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Poverty and growth in remote villages in Tanzania (2004-2008): insights from Village Voices film research

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What is Chronic Poverty?

The distinguishing feature of chronic poverty is extended duration in absolute poverty.

Therefore, chronically poor people always, or usually, live below a poverty line, which is normally defined in terms of a money indicator (e.g. consumption, income, etc.), but could also be defined in terms of wider or subjective aspects of deprivation.

This is different from the transitorily poor, who move in and out of poverty, or only occasionally fall below the poverty line.

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Abstract

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1 Executive summary

This working paper accompanies '*Village Voices*', a film which covers the lives of people in five remote regions of Tanzania over five years (2004-08). The paper examines specifically why high economic growth during the period of Tanzania's poverty reduction strategy (MKUKUTA 2005-2010) has not translated into the expected reduction in poverty, as there has been a rise in one million people living in poverty over the period 2001 to 2007. The official response has been a call for broad-based growth by stepping up efforts to green revolutionise agriculture through an Agriculture First (*Kilimo Kwanza)* strategy.

First, we discuss the worrying trend in the fall in cash cropping as a key source of household income relative to other income sources over the period 1991/2-2007 (NBS, 2007) and review the literature on the source of this decline and solutions. We encounter three polarised accounts:

- One strand of thinking locates this agricultural decline in Tanzania's socialist legacy. It is argued that traders are deterred from becoming involved in commodity trade by incomplete liberalisation, over-regulation of crop markets (traders) together with monopoly power concentrated in larger cooperatives and larger private firms. Such reduced competition creates low farm gate prices relative to export prices and reduces farmers' incentives to produce cash crops. Other strands of this literature focus on corruption and rent-seeking officials who collude with traders to reduce crop prices. The solution offered is to lift these regulations, eliminate cooperative power and the village veto and to liberalise markets further in order to significantly raise farm gate prices and incentivise production (e.g. Mahdi, 2009; Baregu and Hoogeveen 2009, Lindeman and Putzel, 2009).
- Another perspective is that liberalisation is unlikely to help poorer farmers and agricultural labourers as the agricultural problems we see today were set in train during the period of liberalisation, when state support for poor farmers – through extension, inputs, credit and secure crop purchase – dried up. Despite occasional higher prices via trader competition, farmers' livelihoods became insecure and so they 'retreated' into subsistence food crops and relied increasingly on non-farm income. Further liberalisation of markets will enable traders to exploit farmers through low prices for crops and high credit costs, and farmers will remain without up to date training on techniques and independent market advice. Resource poor farmers cannot afford inputs (Bryceson, 2002; Kessy *et al.*, 2006; Ponte, 2002).

  Focussed on the chronically poor, this group strongly recommends to re-agrarianise Tanzania through pro-poor farming support via extension, selective input support, more secure markets. Solutions include (a) selective, smart subsidies (Wiggins and Leturque, 2009); (b) equitable inclusion in southern value chains (Ponte, 2008);

(c) social protection to prevent asset stripping in crises which trap farmers in poverty (Shepherd, personal communication, 8 August 2009); (d) enforcement of the new minimum wages and attempts to secure women's land rights (Tsikata, 2003; Razavi, 2009).

- Finally, Ellis (2009) boldly suggests that banking on a green revolution may be folly given that the liberalised context in Africa is here to stay and together with some intractable market failures which are peculiar to localised domestic markets in Africa. In short, previous successive attempts at green revolutionising African agriculture in a liberalised context have not worked. Controversially, he encourages labour mobility to urban areas through policies to improve urban infrastructure. Such urban areas are experiencing high 'organic' growth and remittances home can provide the capital so desperately needed by poor farmers and simultaneously enhance the demand for food thereby raising the incomes of farmers.

These debates are framed in a polarised way and draw on different types of evidence and ideological persuasions. Yet, aspects of these accounts are not wholly contradictory: each agrees that agriculture has failed over the past two decades and the first two perspectives agree that strong local farmer organisations are a critical part of the solution. Given the state of poverty in Tanzania, it would seem appropriate to draw on those polices which work together, for instance to eliminate excessive regulations which deter traders (see reform of warehouse scheme below) but at the same time support poorer farmers through extension, input subsidies, and social protection. Simultaneously, we can encourage a sound basis for labour mobility by encouraging urban savings and loans groups, by titling women's ownership to resources, and by lowering the costs of education necessary to make urban migration a success.

We cannot wholly resolve the differences discussed in these broad debates given that the areas chosen in *Village Voices* are exclusively remote and the interviews focused on poor people rather than with their economic relationships with cooperative officials, district officials, large traders and lenders. What we can do, however, is comment on the impact of the MKUKUTA reforms in Tanzania's most remote villages and where interventions are most critical now based on a close examination of the transcripts of the interviews in the film. Commenting on three areas – agriculture (section 2), non-farm rural employment (section 3), role of labour mobility and urban remittances (section 4) – we find:

- Knowledge about agricultural production, quality standards and markets is weak, especially where there are 'new farmers' created by the contraction or degradation of the commons (forests, pastoral land and fishing) or by returning urban migrants. This underlines the need for extension.

- Food crises lead to asset stripping and poverty traps and so poor people in semi-arid regions need support, such credit, tin roofs necessary for household storage and better organised local/community level storage.
- Certain forms of non-farm employment are critical to household escapes and this is found to be linked to women's ability to work and trade. The latter can be strengthened through enforcing women's land rights, minimum wages and health access, as so much relies on women's health in order to command resources for family provisioning.
- The impact of youth mobility in rural areas has both good and bad consequences for rural dwellers. Successful rural-urban migrations must be preceded by education, social protection in urban regions and by women's rights to financial assets to protect them if men leave permanently.
- Funds needed for education compete directly with capital needed to elevate household income through farm or non-farm enterprises. Parents find it very hard to retain children in school by paying school fees, uniforms, stationary costs and also to forego children's contribution to household income (e.g. as herders, petty traders or casual labour). This calls for serious attempts to ease the cost of education.

MKUKUTA within a partially liberalised context has improved some services but not had the transformational impact expected on rural poverty reduction in these remote villages. Calls to further liberalise markets or to bank on urban growth and remittances must be balanced with the realities of the condition of agriculture for the poor farmers, pastoralists, fishermen and labourers in remote regions. The most recent decision to devote more money to agriculture through the *Agriculture First* Kilimo Kwanza Strategy is a step in the right direction, but such a strategy will only work if it is made much more decidedly 'pro-poor' rather than focussed on larger farms, large technology such as tractors, and based on the assumption that private sector will fill gaps in the support vacuum. Remote and poor farmers need state support in order to *stimulate rural broad based growth* which transcends polarised governance failure/ market failure arguments and instead draws on synergies between state and market – such as subsidies which are smart and short term (Wiggins and Leturque, 2009), equitable inclusion in southern value chains (Ponte, 2008). Solutions must also rest on synergies between state and civil society organisations – such as bumping up the inclusion of burial societies and other ROSCAs (Rotating Savings and Credit Association) into SACCO (Savings and Credit Cooperative Organisations) membership to make greater amounts of capitals available to poor people too poor to join SACCOs. Finally, new ways can be found to deliver such services, for instance, the recent use of cell phones by many remote villagers combined with rapid growth of satellite TV cinemas in rural Tanzania enhances extension potential through different means.

2 Introduction to *Village Voices*

Tanzania's National Strategies for Growth and Reduction of Poverty (known as MKUKUTA on the Mainland of Tanzania) have been the guiding frameworks for growth and poverty reduction in the second half of 2000s. With the help of enhanced revenue collection and development assistance, the detailed strategy has been brought to life. The terminal year of MKUKUTA is 2010. The government of Tanzania and its partners are in the process of reviewing the implementation of these strategies in order to draw lessons from their implementation (what worked and did not work) and refine interventions accordingly.

2.1 *Village Voices* research

Village Voices is an exciting longitudinal research project which holds many lessons for the review of MKUKUTA. The research takes the form of documentary film footage from five remote communities in Tanzania, representing different livelihoods (livestock keeping, fishing based, agriculture based and mixed income based livelihoods) different geographic locations in Tanzania mainland, and different ethnic groups. Its objective was to track the impact of MKUKUTA in these communities over a period of five years based on filmed interviews. Open-ended research was undertaken, asking villagers about their livelihoods, problems, hopes and dreams, and access to resources and support. Eight key themes for the films were identified during the first years by the families themselves and reflected their concerns at the time of every visit. These are: growth, diversification of livelihoods, gender, vulnerability, local governance and accountability, water, health and education.

These filmed interviews were conducted in each year from 2004–2008, revisiting the same individuals whenever possible. This research thus provides a very unique documentation of their changing life circumstances, shedding light on the opportunities provided by MKUKUTA, where MKUKUTA failed to reach these remote villagers, and what each individual perceives is necessary to improve their lives in the future.

A one hour film will be launched in time for Poverty Policy week in 2009. The films condense hundreds of hours of interviews and months spent with members of the village households, over five years and all seasons.

This policy note draws on the evidence from *Village Voices* film research to feed into the growth and poverty reduction theme of the MKUKUTA review studies, as identified by the Government of Tanzania. This note draws out the deeper policy lessons from the film, illustrated with case studies. These case studies summarise the stories of the individuals captured in the film (in text boxes) and draws on wider development expertise.

2.2 The *Village Voices* method

Even the best large scale statistical surveys cannot capture the deeper, complex causes of people's rise out of or descent into poverty. This research is based on a unique method. The same individual is followed, and their rise out of or fall into poverty is tracked over five years together with their perceptions of how changes in their fortunes occurred. Moreover each interview is filmed, which enables each researcher to link dialogue with observations of context, body language and personality – which brings us closer to the truth of their circumstances. Finally, the filmmaker clearly earned their trust and their confidence and gave respondents time to express their views enabling a rich and truthful account of their lives.

However, the research is also limited. The method does not rigorously cover relations with economically and politically powerful actors living outside the village, such as crop traders agro-dealers, bankers, and politicians at the ward/district level administration which might help explain why there is little market access, why cash crops fetch low prices or why MKUKUTA resources have not reached these villagers in the way envisioned by planners. Moreover, this approach focuses only on remote regions and does not cover the more commercial agricultural regions, semi-urban and urban regions that may well have benefited more directly from MKUKUTA energies and resources.

Nevertheless, this research represents a powerful look at MKUKUTA outcomes in remote rural areas, where this policy failed to reach remote rural regions and where it can improve in the next five years according to villagers' own perceptions.

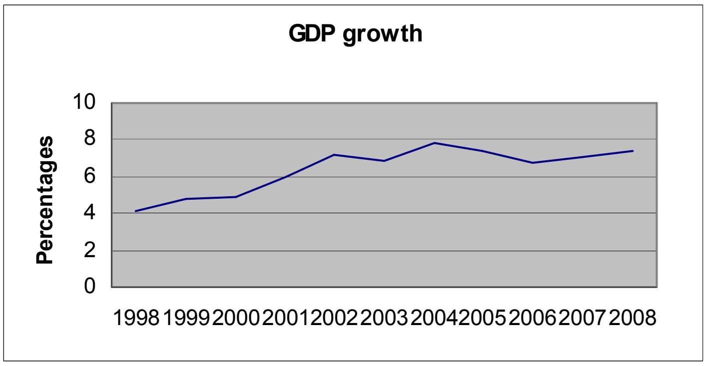
3 Shifting policy discourse on growth and poverty reduction in Tanzania

3.1 What is meant by 'Pro-poor Growth'? Shifting policy discourse

What is meant by pro-poor growth in Tanzania? From mid-1980s to the early 90s, pro-poor growth was understood as growth generated through the liberalisation of internal and external markets and trickle down through enhanced employment for poor people. This understanding began to shift in the mid-1990s when it was recognised that the rise in the national growth rate was not promoting a proportionate fall in poverty. At this time, poverty reduction was re-conceptualised in terms of the Millennium Development Goals and focussed on enhancing service sector provision to the poor (e.g. education, health, water, and judiciary roads etc, URT, 2002). Since 2003, the strategy for growth and reduction of poverty (NSGRP or MKUKUTA, 2005-2010) re-introduced growth, and conceptualised poverty reduction as the need to promote growth necessary to generate sufficient resources for poverty reduction. This growth is combined with improved services and improved governance – understood as three interlinking clusters which contribute to poverty reduction (URT, 2005a).

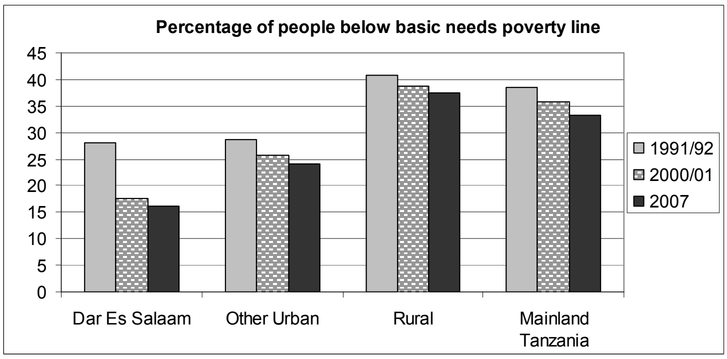
Recently, this approach has been again criticised for its failure to reduce poverty in line with the rise in national growth rate. Since 1991, the percent of the population living below the basic needs poverty line fell only very slightly, from approximately 37 percent (in 1991) to 33 percent (in 2007). Moreover, as a consequence of rapid population growth, the reduction in the proportion of people living below the poverty *line translates to a rise of 1 million people living in poverty* in Mainland Tanzania between 2001 and 2007 (DFID, 2009a).

Figure 1: GDP Growth in Tanzania 1998 to 2008



Source: National Bureau of Statistics cited in DFID (2009a)

Figure 2: Percentage of people below basic needs poverty line in Dar es Salaam, other urban, rural and mainland Tanzania in 1991/2, 2000/01 and 2007



Source: NBS 2007 cited in DFID (2009a)

The recent guidelines for the government review of MKUKUTA reflects a critical shift in policy understanding, one which prioritises specifically *broad-based growth* or growth of the incomes of poor people (inclusive growth) over growth generating tax revenue for enhanced services. This review also seeks to develop successor strategies 'in order to create a new framework that will give sharper focus on untapped potentials for growth' (URT, 2009b:4).

Figure 3: Shifting policy understandings on growth and poverty in Tanzania

This note summarises the experiences of the villagers in attempting to 'grow' their incomes by developing their farm and off farm activities, and the obstacles they face. We focus on the drivers of individual income growth in agriculture (including livestock, fishing), non-farm occupations and urban remittances and we highlight untapped potentials. We also cover obstacles to this growth including access to key economic inputs (credit, inputs, and extension), weather and crop failure, and gendered rights to productive resources.

Whilst a critical obstacle to pro-poor growth relates to the effectiveness of social services (health, education, water) and of local governance, these issues will be covered in the forthcoming *Village Voices* film.

3.2 Agriculture in Tanzania

3.2.1 Low growth in agriculture and the agricultural basis of rural livelihoods

A conventional approach to *broad based growth* is to raise incomes on smallholdings through productivity enhancing policy interventions. This green revolution approach has been the focus of a series of Agricultural Department Sector Reports (URT, 2001, URT 2004, see also World Bank, 2008) given its most recent expression in the Government's *Agriculture First* strategy or Kilimo Kwanza (URT, 2009c). Kilimo Kwanza is not a new strategy; it is an attempt to invigorate the Agricultural Sector Development Strategy (ASDS) by increasing public spending on agriculture from the current 6.4 percent to 10 percent of the national budget.

It is generally recognised that high national growth (economic growth since 2001 with GDP rising by six percent to eight percent each year) was met by relatively slower growth in agriculture (three to five percent) (URT, 2009b; DFID 2009a).[1] This slow growth in agriculture is tragic as 69.2 percent of Tanzanians rely on agriculture, livestock, hunting and fishing (83.2 percent in rural areas (NBS, 2007) with the sale of food, cash crops and livestock accounting for 70 percent of rural incomes (NBS, 2007)).[2] In the villages studied in the film,

1Note that national GDP and agricultural growth rates are contested (Mashindano, personal communication, 10 August 2009). See Ponte (2002) on the politicisation of Tanzanian crop statistics.

2 It is argued that such national statistics underestimate actual level of reliance on non-farm income relative to agriculture, see section 4 below.

agricultural incomes seem to be falling, not increasing, and their cost of living seems to be rising. This fall in incomes suggests that either the growth rate is overestimated in national statistics or that this growth is not shared in remote regions.

3.2.2 *Shift out of cash crops*

National government sponsored crop statistics report an overall rise in cash crop exports. However, this is not a uniform picture, with the exports of some crops performing fairly well each year and rising, such as coffee and tobacco, and the exports of others, such as cashews and cotton, fluctuating much more markedly.

Table 1: Major Exports of Key Cash Crops in Tanzania (TShs. Billion)

	2003	2004	2005	2006	2007	2008
Cashew nuts	43. 4	74. 1	54.2	62.7	33.8	82.0
Cotton	42.4	54. 3	127.2	56.8	49.8	95.6
Coffee	51.2	53.2	83.6	92.8	143.3	122.2
Tobacco	47.3	61.6	91.4	129.1	116.9	208.0
Tea	25.7	32.5	28.8	41.7	48.3	49.6

Source URT, 2009a, p. 29

On a household level, however, we get a very different picture. Recent Household Budget Survey statistics report a clear and marked trend: a striking *fall in cash cropping relative to other sources of income since 1991/2.* Over the period 1991/92 to 2007, the percentage of rural incomes coming from sales of cash crops has fallen relative to other sources from 25.6 to 15.3 percent of household income (NBS, 2007; see table 2 below). Moreover, the proportion of income coming from sale of food crops over the identical period has risen only slightly (from 48.5 to 50.4 percent).

Table 2: Distribution of main source of household income in rural areas in Tanzania: 1991/92, 2001/02 and 2007

	1991/92	2001/02	2007
Sales of food crops	48.5	48.9	50.4
Sales of cash crops	25.6	20.5	15.3
Sales of livestock and products	5.3	5.5	4.2
Business income	6.1	8.1	7.4
Wages and salaries	5.8	3.8	8.9
Remittances	1.0	3.0	2.5
Fishing	1.9	2.2	2.6
Selling of local brew	N/A	N/A	2.4
Charcoal	N/A	N/A	1.6
Timber sales	N/A	N/A	0.6
Firewood	N/A	N/A	0.6

Source: NBS, 2007:8, chapter 5

If this fall in the relative importance of cash cropping were the result of positive developmental trends, with non-farm income (wages, business, and remittances) replacing agricultural work with urbanisation as experienced in Northern countries, we would also expect a similar fall in the importance of food crops to overall income. Instead, we find that food crops rose slightly from 1991/2 to 2007 (from 48.5 percent to 50.4 percent). This has moved some observers to assert that the fall in cash cropping relative to food cropping is the consequence of a greater dependence on production of food largely for subsistence rather than cash crops (see for instance, Bryceson, 2002; Ellis, 2006). This trend might be termed an '*agrarian reversion'* from petty commodity production of commercial crops to subsistence farming in Tanzania over this period, rather than the further progression from subsistence to commercial farming expected.

4 Accounts of Tanzania's 'agrarian reversion'

The literature on trends in Tanzanian agriculture and rural poverty has produced very polarised accounts of the causes of this decline in agriculture and policies to arrest it.

4.1 Legacy of state regulation and rent-seeking

One argument is that the problems of Tanzanian agriculture were set in train back in the period of Tanzanian socialism (before the mid-1980s), by parastatals, which incomplete liberalisation could not reverse. During this time, parastatals did not deliver inputs on time, often did not pay farmers for crops that they delivered, or got paid months in arrears, prices were set to lowest margins. According to Ellis (2006:148) this insecurity and poverty of farmers resulted in a deepening 'food security first' subsistence thinking amongst farmers that the upheavals and price fluctuations of liberalisation may have reinforced.

A different strand of this argument comes from international finance institutions who have long been concerned with efforts to create enabling environments for markets and to promote good governance. A series of crop market studies looks hard at those regulations which deter traders from serving remote agricultural villages and the continued power of some larger, undemocratic, cooperative societies. Mahdi (2008, draft) for instance, focuses on the way current state regulation of coffee markets discourages traders from serving rural regions and impedes the development of competitive prices for smallholders. Examining the problem of declining production, quality and producer price share in the coffee industry in Tanzania, Mahdi argues clearly that small and medium independent traders have little incentive to serve coffee producers given licensing requirements (Tanzanian coffee board, district council and each village authority), given the village veto which is often controlled by local cooperative society, and contracting restrictions (non-cooperative players cannot take advantage of 'contingent contracts' involving later payment and greater quality premiums received at the auction). Mahdi links these problems to the continued vested interests and rent seeking of larger cooperative societies who develop their own set of incentives, independent of the small growers whose 'voice is not being heard'. The larger, vertically integrated coffee businesses can sidestep the contingent contract problem. Other cash crop markets, such as the cashew market, also suffer from similarly extremely poor marketing incentives for buyers and sellers.

Mahdi (2008, draft) contrasts Tanzanian coffee markets with the Ugandan coffee industry which has evolved with a more comprehensive liberalisation, disbanding of marketing board, removal of export taxes, and has few restrictions. The Ugandan coffee market is competitive and efficient with high level of participation: *debe boys* aggregate coffee from small farmers and deliver to larger traders – the overall effect of this increased competition in buying and exporting coffee *whilst keeping producer price share for coffee high and simulating a considerable supply response.* Other strains of this literature focus on the role of rent-seeking behaviour and the one party 'inclusive elite bargain' (e.g. Lindemann and Putzel, 2009, draft).[3]

Madhi's solution for Tanzanian coffee is to streamline licensing requirements, remove village veto, and allow buyers to enter contingent contract. The government should support a strong coffee growers association which has its own independent agenda, linked neither to the coffee cooperatives nor to large coffee businesses (Mahdi, 2008).

Mahdi (2008, draft) rightly brings out the role of good markets can have in stimulating production and the role too much regulation and scope for rent seeking. However, other issues remain critical such as poor farmers' access to capital, extension, inputs credit. In liberalised environment how can the poorer half of farmers access the capital necessary to invest in farming? Who provides production support (extension) or independent market advice? What about those traders even in non-monopoly situations who continue to extort surpluses from Poor farmers through trickery on withes and measures, usury, or bribing corruptible cooperative society officials? Whereas Mahdi's study focuses on structural considerations – the coffee market –the studies reviewed below focus on interviews with poor men and women and render insight into the obstacles they face (much like the *Village Voices* film).

4.2 Consequence of liberalisation and withdrawal of state support

Another group lays blame for these market and production failures firmly at the feet of the disbanding of public agencies which served farmers before Tanzania liberalised its economy between the early-1980s and mid-1990s. Then marketing boards, cooperative societies and other public agencies that formerly provided inputs, credit, and technical assistance and purchased crops were either disbanded or dissolved by competition, which left farmers dependent on markets for these services. The problem was that traders have not rushed in to provide credit, inputs, and extension, nor offered any protection against risks of bad weather or fluctuating and low prices. The elimination of support/floor prices exposed poor low productivity producers to global price instability and to the idiosyncrasies of localised markets resulting in serious food insecurity.[4]

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3 Rent seeking literature highlights the ability of the government to capture monopoly privileges through its regulation of competition (traders) (regulatory capture). For instance, cooperative officials may collude with traders (firms) who pay them bribes in order to set crop prices artificially low (via bribes).

4 In remote, small economies, crop failures are not offset quickly enough by food imports. This creates local undersupply which rapidly translates into skyrocketing local food prices and further hunger. Conversely in bumper crop years, oversupply can be rapidly translated into very low food prices (and incomes for farmers). Regardless of size of market, however, free agricultural markets are, as Ellis (2009:149) argues, 'inherently unstable – underpinning the microeconomic logic of ubiquitous farm support policies in the industrialised countries since early twentieth century'.

In a study of chronic poverty and escapes in Ruvuma region in Tanzania by Kessy *et al.* (2006), covering the period 1995-2005 through family histories, the authors find that when government cooperatives were exposed to private trader competition (not until 1995) farmers experience only a brief rise in crop price followed by price falls and what might be called an 'agricultural support vacuum' encouraging farmers to switch out of cash crops. Their farmer respondents lamented the passing of the days when cooperatives offered a package of extension, credit and affordable inputs – the benefits of these outweighed problems in cooperative late purchase and delivery in some years. Whilst private crop traders did move into the region in order to purchase crops, the traders did not offer the package of inputs, credit or extension that village cooperatives used to provide. Moreover, such traders exercised monopoly power and were found to bargain down crop price by fiddling weights and measures as they had monopoly on crop buying. These traders only offered credit on highly usurious terms (Kessy *et al.*, 2006).[5]

Bryceson (2002) focuses on the consequences of what she labels 'de-agrarianisation' from this fall in cash cropping and documents a significant rise in farmer reliance n non-farm employment and on casual labour. On the basis of the extensive DARE (De-agrarianisation and Rural Employment) survey across four countries, including Tanzania, Bryceson (2002) argues that adjustment and liberalisation policies have accelerated de-agrarianisation, a movement away from traditional export crops and commercial food staples.[6] She argues that the imposition of structural adjustment programmes (SAP) from the mid-1980s to the mid-1990s let to a 'drastic undermining' of most people's production for the market through the removal of subsidies on improved inputs such as fertilisers, seeds and pesticides. Also, SAP policies dismantled African marketing boards and parastatals that had serviced peasants (a) input requirements (b) enforced commodity standards and (c) provided single channel marketing facilities and controlled prices. As a result of SAP policies, producers faced a fall in productivity, combined with an uncertain market environment, wide fluctuations in crop prices, input prices sky rocked and supply tenuous (ibid: 727). Moreover, overall cash needs rose as costs of inputs, health care, and school fees rose together with price inflation and availability of new goods (but beyond the buying power of rural producers). These problems were compounded by unmaintained roads and health facilities in the 1990s.

5 Usury is not uncommon in remote regions. In recent field research in a remote region of southern Rukwa (September 2009), I found that trader loaned TSH 50,000 to farmers when planting paddy and these traders expected TSH 150,000 in payment at harvest (or equivalent in bags of paddy). The lender/ traders then waited three to four months and sold at TSH 200,000 when prices rose. As one trader put it 'it is a rough game, but everyone does it'.

6 Note that Ponte (2002: 64-67) finds that the food crop sector has been positively affected by agricultural liberalisation, but that the rise may have been overestimated after liberalisation biased by the politics of agricultural assessment.

4.2.1 Rise in dependence on non-farm employment and casual labour

As a consequence, producers retreated into subsistence food farming and into non-agrarian employment, the latter necessary to pay for such rising cash needs under liberalisation (hence her title 'scramble for livelihoods'). Whilst the national Household Budget Survey shows that about 30 percent of income comes from non-agrarian employment (NBS, 2007), smaller sample economic anthropology style studies tend to find that non-agricultural income is closer to 50 percent of Tanzanians income or more (See Bryceson, 2002; Ellis and Mdoe, 2003; Ponte, 2002).[7]

One explanation for the rise in casual labour in Tanzania, according to Ponte (2002), is that with *rising cash needs under liberalisation*, farmers changed from 'slow crops' such as maize, paddy, and coffee, tobacco to 'fast crops' such as beans, bananas, tomatoes, and cabbage. Fast crops mature more quickly, to meet ongoing cash needs of farmers. This movement to fast crops also require more labour which cannot be met through traditional labour exchange/working parties which has led to an important rise in the use of more formalised hired wage labour (Ponte, 2002) especially female labour (see Sender, *et al*., 2006 for Mozambique). This rise in casual labour has become more marked with smallholder land shortages arising from splitting land at inheritance and rising population growth and from the privatisation of common owned land (Bryceson, personal communication, 2009).[8]

Bryceson (2002), Kessy *et al.* (2006) and others argued for a restoration of state support for agriculture, an idea which goes beyond Agricultural Sector Development Programme reports to 'green revolutionise' Tanzanian agriculture by raising land productivity through technical change. The government notion of a 'green revolution' is based on research, extension and strong local farmer organisation in order to tackle rural poverty. The concept is that such a strategy is seen to be *broad based, a* pro-poor, 'inclusive' growth strategy, because yield growth will increase incomes where it matters most – rural smallholders and raise demand for rural workers. Farmers' higher disposable incomes will be spent on locally produced goods and services, thus generating greater non-farm employment and thus raising income growth of the rural poor further (URT, 2001; URT 2004; World Bank, 2008; *Kilimo Kwanza; URT,* 2009c). However, the aim of the most recent expression of this view through *Kilimo Kwanza* may not go far enough to support the needs of Tanzania's poorer farmers. The

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7According to Ellis and Mdoe (2003) large scale surveys on income and expenditures fail to record an understanding of the recent upsurge of livelihood diversification. In the more 'anthropological style' research (Ponte, 2002; Bryceson, 202; Ellis, 2003) interviewers tend to interview for much longer periods which capture true extent of different income sources which are not apparent in short interviews.

8 Bryceson, who worked in Lushoto in 1999 with George Jambiya, observed marked differences in gender attitudes and women's earnings (in contrast to what Sender and Smith documented a decade before) and suggests that the situation has evolved from there with a rapidly growing casualised labour market related to smallholder land shortages witnessing signs of distress in 1999 (Bryceson, personal communication, 9 October 2009).

official response has been a move to devote more resources (from 6.6 percent to 10 percent of national budget) to the implementation of an Agriculture First Strategy (Kilimo Kwanza) based on the understanding that most rural people derive their income from agriculture in some form. It attempts to apply new vigour to earlier agricultural sector reports focused on green revolutionising Tanzanian agriculture where new agrarian technologies are funnelled through the establishment of local farmer organisations (primary societies through the Ministry of Agriculture, Food Security and Cooperatives) the latter necessary to provide the institutional framework to deliver extension, credit, input and other services (URT, 2004).

Some of the key aims of Kilimo Kwanza include a desire to encourage local investors rather than mobilizing Foreign Direct Investment for large-scale commercial farming to promote a change from hand-hoe farming to farming using new technologies and tractors, to increase national bank lending on concessionary terms, address problems in land markets and unused land, enforce weights and measure. They also outline a focus on the promotion of key food crops and for cash crops choose ***those which can transform agriculture quickly with minimal financial investment and technological requirements*** (URT, 2009c) What clearly should be audited is the extent to which these strategies when implemented focus on longer term needs of primarily small farmers and labourers (the poor).

4.2.2 Smart revolution: smart subsidies for poor farmers in Tanzania

Bryceson (2002) and Kessy *et al*. (2006) argue for much more pro-poor interventions, such as selective subsidies on inputs. The latter has been taken up by Wiggins and Leturque (2009) who design and implement smart subsidy schemes that support *poor* farmers and which also crowd in, rather than crowd out, private investment. The authors address the following economic arguments for subsidising farming based on the unique conditions *faced by particularly poor farmers.* Subsidies may:

- generate the scale of crop production needed to draw crop buyers into remote rural regions;
- produce sufficient demand for an input so that dealers, warehouse, transport firms, fertiliser factories *achieve scales that bring down the costs of input supply*;
- allow farmers to use an input and learn of its benefits;
- address market failures faced by the poor, where poor farms cannot afford inputs, credit or bear risk; and,
- promote equity through provision of support to remote, disadvantaged regions (Wiggins and Leturque, 2009:6).[9]

9 A similar equity augment is that disadvantaged countries, Tanzania and other SSA exposed to competition with OECD countries with extensive agricultural support in all fairness should be protected themselves.

Wiggins and Leturque (2009) cite the effect of Malawi's fertiliser subsidies on seed and fertiliser (mainly for maize) in 2006/07 via vouchers reducing cost to 28 percent of real cost, there smallholders experienced a remarkable increase in production. In Kenya, liberalisation of fertiliser markets was comprehensive, which reduced the price and increased the use of fertiliser and expanded the network of dealers reducing the distance from farm to dealer. However, the smallest farms and poor farmers find it hard to buy fertiliser for lack of credit. In response the government announced in 2007 a programme to subsidise fertiliser and maize seed sufficient for one acre, aiming to reach 2.5 million small farmers. In Ghana, cocoa farmers were supplied with seasonal credit to purchase necessary fertiliser, insecticides and fungicide – such loans raised productivity by 43 percent. The authors conclude that although costly, subsidies can produce important economic results for poor farmers in the short term that few other interventions could achieve – especially for subsidies food staples (ibid: 8-11).

The authors also draw attention to the drawbacks of these subsidies, highlighting the high cost of the Asian experience – which politically, is difficult to remove once in place. Hence, they promote the 'smart' use of subsidies which are:

- 'targeted to those that need them — for example, poor farmers, remote areas;
- work with the market to help develop commercially viable supply chains — for example, by giving targeted farmers vouchers that they can redeem from input dealers; and,
- limited in time, until the market failures that justified the subsidy have been overcome' (ibid: 11).

4.2.3 *Equitable inclusion into value chains driven by southern actors*

In addition to smart subsidy design, markets can be further enhanced by scaling up pro-poor value chain based projects in Tanzania which assure rural farmers markets, inputs, credit and extension (see the excellent example of Technoserve coffee in Kessy, *et al*. (2006) and UNDP global business initiative in Tanzania, see appendix 1, below). Ponte (2008: 28) however warns us of the nature of this inclusion with two clear recommendations for Tanzania:

> The conditions of inclusion and/or exclusion from agro-food value chains and trade more generally are more important than inclusion and exclusion per se for the alleviation of chronic poverty. People and communities in the south are more likely to find pathways out of chronic poverty, or recover rapidly from shocks that would otherwise push them into long-term poverty, ***in value chains that are less driven by northern-based powerful actors***. When the choice of value chain engagement (or disengagement) is not available, ***sustainability standard Initiatives can help, but more likely when they have been devised with meaningful participation of southern stakeholders to begin with"*** [text in bold is author's own emphasis].

Very carefully chosen value chain involvement is not a 'universal' solution for Tanzanian agriculture – but may help a substantial number of people (e.g. possibly up to 10 percent of rural population). Smart subsidies and smart inclusion into vertical value chains are just two possible 'smart' state-market' synergies. There are others together with state-CSO synergies, e.g. with SACCOs and burial societies, which we discuss below.

4.3 Urban not Green Revolution

Ellis (2009: 143) suggests caution in encouraging a green revolution within the liberalised agricultural market context of contemporary SSA. His argument is that African agriculture suffers real intrinsic problems:

- '..that the Asian Green Revolution was extensively underpinned by government support (price supports and input subsidies) that have not been envisaged to play a significant role in the liberalized agricultural markets of contemporary SSA';
- that SSA economies are relatively small and have *limited domestic markets*, so that 'rising productivity is offset by increased food output which creates oversupply in these small domestic markets and this rapidly translates into falling food prices';
- he adds that these small economies are open ones, where variations in international price levels are rapidly transmitted in domestic sphere. This price instability (and up to mid-2000 declining international markets) meant that 'commercial agriculture has represented such a weak and unreliable livelihood platform that most SSA rural families grow food for subsistence to survive or thrive by diversifying into non-farm activities or relying on remittance income';
- that '*farm sizes are continuously shrinking* due to sub-division at inheritance under customary land tenure arrangements (and eventual closing of the land frontier in most places)' promoting *dependence on non-farm and wage income*; and,
- 'efforts to increase yields in Africa have been going on continuously over the past four decades with little to show for poverty reduction'.

To this list, others have added soil depletion and low proportions of irrigated land, low rural population density, poor rural infrastructure etc. (Johnson *et al*., 2003).

Given these problems, Ellis (2009) argues that policy interventions should instead promote non-farm rural employment and more sustainable urban growth. Ellis raises an important point: urban growth will stimulate rural migration into urban areas which, in turn, stimulates:

- remittance income to rural agriculture necessary to invest in rural productivity and livelihoods; and,

- When people leave agriculture to participate in growth of other sectors, it creates a rising urban demand for food that serves to ensure higher incomes for those behind.

This approach supports growth processes where they actually occur, in the urban economy through developing urban infrastructure where there has been little effort up to now (Ellis, 2009).

As a most distinguished and long-term observer of African agricultural economies we should be alert to Ellis's message, particularly the issue regarding the availability of capital for poor rural farmers in a liberalised context and the role of rising remittance incomes in meeting this need. However, it can only provide a portion of these capital needs. As the *Village Voices* research reveals below, migrants with less than completed primary school education may not have the level of numeracy necessary to access many semi-skilled apprentice positions and there are only so many jobs for the completely uneducated. Moreover, some agricultural growth to drive rural incomes is critical to sustain parents' financial ability to keep children in school long-enough to benefit experience a successful migration. Thus, supporting labour migration should be seen as an addition to agricultural support rather than replacement.

Ellis (2009) assumes a liberalised context, but a more optimistic assessment might suggest that the effects of the agricultural support vacuum created by liberalisation can be reversed, by stepping up state support (as under the new *Agriculture First* approach) and smart synergies with markets and CSOs in order to address market failures outlined by Ellis. For instance, open markets and price instability can be supported for a short time via smart input subsides balanced with social protection measures. Demand for Tanzanian products in nearby landlocked countries is significant and roads are being built fast (e.g. one trader recently told me that 'they will even buy dust for a price across the lake'). Moreover, shrinking farm size can be stemmed by a) yield growth through extension and input subsides b) by putting unused land (left during the *Ujamaa* period) back into cultivation c) strengthening legal rights to land to strengthen land and vitally rental markets and d) to use Tanzania's unused water resources to increase yield. Social protection synergies with SACCO's will be discussed below. We take up this argument further in the conclusion.

4.4 Issues raised by people in *Village Voices* research

In the following sections we comment on the impact of the MKUKUTA reforms in Tanzania's most remote villages, the obstacles they face and where interventions are most critical now for *poor and remote* villagers based on a close examination of the transcripts of the interviews in the film. We focus on insights from villagers' experiences in attempting to drive their own income growth through agriculture (in section 4), non-farm employment (section 5) urban based livelihood generation and its links to rural investment (section 6). We conclude in section 7.

5 Agriculture: farming and livestock

5.1 Livelihood transition and the need for extension

All villagers depended directly or indirectly on agriculture, herding or fishing. Yet what is striking is that whilst MKUKUTA interventions have made some progress in services (strong in education and some progress in water and trunk roads), they are by far weakest in promoting important drivers of growth in rural Tanzania: production, trading and processing of crops, fish and livestock.

The *Village Voices* film highlights the critical need for extension support for those communities making the transition from pastoral, hunting and fishing based livelihoods to agriculture (henceforth understood as farming and livestock rearing mix). The communities increasingly turning to agriculture include the Maasai who suffer from overgrazing, the Mtoni fisherman who suffer from depleted stock, and the Sandawe hunters who are locked out of the game reserve. However, each community has had meagre success as they are new to agriculture and rather inexperienced in agricultural markets.

Jumapili, a Sandawe Hunter/farmer from Porobanguma, preparing for a hunt with his sons

Technical and market advice is particularly important in communities transitioning from traditional livelihoods to an agrarian one. Yet what is remarkable is just how little agricultural and veterinary support there is in these villages. As a result, in villages like Orkesumet, a community transitioning from nomadic herding to mixed cropping, crop failure is often a result of ignorance rather than poor weather or soils and so the crops of the Maasai fail (despite having the most fertile soils of all the five villages). Some herds are still moved from one part of the country to another in search of grazing and water. But where services have been centrally located as in Orkesumet, people are inclined to settle and there are far too many cattle for the available land and water. The overgrazed and eroded surroundings result in animals of poor quality. Drought and disease have wiped out thousands of cattle over the past five years.

Box 1: Lengai, Leshule and Mbapuli from Orkesumet

Simanjiro District, Manyara Region

Simanjiro District, Manyara Region

…Box 1 continuation

Lengai tells us that the Maasai lived a nomadic life 20 years ago but they now depend on farming and non-farm prospects. They are fortunate in that Orkesumet has the most fertile soils of the five regions. However, Lengai admits he and most Maasai are not experienced farmers. Despite his six fertile acres he only has rudimentary farming skills, and is found to be repeatedly replanting his crops in response to wild boar, pests, delayed rains and caterpillars. He has wasted money and time by using pesticides incorrectly.

Leshule, also a Maasai from Orkesumet, is found gleaning discarded beans from a rich farmer's fields because he believes they are of better quality than his own. But he plants them too early and they do not germinate. Pigs eat his soya and beans and he appears perplexed as his maize is infested by termites.

The cattle of Leshule and Mbapuli are found wracked with disease in 2004/05 and in 2008 their adult goats are decimated by eating poisonous shrubs. Each farmer resorts to non-farm prospects – a butchery, urban remittances, gemstone mining and trading – in order to fund cattle purchase and survival. However, when these sources of income fail they are thrust back to farming and its limitations once again in order to support their families and to educate their children.

This case underlines the desperate need for technical and marketing advice in these villages to support livelihoods. The recent use of cell phones by some villagers combined with satellite TV (e.g. in Mtoni) enhance extension potential through different means.

5.2 Localised economies and localised famines

Tanzania is marginally self-sufficient in staple foods in normal years, but is also composed of localised regional economies. As a consequence, an above average harvest can depress farm prices and returns to farmers, while a below average harvest leads quickly to food security difficulties for the most vulnerable. Communities suffering from the drought in 2006 (and excessive rains of 2007, and drought at the end of 2003) highlight the problems of such food security difficulties. These periods are marked by severe hunger and series of coping responses which further trap these families in poverty. When suffering crop failures and livestock deaths, villagers are found selling remaining livestock in order to purchase food to survive until the next harvest. When most energy is needed to till the fields in preparation for the next season, hunger is at its worst, thus *poverty is pushed into the next growing season* as farmers are too weak to cultivate sufficient land for profit in the next season. Moreover, the cash necessary to plant next season's cash crops is gone.

In times of famine, many men migrate – sometimes permanently – leaving women, children, and elderly parents with no food or savings. Human assets are hit as children are malnourished and miss precious time at school. Yet, only two communities out of the five received food aid, the other communities were left to their own devices as there is no social protection strategy in place to support them. Moreover, in the communities assisted, only some families benefitted, i.e. those families with large numbers of children and no assets. Those families owning assets were forced to dispose of them to survive, weakening the community as a whole.

Box 2: Hunger in 2006

Jumapili Barungo, Porobanguma Village, Kondoa District, Dodoma Region

The real hunger of these villagers in 2006 and their desperation is clear despite some surplus in subsequent years. Jumapili, a Sandawe farmer from Porobanguma, survives through farming and resorts to hunting, honey harvesting, and forest goods. During the 2006 famine, he and his family subsist on nuts from the forest – 'kids are expert at it'. With depleted energy from the hunger, he found that it took him three days to do one days farm work and so he resorted to chopping trees for sale to survive. In the following growing season, still desperately hungry, he had to leave some of his fields fallow through lack of energy to till.

In Ilongo, Joseph Philimon was tilling the soil for the following season with his neighbours and was doing so sustained only by water – there was no fertiliser to replenish the soil, and he feared maize would not grow. He did receive some boiled beans from a food aid store for one meal a day, but it was not enough. His children do not go to school at all because he cannot afford uniforms or exercise books and his wife puts it plainly that hungry children cannot concentrate. On visiting the school, the classrooms are nearly empty.

Box 2 continuation…

Ilongo Village, Iramba District, Singida Region

In Marumbo, there were similar stories. Mrs. Wilson (wife of Mr Wilson, see Box 4) complained that men were leaving their wives and children without any food, and such women were hardest hit as they did not have any savings at all. Precious cattle stores of wealth die or are sold off completely leaving no safety net for the following years.

Ilongo Village, Iramba District, Singida Region

Hunger was thus compounded by long term downward mobility: precious livestock gone, a year of education lost, land only partially tilled, and for the slightly better off like Mr. Wilson, no cash crop income next year because they need that income for sorghum. This film highlights several ways the government can intervene:

- Food aid covering a larger part of the population and school meal programmes (as in one village) can prevent hunger induced material asset sales and poverty traps.
- Bridging loans for poorer farmers, which has recently been added to SACCO lending to larger farmers, should become much more widely available to poor farmers, perhaps by linking such loans to naturally growing ROSCA/burial societies (where the treasurer of the burial society is the member of the SACCOs and can access higher level of SACCO capital). Supporting this link will also help enhance the availability of crises lending via the burial society repayment model. Such societies have the added benefit of being run largely by women, thus addressing the problem of female asset loss when men leave wives during crises.
- Storage: the MKUKUTA aim of subsidising fertilizers and price supports for key food crops and tying grain surpluses to a strategic local (and national) grain reserve is one way to prevent this impoverishing train of asset-lessness during droughts. However, much greater household level and local village level storage is crucial is important and could reduce the requirement for food aid. Household level storage requires loans for tin roofs in these villages.
- Extension information on the cultivation of drought and rain resistant crops is another key to improved household level food security, especially for new farmers or traders.
- Credit and extension aimed at enhancing food production should be directed towards women, particularly in those regions where women are responsible for food crop cultivation (e.g. Orkesumet and Mtoni).

Christina Mkumbo and daughter Bahati Wilson, Ilongo Village, Iramba District, Singida Region

5.3 Implements, inputs, pests and market access

At present, the agricultural sector in these villages rests upon rain-fed cropping, mostly hand tools for ploughing (hand hoe), traditional crops and traditional animal husbandry. The obstacles cited by villagers to improved cultivation include: traditional implements (hoes rather than oxen and plough or tractors), the prohibitive cost of inputs, such as fertiliser, pesticides and quality seeds, the difficulty controlling big pests – monkeys, birds, pigs baboons and price/market instability for cash crops.

The key problem cited with inadequate fertiliser is that the soils are not being replenished so the crop yield is measurably lower from one year to the next. Pests seem to be more resilient than ever and pesticides are beyond the budget of poor farmers. Yet crops such as cashews require expensive insecticides and care to achieve acceptable quality. The difficulty cited with big pests is that farmers can only till small amounts – farm what he or she can watch. Price and market instability is partly down to road access in the remote communities: feeder roads are in poor condition and not conducive to low cost trucking goods to markets or attracting buyers to venture down to them. Price instability is also down to market structure for various cash crops (see cashew market below).

5.4 Crop failure and input costs

Whilst crop failures are partly attributable to poor rains or to excessive rains, failures are equally attributable to:

- inaccessible or costly inputs, vastly diminishing the size of the harvest, and
- to *price failures*.

For instance, after the marketing failure of his cashew crop, Ottaba from Marumbo is found to resort to non-farm desperation work making charcoal, and then to construction work in the school, in order to make ends meet.

Box 3: Ottaba from Marumbo

Halfani Wangazi (aka. Ottaba) Marumbo Village, Kisarawe District, Pwani Region

Like many of the films respondents, Ottaba had two main economic goals – to improve his farming and to educate his kids. In 2005, Ottaba, a talented drummer, felt that drumming did not pay to meet the needs of his growing family. He then decided to invest in 30 cashew trees and in his children's education as the way out of poverty. His wife would cover main food needs mostly through cassava and also other crops such as potatoes, and by paid day labour on other plots.

His aim in 2004 was clear – to be a cash crop farmer '*with a farm, one can improve the quality of one's life. To plant enduring crops like cashew, citrus, jackfruit, coconut, after five years you can become someone*.' His wife also explains that those people who do not want to cultivate and rely on wage work or charcoal work are bound for poverty.

Box 3 continuation…

Prices were high in 2004 (500 shillings per Kilo, each sprayed tree could produce 20 kilos) and rose in 2005 (650 shillings) and so Ottaba remarks that he wishes he planted even more trees as he eagerly awaited the maturation of his existing trees. In the meantime, he was trying to find money for insecticide. Only those cashew trees that are sprayed would be fruitful, but it costs 20,000 shillings for a 25 kilogram bag of insecticide which is very difficult when also trying to find money for oil, sardines and school needs. He remarks ‘this is why we are impoverished’.

Ottaba was also trying to find cash to cover his son’s education costs. He decided he can only do this through charcoal production (cutting trees and manufacturing charcoal for sale). His brother contributes to his child's fees and uniforms also through charcoal. The price has risen from 5,000 shillings in 2004 to 12,000 shillings a sack in 2006, due to a government freeze on charcoal trade after the elections in 2005. But making charcoal does not pay well as the process is lengthy and too strenuous for one man alone. It is still not enough for the private boarding school fees at 300,000 shillings in 2005 or the local private secondary school at 140,000 shillings in 2006.

2006 was a drought year and tough for all but his wife cultivated drought resistant cassava and the new cassava milling cooperative provided some hope of local sales of cassava flour and additional cash income.

Market price

In 2007 market price for cashews plummeted – cashew buyers at first did not come, and when they did, they offered only between 150 and 200 per kilo. All Ottaba could do was store them indoors which is where they are now as did almost everyone in the village. He hypothesises about the low price of cashews, but believes that the buyers are all tight Indian traders. On the other hand, the low price offers might be related to the grading of cashews – the quality might not be high enough. He is not clear if these traders are taking advantage of their remoteness, and inability to bargain or if this is in fact the global price for that quality of cashew.

Price doesn’t cover high costs of inputs

In either event, the offered market price was so low it did not cover costs of production - a bag of fertiliser costs 20,000 shillings. '*You buy other inputs for 200,000 or take a whole box for 300,000 but the price of cashew is down, how are you going to return the investment in inputs? And next season, how are you going to buy inputs again? Government is not doing anything to help the cashew market. Nothing.* '

Ottaba has hope that the new processing plant in the village for shelling cashews will be built and that it will provide the market he so sorely needs. But he has no idea of timing or its plans and until then, feels desperately insecure.

Access to Insecticides

In addition to the high price of inputs, in some years, insecticides are simply not available. Yet without insecticides, Ottaba’s trees will not produce much fruit. *'Last year insecticide was brought over by the head teacher. One could buy from him. He would come and spray for a fee. This year there is none. People are using the remains of last year’s stock. One really has to spray in May. Now it is September, and I have not sprayed. Which means a very poor crop if anything. There are those who went all the way to Kariakoo to find insecticide and could not. There is an agricultural extension officer. He too has a shamba. But he is in the same predicament! He can weed and clear but without insecticide you cannot spray even if you are an expert! '*

Box 3 continuation…

Baboons

The baboons continue to make it hard to cultivate any more than you can protect. Unprotected crops fail and Ottaba begs the army to protect the livelihoods of farmers.

High costs of education

In the midst of this, education is on all the minds of villagers given the building of the new secondary and high school, but education costs seem high. '*Now government says if a child passes he must study on but where is the contribution from the government? One year costs 20,000 shillings! Do they expect us to sell cassava! Children also have needs. They need uniforms, exercise books; it comes to 80,000 or 100,000 easy in the first year.*'

Charcoal production

With low cashew prices, Ottaba explains that he and many villagers make charcoal to pay for their kids' education. He is fully aware of its environmental implications and hazards to his health through smoke exposure, but the price of charcoal was rising steeply and as a strong healthy man, you can earn well. He and his brother contributed to his child's education costs in this way. But Ottaba is angry – '*the government intends that we educate our kids, but why cannot the government itself contribute more?'* He warns that if you put a full stop to charcoal, many poor people will lose their ability to educate their children.

Atakaye Mlungula's charcoal industry. Marumbo Village, Kisarawe District, Pwani Region

Box 3 continuation…

A better job in school construction

In 2008, Ottaba leaves charcoal for wage work construction, as demand for workers rises at least temporarily through building the new high school. Overall he still needs a tin roof, better access to cheaper inputs, and cheaper education costs. And his cashews need a better market price. However, life is better than last year because a new school job pays for school and family needs – despite this year's steep rise in food prices. Also it is less unhealthy, less exhausting work than making charcoal. He also learns new construction terminology (4 by 4) and skills. However, working in the school is not a long-term solution – what happens when the school is built – back to charcoal?

Ultimately Ottaba needs a loan for non-farm self-employment (making drumming at ceremonies pay or construction of rental buildings for teachers?) and agricultural support for his cashew crop production (technical and market advice, agricultural loans and input access). *'But my hopes for the future are with the cashew nuts when prices go up.'*

It is clear that rural cash crop producers need extension advice – both technical and market – loans for inputs and better access to inputs. Capital spent on school fees reduces capital available for inputs. A key problem for Ottaba and other farmers is price instability. The big drop in price for cashews in 2007/8 meant that the harvest in Marumbo was all unsafely stored hoping for better values (see below). Why did this happen? One possibility might be the idiosyncrasies of markets – global markets – with oversupply in one country pushing global prices down or better quality cashews available elsewhere. Another might be local traders attempting to extort from farmers by arguing that the standard is low (when it really is high) or reneging on contracts to buy.

The problem of low prices and instability in the cashew market might also be related to its structure. Baregu and Hoogeveen (2009, draft) argue prices for farmers were favourable when farmer interests were adequately represented (in the 1960s) and when competition was brought into cashew marketing (in the 1990s). However, at present, neither condition prevails. Primary societies and cooperative unions do not fully represent farmers' interests. Under the current system, cashew farmers face unfavourable terms: the farm gate to export price is about 39 percent compared to a 64 percent average since 1991. The authors argue that the institution of the warehouse receipt system (WRS) for cashews in 2007 leaves little room for private traders an so the authors recommend careful rauditing and reform of the WRS, such as the single marketing channel, in order to restore competition in cashew marketing which will also reduce the market power enjoyed by monopolistic large processors and exporters.

Such liberalisation, however, might help only larger, experienced cashew farmers. The benefits of greater competition might bypass farmers like Ottaba, who have little training on production, no independent advice on markets and little support on inputs. What is clear is that had farmers like Ottaba had more reliable market information or more secure market access (through forward buying from the soon to be opened processing plant), perhaps they could avoid resorting to environmentally hazardous charcoal production to pay for their children's education.

5.5 Cash crops and profits

The *Village Voices* film also shows that there are profits to be made in cash crop production with the right crop. Whilst real prices in agricultural commodities had been declining continuously since the 1970s (because of higher productivity in other regions), recently, there has been an upturn in some crops. For instance, sesame and other crops are rising and rural producers need advice now on which crops to plant. As the case study below illustrates, earnings from cash crops can sustain producers through famine and provide the cash necessary to pay for school. Yet desperately need government support and this support should be part of a coordinated strategy involving extension, credit, inputs and marketing.

Box 4: Mr. and Mrs. Wilson from Ilongo

Mrs Mary Wilson and Wilson. Ilongo Village, Iramba District, Singida Region

Mr. Wilson is a farmer from Ilongo and has been a village chairman years. His experience over the last five years highlights the multiple obstacles faced by farmers, his reliance on cash cropping and need for state assistance.

In 2004, he told us that he had been trying to build up his farming business and that he could use government support. He makes clear that in good years, cultivating millet provides food and cash crops of sunflowers '*can grow one out of poverty*.'

Box 4 continuation…

In 2005, he was heartened by the sale of last year's sunflower crop (10 bags plus seven of millet) which enables him to buy two cows and a new radio. However, in the following drought year, 2006, crops failed in Ilongo. Mrs. Wilson *remarks: 'Life is so very hard. Were it not for some income from cash crops, we would be in a terrible situation. …. all eight cows have died or have been sold for food and he (Mr. Wilson) lacked money to cultivate sunflower this year* (2006). The Wilsons resent their predicament, not able to access 'bridging loans' to hold them over until next harvest.

However, in 2007 Mr. Wilson reaped 10 gunny bags and bought 10 sheets of roofing which he plans to use to pitch a roof so that rain doesn't ruin his stored crops. In 2008 Mr. Wilson succeeded to harvest 15 gunny bags of sunflower seeds. However, whilst potentially a very successful year, he earned less than half of its worth because he was forced to make an early season desperation sale because of an urgent need for cash after the stretched growing season. If he could have accessed a bridging loan, he would have been able to sell three months later, and he would have got double the price.

Farming for the Wilsons is a risky road – given crop failures, price fluctuations, and traditional tools. Nevertheless over the five years he has been able to buy some roofing and a radio with his surplus and very significantly – compared to other poor people in Ilongo – retain his youngest child in school. To some extent, cash crop production of sunflowers enabled him to withstand the drought and invest in roofing and schooling. He is getting older however, and knows that in order to continue/expand his farming enterprise further, he needs *'to buy a trailer to carry my crops home and if luck comes to my way I'll get a loan and buy a tractor. I must expand my farming. Farming is the main income for me and my family.'*

A coordinated plan for agriculture

Mr Wilson is very clear on the need for: '*politicians to come here and see the real plight of the people. Leaders have not come here for many years.... To reduce poverty the government needs to help us get seeds in time, fertilizer and provide inputs early enough before the season starts. And if possible to control the price of fertilizer as it is too expensive for us. Give people loans focused on agriculture. Help secure price for produce as it is never certain – the government could give a safe starting price. With that safety one could hold out and take a loan to survive until the market is good rather than selling too early and too cheaply. With those little requests, government could be a great help. ..... My aim in regards to SACCO's is according to my proposal, to get a loan of 2.7 million; I will buy oxen (plough animals), a plough, and a trailer.'*

5.6 Lessons for MKUKUTA successor strategies

These case studies reveal two important points. Firstly, farmers do not intend to leave farming – quite the reverse – they want to expand their farming and desperately desire to educate their children. Secondly, farmers need support and this should be a coordinated plan which is implemented with determination.

Such a strategy should include primarily extension on appropriate inputs and independent advice on markets. Farmers need to know which crops to grow (sesame, sunflower local markets) which inputs to use (which pesticides for cashews, applied when and how), what are likely crop prices (should we store and then sell?). Farmers require a well functioning warehouse receipt system to avoid desperation sales, to enable storage and sales when prices rise, and to cut into monopoly privileges enjoyed by those larger cooperatives who don't represent farmers interests and those large processing companies. MKUKUTA must work on better feeder roads to reduce transport costs (such as the ruined coconut crop which was too expensive to take to market. Farmers also require smart input subsidies and price supports on key crops. A key part of such a strategy should be credit.

5.7 Agricultural credit

Agricultural households clearly want to access loans to modernize yet not one received formal banking loans. The only loans offered were private and on a national level, only 3 percent of the total number of agricultural households accessed credit through formal and informal loans. According to this film, agricultural families need two types of loans:

(1) loans for production – seeds, inputs, tractor hire (to extend acreage cultivated) as most smallholders *do not have the cash* at the start of the tilling season necessary to finance production; farmers also need loans for transitioning from hoes to oxen and ploughs or power tillers;

(2) bridging loans to cover seasonal shortages in consumption – to tie over until next season.

SACCOs and home grown, village savings and loan associations can provide a way of building up savings to tide a household over through the lean months, as well as a source of credit to take advantage of income earning opportunities when these are available. We have yet to see anyone realise an institutional loan, but groups have been formed in all our communities to make the most of the initiative. All informants felt that credit would be well spent on upgrading their tools and purchasing ploughs, carts and animals-of- burden (oxen for ploughing, donkeys for hauling water and wood).

A key issue encountered with SACCOs operating is that some villagers see them as 'only for the rich', i.e. those who can afford membership fees and share ownership. One way to circumvent this problem is to more actively link SACCOs to burial societies and other ROSCAS.

6 Non-farm employment

As we pointed out above, national household budget survey figures show a rise in proportion of income coming from non-farm employment and major decline in the proportion of income arising from sales of cash crops over the period 1991/92 to 2007 in rural areas in Tanzania. Table 2 shows that in rural areas over that period business income, wages and salaries and remittance income have risen in importance (NBS, 2007). We suggested above that whilst the national Household Budget Survey shows that in 2007 about 30 percent of income comes from non-agrarian employment (NBS, 2007), smaller sample economic anthropological studies tend to find that non-agricultural income is closer to 50 percent of Tanzanians income or more (See Bryceson, 2002; Ellis and Mdoe 2003; Ponte, 2002). Non-farm income is therefore a crucial component of rural incomes.

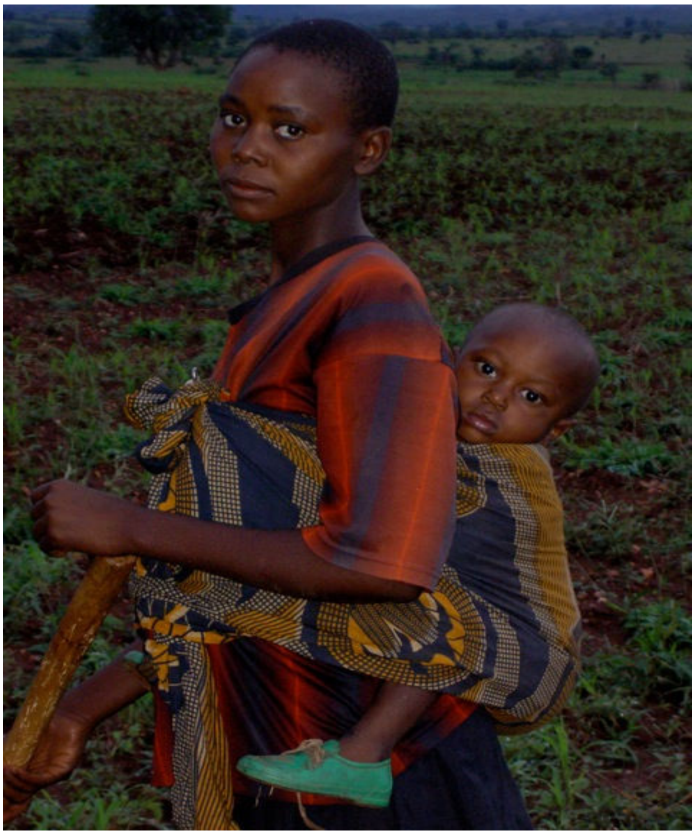
6.1 Need to disaggregate the category 'non-farm'

Non-Farm employment is not a homogenous category. How far certain types of non-farm income growth poor people's income depends on the type of non-farm work. Research in Tanzania by Ellis and Mdoe (2003) shows that better-off households tend to diversify in the form of non-farm self-employed business activities (trade, transport, shop keeping, brick making, etc.) or salaried employment. *These activities have the potential to transform livelihoods.* On the other hand, the poor tend to diversify in the form of casual wage work, especially on other farms, while remaining heavily reliant on subsistence crop production. In *Village Voices*, people are found to also perform more desperation/environmental plunder activities. Such activities are found to sustain livelihoods, but not to transform them, and some such as charcoal and homebrew have severe environmental and social consequences.

6.1.1 Desperation: Casual labour and environmental plunder

The poorest people tend to do *casual wage work* on other farms. In these villages this is extremely low paid (low demand for labour). Across Tanzania such labour is increasing, especially among young women whose husbands have inherited little land (shrinking farm size) or who refuse to contribute to family provisioning (see home brew below).

Another desperation activity is environmental plunder – felling trees for wood sale, threshing poles, charcoal production or simple firewood collection, gathering nuts and berries/leaves for survival, hunting animals on the fringes of the game reserve, gathering salt and selling, harvesting honey. Each of these sustains livelihoods but rarely create the surpluses necessary to transform people's livelihoods in the way that other non-farm work can do so. We did see one example in Marumbo where Mr. Ottaba managed to improve his life by producing charcoal when prices rose (see Box 3), but as Mrs Ottaba herself expressed, in general, those who rely on charcoal in the long run are bound for poverty.



Ilongo Village, Iramba District, Singida Region

6.1.2 *Growth induced by government or private investment*

Village Voices showed how public and private investment in building schools, even health dispensaries or government offices create 'growth hubs' because they create non-farm employment such as builders, cooked foods, transport, tea rooms, rented rooms, etc. Uniform tailoring is a big growth industry. This type of investment, as the case of Ottaba shows, is more productive in terms of livelihood improvement and should be promoted whenever feasible.

New tailors, Mr. and Mrs. Saidi, Porobanguma Village, Kondoa District, Dodoma Region

6.1.3 *Processing and trade*

Another area of non-farm work is trade and processing. The consequences of insufficient government support of agriculture is felt not only among farmers, herders and fisherman themselves, but also among those who depend on the disposable income of farmers who purchase implements, cooked food, tea, sugar, pots, etc. from others.

Wagon making in dry season in Ilongo, Singida Region

6.1.4 *Women's work as untapped livelihood growth potential*

Village Voices captures clearly that much non-farm work is female work. Women are found to be very innovative and pro-active where empowered to engage in economic activity, and thus women's work is an important untapped potential for growth. Women are keen to make use of any opportunity to:

- **process,** such as frying fish and selling back to fishermen, brewing and selling beer to men, baking scones to sell nearby school;
- **craft ,** pot making and weaving *makuti;*
- **or trade goods** import large and sell small packets, selling baobab sweets and salted peanuts, or export locally produced goods, like eggs, through bus drivers; Maasai women selling snuff/tobacco in market.

Potter in Ilongo, Singida

Brewing is often hailed as a way to redistribute income from working men to women, giving women a little more control over finances. Of course, the production and sale of local brew is a double edged sword. Many families suffer through male alcoholism which essentially leaves all of family maintenance to women and rarely can they climb out of poverty. Indeed for every one woman who 'sends her kids to school' on home brew, ten suffer from their male kin spending precious income on drink.

6.2 Women's rights and Family Provisioning

In these villages, the key problems women face as they strive to diversify their family income are (a) that some lack of rights to engage in outside work (b) many do not have control over family resources necessary to invest in self-employment and (c) none have access to credit to bump their ideas into profitable businesses. Yet at the same time many women are largely responsible for covering the daily needs of their families through cultivation and non-farm work or other means (e.g. firewood collection, pot making) and they must do this without having the money, tools or time (given domestic, child and farm responsibilities) to earn it.

This maintenance responsibility rises further when men choose to take on an additional wife, when they die or leave their wives, and when they drink heavily.

- In polygamous marriages it is the first wife's responsibility to maintain her part of the family when the husband takes on another wife. Sometimes this helps the first wife where labour is short, but more often family resources are stretched among more mouths.
- In the Maasai community, widows are not allowed to remarry, nor to own livestock. This pauperises the woman and her children until they come of age to work (e.g. Elizabeth, the mother of Abraham of Orkesumet – Box 6a). Without a voice in the community, widows are allocated land on the distant fringes of the village. They are the poorest members of the community.

- Moreover, men often flee during famine, some never return, leaving the mother of the children to provide.
- Drinking among Tanzanian men is particularly high.

Mrs. Makarani from Mtoni was on the road to become a first wife and potential impoverishment, however, she overcame this limitation and moved her family out of poverty because she had a keen business sense and was empowered to engage actively in enterprising business activities.

Box 5a: Mrs. Makarani of Mtoni

Mrs. Makarani of Mtoni, Kilwa District, Lindi

One measure of a man's success is metered by the number of wives he can afford. During the first two years of visits we noticed that Mr. Makarani used most of his fishing income to buy bricks for a house he was building for his second wife-to-be. Mrs. Makarani (the first) was responsible for finding money for the family needs independently and struggling to stay afloat, reselling peanuts (buying large, selling smaller packets).

The tale twisted when the future bride was rumoured to be flirting with others and Mrs. Makarani insisted on HIV/AIDS testing before bringing Mr. Mak back into bed.

Since then, Mr. Makarani's dreams of a second wife were shelved, money redirected into the home, and Mrs. Makarani has been empowered to develop better livelihood schemes. Mr. Makarani was persuaded by his wife to pay for a water piping system in order to help her access water at home. She then started a new business of selling water to the neighbourhood residents. Rental rooms have now been built in their backyard and walls have even been plastered. The family is now prospering.

On the other hand, women who are denied the ability to innovate and trade cannot escape poverty. Only with the husbands' agreement, women can initiate small business activities.

Box 5b: Suleiman of Mtoni

Mr. and Mrs. Sulieman Kalias, Kilwa Kivinje, Kilwa District, Lindi

In 2004, Suleiman clearly wanted to retain the control of his earnings from the sea and felt that his wife should stay at home, distrusting his wife's business aspirations.

Five years later we find very little has changed. Even Sulieman's house is unfinished. By contrast to the Makarani's, their life has not changed at all.

6.3 Lessons for MKUKUTA successor strategies

Some policies might draw on 'within the box' thinking, referencing the framework of customary gendered rights and responsibilities.

Box 6a: Maasai women and the dairy NGO

Elizabeth of Orkesumet, Simanjiro, Manyara Region

In Maasai families, men herd livestock and women are generally left to sustain and run the home by their own means. A forward thinking local NGO came up with a workaround idea. Although men own the family animals in Maasai communities, women do have access to daily milk and milk has a cash value if there is a dairy to process it. In 2007 with the help of a Dutch donor and an imported milk processing unit, the NGO established this dairy business. It is changing the lives of the entire community, providing regular cash income for women.

Ilaramatak Milk Processing Unit, Orkesumet, Manyara

Another way forward is to 'change the box' by promoting women's legal rights to property. According to Razavi (2009) in Tanzania 'although some women's rights advocacy groups were deeply skeptical of the liberalization agenda, given the adverse implications of private property regimes for resource-constrained women,…some of the most influential gender advocacy groups supported the liberalization of land markets and land titling as creating opportunities for women to purchase land on their own account and have it registered in their own name to be inherited by their descendents (Tsikata 2003).

Policymakers can also push at the boundaries of the box by promoting a change in gendered rights by directing extension and credit to women. This could be linked to self-help credit and savings groups which would work beautifully in these villages where social relations are so strong (often one ethnic group, one religious group, communal farm labour, neighbourly support in times of hunger, etc.)

The potential transformative power of credit for enabling a family to grow out of poverty through non-farm self-employment is illustrated in the case below.

Box 6b: Mbapuli's butchery in Orkesumet

Simanjiro District, Manyara Region

Mbapuli, with 29 mouths to feed, took out a private loan three years ago to build butchery in Main Street. This year he made the final payment and became the proud owner. It is now his thriving business. His success has turned his butchery into a mini growth point with other butcheries popping up next to his getting in on the action, and restaurants in the vicinity now offering meat all day long.

6.4 The need to continue support of agriculture

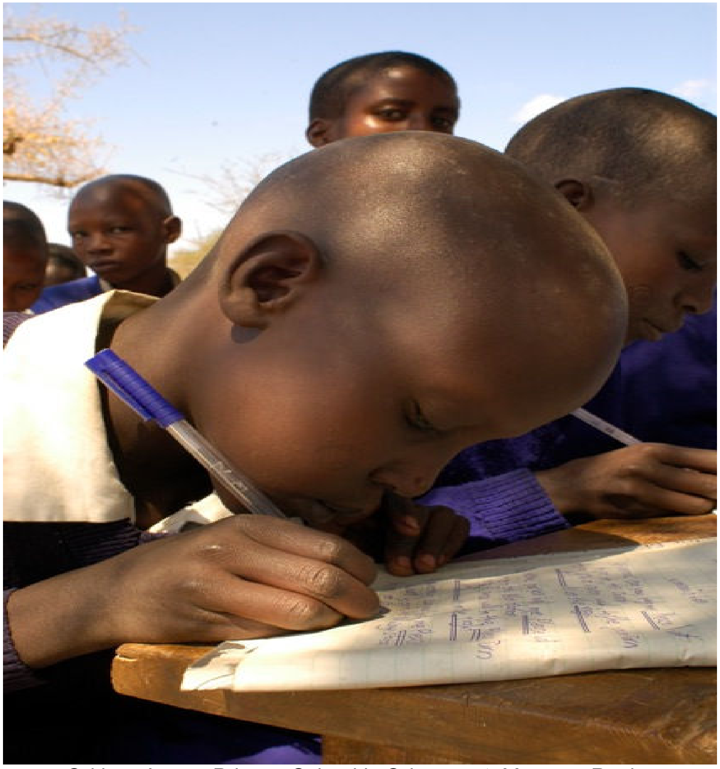
Developing non-farm employment through SACCO's credit and urban infrastructure is merely part of the answer, as agriculture is found to be an important backup livelihood for failed non-farm livelihoods. As we explained above, with the decline in traditional commons for activities such as herding, fishing, hunting, rural Tanzanians are increasingly relying on farming (as we explained above). As incomes through farming fail, through a lack of technical and market advice and input availability, farmers look to non-farm employment and remittances from urban employment to support their families and provide capital to buy cattle and inputs, such as tractor hire. *However, when non-farm income fails farming remains the essential buttress for livelihoods, as the case study highlights below.*

Box 6c: Lengai, Leshule and Mbapuli from Orkesumet

As a result of the agricultural extension failures outlined above, Lengai, Leshule and Mbapuli from Orkesumet were forced to seek fortunes in non-farm livelihoods, such as Mbapuli butchery, Abraham's remittances from Dar, and Lengai as a camp watchman.

Mbapuli's butchery earned 600,000 shillings and so was able to funnel back into herding by purchasing 5 cows. Abraham a young husband was virtually destitute – without either a workable farm or cattle – before marriage but through his migration to Dar he was able to work and send enough start-up capital home to buy seven cows and pay his debt to father in law for brideprice (see below). Lengai's income from camp guarding (1.2 million shillings) and from a compensation for political activity during and after elections is enough to fund a tractor hire.

On the other hand, *failed non-farm livelihoods also lead back to farming as a safety net*. Leshule's gem business earned some income for a while but he never had the capital to buy the quantities he needed to reap significant profit. So he was forced back into farming and he was rewarded with a bumper crop of maize. That year, everyone had harvest surpluses which lowered sale prices. In spite of this, he was able to buy both cow and goats meaning that his family will have milk and his children will have exercise books.



Orkirung'urung Primary School in Orkesumet, Manyara Region

The lesson for MKUKUTA is that no matter how well earning non-farm work may be, it often fails for the same reason agriculture does– precarious markets – and agriculture remains a good fall back option. Thus developing non-farm employment through SACCO's credit for non-farm enterprise and urban infrastructure is not the whole answer: crucially, agriculture needs government support as it is the mainstay or at the very least, the backup for rural livelihoods. In remote villages the success of agriculture is linked to many rural needs: the demand for non-farm goods (and thus availability of non-farm employment), the ability to retain children in school, prevention of localised hunger and poverty traps as well as to prevent turn to those jobs of an environmentally or socially destructive nature – such as felling trees for sale, charcoal or home brew production.

7 Urban remittances: the strategic role of urban development for rural poverty reduction?

7.1 Urban remittances and investment in rural productivity

According to Ellis (2009) small farm agriculture can only prosper in a liberalised context if urbanisation and migration from rural areas accelerates fast enough to reverse the effects of declining farm size, to provide a stronger domestic market for farm output, to increase cash in circulation in rural areas and to take pressure off over exploited natural resources.[10] This argument rests on the assumption that income from remittance income is spent on higher productivity investments on farms (Ellis and Mdoe, 2003:153). This assumption is borne out in the experience of young Maasai man named Abraham who was able to grow out of poverty through his ability to migrate, encounter a socially protective family of Maasai in city to receive him, and to use remittances earned to invest in land/cows at home.

10 Pressure on natural resources may continue if the rise in the number of urban consumers increases overall demand for charcoal and there is no enforceable legislation prohibiting its production.

Box 7: Abraham a young Maasai from Orkesumet and his widowed mother, Elizabeth

Abraham, his widowed mother Elizabeth, and wife Magdelena with daughter Namayani, Orkesumet, Manyara Region

Abraham's father died when he was very young and as a widow, his mother Elizabeth was forbidden to remarry. She became dependent on firewood and water collection. Abraham in 2004 explained to us that he had to provide for her and his new wife and child now, but he had no cattle, a one-acre but un-workable farm, and spent sleepless nights about how to make a living. He knew he needed to migrate to Dar es Salaam for work.

In 2005, his father-in-law takes Abraham's wife Magdalena and his child back to his own home until bride-price debt, a cow, is paid. Abraham then decides to migrate to Dar and finds a strong Maasai network that helped him find work during the day (as a hair braider in a salon) and at night (as a watchman). He trades off with his brother when he visits home securing additional work for his family. Abraham's fortunes turn around as his remittances provided the start-up capital for his seven cows and his debt paid to his father in law. Moreover, together with his brother, he has two cultivated acres and some goats. In 2008, he is able to pay for his wife's hospital costs - three cows.

For the widow Elizabeth, her progress was simply that her Maasai sons came of age five years ago, empowered unlike herself, to fully participate in Maasai society, to find migrant work and to own livestock and other property. They came of age five years ago and that has made all the difference.

For Abraham, his progress was through the benefits of being a healthy, empowered man with customary rights, with a supportive Maasai network in Dar to help him out. *However, crucially growth opportunities in Dar for cheap, unskilled labour enabled him to climb out of rural poverty.*

The lesson here for MKUKUTA successor strategies is to tap this rural growth potential by investing in urban growth. Urban economic growth relies on the predictable delivery of urban public services such as electricity, lighting, piped water supplies, mains drainage, and other services (Ellis, 2009).

However, there are limits to this strategy as Lengai, the village elder, points to problems back home for some of the families of male migrants. One is that elderly parents, wives and children are short of labour for cultivation and run short of money for long periods. Food supply is not secure for those families without access to any savings. Moreover, men can leave permanently - take additional wives in the city and forget the needs of their aging parents, '*losing themselves completely'*. (This happened to the wives of male migrants during the localised famine in Marumbo).

Yet, until alternative capital is available or loans are offered without security, it is unlikely that the wave of youth migration to the cities will stop. It is necessary to amass agricultural start-up capital and to cope with health and other crises. One suggestion for MKUKUTA is to combine any strategy encouraging urban growth and migration *with one promoting security for the families left back in the village*. This would include support of female savings and loans facilities and securing joint (or sole) titles to family land and livestock. This will deter men from leaving their wives, and enable women to hire agricultural labour if necessary, to invest in farm and livestock and children's education in their husband's absence, and to be better protected in the event that men do leave.

Two other youths in these villages did not have such a good experience as Abraham. This suggests the importance of combining any urban growth for rural growth strategy with education of rural youths. The latter is crucial to promote a safe and retentive urban migration and enable higher remittances necessary for rural poverty reduction.

7.2 The education and youth migration link

Youth stream into cities when they find that they either cannot pass the exams to get into secondary school or parents cannot afford to send them to secondary school despite their ability to pass those exams. The tragic Catch-22 however, is that without an education, such youngsters can only be involved in very low paid, exploitative jobs, as in the case of Kidawa (Box 8), or cannot master even the reading or numeracy necessary for the most basic of semi-skilled jobs, and return home, as the case of Atakaye (Box 9).

Box 8: Kidawa of Marumbo

Kidawa Omari of Marumbo, Kisarawe District, Pwani Region

Despite the proximity of private secondary schools in Marumbo, many families cannot afford to educate their children at secondary level even if the children are capable of higher education and desperately desire to be educated. This was the predicament of Kidawa from Marumbo.

In 2004, Kidawa said tearfully she would give anything to stay in school. She set up a tea shop but her shop closed as there were no more charcoal customers left to buy tea. She is harvesting peas now with no prospects. So she headed to the city to share a rented room in the slums with a relative she does not have much liking for. She lacked the social network of the Maasai Abraham and must try her luck at different jobs. After house cleaning, she had to take a job as a domestic taking care of a huge family, enduring long hours, and low pay. She sold soap for a business woman, and then tried doing it alone by buying bulk. But the business failed. And she tried coffee sorting 'but it was hard and only made enough to live'. She is depressed and finds life in the city unforgiving and unbearable and thinks she should go back home.

However, the good news is that she joined a savings and loans club that enables her to help her family back home. She says she earns 3,000 shillings a week – which is only enough to survive – however, over three months of saving, it becomes 'real money'. *We have a game (money club) and I have saved there 43,000 shillings. I have used 36,000 shillings, which leaves me with 7000 shillings if I have a medical emergency. A club is where each member puts in some money every week and 2 people can draw every x number of weeks. If not for that system, I would have returned home ages ago. If everyone is trustworthy, one can play.*

Box 8 continuation…

'My big problem now is food. I have to pay the game money, rent, and now we must eat on 2000 a week together. But I am able to send 5,000 shillings a month home. And during the wet season we buy flour and take it home.' Moreover, Kidawa managed to help her sister pay for secondary school fees plus small amounts to help, and gave her father 10,000 shillings when he was sick. But Kidawa is unhappy, exploited and feels deprived of the education that could have enabled her to get a higher paying, less oppressive job.

Moreover, Rehema failed Form 2 in secondary school! According to her mother, '*it cost a fortune as she was staying away from home and at a distant school. The ward school was great news as it is close enough. She goes to school morning and returns. Now we can know how it is all going. ...I knew that Kidawa stopped studying because of us, but she would have succeeded had she gone on.'*

Kidawa's experience has several lessons for MKUKUTA successor strategies. One is that when a youth leaves school after only year seven, her employment prospects in the city are particularly low. She is only marginally literate and can do menial work like cleaning and petty trading. She has few tools to progress her way out of poverty and remittances are minimal for the first years. But she did have the numeracy necessary to take advantage of the savings and loans scheme, and it was this scheme that enabled Kidawa to save and send remittances home. This reduced her family's rural poverty and has funded her sister's education.

What is tragic for Kidawa is that clearly, she would have been the more dedicated student and she needed an education to be more secure in the city. However, after she left to seek better opportunities in the city, the government ward secondary school was completed and had she been a few years younger, there was a chance she would have continued with her education there. In general, raising rural incomes to enable parents to retain children in school in the first place is vital.

Atakaye, a young man from Marumbo also experienced problems securing good urban work without an education.

Box 9: Atakaye, a youth from Marumbo: 2004

Atkaye's father migrated to become a forester, and then separated from his mother, who now depends on Atakaye to earn money for their essential needs, and help with the school expenses of his family. Without parental support, Atakaye was unable to go to school himself and in 2004 we find him making his living by cutting charcoal. Atakaye is a pensive youth whose level of awareness of the environmental implications of this work is striking given his lack of education. He tells us: '*this is a bad job because we destroy. We create deserts that will reduce our rainfall. In a desert the sun reaches everywhere and water sinks very deep. So it is. But I am forced to make a living in this disagreeable way*.'

He later goes to Dar and attempts to work as an apprentice mechanic. But he finds that he does not get on with the other youths who bully him by trying to electrocute him twice. He learned to weld, however he could not go on further because he could not measure nor read hence could not progress as an apprentice in the mechanics shop. He was driven back to the village to try to eke out a living. He laments 'I *cannot go to the city without a specialist skill because everything costs money. I have nothing so what can I do there. It is best for me to find work in the village. Nothing here costs 1000 nor 5000 nor 10000. Life is cheaper here. I have cleaned the field here nicely. I keep out the animal pests. Mother does cassava and I do those large flowers and try to sell them......'*

'Today in Tanzania, without education you have nothing. One needs education for everything. If you weld you need to know how to measure. Where will you know these things from? Schooling helps in that way'.

,

The photo of the outdoor classroom here is from Orkesumet.
At the Orkirung'rung Primary School (not of Atakaye's school in Marumbo)

7.3 Lessons for MKUKUTA successor strategies

Urban growth and employment opportunities are indeed found to help fund rural poverty reduction – through funding assets, productivity on farms, and crucially education. The lesson here for MKUKUTA successor strategies is to tap rural growth potential by investing in urban growth through infrastructural changes, particularly the predictable delivery of urban public services. But for this strategy to work in the long-term, in the short-term youths need higher levels of education and/or a skill prior to migration to ensure success. This means raising incomes on farms now or offering loans for non-farm rural livelihood creation in order to enable parents to pay for education or to lower the costs of education to poor people.

Moreover, the development of urban savings and loans schemes was crucial to Kidawa’s ability to save and send money home, and the social network crucial to Abraham’s experience. Urban plans to expand savings and loans schemes to protect young urban migrants (health crises) will also enable them to send remittances home to grow their families out of poverty.

Finally, regarding the tendency for men to leave poor families unaided back home – either temporarily or permanently - suggests that any ‘urban growth for rural poverty reduction strategy’ rests on securing the ownership and access of resources for those remaining in rural areas, women, their children and the elderly, including:

- rural female savings and loan plans; and
- female ownership rights to family land, livestock and other assets.

8 Conclusions

As the *Village Voices* film shows MKUKUTA has had some notable successes in service sector provision (especially in schools and new roads). However poverty has not fallen in line with growth and this has prompted the review of MKUKUTA to consider the promotion of more broad-based growth strategies, such as the promotion of agriculture through Kilimo Kwanza. Noting the worrying decline in cash cropping relative to other sources of income since the early 1990s, an agrarian reversion, we outline three different explanations for this crisis.

Some researchers have rightly drawn attention to problems arising from regulations and administrative costs which can deter traders from doing business and enables larger monopolistic players to operate freely, such as those larger cooperatives that no longer represent farmer interests and large private trading firms/agro-processors. However, further liberalisation of markets is not the whole solution particularly for resource poor and powerless poor farmers that need extension and input support. In the *Village Voices* film the shaky knowledge base of new farmers created by a contraction of hunting fishing and herding grounds is a serious one. Added to this, it seems that old farming skills have been lost – such as traditional methods of pest management and organic fertiliser collection – and new techniques have not been developed.

Bryceson (2002) and others argue for a decidedly pro-poor growth strategy, one which re-agrarianises Tanzania by restoring the extension, credit, input support and methods to provide secure markets – the support package which dried up throughout the 80s and 90s and replaced by intermittent government initiatives and fragmented efforts to provide farm services by international and national NGOs. As a consequence of liberalisation without support, farmers experienced prohibitive input prices, uneven market coverage by private traders and high crop price instability.

The new agriculture first strategy Kilimo Kwanza, attempts to restore support for agriculture, however it will not work if it does not more deliberately address resource poor farmer and labourer's needs and women's rights. We outlined a few ideas coming from the chronic poverty literature which work in synergy with markets to promote rural income growth, including selective 'smart' subsidies (Wiggins and Leturque, 2009), equitable inclusion in southern value chains (Ponte, 2008), credit and other social protection strategies designed to prevent asset stripping in crises which trap farmers in poverty (Shepherd, personal communication, 2009), step up efforts to secure women's land rights (Tsikata, 2003, Razavi, 2009). We also proposed the idea of increasing capital available to poor people by promoting organic CSOs, such as burial societies, by linking them to SACCO membership. Burial societies, mostly female run, have grown in number over the past 10 years and have gone far to educate women from poor farming and labouring backgrounds in how investment and savings work. They are economically well-run and in some regions treasurers of these societies (usually women) are also SACCO members, and thus capable of drawing on larger amounts of bank capital.

Village Voices research highlights critical interventions for those very remote areas in Tanzania, including:

- Extension support given the rise of new farmers in remote regions and the loss of essential cash cropping skills over the last decades. These villagers need support in productive techniques, inputs and quality standards, market knowledge, and ways to control large pests. Village Voices shows us new ways of delivering this information, such as through cell phones and satellite TV ‘cinemas’ which have grown fast in Tanzania recently. Demonstrations using the ILO farmer field schools model for instance can be shown on video screens where resources for extension are tight.
- Village Voices shows how food security in semi-arid remote regions remains a critical problem, given the hunger and asset stripping which occurs in food insecure years. This problem can be addressed through:
  - credit – promoting ROSCAs,
  - price supports on key food crops are important so that food surplus years do not translate into falling food prices, but rather to the development of more localised grain reserves and so food deficit years prices don’t skyrocket;
  - tin roofs and other resources for household level storage,
  - organised local level storage perhaps linked to farmer groups or burial societies, and
  - extension on drought prone/rain proof cropping option.
- Improvements in technology must focus on the more affordable technology which can be maintained with ease, rather than tractors (the current focus of Kilimo Kwanza) but intermediate technology such as oxen and ploughs should be expanded (and omnipresent children in villages can learn from this method, and rather then get hurt by the machinery).
- Enhance pro-poor input access through smart subsidies for fertiliser, quality seeds and pesticides which will 'kick start' productivity and encourage traders and manufacture of inputs.


The Wilson family fields in Ilongo, Iramba District, Singida Region

- Design ways to help improve and secure markets for cash crops by improving:
    - Trader numbers by lifting unnecessary regulations and deterring collusion;
    - extension on standards will attract traders,
    - independent market advice for poor farmers,
    - meaningful participation in equitable southern based value chains which supply extension, seeds, other inputs, secure markets.
- Credit for agriculture or non-farm investment, for bridging loans for storage and for consumption crises for poor people is most critical. SACCOs as it is presently designed is not reaching the poor. We suggest linking SACCOs to burial societies and other ROSCAs in order to generate further capital for poor people who can't access SACCOs. Moreover, SACCOs should be re-designed to reach poorer people.
- Significantly ease cost of education, such as fees for secondary school, costs for stationary and costs for 'proper' uniforms. Such costs compete with the capital necessary for either investing on farm or taking up non-farm employment. Moreover, the costs can prevent a child's education prospects for want of a uniform.

We also note the rise in non-farm employment, both desperation activity and enterprise (transformative) employment. Some non-farm livelihood creation should be supported to promote poverty reduction, such as public and private investment in villages which create employment. The schools in Marumbo for instance created ‘growth hubs’ serving non-farm livelihood creation. However, much of the rise in non-farm work in remote Tanzania is the result of failing agriculture and simultaneous shrinking farm sizes. We argue for the need to continue supporting yield growth in agriculture because much non-farm employment in remote regions continues to come from farmers’ higher disposable incomes which are spent on locally produced goods and services, especially just after harvests. Moreover, agriculture remains an important backup for failed non-farm, as Lengai’s experience attests. Finally, without support of agriculture we find people cutting trees to sell timber or make charcoal when there is an ailing plantation in need of support nearby. Where women’s opportunities are few or circumscribed, we find excessive involvement in home brew with its social consequences for a larger number of women’s lives.

Village Voices research also highlighted the importance of women’s ability to command resources in order to earn and maintain themselves and their children. This was illustrated where men won’t or can’t provide, when they take on additional wives or mistresses and their children, drink heavily, leave, or migrate – all of which is highly prevalent in Tanzania. As the film mentions, women’s health access is so critical for earning to provide for their families and maternal health is one area where MKUKUTA failed. We strongly recommend redesigning attempts to 'mainstream gender' to a much more deliberate, well designed series of polices giving women's importance to family provisioning. This involves improving access to family and sole land ownership and inheritance, increasing access to credit for investments and consumption needs through promotion of female run burial societies and other ROSCAs, encouraging real (not cosmetic) participation in rural governance structures, and most importantly to ensure maternal health, which drains household income both through predictable health costs (such as DNC for miscarriage) by preventing women from being physically able to work as labourers or farmers to provide for their children.

Ellis (2009) suggests supporting urban growth by improving the investment climate in towns and by legislation to reduce the costs of doing business in Tanzania, by infrastructural changes, particularly the predictable delivery of urban public services. This can indirectly increase income on small farms by:

- encouraging migration from rural areas which takes pressure off declining farm size;
- providing a stronger domestic demand for farm output;
- increasing remittances and cash in circulation in rural areas and specifically investment on farm productivity – as it did for Abraham of Orkesumet — which is important in the absence of government support (Ellis, 2009).

Whilst Abraham and his family prospered from migration, some rural youths in village voices clearly needed higher levels of education and/or a skill prior to migration in order to ensure success. This has important lessons for MKUKUTA successor strategies including significantly easing school costs, scholarship for very poor children, and support of agriculture or non-farm enterprises in order to enable parents to pay for the education of their children. Youth migrants also need urban support systems, such as the savings and loans scheme which helped Kidawa provide health insurance and disciplined savings to send home. Finally, because of the tendency for men to leave poor families unaided back home – either temporarily or permanently – policy should focus on securing female ownership rights to family land and livestock together with female savings and loan plans.

Ruben and Mary Wilson at work in their fields, Ilongo, Iramba District, Singida

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Appendix 1: Vertically integrated pro-poor projects in Tanzania

Global Sustainable Businesses in Tanzania

(This is copied from http://www.undp.org/partners/business/gsb/tanzania.shtml - see website for further details)

Launched in September 2003, the GSB Delivery Mechanism in Tanzania is actively facilitating innovative and pro-poor business ventures in various sectors. The programme is supported financially by the Norwegian Ministry of Foreign Affairs. The GSB Coordinating Group in Tanzania comprises members from Government, the private sector, NGOs, and the development partners.

Rural ICT Project
Lead Company: Ericsson
Provision of low-cost telecommunications infrastructure to serve rural communities, SMEs, and social service providers in Lindi/Mtwara Region.

Dairy Development Project
Lead Company: Tetra Pak
The project is investigating an integrated approach to address constraints and issues along the value chain of milk (from milk supply, production, processing, marketing to consumption) in building milk production in Tanzania.

Allanblackia Oil Supply Chain Project
Lead Company: Unilever
Using market linkage approach and sub-sector development approach, the project identifies the market prospects for Allanblackia nuts (wild grown).

Biomass Energy Project
Lead Company: Holcim/Tanga Cement
Tanga Cement adopts a Fuel Switch Programme and has identified agriculture waste as biomass fuel - initially cashew waste but other possible sources include Jatropha and Coconut.

Rural Electrification
Lead Companies: ABB and Kilomboro Sugar Company
The project is to set up anlocal entity owned by rural community to administer and manage rural electrification in two potential villages (Myage and Msolwa) around Kilombero estate.

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The **Chronic Poverty Research Centre** (CPRC) is an international partnership of universities, research institutes and NGOs, with the central aim of creating knowledge that contributes to both the speed and quality of poverty reduction, and a focus on assisting those who are trapped in poverty, particularly in sub-Saharan Africa and South Asia.

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