capita in male-headed household (TSh, constant 1994 prices)	45,099	51,123	48,540
Ratio of income female-headed to male-headed households	0.70	0.93	1.33

Source: Farming Household Survey.

Note: In each household (classified by the gender of the household head) total gross income from crop sales has been divided by the number of adult-equivalent persons. The adult equivalence scales adopted are the same as in World Bank (1993, 72).

Table 7. *Distribution of farm income by quintile*

	Songea			Morogoro		
Quintile	1994/95	1990/91	1986/87	1994/95	1990/91	1986/87
1 (highest)	54.8	49.4	48.2	62.7	60.2	48.4
2	20.8	24.0	25.5	19.3	20.9	26.0
3	13.2	15.9	15.4	10.7	10.8	14.3
4	8.0	8.3	7.5	6.0	5.6	8.0
5 (lowest)	3.2	2.4	3.3	1.4	2.5	3.3

Source: Farming Household Survey.

Note: Each quintile represents the proportion of total gross farm income (gross income from crop sales plus gross income from sales of livestock and livestock products) adjusted by household size. The household size adjustment was made on the basis of the same adult equivalence scales used for Table 6.

Appendix Table 1. *Villages: Selection Criteria and Main Characteristics*

	Songea		
Agro-ecological zone[a]	E7	S2	H3
Selected Village	Lipaya	Ligunga	Lilondo
Ward	Mpitimbi	Lusewa	Wino
Division	Muhukuru	Sasawala	Madaba
Village population	2103	2464	2498
Cropping system	annual	annual/shifting	annual/shifting
Land availability	low	high	low-medium
Accessibility from Songea[b]	easy	difficult	medium
Main food crops	maize, cassava, beans, finger millet, paddy, bananas, beans	maize, cassava, groundnuts, paddy, beans	maize, beans, groundnuts, bananas
Main cash crops	tobacco, maize, beans, sweet potatoes, vegetables, paddy, bananas, peas	tobacco, paddy, groundnuts, cashewnuts, beans	coffee, beans, maize, groundnuts, bananas
Mean annual rainfall (mm) (calendar year)	1175	995	1230
	Morogoro		
Agro-ecological zone[a]	E4	E9	E14
Selected Village	Mlali	Kanga	Langali
Ward	Mlali	Kanga	Langali
Division	Mlali	Turiani	Mgeta
Village population	2256	2241	2861
Cropping system	annual/intensive	annual	intensive
Land availability	low	high	very low
Accessibility from Morogoro[b]	easy	difficult	medium
Main food crops	maize, paddy, sorghum	maize, paddy, coconuts, oranges, bananas	maize, beans, bananas, Irish potatoes, vegetables
Main cash crops	tomatoes, paddy, peas, maize	paddy, coconuts, oranges, maize, bananas	bananas, cabbage, Irish potatoes, beans, maize
Mean annual rainfall (mm)	858	1214	1020

Sources: Fieldwork data and notes. Population figures: United Republic of Tanzania (1990a; 1992b). Rainfall figures: (1) Lipaya: mean 1973-95 (Songea Agricultural Office station); (2) Ligunga: mean 1970-95 (Tunduru Agricultural Office station); (3) Lilondo: mean 1986-95 (Madaba station); (4) Mlali: mean 1970-95 (Sokoine University of Agriculture station); (5) Kanga: mean 1984-95 (Mtibwa Sugar Estate station); (6) Langali: mean 1963-1988 (Paul 1988, 4).

Notes: [a] de Pauw (1984) [b] Combination of four factors: (1) distance from district town; (2) transit time; (3) availability of transport; and (4) cost of transport.

Appendix Table 2. *Classification of top five cash crops in Songea and Morogoro Rural Districts*

Songea			Morogoro		
Top five cash crops	Proportion of value of total sales of all crops (%)	Crop type (S = slow F = fast)	Top five cash crops	Proportion of total value of sales of all crops (%)	Crop type (S = slow F = fast)
1986/87			1986/87		
Maize	26.5	S	Paddy	30.1	S
Coffee	25.8	S	Maize	12.2	S
Tobacco	15.7	S	Beans	11.0	F
Beans	9.5	F	Bananas	10.4	F
Sunflower	8.1	S	Cabbage	8.8	F
Top 5 crops	85.6		Top 5 crops	72.5	
1990/91			1990/91		
Tobacco	26.2	S	Paddy	20.6	S
Maize	22.7	S	Cabbage	17.0	F
Coffee	22.1	S	Tomatoes	16.5	F
Beans	11.8	F	Bananas	12.1	F
Bananas	7.2	F	Maize	8.6	S
Top 5 crops	90.0		Top 5 crops	74.8	
1994-95			1994/95		
Beans	21.3	F	Tomatoes	30.4	F
Bananas	18.5	F	Paddy	21.2	S
Tobacco	15.8	S	Bananas	12.1	F
Coffee	13.5	S	Cabbage	9.3	F
Maize	12.3	S	Coconuts	7.0	F
Top 5 crops	81.4		Top 5 crops	80.0	

Source: Farming Household Survey.

APPENDIX 1

This article is part of a wider study on policy reform, agrarian change and rural livelihoods in Tanzania, which was based on eighteen months of fieldwork carried out between June 1995 and November 1996. The research design combined both qualitative and quantitative research techniques and consisted of national-level analysis of agricultural policy reform, a comparative case-study of agrarian change and rural livelihoods in Songea and Morogoro Rural Districts, and a series of six village case-studies (three in each district). At the national and district levels, research included the collection of policy documents, secondary survey data, statistical series, and administrative files and correspondence, and formal interviews and informal conversations with key informants.

Within each district, three villages were selected in order to adequately represent each one of the major three agro-ecological zones. The selection was purposive and guided by weighing several factors: (1) adequate representativeness of the agro-ecological zone in which the village is located; (2) comparability of pairs of villages in the two districts under study (similar level of accessibility to the district town, and similar situation in terms of land availability); and (3) similar village population for all villages. Appendix Table 1 shows the results of the selection process and the main characteristics of the selected villages.

Appendix Table 1 here

Two Rapid Rural Appraisals (RRAs) were carried out in each village (one with women and one with men) in order to gather villagers' views on market liberalization and agrarian change. The reason for having separate RRAs for women and men was to collect different responses among the two groups on gender-sensitive issues. It was also intended to avoid the

possible domination of men in group discussions. RRAs included research techniques such as timelines, matrixes, calendars, rankings and group discussions. The groups of participants ranged from eight to fifteen people. When possible, participants were drawn from different age segments, religious groups, and village neighborhoods. All discussions were mediated by one or more local facilitators, and were carried out in Swahili.

The main quantitative research instrument used at the village level was a Farming Household Survey (FHS), which consisted of semi-structured interviews with various members of a random sample of 120 farming households, 20 in each of the six selected villages. I carried out all village-level and most of the district-level interviews in Swahili. In about 75 per cent of the interviews for the survey, a research assistant helped me with agronomic terminology and to guide me through sensitive cultural and political issues.

In each household, I collected data referring to three agricultural seasons (1986/87, 1990/91, and 1994/95). These three farming seasons provided a timeline for evaluating the development of agricultural market liberalization in Tanzania and its consequences at the household level. The 1994/95 season was the most recent one I could examine in its entirety, since the 1995/96 harvest had not been completely sold by the time of fieldwork. Choosing a season that could represent the end of the pre-liberalization period was problematic. Some authors consider the 1984 budget as the first step toward market liberalization in Tanzania, others use the 1986 agreement with the IMF. As we have seen in Section 2, in the agricultural sector the most important market reforms took place in 1987. Therefore, I chose the 1986/87 season as a proxy for the pre-liberalization period. The 1990/91 season provided a mid-point of examination. During the RRAs, none of these three seasons was mentioned as being badly affected by drought, late rains, or floods. Data collected from the closest rainfall

stations to the six sample villages indicate that the average rainfall levels in the three seasons were within an acceptable range from the long-term average.

Collecting agricultural data on the 1990/91 and 1986/87 seasons provided some challenges. In order to maximize precision and reliability, a series of techniques was used: (1) Ideally, in each household at least two people were interviewed separately (normally the head of the household and his/her partner, their older child/children and/or parent/s). This was not always possible for logistical reasons. Discrepancies in information gathered from different sources were settled by asking the same question again to both/all interviewees using a different context or a different time marker. Interviewing household members together was avoided as much as possible in order to eschew gender-specific data distortion (it is very common for a wife to agree with her husband's version of a story if he is present). If marginal discrepancies still persisted, I calculated the average between the two sources. If major differences were recorded in most information, the sample household was discarded. (2) For some indicators, figures were double-checked with other sources: available receipts from the local Primary Cooperative Society (PCS), other PCS and village records, published price data, data from other sample surveys, and information obtained during the RRAs. (3) In order to verify that the elicited information pertained to the appropriate agricultural season, "time markers" were devised. Some of these markers were gathered in preliminary interviews with key informants and during the RRAs. These markers pointed to major local happenings (such as the year the new village secretary was appointed, the first year private traders showed up, or the year a local religious authority died). Other markers were devised by interpreting the household's demographic history, which was collected at the beginning of the first interview (for example, I would refer to the year a child was born, the year after the

family had moved to the village, or the last year the father of the household head was still living in the same compound).

APPENDIX 2

In order to classify cash crops as "slow" or "fast", I analyzed the top five cash crops for each district and in each of the three seasons covered in the Farming Household Survey. The ranking was done according to the share of the value of sales by crop over the total value of all crop sales in each season. The classification was made by farmers themselves, who have no problem in indicating which crops are "fast" *[mazao ya haraka haraka]* and which crops are "slow"—or "normal" *[mazao ya kawaida]*. Although farmers do not label crops according to a precise timing, on subsequent analysis I found out that fast crops are those which take less than four months from land preparation to harvest, or from one harvest to the next. Among the crops included in Appendix Table 2, farmers identified five slow crops (maize, sunflower, paddy, tobacco, and coffee) and five fast crops (beans, cabbage, tomatoes, bananas, and coconuts). In the case of perennial crops, their fast nature does not depend on the returns from the time of land preparation or from planting time, but from how long it takes from one harvest to the next. In the case of coffee, it takes a full year between two harvests; therefore, coffee is a slow crop. Bananas, harvested year-round, are fast, as are coconuts, which have four main harvesting seasons a year.

Appendix Table 2 here