

SHORT COMMUNICATION

SOCIAL AND INSTITUTIONAL CONSTRAINTS TO THE PRODUCTION OF SUGARCANE BY SMALL-SCALE GROWERS IN THE AMATIKULU CATCHMENT

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Introduction

An initiative to develop and adapt best management practices (BMPs) for the small-scale growers (SSGs) at Ntumeni in the Amatikulu Catchment area of KwaZulu-Natal province by the South African Sugarcane Research Institute (SASRI), supported by the World Wildlife Fund (WWF) South Africa, reflects the increased support being given to SSGs. Eweg (2005) and Bates Consulting (2005) note that such initiatives are important for improving the yields of sugarcane and the socio-economic circumstances of these farmers.

The BMP project seeks to minimise the negative impacts that sugarcane farming has on the environment, while enhancing the sugarcane yields and financial returns of the SSGs through improved farming practices and better management. It was anticipated that the successful introduction of BMPs would require a good understanding of the socio-economic and socio-cultural conditions in the area. An investigation was therefore undertaken by the Institute of Natural Resources to establish such an understanding (see Mahlangu and Lewis, 2008). This short communication summarises the range of factors influencing and challenging the sugarcane farming practices of SSGs, which will in turn influence the effectiveness of the proposed farm level BMPs in improving the sustainability of these sugarcane farming operations.

Keywords: sugarcane, small-scale growers, SSGs, Best Management Practices, yields

Approach

A qualitative information gathering and analysis approach was adopted to conduct the study. One-on-one interviews and focus group meetings were used to collect information. A guided questionnaire was used to conduct interviews and stakeholder meetings. The stakeholders engaged included SSGs, contractors, non-sugarcane growers from the Ntumeni area, local committee representatives, the Ntuli Traditional Council, and SSG extension support personnel.

Findings of the study

Data supplied by SASRI and the Amatikulu mill indicate a clear trend of decreasing production levels and yields among SSGs, and an increasing number of SSGs abandoning sugarcane production altogether.

The social investigation identified factors at three levels that affect the production of sugarcane by SSGs, namely farm level, contractor/committee level and mill level. Extension support that has an influence on SSG farming practices is provided by SASRI, the Department of Agriculture and Environmental Affairs, Tongaat-Hulett Sugar and the South African Cane Growers' Association.

The key challenges and constraints at these three levels, their interconnectedness, and their effect on the viability of SSG farming operations, are discussed and an assessment is made as to whether or not they can be effectively addressed through the proposed BMPs.

'Not doing' is not equal to 'not knowing'!

By their own admission, SSGs do not always apply what they know about sustainable sugarcane farming. The existing knowledge of farming practices has been developed over years of extension support to SSGs, which began in the 1970s. Years of sugarcane production has also helped the SSGs to develop their own farming expertise. Some SSGs have been involved in sugarcane production for more than three decades. Although there may be room to improve some aspects of extension support, it should not be assumed that all of the bad farming practices (e.g. poor erosion control, incorrect application of chemicals and fertilisers, and poor planting and harvesting practices) are a result of lack of knowledge.

According to some SSGs, it is not worth making the effort to improve farming practices because returns are declining. The dwindling financial returns provide little incentive to invest resources or effort in better management practices, unless there is clear evidence that this will result in better financial returns. The fact that SSGs are not improving their farming practices therefore does not necessarily mean that they do not have the knowledge to do so, but points to other disincentives.

Will the introduction of additional or new *knowledge* through the BMPs therefore provide enough incentive for SSGs to bring about a change in what they are currently doing or *not doing*? Or will they continue with their current practices due to an apparent apathy and lack of economic incentive?

Trapped in a 'catch 22' situation

SSGs believe that in the recent past sugarcane production was more rewarding than is currently the case. They identified shrinking yields and associated financial returns as a major challenge. Most SSGs engage in sugarcane production as an important livelihood strategy to generate badly needed income to support their households. With shrinking financial returns, often not enough money is generated from the sugarcane crop to meet household needs, bearing in mind that this is a seasonal income that has to be spread over a period of 12 months or longer. This means that there is very little to reinvest in the next crop, and very few inputs are therefore purchased.

In an attempt to help the SSGs reinvest in production, the miller at Amatikulu uses some of the income earned by these farmers to purchase inputs on their behalf through a voluntary retention fund scheme. However, on receipt of the inputs (such as fertilisers), some SSGs sell them for cash to cover household expenses. The consequences of this lack of reinvestment in the crop are low yields of poor quality sugarcane. This situation in turn leads to low financial returns, and the 'catch 22' situation.

SSGs also do not appear to have access to loan finance. Whereas in the past the Financial Aid Fund and uMthombo provided loans, poor loan repayment rates have resulted in these opportunities being discontinued. Therefore, while the BMPs may be effective in addressing some of the farming practices affecting yields, the financial constraints of the SSGs may have a greater overall impact on their farming practices.

It's a case of 'survival of the fittest'

The law of 'survival of the fittest' has taken hold. Individuals involved in sugarcane production have devised means to maximise their personal benefits, often at the expense of others. This is evident in a lack of integrity among individuals and, in some cases, even in dishonesty.

SSGs say that they cannot afford to pay the minimum wage set by the agricultural sector. Consequently, they struggle to find good workers to assist them and, to compound their problems, some of their workers reportedly steal inputs such as fertiliser to make up for low wages. This results in the inadequate application of inputs and in poor returns to the SSG.

Contractors are also accused by the SSGs of dishonesty. There are claims by SSGs which the contractors do not deny; for example, that contractors inflate their mileage claims in order to earn extra income. Accusations of theft were also levelled at contractors, who reportedly collude with some SSGs. Cases were reported where a contractor had stolen a percentage of the sugarcane produced by the SSG he was contracted to, and had delivered this cane to the mill under the name and quota number of an SSG who may in fact not have planted a crop at all that year. The profits would then be shared between the collaborators.

Some committee office bearers (e.g. of the mill cane committee and sub-committees) are also implicated in the manipulation of the system to suit themselves. For example, harvesting schedules are altered to favour some growers at the expense of others. However, SSGs themselves are also guilty of manipulation of the system, as they sometimes set fire to their fields under the pretext of accidental/runaway fires, in order to get earlier priority on the harvesting schedule. Manipulation of harvesting schedules takes place to address immediate financial constraints.

It is therefore evident that systems are being manipulated by the 'fittest' individuals, i.e. those with the authority or shrewdness to manipulate the system. Although this is negatively affecting the production and yields of other SSGs, these are not factors that can be addressed by traditional agricultural BMPs.

Payment for 'no-goods' and 'dis-services'

The sugarcane production value chain involves production, harvesting, transportation to and processing by the mill. Farmers rely on contractors for services such as planting, harvesting and haulage. Payment for these services is primarily centralised at the mill. The mill pays contract hauliers directly on behalf of the individual growers they represent, before paying the balance of the income from the sugarcane delivered to the mill to the SSGs.

Arguably, this arrangement provides administrative support to SSGs, who may lack this capacity. However, this arrangement also ensures that contractors are paid even when they have been 'no-good' or have provided a 'dis-service' to the SSGs. It would appear that SSGs have no control over the payment made to contractors who have inflated their mileage or 'stolen' sugarcane from them. As a result, the SSG is left with 'the short end of the stick', as they end up receiving an unfairly low return for the season's work.

BMPs may not be an appropriate mechanism to address these logistical and systems level challenges.

Are women at Ntumeni emancipated?

It has been suggested that South Africa can be hailed as a good example of the emancipation of women (Walsh 2006). While women at Ntumeni appear to be emancipated in some respects, in other respects they are still trapped in male dominated traditional systems.

Women SSGs in the study area reported that when payment is made by the mill, their husbands, some of whom are migrant workers, come home to collect the money and decide how it will be spent. This could act as a disincentive to female growers, who may be hesitant to invest scarce household resources in sugarcane production when they are unsure of how the returns may be spent. This is another example of challenges that are beyond the capacity of the BMPs.

Institutions without structure

SSG institutional structures in the Ntumeni region include Sub-Committees, the Mill Cane Committee, the Local Environmental Committee and the Mbongolwane Wetland Committee. These structures appear to be overwhelmed by the range and extent of challenges and are unable to address many of them adequately.

Contractors at the local level, whilst associated, do not have any co-ordinating or regulating structures. This makes it difficult to influence their activities or address inefficiencies.

Large-scale growers, transport contractors and the Amatikulu mill appear to have well-established formal structures. However, poor communication between SSG structures, harvest contractors, hauliers and the mill is a major challenge. The existing structures and systems appear to be designed to ensure a constant supply of sugarcane to the mill, but lack the ability to address the challenges of the SSGs.

Conclusion

This study found that there are a range of factors at farm level, contractor level, institutional level and mill level, that affect SSG sugarcane production. Taking into account the fact that BMPs are designed to improve farming and environmental management practices at the field and farm level, and the fact that many of the current challenges are experienced at levels beyond the direct control of the SSGs, the introduction of farm level BMPs alone will not bring about the desired change.

The challenges need to be holistically addressed if farming practices are to be effectively improved and the sustainability of small-scale sugarcane production enhanced. The BMP project's goal to improve environmental management and agricultural management practices among SSGs is acknowledged as being vital to improved yields and socio-economic and environmental conditions. However, this study recommends that the introduction of the BMP project should be accompanied by parallel intervention that will address the logistical and systems challenges occurring at contractor, institutional and mill levels.

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