

Will Zim agriculture revive and if so, how?

Many thought it would never happen, but Robert Mugabe has left the building. In the past few weeks, a lot has been said about this major change for Zimbabwe and expectations vary from very optimistic to very pessimistic. One thing is sure, however - there will be change.



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One such a change that is often spoken about is a possible revival in the country's agricultural sector. "Zimbabwe was once a very productive agricultural country and in the lead in many agricultural industries. It has a strong educational system, a highly competitive spirit and definitely a lot of potential.

The country's infrastructure is still in relatively good condition and a turnaround in its agricultural sector is a definite possibility if certain factors are put in place," says Theo de Jager, president of the World Farmers' Organisation.

A look at the past

It has often been said that Zimbabwe was the breadbasket of Africa and lost this status under the reign of Robert Mugabe. The hope of an agricultural revival then creates the expectation that the country would return to its breadbasket status.

But was Zimbabwe ever truly the breadbasket of Africa?

Without placing doubt on the potential and value of a Zimbabwean agricultural revival, it is important to get the facts of its former agricultural glory straight. In an article on www.africacheck.org, Wandile Sihlobo, head of economic and agribusiness intelligence at Agbiz writes that while Mugabe's land reform programme seemingly contributed to a decline in Zimbabwe's agricultural output, there is limited evidence to suggest that the country was a dominant player in Africa's food production prior to that period, at least from a staple food production perspective.

"A country should be able to meet its staple food consumption needs and simultaneously command a notable share in exports of the same food commodity to be considered a food basket", says Sihlobo. "Looking at the production data of the key staple foods, maize and wheat, Zimbabwe's production of these commodities has never surpassed a 10% share on the continent over the past 55 years. Overall, we view Zimbabwe as having been a self-sufficient food producer prior to its land reform programme. However, there is limited evidence to support the notion of Zimbabwe having ever been 'the breadbasket of Africa'".

Making agriculture work

In an article on www.news24.com, Admos Chimhowu, a senior lecturer in Development Studies at the University of Manchester, identifies 'making agriculture work' as one of four ways in which Zimbabwe can recover from the Mugabe era. "Getting agriculture to work ought to be a core priority. Given the nature of structural changes, particularly the emergence of opportunities through global value chains, a key starting point must be an agricultural review commission to investigate current conditions for smallholder agriculture and recommend new policies required to transform in the sector," he writes.

Government policy will be key to achieving this, but according to De Jager there has been a focus on agricultural revival prior to the country's change in leadership. "For the past three years there has been a lot of discussion among the four major Zimbabwean agricultural organisations on getting agriculture back on track and speaking to government as one voice on this matter."

At the end of 2015, these organisations reached common ground about a strategy for revival in agriculture in rural Zimbabwe. "They realised that infrastructure is still in relatively good condition and that revival in the industry is possible if the policy environment sees certain changes and if sufficient investment can be attracted. It is crucial that capital is attracted and for this, certainty on land ownership is crucial, hence the importance of policy change."

De Jager explains that the collective suggestion of these organisations to government was that white farmers who lost their land since 2000 and do not want to return, are compensated. They also suggest compensation for black farmers who are currently on the land and not utilising it optimally or do not want to farm further. This will make land commercially available for serious investors and farmers who want to work the land and use it to its full potential. "Only then will progress be possible," says De Jager.

The organisations also collectively suggested that focus be placed on those agricultural industries that can, in the shortest term, create jobs and earn foreign currency. "These are industries where we see a high level of global competitiveness, a high level of technology being implemented and industries that require a lot of expertise." This is why the organisations deemed it important that farmers who left Zimbabwe and lost their land be attracted back to Zimbabwe to bring a high level of expertise back to the country's agricultural industry. "There is, of course, the realisation that many of these farmers will not return and that other options will have to be considered in order to bring expertise into the industry."

Change in regime

A very positive indication is that the interim president, Emmerson Mnangagwa spoke along the same lines in his inaugural address and placed the focus on agriculture as the mainstay of Zimbabwe's economic recovery.

What did Mnangagwa have to say on agriculture and land reform in his address:

"We wish the rest of the world to understand that policies and programmes related to land reform were inevitable. Whilst

there is a lot that we need to do by way of outcomes, the principle of repossessioning our land cannot be challenged or reversed. The dispossession of our ancestral lands was the fundamental reason for waging the liberation struggle. It would be a betrayal of the brave men and women who sacrificed their lives if we were to reverse the gains that we have made in reclaiming our land. Therefore, I want to exhort beneficiaries of the land reform programme to show their value by demonstrating commitment to the utilisation of the land now available to them for national food security and for recovery of our economy. They must take advantage of programmes that my government shall continue to avail to ensure that all land is utilised optimally. To that end my government will capacitate the land commission so that it assists with all outstanding issues related to land redistribution.

My government is committed to compensating those farmers from whom land was taken in terms of our laws of the land. As we go in the future, complex issues of land tenure will be addressed both urgently and definitively. We dare not prevaricate on this key issue. Events leading to this historic day attest to the fact that we are a unique nation, one which is clear about what it wants and what it does not want.

[...]

Our economic policy will be predicated on our agriculture, which is the mainstay and will create conditions for investment-led economic recovery that puts a premium on job creation. Key choices will have to be made to attract foreign direct investment to tackle high levels of unemployment while transforming our economy. The many skilled Zimbabweans who have left the country over the years for a variety of reasons must now come into the broad economic plan designed for the recovery and take-off of our nation. Of course, the fiscal and social infrastructure must be repaired and expanded to position our country in readiness for economic growth, employment creation, equity, freedom and democracy.”

According to De Jager, he had a list of five issues that he wanted to hear in Mnangagwa’s address. “I was relieved to hear all of these in his address.”

This includes:

- That he understands that agriculture will be the mainstay of the country’s economic recovery
- That he understands that those agricultural industries that are labour and export-intensive will be the anchor of any agricultural revival and will need a lot of focus
- That he understands that government will have to create a very investor-friendly environment and that such an environment will depend heavily on certainty
- He spoke with his farmers and not about his farmers
- He handled the topic of land compensation politically cleverly, speaking about compensation for both white and black farmers and placing a lot of focus on land tenure security.

De Jager says a lot will depend on the way land compensations are structured and how much effort will be put into restoring the integrity of title deeds. “Rapid revival and recovery is definitely possible, but it all depends on how effectively the new regime can bring certainty of land ownership and general certainty in the business environment back onto the table.”

He adds that the reality might be much less of or even a slower revival than what is expected. “We might see a political paradigm drag and some roleplayers may cling to the liberation ideology. There might also be inertia in investment appetite and financiers may at first be wary of investing and lending.” According to De Jager, challenging climatic circumstances may also temper the possible Zimbabwean agricultural revival. “This comes at a time that we are wrestling with nature; a year of good rainfall will support such a revival, and poor rainfall will hamper it.”

Craig Dealle, CEO of Foundations for Farming in Zimbabwe says he is cautiously optimistic about the future of agriculture in the country. “Conditions on the ground will be much more favourable as long as a few basic fundamentals are put in place. And as long as words are put into action.” Among these fundamentals is security of tenure, as it will lead to

compensation of former farmers which will unlock dead capital as well as collateral for new farmers. “I believe increased security of tenure will initiate a natural progression towards gifted farmers occupying the land based on profitability and not political patronage.” Dealle also places focus on the importance of realistic producer prices and seeing local production of inputs resuming as the manufacturing sector revives due to the scrapping of detrimental indigenisation laws.

Another fundamental factor, according to Dealle, will be a focus on smallholder farmers. “These farmers still hold the key and we have to move them from being subsistence farmers to commercial farmers no matter how small their plot of land is. Small-scale growers can be very profitable.”

Everything, he concludes, will, however, be dependent on government will.

Impact on SA

De Jager says there are two sides to the impact a possible revival in Zimbabwean agriculture may hold for South Africa. “The one side is that we will see increased competition if Zimbabwe ups its game as South Africa definitely benefited from lower Zimbabwean agricultural production over the years.” He does, however, favour a focus on the other, more positive side. “A possible Zimbabwean agricultural revival may hold definite opportunities for both South African farmers and agricultural business. Furthermore, the healthier our region is the better. Growth in the region will always be positive. We must just ensure that we benefit from this growth.” – Marike Brits, AgriOrbit

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