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FACULTY OF ARTS

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**THE EFFECTIVENESS OF BANANA SMALLHOLDER CONTRACT FARMING ON
POVERTY ALLEVIATION IN MUTASA DISTRICT**

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**DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE MASTERS DEGREE IN DEVELOPMENT STUDIES.**

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DECLARATION

I, Musakwa George, do hereby declare that this dissertation is the result of my own investigation and research, except to the extent indicated in the Acknowledgements, References and by comments included in the body of the report, and that it has not been submitted in part or in full for any other degree to any university.

Student signature

Date

Supervisor

Date

DEDICATIONS

I would like to dedicate this to my beloved wife Gracious Mwandifura and my lovely son Carlton Emmanuel Musakwa whose lives means everything to me.

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I would like extend my indebtedness to my supervisor, Dr V. Matunhu who guided me all the way from the planning and preparatory phase of my research undertaking right up to the report writing stage. This professional guidance enabled me to accomplish the otherwise daunting ordeal. I also extend my sincere appreciation to my colleagues at the Midlands State University who took time to help me reflect on each stage of my research undertaking, giving valuable critical remarks which I inputted along the way. Equally, all the participants who sacrificed their valuable time to attend to my questionnaires, interviews and focus group discussions. Above all, I thank my family for their moral support as I endured long sleepless nights at times.

ABSTRACT

This study sought to assess effectiveness of banana smallholder contract farming on poverty alleviation in Mutasa district. The study interrogated the type of contract arrangements between smallholders and the contractor in Mutasa district, the impact of banana contract farming on poverty alleviation, the challenges faced by smallholder farmers through contract farming in attempting to reduce household poverty in the area under study and the sustainability of contract farming in Mutasa district. The study was a mixed research and it employs both quantitative and qualitative research methods. The researcher has used the following data collection tools, questionnaire, interview and focus group discussion. The researcher found out that the type of banana contract was the all-in-one which provides transport, technical advice, market and inputs to the contracted farmers. Banana contract farming has yielded positive results in terms of improving the lifestyle of the smallholder farmers in Mutasa district. The study revealed that contracted smallholder farmers' households have managed to be food secure as they were able to purchase basic foods with the money they got after selling their bananas. Household income among the contracted farmers have been improved positively as many contracted farmers have managed to invest in productive asserts like livestock, grinding mill, scotch carts among others and this contributed much to poverty eradication. However, there were some challenges faced by the small holder farmers like high transport cost from there field to the collection point, poor road network from the community to the main tarred road, unstable prices of bananas. The researcher also recommended that the government should be active in smallholder contract farming to effect measurement of poverty alleviation. Government should improve road networks, enforce good agricultural policies that protect both the contractor and contracted smallholder farmers and monitoring the implementation of contract farming.

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LIST OF ACRONYMS

CF	Contract Farming
DA	District Administrator
ESAP	Economic Structural Adjustment Programme
FDG	Focus Group Discussion
FTLRP	Fast Track Land Reform Programme
FAO	Food and Agricultural Organisation
HR	Household Representatives
MDGs	Millennium Development Goals
NIE	New Institutional Economics
NGOs	Non-Governmental Organisations
SDGs	Sustainable Development Goals
PA	Principal Agent Theory

CHAPTER ONE

THE PROBLEMS AND ITS SETTING

1.1 Introduction

Rural poverty is a global concern as it affected most of the developing countries. Governments, the private sector and non-governmental organization (NGOs) are working together to try and address the plight of the rural communities through different developmental interventions to alleviate poverty. This effort was in line with the Millennium Development Goal (MDG) number one which were later called Sustainable Development Goal (SDG) number one. Contract farming was regarded as one of the measure taken by nations to address the issue of poverty in rural communities. This study seeks to assess the effectiveness of contract farming in alleviating poverty. This chapter begins by explaining the background to the study, area of study, giving a statement of problem, conceptual framework, aim, objectives, research questions, significance of the study, limitations of the study, delimitations, assumptions, ethical considerations and chapter layout for the research.

1.2 Background of the study

Since 1990s Zimbabwe has been experienced socio-economic challenges as a result of the adoption of the Economic Structural Adjustment Programme (ESAP), droughts, Fast Track Land Reform Programme (FTLRP), isolation by European Union (EU), USA and most developed countries. The socio-economic challenges include increase in inflation rate, reduction in foreign direct investments, high unemployment rate due to closure of several companies, deteriorating of foreign capital reserves, increase of HIV/AIDS affected and infected people, inadequate medicine in hospitals, food insecurity, increase of school dropouts, the list sounds endless.

The situation has increased poverty and deprivation especially in rural communities. Therefore, poverty alleviation strategies in the rural areas remain paramount important. Zimstat (2002); Poverty Assessment Study (2013) revealed that socio-economic challenges resulted in a decline in the living standards of about 90% of the entire population. In support, ZIMVAC Report (2013) mentioned that the deterioration of the living standards has been exacerbated by an increase of unemployment level. Rural communities in Mutasa district have not been spared from these economic problems that affected the entire nation.

The socio-economic challenges that encountered Zimbabwe have caused a lot of suffering to poor smallholder farmers as they lack agricultural inputs, markets and poor agricultural extension services. This situation has brought in contract farming as a solution to the plight of rural communities as farmers are provided with agricultural inputs, ready market, new technology and viable extension services. Fingaz (2013) alluded that the future of agriculture in Zimbabwe lies on contract farming. World Bank (2008) argue that contract farming is viewed as a panacea to poverty reduction and to improved well-being of the small-scale producers who are predominantly rural peasants contracted to produce for large processing firms. Therefore, scholars believed that contract farming was meant to empower the rural people through the provision of agricultural inputs, access to extension services, transfer of new technologies and better access to market hence this curb poverty in rural communities.

Banana farming was the main agriculture activity practiced in Honde Valley and some of the smallholder farmers are engaged in banana contract farming with the private company called Matanuska. This has been confirmed by SNV Netherlands Development Organization (2011), which explained that more than 40% of the people in Honde Valley depend on banana for more than a third of their income. The contract between small scale farmers and Matanuska Company

was a verbal agreement. With contract farming arrangement, smallholder farmers in Honde Valley area ward 5 were given banana plants, educated by extension workers from Matanuska on how to grow these bananas and the grading system on the market. Most of banana farmers were under the Mupenga irrigation and they were enrolled in to contract farming by Matanuska Company.

In addition, Matanuska Company also provides contracted farmers with transportation of their produce to the market. Non-Governmental Organisations (NGOs) like World Vision and SNV a Netherlands Development Organisation have been providing capacity building trainings to banana small scale farmers. These trainings were meant to empower contracted farmers and enhancing the sustainability of banana contract farming. The World Bank (2008) strongly recommended contract farming and farmer organisations as the future of agriculture and its access to markets with the subsequent effect of reducing poverty in rural communities. In support, NEPAD believed that contract farming should be given priority as a tool for agricultural development and poverty alleviation on small scale and communal farmers. Therefore, banana contract farming came as an initiative of trying to alleviate poverty among small scale farmers in Honde Valley.

However, poverty was still rampant amongst the small scale farmers in ward 5 of Mutasa despite their participation in banana contract farming. Contracted farmers have been receiving low income from banana production and food insecurity was affecting many households. This study seeks to assess the effectiveness of contract farming in alleviating poverty among small scale farmers in Honde Valley, ward 5 of Mutasa.

1.3 Area of the Study

This study was carried out in Honde Valley ward five of Mutasa district which is found in Manicaland province of Zimbabwe. Mutasa district is found in the eastern region of Manicaland province. The district has 32 wards with approximately 30 villages per ward and ward 5 had 30 villages. It is bordered by the following districts, Nyanga to the North, Mutare to the South and Makoni to the West. Mutasa district specifically Honde Valley area lies in agro-ecological region 1 which experiences high rainfall patterns and relief rainfall is normally common as the area is mountainous. Honde Valley area of Mutasa district receives rainfall lies between 900mm to more than 1000mm and tree plantations, tea, coffee, bananas, maize tuber and yams are found in the area. According to ZIMSTAT (2012) Mutasa district has a total of 168747 and 51% are small holder farmers. SNV Netherlands Development Organisation (2011) alluded that the climatic conditions of Honde valley area in Mutasa district falls within Savannah Sub tropics within average range altitude of 900m, from late October to around April the weather is wet and humid promoting the growing of variety crops such as beans, coffee, bananas, maize, peas and tuber crops such as yams. The terrain of Honde Valley is mountainous and this promotes free gravitational flow of water for farmers doing irrigation like ward 5 under the study where Mupenga Irrigation Scheme is found.

1.4 Problem Statement

Banana contract farming in Mutasa district is seen as exploitative to the poor smallholder farmers. The smallholder farmers who grew bananas are getting very low income through contract prices and marketing-related costs hence most of the smallholder farmers living in poverty. Therefore, this study seeks to analyse the nature of the contract, the impact of banana

contract farming on poverty alleviation among smallholder farmers and the challenges faced by these farmers.

1.5 Conceptual Framework

1.5.1 Contract Farming

Eaton and Shepherd (2001) define contract farming as “an agreement between farmers and processing or market firms for the production and supply of agricultural products under forward agreements, frequently at predetermined prices. The arrangement also invariably involves the purchaser in providing a degree of production support through, for example, the supply of inputs and the provision of technical advice. The basis of such arrangements is a commitment on the part of the farmer to provide a specific commodity in quantities and at quality standards determined by the purchaser and a commitment on the part of the company to support the farmer’s production and to purchase the commodity”. Simmons (2003) articulated that “... large agribusiness firm integrated backwards by forming alliances with groups of smallholders and, through written or verbal contracts, providing farm inputs such as credit and extension in return for guaranteed delivery of produce of specified quality often at a predetermined prices”.

In addition, Minot (2007) defines contract farming as “agricultural production carried out according to a prior agreement in which the farmer commits to produce a given product in a given manner and the buyer commits to purchasing it. Often, the buyer provides the farmer with technical assistance, seeds, fertilizer, and other inputs on credit and offers a guaranteed for the output.” A similar definition was given by the US department of agriculture when they refer contract farming as “the growing and marketing of farm products under such circumstances that selective terms of the market-quantity, grade, size, inspection, timing, or pricing are specified to

both the grower and the processor or shipper before production is undertaken.” Scholars have been in agreement that the term contract farming involves two parties, one product sold at a predetermined price scheme, quantity and quality in exchange of inputs, technical assistance and contract stating the terms and agreement. The used the definition of contract farming that was articulated by Eaton and Shepherd (2001) to assess the effectiveness of banana contract farming in alleviating poverty among smallholder farmers.

1.5.2 Smallholder

According to Glover (1984), smallholders principally use their own and family labour to cultivate a smallholding, which Vermeulen and Cotula (2010) define as being smaller than 10ha. Therefore, in this study the term smallholder farmer was defined as a person who lived in the rural areas, used his or her own and family labour to cultivate land which is equal or less than 10 hectars.

1.5.3 Poverty

According to Gillin and Gillin (2009) poverty is that condition in which a person either because of inadequate income or unwise expenditure does not maintain a scale of living high enough to provide for his physical and mental efficiency and to enable him and his natural dependents to function usually according to the standards of the society of which he is a member. Goddard (2004) defines poverty as insufficient supply of these things which are requisite for an individual to maintain himself and those dependent upon him in health and vigour. Poverty can be distinguished into two forms and these are absolute and relative poverty. Absolute poverty refers to human deprivation in its extreme like inadequate supply of crucial necessities needed by a human being for a living such as food, shelter, safe water, clothing and access to education and

health services. World Bank Report (2002) indicated that a person is said to be in absolute poverty if he or his family cannot supply to the basic needs.

In addition, World Bank Report (2002) highlighted that people in absolute poverty are prone to suffer from chronic malnutrition and are chronically sick, they live in squalor, they are poorly clothed, they lack access to health care and education facilities, they live short lives and many of them die in infancy and childhood. Mbetu (1997) define relative poverty as a state of human suffering which result from the inability of a person or group of people to meet the needs that other people in a society have come to take for granted. Relative poverty is normally caused as a result of inequalities in the society. This study focuses on absolute poverty that is more common in most of the African rural communities.

1.6 Aims and Objectives of the study

The aim of this study is to assess the effectiveness of banana contract farming on poverty alleviation in ward 5 of Mutasa district. The specific objectives of this study were:

1. To examine the type of contract arrangements between smallholders and the contractor in ward 5 of Mutasa district.
2. To assess the impact of banana contract farming on poverty alleviation in ward 5 of Mutasa district.
3. To examine the challenges faced by smallholder farmers through contract farming in attempting to reduce household poverty in the area under study.
4. To ascertain the sustainability of contract farming in ward 5 of Mutasa district

1.7 Research Questions

1. What were the terms and conditions of the banana contract farming?
2. What was the impact of banana contract farming in ward 5?
3. Why was the role of the government and local leaders in banana contract?
4. What challenges were faced by banana smallholder farmers through contract farming?
5. How sustainable were the conditions of contract farming on poverty alleviation in ward 5?

1.8 Significant of the study

The recognition of this research by the government, contractors, non-governmental organisations and farmers at large might enable them to reflect and think deeper on the laws and policies that govern contract farming in Zimbabwe. The study was likely to expose any existing gap in contract formulation, implementation, issues of exploitation and power dynamics on contract farming. The study would also significantly contribute to a body of knowledge on the effectiveness of contract farming on rural poverty reduction in Zimbabwe. Information gathered from the study would be shared among all interested stakeholders in development discourse and recommendation might be used by other researchers for further studies on agricultural developmental initiatives.

1.9 Limitation of the study

The cost of travelling to Mutasa district for data collection was one of the major challenges but the researcher had to look for accommodation from his friend's relatives so as to reach all the targeted sampled respondents in the study area. There was some unwillingness by farmers to share information or exaggerated statistics about the total annual income received per household

from banana production. However, the researcher assured them confidentiality of the collected data, emphasis that it was only used for academic purposes and nothing else.

1.10 Delimitation of the study

The research was carried out in ward 5 of Mutasa district out of a total of 32 wards in the district. The study was only confined in ward 5 of Mutasa district so as make the research manageable and effective and this was representative enough for the situation in Mutasa district. Also, research timeframe was limited and the study was confined to a smaller section of a community of Mutasa district.

1.11 Assumption

The researcher went into the study assuming that the data collection from the Ward Councillor, AGRITEX Officers, traditional leaders and contracted smallholder farmers would follow smoothly without any challenge. The researcher also assumed that all respondents would spare their time for the interview; farmers had adequate information and knowledge on banana contract farming.

1.12 Chapter Summary

This chapter gave an introduction to the proposed study and an insight of the area under study. The problem statement, significance of the study, objectives, research questions, limitation and delimitation of the study were discussed. The next chapter would review some arguments of several scholars that have already researched on contract farming and poverty alleviation.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The researcher reviews literature on contract farming and its relevance on poverty alleviation in the rural areas of Zimbabwe as presented by various scholars. The review of literature exposes some of the gaps that could have been addressed by contract farming to reduce poverty effectively amongst smallholder farmers. The emphasis of literature by authors on this study shows how essential were contract farming initiatives and their impact on the reduction of poverty among smallholder farmers. Some of the challenges faced by smallholder farmers in contract farming were analysed. The concepts which were relevant in the understanding of smallholder contract farming and poverty alleviation were reviewed from journals, academic publications and internet sources.

2.1 Theoretical Framework

New Institutional Economic Theory

The school of New Institutional Economics (NIE) has been particularly influential. Kirsten and Sartorius (2002); Bolwig et al. (2009) and Prowse (2012) posit that New Institutional Economics presents contract farming as an institutional adaptation by rational economic actors to market failures. Key and Runsten (1999) argued that the risks and challenges of marketing cash crops in developing countries have encouraged contract farming as an alternative to full integration or reliance on spot markets Glover (1984) alluded that as an arrangement to share risk and minimise

transaction costs, contract farming is purported to benefit both the contractor and participating farmers

Young and Hobbs (2001) explained vertical integration from the new institutional economics approach, particularly transaction cost economics and principal agency theory. Williamson (1981) defines transaction cost with the following: as in mechanical systems frictions between gears are components that make the functioning of the whole system not smooth, to the same extent transaction cost in economics are those frictions that make the transaction (mechanical systems) not working properly, with consequent delays, frequent misunderstandings and conflicts among the parties (gears). According to Slangen et al (2008) in the transaction cost economics, a transaction is to be considered as a “transfer of goods and services from one individual to another.” Transaction cost economics also tries to figure out governance structure (market, hierarchies and hybrids) and minimize the costs for carrying out the exchange. Therefore, transaction cost economics was used in the study to understand the contract arrangement between the contractor and smallholder farmers.

Principal Agent theory was also used in the study to explain certain issues that were found in contract farming, particularly between a farmer (agent) and the contractor (principal). The Principal Agent Theory explores some of the new concepts such as the conflicting interest, motivation and risk allocation in contract farming. Slangen et al (2008) argue that contract farming is usually more convenient to shift the risk on the least risk adverse party, which is the principal. According to Bogetoft and Olesen (2004) a contract is said to be efficient when it manages to minimize transaction costs by solving coordination and motivation problems. Coordination is about making sure that production is carried out for a certain product in the required quality, quantity, place and time. Motivation is instead about giving the parties the right

incentives (trigger a private interest) to enhance the so called integrated profit (the sum of the individual profit). Bogetoft and Olesen (2004) alluded that optimal contracts need to solve a trade-off between efficient (cost minimizing) risk sharing and motivation. The Principal Agent theory was used in the study to explore an in-depth understanding on the issues affecting farmers in contract farming.

2.4 Types of contract farming

There are numerous ways to classify contract farming schemes. Minot (2011) argue that there is the degree of formality in the contract itself, in some cases, the contract is little more than an oral agreement between a farmer and a buyer. This type of contract is more common when the buyer as a trader purchases vegetables to resell on the wholesale market. Minot (2011) postulates that at the other extreme, the contract is a formal written document that specifies input use, production methods, minimum quality standards, and price at which it will be purchased. In this study there was an agreement between smallholder farmers and a private company called Matanuska that have a formal written document that specifies input use, production methods, minimum quality standards, and price at which it will be purchased.

Contract farming schemes are classified depending on the type of commitments made between buyer and a seller in the contract. According to Baumann (2000), there are three types of contract farming, namely market specification contracts, resource-providing contracts and production management contracts.

2.4.1 Market specification contract

Baumann (2000) articulated that a market-specifying contract describes the terms of the sales transaction with regard to price, quantity, timing, and product attributes. Minot (2011) state that

market specification contract makes sense when market coordination is needed, but the farmer does not need assistance in obtaining inputs and the buyer is not concerned about production methods, other than the product quality that can be measured at harvest.

2.4.2 Resource providing contract

According to Baumann (2000) in a resource-providing contract, the buyer also provides agricultural inputs and technical assistance on credit. Minot (2011) alluded that resource providing contract is appropriate when the buyer has better access to credit and specialized inputs that are needed for production than farmers do. Further, Minot (2011) argues that resource providing contracts are more likely to be formal because of the need to specify the terms of the input credit.

2.4.3 Production management

Baumann (2000) asserts that production-management specify the manner in which the commodity is to be grown, such as the planting density, use of pesticides, and timing of harvest. Minot (2011) argues that production-management contract makes sense when the buyer has more information about production methods or wants to ensure a level of quality or food safety. For example, the buyer may specify the types of pesticides that can be used and the timing of their application to ensure that pesticide residue standards are met. This type of contract is more likely to be a formal written document in order to describe the desired production methods. Martinez (2002) argues that in practice, however, many contracts combine elements of these three types. For example, the contract may specify the production methods and the terms of sale, as well as providing inputs to farmers on credit.

These types of contract farming described by scholars are of paramount important in this study as they provide better understanding on the types of contracts that smallholder farmers are engaged. The type of contract farming under this study combines the elements of these three types as the contract specify the production methods, terms of sale and provides inputs to farmers.

2.5 Contract farming models

Will (2013) identified five contract farming models and these include informal model, intermediary model, nucleus estate model, multipartite model and centralised model.

2.5.1 Informal model

Will (2013) articulated that informal model implies that small agribusinesses enter into informal contracts with farmers, generally for the production of vegetables on a seasonal basis. Bijman (2008) noted that agribusinesses are mainly concerned with quality and hence intervene in the 'sorting, grading and packaging' activities. Will (2013) support services are normally provided by government and this type of model has a high risk of default by both parties.

2.5.2 Intermediary model

Will (2013) defines intermediary model as an infusion of an informal and centralised model; basically it involves three parties namely the buyer, middleman and the farmer. Bijman, (2008) alluded that vertical coordination problems like the supply of inputs and support services normally arise, and farmers might not benefit from technology transfer and market related prices as the middleman might strive to maximise his/her margins.

2.5.3 Nucleus estate model

Will (2013) defines nucleus estate as a model based on a buyer who is also involved in farming from his own estate and contracting other small farmers to mainly supplement supply for their own processing. Nucleus estate model was very relevant in this study as Matanuska Company used this model in banana production. Matanuska Company has got its own banana plantations and at that same time contracted smallholder farmers in Honde valley area in Mutasa district and Risitu area in Chipinge district to produce bananas and supply them to the company. Similarly, Tongatt Hulet Company that manufacture sugar used this model in sugarcane production whereby it has been contracted small scale farmers to produce sugarcane in Chiredzi district.

2.5.4 Multipartite model

Will (2013) alluded that various organisations used this model, ranging from government/statutory bodies, financial intermediaries, agribusiness and small scale farmers. Koranteng (2010) researched one such model, the IDC-KAT River Citrus Development Scheme in South Africa where the financier provided funding through the agribusiness to finance farmers involved in citrus production. FAO Report (2015) asserts that in Zimbabwe multipartite model was used under the Livelihood Food Security Programme where the Development Funding for International Development (DFID) provided funding to the Food and Agricultural Organization (FAO), FAO worked with other Non-Governmental Organisations (NGOs) and agribusiness to contract rural smallholder farmers as a way of increasing household food security and nutrition.

2.5.5 Centralised model

Will (2013) highlighted that vertical coordination is high in centralised model, and normally characterised by formal contracts that specify production and quality demands, and involves a

number of farmers contracted by a processor. The focus of this study is on resource-providing models like the nucleus estate model.

2.6 Contracts' Content

Contracts must contain important information as to avoid misunderstandings between the contractor and the farmer. Eaton and Shepherd (2001) discussed certain issues that are found in a contract. Eaton and Shepherd (2001) highlighted that the following contents that are found in a contract; contract should have contract duration, quality standards, production quotas, cultivation practices, specify crop delivery arrangements, pricing arrangements, payment procedures and insurance arrangements. Contract contents that were noted by Eaton and Shepherd (2001) were important in this study as they enlightened some of the crucial information that binds the contractor and the farmers in contract farming.

2.7 The impact of contract farming on smallholder farmers

Contract farming played a pivotal role of increasing household income. Contract farming was regarded by some scholars including World Bank as an intervention that support smallholder farmers in the fight against poverty. SNV Netherlands Development Organization Report (2011) indicates that in Honde Valley more than 4,000 people depend on bananas for more than a third of their income. Therefore, smallholder farmers in the study area depend much on bananas and their production were under contract farming. The study would assess the effectiveness of contract farming in alleviating poverty among small scale farmers.

In Zimbabwe many smallholder farmers have been engaged in contract farming. Coulter et al (1999) alluded that smallholders have been involved in contract farming in large numbers and in Zimbabwe over 50,000 now participate in the cotton sector alone. Dzingirayi (2003) postulates that with inputs in hand and assured markets for every crop sown under contract, private business promises a lighter yoke to the smallholder. According to Nhodo and Changa (2013) contract farming is premised on a contract signed between a farmer and a firm with an agreement between the two parties that the firm will purchase the farmer's products in order to market them or process them.

Further, Nhodo and Changa (2013) highlighted that contract farming schemes typically involve the provision of inputs (seed, fertilizers, and pesticides) on credit, often with extension service, but may also include a range of other services such as land preparation and crop spraying. The study would scrutinise the effectiveness contract farming on improving the welfare of the smallholder farmers.

Prowse (2012) articulated that parties enter into contracts to improve the coordination mechanisms of producing and marketing the desired crops, which in theory benefits both the firm and the farmer. Further, Prowse (2012) argued that contracts lower transaction costs which motivate the parties to engage in contract farming activities. Agriculture is regarded as a risky business hence through contract farming the firm and the farmer needs to be protected. Will (2013) noted that contract farming also provides a framework for risk sharing and management by the parties, thus helping increase agricultural productivity and at the same time fighting poverty.

Glover (1994) and Goodland (1999) argue that resource-based contract farming seeks to provide small-scale farmers with inputs, extension services and markets. Minot (1986) articulated that contract farming enable small scale farmers to increase productivity and quality of their produce which will then attract better prices, thus raising farm income. Deininger et al (2002) in his study observed that in Zimbabwe resettled small-scale farmers with access to credit and extension services and other infrastructure had accumulated more assets and had higher incomes than their communal farmer counterparts. Deininger et al.'s (2002) findings supported the notion that if small scale farmers have adequate agricultural inputs, technical support and access to market; poverty can be reduced.

Gadzirayi et al. (2008) noted that training, access to finance and credit, and the age of farmers resulted in a threefold increase in productivity. In support, Miyata, Minot and Dinghuan (2009), in a study of apple and onion production in Shandong province, China, found that contract farming led to an increase in income for contracted farmers after controlling factors like education and farm size. Further, they further argued that contract farming increase income as a result of technical assistance, specialised inputs and better prices received by farmers. In this study, the researcher would like to evaluate out the effectiveness of contract farming in the Zimbabwean context and find out how contract farming reduces poverty among smallholder farmers.

Contract farming also improved employment. Kumar and Kumar (2008) in a farm level study in India found that contract farming improved both employment and on-farm incomes. Kumar and Kumar (2008) also discovered that infrastructure constraints affected the performance of contract farmers in relation to productivity. Saigenji and Zeller (2009) investigated the technical efficiency of contract farming in tea production in Vietnam and found that it increased

productivity than compared to non-contract farming. Anim (2010) investigated the effect of extension services in contract farming in South Africa based on a sample of 396 maize farmers and found that extension services increased farm productivity. However, the study would therefore explore how banana contract farming in Zimbabwe had reduced poverty among smallholder farmers.

According to Simmons (2002) contract farming benefits are unlikely to flow to the poorest members of society because of selection bias. The poor in the rural areas have limited access for agricultural inputs and asserts for use in production hence this increased inequality within the communities. However, Bijman (2008) propounded that intervention by governments and development agencies through provision of requisite farming infrastructure could help reduce these risks and improve participation by the poor. Omolola (2010) asserts that the net effect will be the reduction of poverty among the poor, more so in less developed countries where over 70 percent of the population is in rural areas and dependent on agriculture for their livelihood. Therefore, contract farming has got high chances of increasing agricultural productivity among smallholder farmers hence this would reduce poverty.

2.8 Challenges faced by smallholders in contract farming

Contract farming was viewed as solution to the problems faced by smallholder farmers like marketing and productivity challenges. However, there were some schools of thought that viewed contract farming as exploitative arrangement. Baumann, 2000 argue that contract farming arrangements are basically exploitative arrangements done by large agribusinesses mainly because of the unequal bargaining power between small-scale farmers and well-resourced agribusinesses. Miyata et al (2009) articulated that in contract farming farmers are said to carry a

disproportionately high risk of production which can increase their indebtedness if the crops fail to generate enough income to cover borrowed inputs. Miyata et al. (2009) further observed that contract farming can increase inequality in communities as it favours those with better resources.

In addition, Mafuse et al (2012) argue that self-funding proves to be a better system as the farmer would be left with a vast wide market option to consider and realizes a better margin in terms of income as compared to contract farming. Agribusinesses adopt a strategy to maximize company claims on the smallholders while reducing those of the smallholder Dzingirayi (2003) and Coulter et al. (1999) argued that unfortunately farmers may also be willing to participate in side marketing if they perceive potential for strategic default. Therefore, smallholders tend to participate in side marketing because of low prices that were offered in contract farming.

The critics of contract farming do not override the benefits of contract farming as smallholders managed to access to credit, technical support services and assured markets. The support which the smallholders got from contract farming has positive effects on farmers' productivity and income hence this alleviate household poverty. Woodend (2003) pointed out that in Zimbabwe contract farming was found to have benefited 4 000 vegetable farmers producing vegetables for horticultural export business in the Mashonaland Central and East regions. However, this study tends to focus much on the effectiveness of banana contract farming in alleviating poverty on smallholder farmers.

2.9 CONCLUSION

Contract farming was very essential for the development of small scale agriculture, fighting poverty and improving farmers' income. For contract farming to thrive, the government needs to play a pivotal role in the establishment of good policies that protect both the small scale farmers

and the contracting firms. The state has the responsibility of creating an enabling environment in terms of infrastructure development in rural areas, institutional support and contract enforcement. Contract farming promotes household food security through surplus food production, increase in household income, acquisition of assets and improvement of household nutritional status hence this would reduce poverty levels.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter focuses on the research methodology that was used in the study. Dawson (2009) argues that research methodology refers to the philosophy or the general principle which guides a research study. The main emphasis was on the research design, research philosophy, approaches of inquiry, research strategy, time horizon, sampling methods, data collection methods and data collection procedures and also how data was analysed. Collis and Hussey (2009) emphasised the importance of appropriate selection of research methods as it help in moulding the quality of research findings. The chapter would discuss the methods and techniques that were used in order to fulfill the requirements of the research objectives. It tends to summarise the methods that were used to acquire data of assessing the effectiveness of banana contract farming on alleviating poverty among the contracted smallholder farmers.

3.1 Research Design

Research design is basically a plan that shows how the research was conducted. It refers to the plan and structure of the investigation used to obtain evidence to answer research questions. Nachmias (2008) defines research design as the “blueprint” that enables the investigator to come up with solutions to problems and guides him or her in the various stages of the research. It is also regarded as a framework that includes a general summary of what the researcher obtained from the analysis of data. The study adopts a descriptive

survey research design. The researcher has adopted this research design because it addresses the research problem.

3.2 Research Paradigm

Research paradigm was also referred by other scholars as research philosophy. According to Saunders et al (2009) a research paradigm is the development of knowledge as well as the nature of that knowledge developed. The researcher would adopt the pragmatism research philosophy. Creswell (2007) propounded that pragmatism focuses on the research problem and uses all available approaches to understand the problem. Pragmatism research philosophy is flexible to use any of the methods, techniques and procedures typically associated with quantitative or qualitative research as the philosophy does not see the world as an absolute unit.

In addition, Creswell (2013) articulates that pragmatism research philosophy recognises that every method has its limitations and different approaches can be complementary. This tallied well with the study as it focused on how best contract farming can alleviate poverty on banana small scale farmers. Creswell (2003) contends that the collection of diverse types of data best provides an understanding of a research problem. The researcher will look at many approaches of collecting data rather than subscribing to only one way and this gives room for triangulation.

3.3 Approaches of Inquiry

The study adopts a simple mixed method design which combines both quantitative and qualitative data collection techniques and analysis procedures. The researcher had choose simple mixed method as the study require quantitative data to measure the impact of smallholder banana contract farming on poverty alleviation using the following poverty reduction indicators; increase in household income, food security, improvement of household nutrition status and

acquisition of assert. Qualitative methods were used to collect data on the views and perceptions of small scale farmers towards contract farming and to solicit information on the measures that could be employed to address the challenges faced by smallholder farmers in banana contract farming.

The qualitative methods that were employed by the researcher include interviews and focused group discussions. Johnson and Onwuegbuzie (2004) argue that multiple sources or methods of data gathering increase the credibility and dependability of the data since the strengths of one source compensates for the potential weakness of the other. Creswell (2013) stated that concurrent mixed methods procedures are those in which the researcher converges or merges quantitative and qualitative data in order to provide a comprehensive analysis of the research problem. Therefore, the researcher used concurrent mixed methods to provide a comprehensive analysis of the research problem.

3.4 Time Horizon

The researcher adopts a cross sectional approach because the research was carried out within a short period of time of less than six months and it is less costly. Saunders (2009) argues that cross sectional research is the most ideal when time is a constraint.

3.5 Population

According to Palgrave (2000) population is a complete set of items that share at least one property in common that is subjected to statistical analysis. According to ZIMSTAT (2012) Mutasa district has a total of 168747 and 51% are small holder farmers. ZIMSTAT (2012) also states that ward 5 of Mutasa district has an approximate population of 1500 households. The study population of 1500 households were both non-banana contracted small scale farmers and

banana contracted small scale farmers. According to the report from the Ward Agritex there were 450 contracted smallholder farmers in Ward 5 of Mutasa district. Therefore, the targeted population for this study comprised of 450 contracted banana small scale farmers, one Ward Councillor and a total of 30 Village Heads who are found in Ward 5. This adds up to a total population of 481 households.

3.6 Sample and Sampling Procedures

Creswell (2003) posits that a sample is a sub-set of those entities from which evidence is gathered. In the study a sample was regarded as a subset of a population. It was therefore a portion of a defined population collected for statistical analysis. The researcher considered a representative sample as it saves time, money and provides valid results to be inferred for the whole population. The sample in this study gave a general guideline on the nature of the population being studied.

Sampling procedure in this research was the way in which the research was carried out. Therefore sampling procedure according to Creswell (2003) is a process of selecting sufficient number of elements from a population so that by studying the sample and understanding the properties and characteristics of the sample subject it will be possible to generalize the properties to the population elements.

Sample size refers to the number of respondents that will be responding to different questions issued by the research. According to Kelly (2006) sample size is a subject of population and should represent the main interest of the study. In this case; information was gathered from Mutasa District Administrator, Ward Councilor, 3 Village Heads, two

AGRITEX Extension Officers and 45 smallholder contracted farmers through questionnaires, interviews and focus group discussion.

The research adopts a multi-stage sampling technique. Purposive sampling was used to select Ward 5 in Honde Valley area of Mutasa district for this study. According to Robert and Michael (2010), purposive sampling represents a group of different non-probability sampling techniques. Purposive sampling relies on the judgment of the researcher when it comes to selecting the units (for example, people, cases/organizations, events, pieces of data) that are to be studied. Most of the smallholder farmers in Ward 5 depended much on banana farming as their major source of income. This has been further confirmed by SNV Netherlands Development Organization (2011) which explained that more than 40% of the people in Honde Valley depend on bananas for more than a third of their income.

The researcher used simple random sampling technique to select the smallholder contracted farmers who participated in this study. The researcher used a golden bowl sampling technique whereby 450 cards were made. Each card represents every banana contracted smallholder farmer and 405 were labeled “Yes” and only 45 were labelled “No”. Those who picked a “No” automatically became respondents and those who picked a “Yes” could not participate in the study thus all respondents had equal opportunities of participation. Selected 45 contracted households represent ten percent of the total number of the banana contracted smallholder farmers in Ward 5. Further, the researcher used purposive sampling to select 29 contracted banana smallholder farmers who were educated, able to read and write. These farmers were considered for answering the questionnaire.

The researcher used purposive sampling technique to select the District Administrator, one Ward Councilor and two Agritex Extension Officers in Ward 5. Sidhu (2003) posit that purposive sampling technique is used by researchers to select those respondents that suit the purpose of their study. Thus, in this case, the District Administrator, Ward Councilor and two Agritex Extension Officers were serving the purpose of providing data with measurable variables of levels of poverty eradication through small scale banana contract farming in the Ward.

The researcher also used purposive random sampling technique to select Village Heads for this study. Ten percent of a total number of 30 Village Heads in ward 5 was selected at random. A total of 3 Village Heads were chosen from the villages that consist of contracted banana smallholder farmers. Thus, our sample comprised of 45 contracted household representatives who were small scale banana contract farmers, three Village Heads, two AGRITEX Extension Officers in Ward 5, one Ward Councilor and the District Administrator. This makes a total of 52 participants.

3.7 Data Sources

3.7.1 Secondary data

Secondary data was used to supplement the primary data. Data that has been collected over a long period of time allows longitudinal study which was impossible to do with data collected in short projects. Secondary data was also used to compare with the collected primary data in order to triangulate the findings and put gathered data into larger context. This was collected from journals, internet sources and other academic publications. This was presented in form of related literature or literature review in the previous chapter.

3.7.2 Primary data

This was the fresh data that was gathered by research instruments or data collection tools for this study.

3.8 Data Collection Tools

According to White (2010) data collection is the process of gathering and measuring information on variables of interests in an established systematic fashion that enables one to answer the stated questions. According to Manyere (1995) instrument is the generic term used for the items that the researchers use for the measurement device. Therefore, data collection tools or instruments were used to collect primary data for this research.

3.8.1 Questionnaire

Johnson and Christensen (2004) defined a questionnaire as a self-report data collection device that each research participant fills out as part of a research study. Goode and Hatt (1999) defined questionnaire as a device for securing answers to questions by using a form which the respondent fills himself or herself. Questionnaires were forms containing a list of questions, and they were used as a means of gathering information from a survey. The respondent has the freedom to respond to any of the questions in the questionnaires. Blank (2009) alluded that a questionnaire is a form which is prepared and distributed for the purpose of securing responses. Generally, these questions were factual and designed for securing information about the research questions, of which recipients were presumed to have knowledge.

According to Barr et al (1998), “A questionnaire is a systematic compilation of questions that are submitted to a sampling of population from which information is desired.” Arends et al (2001) pointed out that as the term questionnaire is generally used in educational researches, the

questionnaire consists of a set of questions or statements to which individuals are asked to respond the questions frequently asked for facts or the opinions, attitudes or preferences of the respondents. In questionnaire forms are used and the respondents fill in themselves, thus questionnaires place heavy reliance on the validity of the verbal reports.

The researcher has decided to use this instrument because of a number of reasons. Arends et al (2001) highlighted that questionnaire allows for a wider coverage at a low cost and also it allows for a greater uniformity in the way in which questions are given. Hence the questions given to each respondent will be the same there by promoting uniformity of questions. Apart from that, Goode and Hatt (1999) argued that, questionnaires give respondents time to consider questions carefully before giving feedback so there is greater possibility of giving well thought answers that clearly shows the effectiveness of smallholder banana contract farming on poverty alleviation. The researcher applies questionnaires as a data collecting instrument for this research because it is generally used to obtain information, often numeral data. Questionnaires that were administered contain mainly close ended questions that were designed to answer the research questions.

The questionnaire was written in English language and it was administered to the people who could understand and knowledgeable on issues of banana contract farming and its effects on poverty alleviation among smallholder farmers in ward 5 of Mutasa district. The researcher issued the questionnaire to the targeted respondents and collected them after their completion. The researcher made it clear to the respondents that the purpose of the study was for academic purpose and that they would not experience any harm by participating in the study. Cohen et al (2000) alluded that questionnaires provides relatively straightforward information to be analysed. Questionnaires help the researcher to gather large amounts of information from the educated

people who were able to read and write. These were the 29 contracted banana smallholder farmers and two Agritex Extension Officers. This was done within in a short period and in a relatively cost effective way. The process of administering the questionnaire saves time as the respondents fill in themselves and it was suitable for collecting information from large number of samples.

Questionnaires are considered to be the most flexible tool that possesses a unique advantage over others in collecting both qualitative and quantitative information. However there are some limitations of this instrument which need to be considered. Blank (2009) posit that a questionnaire is the lazy man's way of gaining information, because it is comparatively easy to plan and administer a questionnaire. In addition, Blank (2009) ppropounded that there is a lot of paper work in preparing the questions and each respondent should have his or her own questionnaire and it is not possible for the researcher to probe further. Also, Blank (2009) highlighted that open ended questions in a questionnaire can generate large amounts of data that can take a long time to process and analyse. In this study, the researcher tried to minimise these limitations by asking short and precise questions and the use of simple English that was easily understood by the respondents.

3.8.2 Interviews

The researcher carried out interviews from the three Village Heads, District Administrator and the Ward Councilor. Interviews were administered to 3 Village Heads, Ward Councilor and the District Administrator to gather different views about the effectiveness of smallholder contracted banana farmers on poverty alleviation. Kumar (2011) defines interview as any person-to-person interaction between two or more individuals with a specific purpose in mind.

Haralambos and Holborn (1990) propounded that an interview is a questionnaire administered by an interviewer who is not allowed to deviate in any way from the questions provided. This implies that during the interview the interviewer notes the responses made by the interviewee as opposed to the questionnaire method where the respondent writes responses on the questionnaire. OMNI Institute (2014) postulates that interviews are qualitative; few people are selected for their first-hand knowledge about a topic of interest. Haralambos and Heal (1988) highlighted that an interview is an art of acquiring information from the respondents.

Interviews imply talking directly to the respondent and recording responses. Laffitte and Holt (1993) posits that interview is a purposeful conversation in which one person asks prepared questions (interviewer) and another answers them (respondents/interviewee). The method was employed in this study as a qualitative data collection technique. The researcher decided to use interviews because of the following advantages. According to Haralambos and Holborn (2004), interviews are versatile, that is, they can be adapted to the needs of the researcher and also the researcher can be able to probe further. Thus the researcher managed to gather information from the local leaders on the effectiveness of smallholder banana contract farming on poverty alleviation.

In addition, the researcher preferred to use interview as a data collection technique/method over other techniques because of its flexibility, reliability and first-handness to complement the weaknesses of other techniques that need someone to give clarity to those questions that the respondent or the researcher would have failed to understand. Asking questions to the interviewee on a face to face basis enables the collection of first-hand information, quick response and gave room to the researcher to probe for clarifications. It was so flexible that the researcher could modify his line of inquiry; it also enabled the researcher to read non-verbal cues

of respondents thereby could investigate underlying motives hence obtaining a clear view of the respondent.

Interviews have higher response rate compared to questionnaires. Haralambos and Holborn (2004) assert that interviews will allow both parties to alter situations in order to get reliable information and they provide instant feedback on any topic being asked. Hence this helps the researcher to obtain tangible information on the impact of smallholder banana contract farming on poverty alleviation. Also, interviews also gave the researcher the advantage of body language from the respondents on how they feel about banana contract farming. Haralambos and Holborn (2004) alluded that interviews enable the researcher to learn about things that cannot be directly observed and add an inner perspective to outward behaviors of the respondents.

Further, Kothari (2004) posit that the interviewer through the use of semi structured interviews had latitude to ask further questions in response to what are seen as significant replies. Abawi (2013) observes that the advantages of interviews are that they are more personal, as compared to questionnaires, allowing higher response rates, they allow for more control over the order and flow of questions and necessary changes can be introduced in the interview schedule based on initial results which is not possible in the case of a questionnaire survey. This method allowed the researcher to gain deeper insights into the perceptions of the smallholder farmers towards banana contract farming and poverty alleviation.

Considering these advantages, the researcher has decided to use interviews despite of the disadvantages. Interviews were time consuming in probing and clarification of questions on the contribution of banana contract farming towards smallholder poverty alleviation. Blank (2009)

postulate that interviews are expensive in terms of both time and money in preparing the interview questions. Also the quality of information generated depends upon the interviewer and interviews are subject to interviewer and respondent bias. However, the researcher saves time when conducting interviews by selecting one tenth of the targeted population which was three Village Heads, District Administrator and Ward Councilor.

3.8.3 Focus Group Discussion

Focused group discussions were used by the researcher to solicit information left from the interviews. The group discussions were mainly centered on how banana contract farming had contribute to the reduction of poverty amongst the households of small scale farmers, with particular attention on the production, income, food security, employment and asset creation. Factors that hinder or promote banana contract farming in the study area were discussed. Focus group discussions were also used to extract the inner feeling or perception of the smallholder farmers about banana contract farming. Two Focus Group Discussions were conducted and one group was made up of 9 female contracted farmers and the other one with 7 male contracted farmers.

The researcher had set some questions related to the study to guide the discussions. To ensure accurate data, the researcher used the phone to record all the information during the discussion sessions. The focus group discussions were guided by the researcher to ensure that the respondents will not lose focus of the subject matter. This approach was important as it avoids the problem of dominance by other members of the group and it promotes active participation of all group members. Focus Group discussion was very helpful in this study as it helps to gather data which will not be quantified.

3.9 Pilot Testing

The research instruments were also checked through pilot-testing. Haralambos, *etal* (2008); David and Sutton (2004) defines pilot study as a small scale preliminary study conducted before the main research to check the feasibility or improve the design of the research. Similarly, Woken (2002) defines a pilot study as a pre-study of the main study or a miniature version of a project done a few weeks before the main study. Haralambos *etal* (2008) recommend that a pilot study should be carried out on members of the relevant population but not on those who will form part of the final sample. Piloting is avoided with the target sample so that the behaviour of participants is not influenced before the main study. In line with the above, the researcher conducted a pilot study with 15 contracted smallholder farmers and one Agritex Extension Officer in Ward 6 of Mutasa district. Interview schedules were pilot-tested with two Village Heads and one Councilor in Ward 6 of Mutasa district. One Focus Group Discussion was conducted with eight contracted smallholder farmers in Ward 6 of Mutasa district. Through the pilot study, the researcher managed to achieve the following:

- improve clarity, timing and lengths of the interviews;
- eliminate ambiguities in the semi-structured and focus group interview schedules;
- analyse data to check whether the questions in the interview schedules address the research questions.

Cohen *etal* (2011) concluded that the importance of the pilot study cannot be over emphasised since it tests the feasibility of the study. After piloting the study, the researcher was confident that the study was feasible and embarked on the study with enthusiasm.

3.10 Validity and Reliability

According to Gray (2014) and Punch (2011) validity and reliability are factors both quantitative and qualitative researchers are concerned about when designing a study. Gray (2014) posits that data gathering instruments in any research should be credible and trustworthy by generating trusted findings. As proposed by Haralambos *et al.*, (2008) and Cohen *et al* (2011), a number of techniques to enhance validity and reliability of research such as triangulation, piloting, member-validation and thick descriptions were employed in this study.

3.10.1 Validity in research

Maree (2012) and Gray (2014) assert that the term validity refers to the extent to which an instrument measures what it is supposed to measure. Fraenkel and Wallen (2003) add that validity refers to the appropriateness, meaningfulness and usefulness of the inferences researchers make based on the data they collect. For Punch (2011), quantitative and qualitative researchers must address the validity question: “How valid are the data?” This question reminds researchers to always reflect on how well the data they collect represent the phenomenon under study. Haralambos, *et al* (2008) posits that data is ‘valid’ if it provides a true picture of what is being studied.

The researcher employed a number of techniques such as member validation, triangulation of methods and sources of data to enhance validity of data collected in this study. A variety of instruments were used to collect data from the participants such as semi-structured interviews, focus group discussions and questionnaire. Haralambos, *et al* (2008); Fraenkel and Wallen (2003) articulated that triangulation of data collection methods (methodological pluralism) helped the researcher to cross-check and verifies information collected by one method against

others. The researcher also audio-recorded interviews and transcribe detailed field notes. Maxwell (2006) highlighted that triangulation strategy helped to eliminate the problem of inaccuracy which is one of the major threats to validity of data. In the case of semi-structured and focus group interview guides, the researcher attempted to address the issue of validity by framing interview and focus group questions around the research questions. In this regard, Gray (2014) asserts that content validity is usually determined by expert judgement. In this study the researcher used pilot testing to validate the data collection instruments.

Gray (2014) postulates that the validity of the researcher's interview and focus group interviews were enhanced by adhering to the guidelines which are as follows:

- Using interview techniques that build rapport and trust, thus giving informants the scope to express themselves.
- Probing informants to illustrate and expand on their initial responses.
- Ensuring that the interview process was sufficiently long for participants to be explored in depth.

The researcher embraced Gray's (2013) views on improvement of validity in research, for example in this study the researcher probed respondents for clarity and terminated the interviews when data saturation was attained.

3.10.2 Member validation

Member validation was one of the techniques employed by the researcher to overcome validity threats. Fraenkel and Wallen (2003) and Haralambos, *etal* (2008) assert that member validation is a technique which involves respondents checking research findings so that they can correct misinterpretations or inaccuracies. In respect of semi-structured and focus group discussions, the

researcher made it a point that data collected was fed back to the participants for their verification. Comments from participants were factored in and modifications were made.

The interviews were also audio-recorded while the researcher jotted down some notes. Chinyoka (2013) and Maree (2012) alluded that audio-recording is used to capture interview and group discussions to eliminate the problem of inaccuracy or incompleteness of data. The researcher compared data from audio-recorder and field notes to come up with a sound report of the views and perceptions of participants on the impact of contract farming on poverty alleviation and the challenges faced by smallholder farmers in contract farming.

3.10.3 Reliability

Maree (2012); Fraenkel and Wallen (2003); Haralambos *etal* (2008) alluded that reliability in research refers to the extent to which a measuring instrument is repeatable and consistent. Leedy and Ormrod (2005) define reliability as the degree of consistency the chosen instrument demonstrates when employed to gather data for a given study. Lincoln & Guba (2010) and Maree (2012) argued that qualitative methods have low reliability compared to quantitative methods. Denscombe (2007) and Haralambos *etal* (2008) assert that the methods in qualitative research are seen as unreliable because procedures of data collection can be unsystematic and results are rarely quantified. Nonetheless, Gray (2014) argues that there is some potential for achieving consistency or reliability in qualitative methods, for example when an interview is standardized. Punch (2011); Haralambos *et al* (2008); Frankel and Wallen (2003) maintain that interview bias can always creep into the interview situation in many subtle ways that can cause reliability of data gathered to be compromised. For example the mere presence of a researcher among the respondents can lead to change in behaviour of participants on the basis that there is

an intruder among them. However this study had used both quantitative and qualitative research methods to improve reliability of data.

Maree (2012) noted that in qualitative research, as opposed to quantitative research, researchers emphasise on credibility and trustworthiness of data more than reliability. Lincoln and Guba (2010) argue that in qualitative research, the criteria to ensure “trustworthiness” involves credibility, applicability, dependability and conformability. Maree (2012) and Cohen et al (2011) asserts that these constructs parallel the conventional criteria of inquiry of validity and reliability.

Lincoln and Cuba (2010) suggested that since there can be no validity without reliability, demonstration of validity is sufficient to establish reliability. Patton (2012) elucidates that reliability is a consequence of validity in a study. To attain trustworthiness, Maree (2012); Denzin and Lincoln (2005) recommended strategies such as triangulation, member validation and involving peer researchers to assist with the interpretation of data. In this study, trustworthiness of data was achieved through triangulation (methodological pluralism) where the researcher used focus group discussions, semi-structured interviews and questionnaire. Trustworthiness of data was also achieved through piloting, where the research instruments were trialled and perfected to address the research objectives.

3.11 Data Collection Procedure

According to Robert and Michael (2010), data collection procedure answer questions like when and where the data was collected, who collected it and how to ensure that the data is correct. After drafting the data collection tools, the researcher seeks a permission to carry out the survey in ward 5 of Mutasa district from the District Administrator, Rural District Council and the Village Heads. After being granted the permission, with the assistance from Ward 5 AGRITEX

Extension Officer, the researcher has sampled the targeted participants using the list of all the banana contracted smallholder farmers in ward 5. After selecting the targeted respondents, the researcher has made an appointment with the community leaders through an all stakeholder consultation meeting. The purpose of the study was informed to the local leaders and the respondents and the dates to conduct the interviews were agreed upon.

3.12 Data analysis

Khothari and Schindler (2004) postulates that data analysis usually involves reducing accumulated data to a manageable size, developing summaries, looking for patterns, and applying statistical techniques. Data for this study was analysed quantitatively and qualitatively as the research used mixed methods of collecting data.

3.12.1 Quantitative Data Analysis

Quantitative data was collected using closed ended questions on the questionnaire. The collected data was thoroughly checked for completeness and comprehensibility. The data was entered using Excel. A series of tests were run on the data in order to process it into understandable information. The respondents were requested to indicate the extent to which they agree or disagree to the questionnaire survey using the five point Likert Scales anchored by 1;strongly disagree,2;disagree, 3; uncertain, 4;agree and 5= strongly agree. The purpose of this research was to find the effectiveness of banana contract farming on poverty alleviation in ward 5 of Mutasa district. Data was analysed using descriptive statistics. Frequency tables, pie chart and bar graphs were drawn to represent the findings.

As identified by Malhotra (2004) the Likert scale has the advantage of using it in that it is not difficult to develop and manage and respondents readily comprehend how to use the scale. The

major hindrance is however that it takes a lot time and energy to complete than other rating measures. Churchill (1996) posits that the Likert scale offers itself also to possible sources of mistake. Therefore, it was imperative to emphasise that no instruments were perfect; however, the researcher paid more attention on data analysis to reduce errors at all costs.

3.12.2 Qualitative Analysis

The researcher has used thematic analysis. According to Braun and Clarke (2006) thematic analysis comprises six phases which include familiarization with the data where the researcher becomes intimately familiar with data reading and re reading the data:

- coding this involves generating pithy labels for important features of the data of relevance to the (broad) research question guiding the analysis.
- searching for themes which involves coding of codes to identify similarity in the data; reviewing themes here the researcher will reflect on whether the themes tell a convincing and compelling story about the data.
- to define the nature of each individual theme, and the relationship between the themes.
- defining and naming themes requires the researcher to conduct and write a detailed analysis of each theme;
- writing up weaving together the analytic narrative and (vivid) data extracts to tell the reader a coherent and persuasive story about the data.
- contextualizing data in relation to existing literature.

Thematic analysis had emphasises pinpointing, examining and recording patterns (themes) within data.

3.13 Data Presentation

Braun and Clarke (2006) insisted that data presentation is the method by which people summarize, organize and communicate information using a variety of tools, such as diagrams, distribution charts, histograms and graphs. Quantitative data was presented in tabular and graphic form using tables, bar graphs and pie charts. Qualitative data was presented in tabular form followed by descriptive statements with some responses from the interviewees.

3.14 Data Interpretation

Tania (2014) alluded that data interpretation is the process of assigning meaning to the collected information and determining the conclusions, significance, and implications of the findings. Themes were analytically constructed from coding of the dataset and capture meaning within the data.

3.15 ETHICAL CONSIDERATIONS

Maree (2012) opines that “Anyone involved in research needs to be aware of the general agreements about what is proper and improper in scientific research”. He added that throughout the research process, the researcher should follow and abide by ethical guidelines. In the same vein, McMillan and Schumacher (2010) posit that the manner and code of ethics of researchers should be good. Consequently, this research was conducted in line with ethical academic standards which included seeking permission to conduct the study from Midlands State University under the Department of Development Studies (*Appendix 1*). In addition, the researcher paid attention to other ethical issues such as informed consent, confidentiality, anonymity, protection from harm and deception.

3.14.1 Informed consent and voluntary participation

Johnson and Christensen (2008); David and Sutton (2004) articulated that informed consent refers to an agreement to participate in a study after being informed of the study's purpose, procedures, risks, benefits, alternative procedures and limits of confidentiality. Chiromo (2006) elaborates basic elements of information the researcher should avail to participants to ensure informed consent as follows:

- The purpose of the study.
- Explanation of procedures to be followed in the research process.
- Explanation of how and why participants were selected.
- Assurance that participants are free to decline or withdraw their consent and discontinue participating in the study any time without giving reasons.

Maree (2012) and Creswell (2013) posit that informed consent of participants was sought prior to the commencement of data collection. Participants were informed of the purpose of the research in advance, and they signed consent forms after the researcher's explanation. The participants were also told that their participation was voluntary, and that they were free to withdraw at any given time without fear of being victimized.

3.14.2 Confidentiality

Cohen *etal* (2011) define confidentiality as not disclosing information from participants or identifying respondents using information they have provided. According to McMillan and Schumacher (2010) and Schulze (2002) confidentiality means that no one should have access to individual data or the names of the participants except the researcher, and participants should know before they participate as to who would see the data. Chiromo (2006) and Maree (2012)

argue that confidentiality is enhanced by assuring participants that their information would be treated in the strictest of confidence. Schulze (2002) highlighted that confidentiality is observed in research through assigning code names or pseudonyms so that data collected could not be linked to individual respondents by name. The researcher also assured participants that no one will publicise the information discussed during the interviews.

3 14.3 Anonymity of participants

Anonymity was one of the ethical issues that the researcher observed in this research. Rubin and Babbie (2008) maintain that a respondent has anonymity when the researcher cannot identify a given response with a given respondent. Anonymity presents a challenge in interviews because the researcher collects information from identified respondents. However in this study, the researcher went round this problem by means of using code names in place of participants. Thus, participants were asked to state their codes (Numbers) and not their real names during the interviews.

3.14.4 Protection from harm

David and Sutton (2004) ; Maree (2012) posit that protection from harm is one of the major tasks of the researcher In addition, Chiromo (2006) suggests that participants must be protected from physical, social, emotional and spiritual harm or from potential harm of any nature. The participants were not harmed in any way since the researcher was honest, respectful and sympathetic towards all participants. All participants were treated with the fact in mind that they could get tired and make mistakes; hence there were some interview and focus group discussion breaks to allow participants to relax and resume interviews with enthusiasm.

3.14.5 Deception or covert activities

Chiromo (2006) views deception as not telling participants the truth about the research. Rubin and Babbie (2008) consider deceiving participants within social research as unethical. However, Chiromo (2006) and Creswell (2013) postulate that deceiving participants is only acceptable when:

- No harm comes to the participants.
- The truth so discovered is worth the lies in the process.
- It is the only way to discover something of real importance.

In this study, deception was circumvented by explaining the purpose of the study to the participants prior to the commencement of data collection.

3.15 Summary

This chapter highlighted how the research was conducted. It also pictured on the research complexities, citing measures by the researcher to ensure that objective gathered minimized the degree of errors thus making sure that the research can be used to make constructive decisions. The next chapter will therefore incorporate general and cross tabulation analysis through tables, frequency distributions, pie charts, bar graphs and diagrams in presenting the findings.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.0 Introduction

This chapter dwells on data presentation, analysis and discussion. Presentation of data for this study was in the form of pie charts, tables and bar graphs. The main aim of this chapter is to highlight the effectiveness of contract farming on poverty alleviation among banana smallholder farmers. Household demographic characteristics, the benefits of contract farming to the smallholder farmers, contribution of contract farming on poverty reduction among smallholder farmers, challenges that were encountered by smallholder farmers in contract farming, the role of the government in contract farming and suggested measures that could be employed towards addressing the challenges faced by smallholder farmers in banana contract farming in Honde Valley ward 5 of Mutasa district were presented.

4.1 Response Rate

Table 4.1 Response Rate

RESPONDENTS	INSTRUMENTS	FREQUENCY	RESPONSE RATE (%)
Household Representatives	Questionnaire	29	100
Extension officers	Questionnaires	2	100
Ward councilor	Interviews	1	100
village head	Interviews	3	100
District Administrator	Interviews	1	100
Household representative	FGD	16	100
TOTAL		52	100%

Source: Own Fieldwork Data (2017)

Table 4.1 above shows that all the participants of the research turned up for the research and all the questionnaire respondents were given the questionnaires and they filled and the researchers collected the filled questionnaires without problems. All the village heads, District Administrator and Ward Councilor were also interviewed and the responses were noted without any problem. The Household representatives had two focus group discussions with the researcher and all of them turned up for the focus group discussions and the researcher noted down their responses without challenges. Thus, this study saw a hundred percent response rate.

4.2. DEMOGRAPHIC INFORMATION FOR ALL RESPONDENTS

4.2.1. Gender

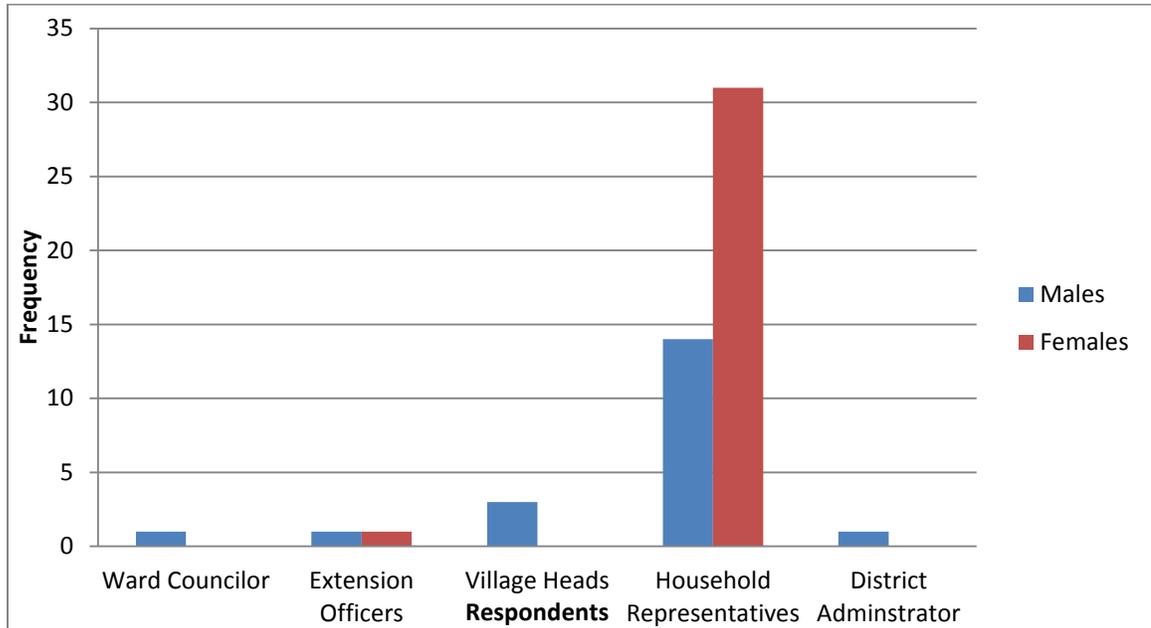


Figure 4.1: Gender, Source: Own Fieldwork (2017)

Figure 4.1 above shows that of all the respondents 31 (59.6%) respondents were female household representative who were the highest frequency, 14 (26.9%) were male household representatives while also 3 (5.7%) males were Village heads. One (1.9%) respondent was a male Extension Officer while 1 (1.9%) was a female Extension Officer, 1 (1.9%) was a male District Administrator and the last 1 (1.9%) was a male Ward Councilor. These results give us a total of 32 (61.5%) female participants and a total of 20 (38.5%) male participants. However, the results may imply that there were a large number of male Ward Councilor nationwide and on this study, the fact was fairly shown. While it is also true that there is gender parity amongst Extension Officers countrywide. Most village Heads are males and on this study this is shown by 3 (5.7%) Village Heads. Overall, there are more female family heads in rural areas than in

urban areas. This fact is driven home in this study with the highest number of female household representatives of 31 (59.6%) females as compared to 14 (26.9%) male household representatives. This may mean that, most male household representatives may be fathers working in urban area while their spouses are at home in the rural areas who then get contract farming agreements.

4.2.1.2 Age

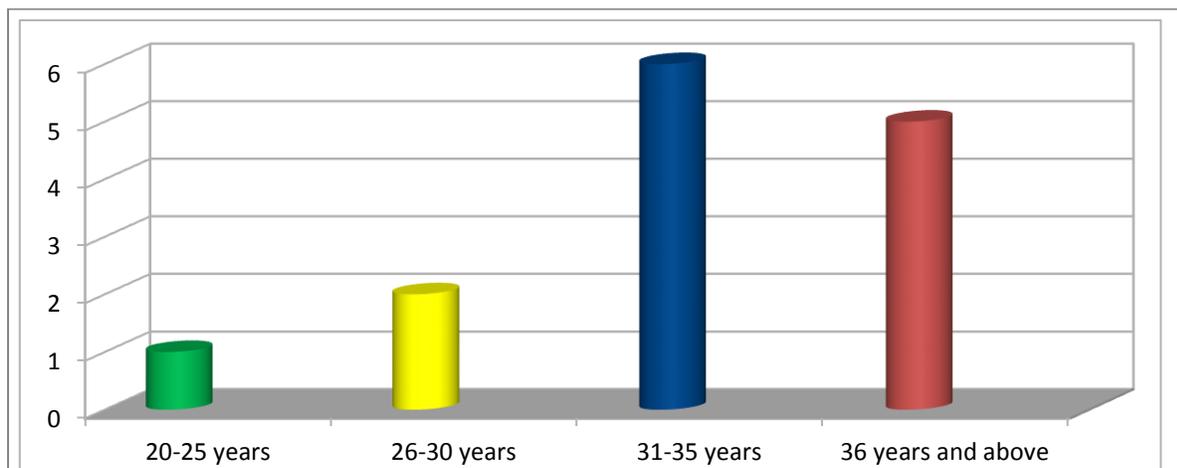


Figure 4.2 Ages, Source: Own Fieldwork (2017)

Figure 4.2 above shows that the majority 26 (50%) of the respondents are within the age range 31-35 years and 16 (31%) have more than 36 years of age. There were only 7 (13%) within the age range 26-30 years of age and only 3 (6%) with the age range 20-25 years of age. This may imply that most of the participants were mature people who take contract farming as a lifelong commitment. However, the data showing that there are respondents between the age range 15-20 years. This may mean that there are child headed households whereby the parents may have died and the family continued as contract farmers since that is their source of livelihood.

4.2.1.3 Level of education

Table 4.2 Educational levels

ITEM	FREQUENCY	PERCENTAGE (%)
Primary Education	32	61.5
Secondary	13	25
Diploma	6	11.5
Degree	1	1.9
Masters	0	0
TOTAL	16	100

Source: Own Fieldwork (2017)

Table 4.2 above shows that 32 (61.5%) respondents had primary education qualifications while 13 (25%) respondents had secondary qualifications, making a total of 45 (86.5%) respondents without tertiary education. Amongst these 3 (5.7%) respondents are the Village heads and 42 (80.7%) were contracted smallholder farmers. However, 6 (11.5%) respondents were two Extension Officers who are recruited based on Diploma qualifications as basic qualifications and four smallholder farmers who were retired teachers. The remaining 1 (1.9%) was the District Administrator with a degree.

4.2.1.4 Experience

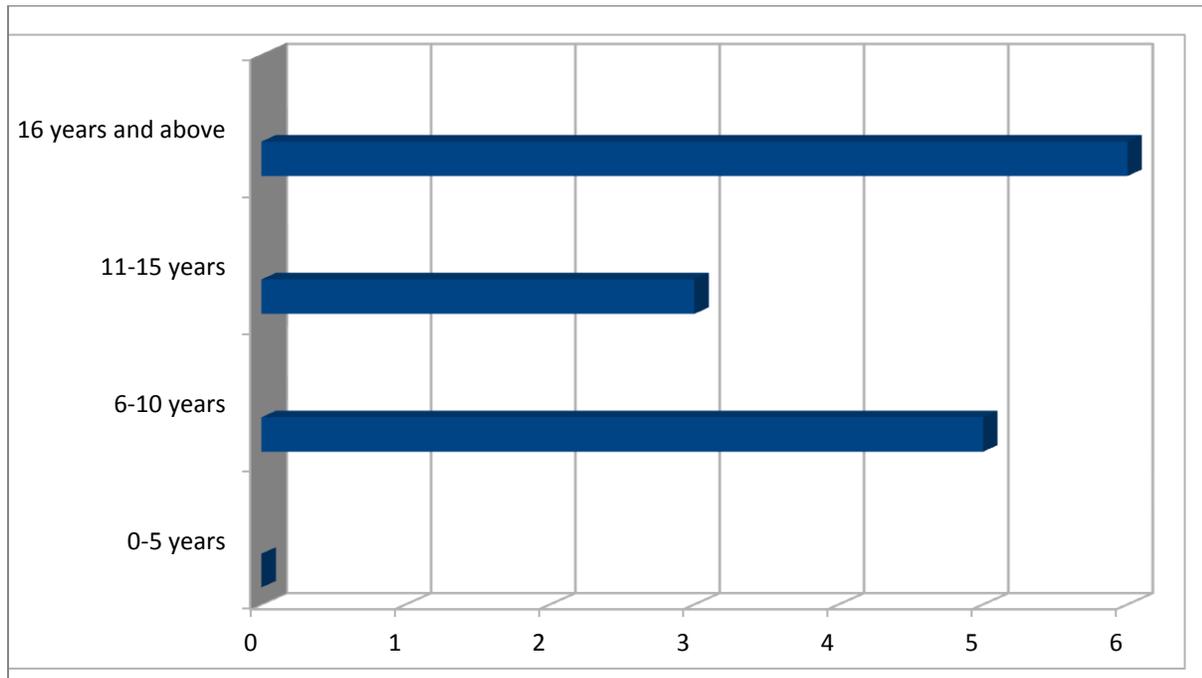


Figure 4.3: Experience, Source: Own Fieldwork (2017)

Figure 4.3 above shows that the majority of the respondents have more than 16 years of experience followed by others with 6-10 years of experience. A few respondents had experience of between 11 to 15 years. This may mean that most of the respondents have time growing bananas even though they might not have been contract farmers but they may have been growing bananas most of their lives.

4.3 QUESTIONNAIRE RESPONSES FROM THE CONTRACTED FARMERS AND THE EXTENSION OFFICERS

4.3.1 TERMS AND CONDITIONS OF BANANA CONTRACT FARMING IN WARD 5 OF MUTASA DISTRICT

4.3.1.1 Terms and conditions in banana contract farming

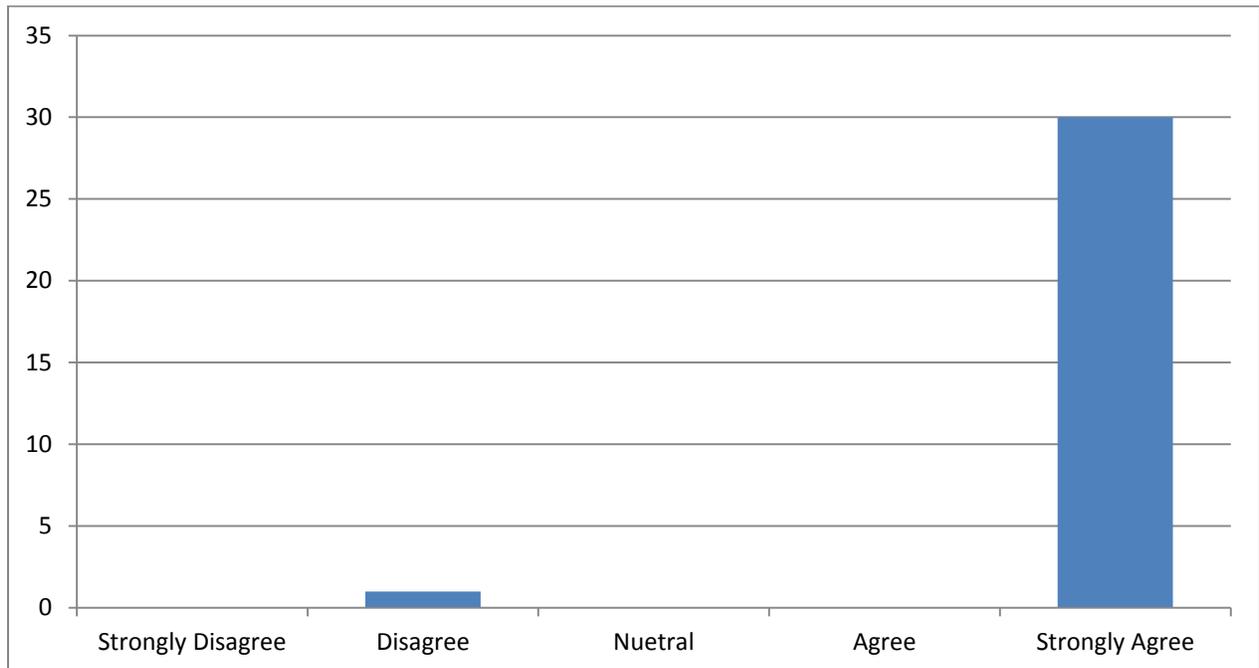


Figure 4.4 Contract terms and conditions, Source: Own Fieldwork (2017)

Figure 4.4 above shows that 30 (97%) respondents indicated that they strongly agree that there were terms and conditions on the contract while 1 (3%) respondent have disagreed and this indicated that there were no terms and conditions on the contract. This may imply that on understanding a contract, the 28 contracted farmers and two Extension Officers indicated that there were terms and conditions while on the other hand one smallholder farmer have not understood the terms and conditions or if they were terms and conditions of the contract.

4.3.1.2 The terms and conditions

Table 4.3 Terms and Conditions of the contract

RESPONSE	FREQUENCY	PERCENTAGE
Provision of inputs	31	100
Extension Services	31	100
Market	31	100
Transportation of the produce to collection point	0	0
No side marketing	31	100
TOTALS	31	100

Source: Own Fieldwork (2017)

All the thirty one respondents indicated that the contract indicated provision of inputs by the contractor, provision of Extension services by the AGRITEX, there will be a market of the bananas and there should not be any side marketing at all. The contract also provided that transport will be provided from the most nearest accessible road and from the field to that point, a farmer should have their own means of transport. Thus, in effect, transport is not provided from field to the road or pick up point. The table also shows that no matter what the price might be from other buyers than the contractor, the farmer should not sell to any other buyer than the contractor even if the contractor is offering far less prices.

4.3.1.3 The selection criteria in banana contract farming

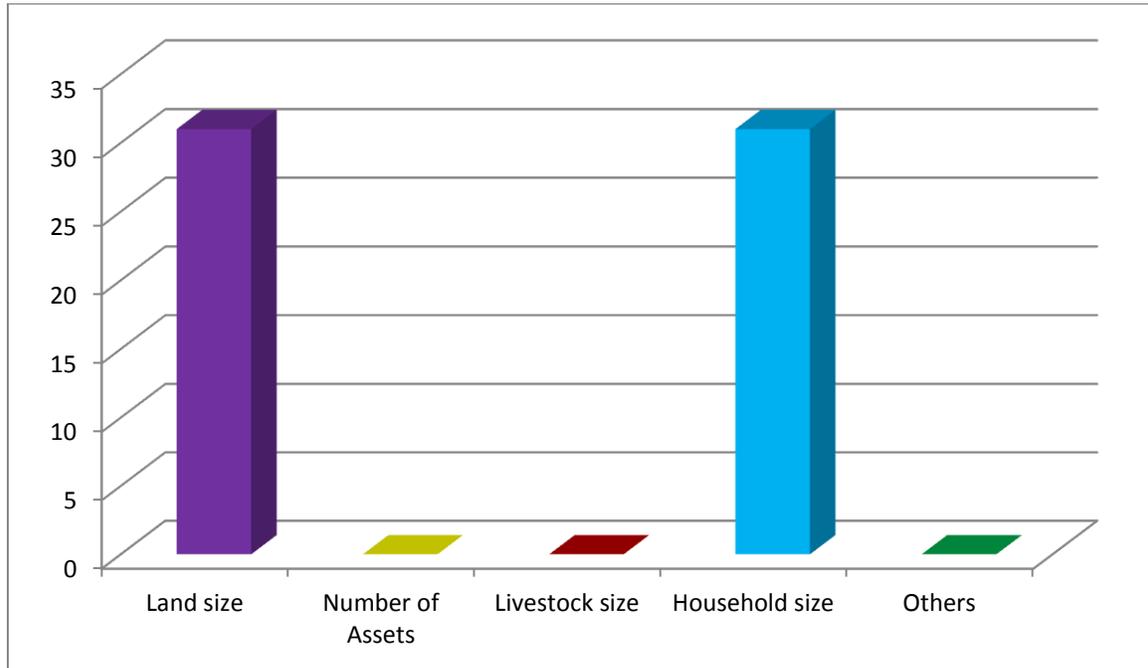


Figure 4.5: Selection criteria, Source: Own Fieldwork (2017)

Table 4.5 above shows that there were many points to consider for selection of small holder contract farmers but the most important according to the respondents were the land size and household size. This may mean that the contract would use land size to see where the maximum plantation could be planted. This is despite of the fact that the contractor does not pay for labour on the land but the bigger the land size the more like a smallholder farmer is considered for contract farming. The other factor to consider would be the household size. This is not on the bases of benefiting the household but the contractor put into consideration the labour fact and how the land is going to be worked. Thus, the household was most likely to be considered for contract farming depending on the household size and of the intensive labour requirement.

4.3.2 THE IMPACT OF CONTRACT FARMING ON SMALLHOLDER FARMERS

4.3.2.1 Some benefits that improved household welfare

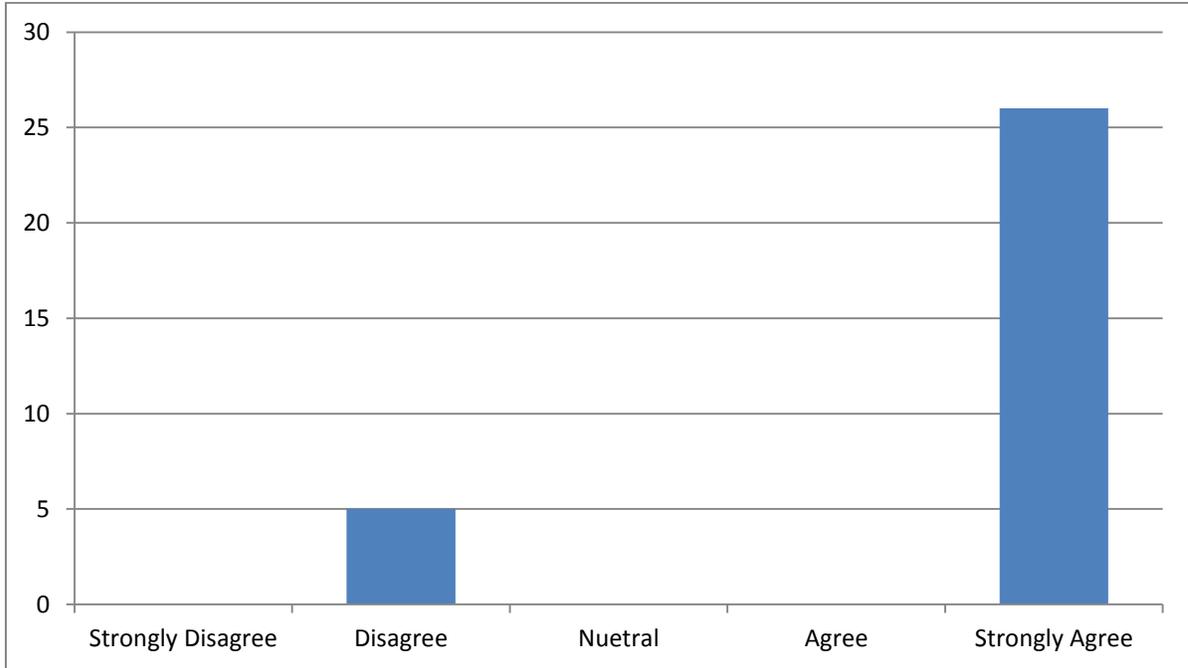


Figure 4.6: Benefits from contract farming, Source: Own Fieldwork (2017)

The majority of the respondents 26(84%) indicated that they strongly agree that there were benefits from the contract farming that improved households. The other 5 (16%) respondents have disagreed as they had reservations in terms of benefits to households, whether they outweighed profits by the contractor. However, from the point of view of those who agreed, they indicated that there are benefits. This may imply that the socio-economic lifestyles of beneficiaries of contract farming are by far more significant than those not in contract farming. They have food safety and food security. Also they have increased household income from contract farming which is guaranteed to come once they produce.

4.3.2.2 Farming have benefited smallholder farmers to alleviate poverty

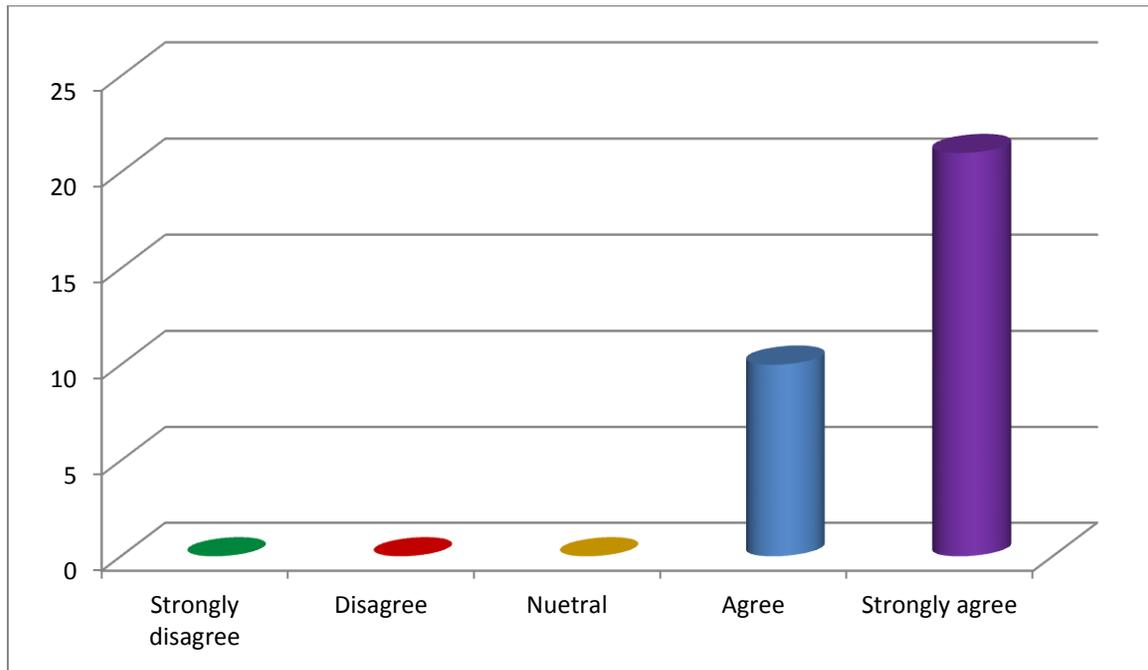


Figure 4.7: Benefits related to poverty alleviation, Source: Own Fieldwork (2017)

Figure 4.7 above shows that 31 respondents indicated that benefits from contract farming of bananas tremendously help in poverty reduction. This may mean that looking at poverty indicators, which are low household income, no food security, no food safety and low socio-economic life activities, the contract farming of small holder farmers directly target those indicators and try and reduce their effect. Thus, by increased household incomes, the household is able to buy and pay for basic household needs which include food items. This brings about food security and safety. However, socio-economically, smallholder farmers are able to purchase other household assets like wheel burrows, scotch carts and even leisure items like bicycles, solar panels and cellphones (smartphones) which enables them worldwide connectivity.

4.3.2.3 Market price satisfaction

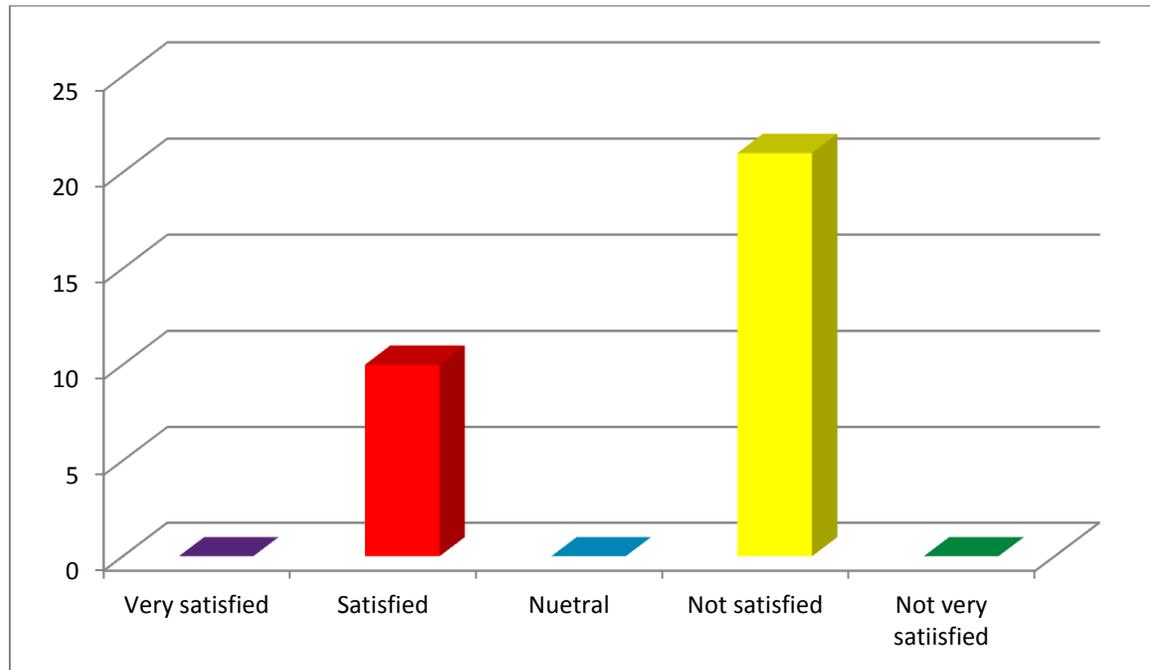


Figure 4.8 Satisfaction with prices, Source: Own Fieldwork (2017)

Figure 4.8 above shows that 21 (68%) respondents indicated that prices in the market are not at all satisfactory. However 10 (32%) respondent pointed out that they are satisfied. This may imply that prices in the market may vary from direct market and contract market prices basically because the contractor will be playing the middleman and therefore has got a percentage to himself. Smallholder farmers stressed that most often they contemplate side marketing for higher prizes but the contract stipulates no side marketing.

4.3.3 ROLE OF GOVERNMENT IN BANANA CONTRACT FARMING

4.3.3.1 Government Intervention

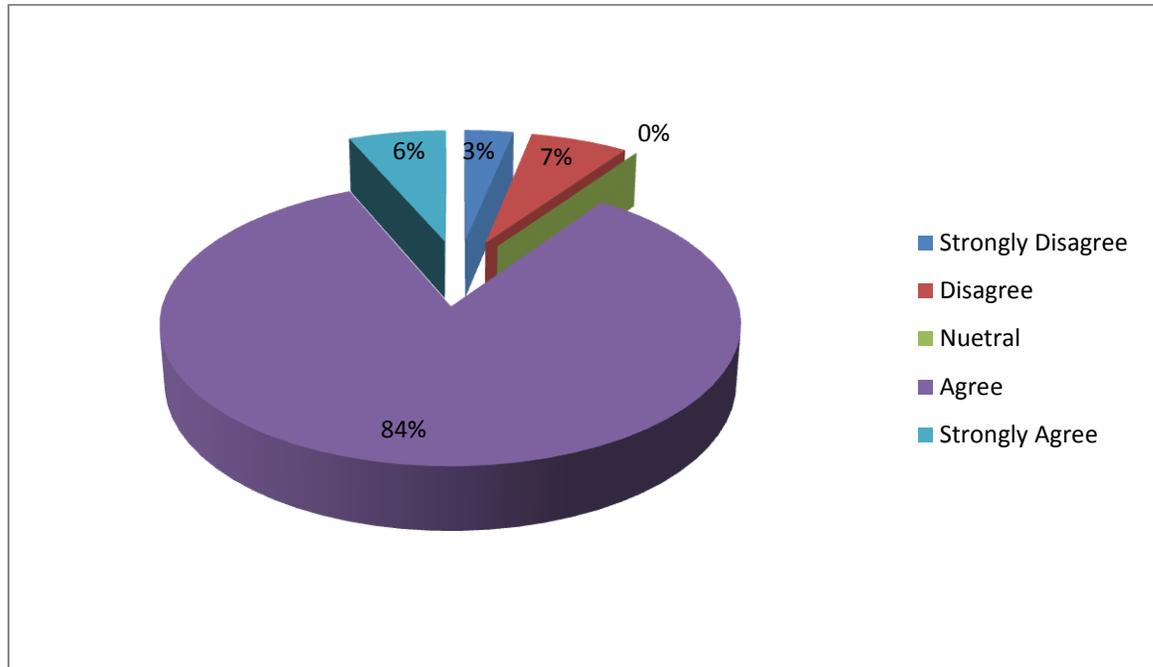


Figure 4.9 Government Interventions, Source: Own Fieldwork (2017)

The figure 4.9 above shows that 26 (84%) have agreed that the government did something about the contract farming of small holder farmers. Also, 2 (7%) have disagree to the view that the government did something to banana contract farming. This may mean that though the government did not do something directly, but by provision of Extension Officers from AGRITEX, the government showed commitment to the smallholder farmer production and its contribution to poverty alleviation.

4.3.4 CHALLENGES IN BANANA CONTRACT FARMING

4.3.4.1 Challenges faced smallholders in contract farming

All 31 (100%) respondents agreed that there are several challenges being faced in small holder banana contract farming. They indicated that the presence of challenges needs mitigation factors in order to have a smooth running contract farming of small holder banana producers.

4.3.4.2 The challenges in banana contract farming

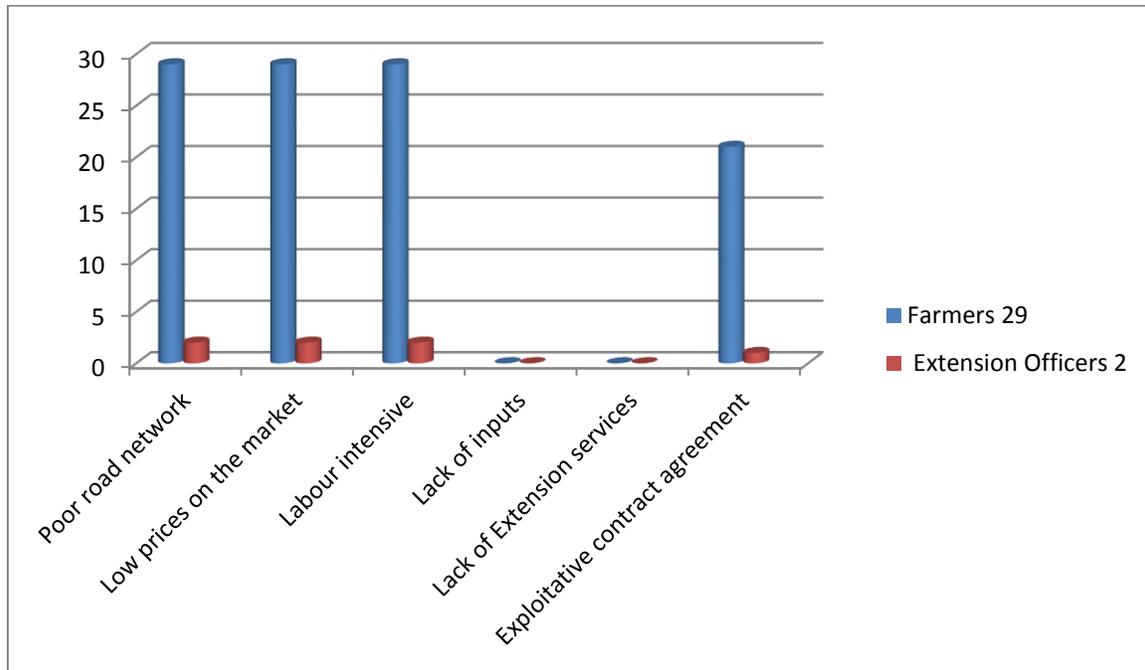


Figure 4.10 Challenges in small holder banana contract farming, Source: Own Fieldwork (2017)

Figure 4.10 above shows that both 2(6.5%) Extension Officers indicated that road networks are a problem with the smallholder contract farmers. There are access roads but they do not reach farmers on their fields. The 29 (93.5) of contracted smallholder farmers agreed that there are road network challenges. One Extension Officers and the contracted farmers (29) were not satisfied with the prices on the market. All the respondents were happy with inputs and Extension services; however 21(67.7%) of the contracted smallholder farmers and one Extension

Officer said the contract was exploitative. This may imply that they were not satisfied with some sections of the contract which were not in favour of the farmer.

4.3.5 SUSTAINABILITY OF BANANA CONTRACT FARMING

4.3.5.1 Sustainability of Banana contract farming

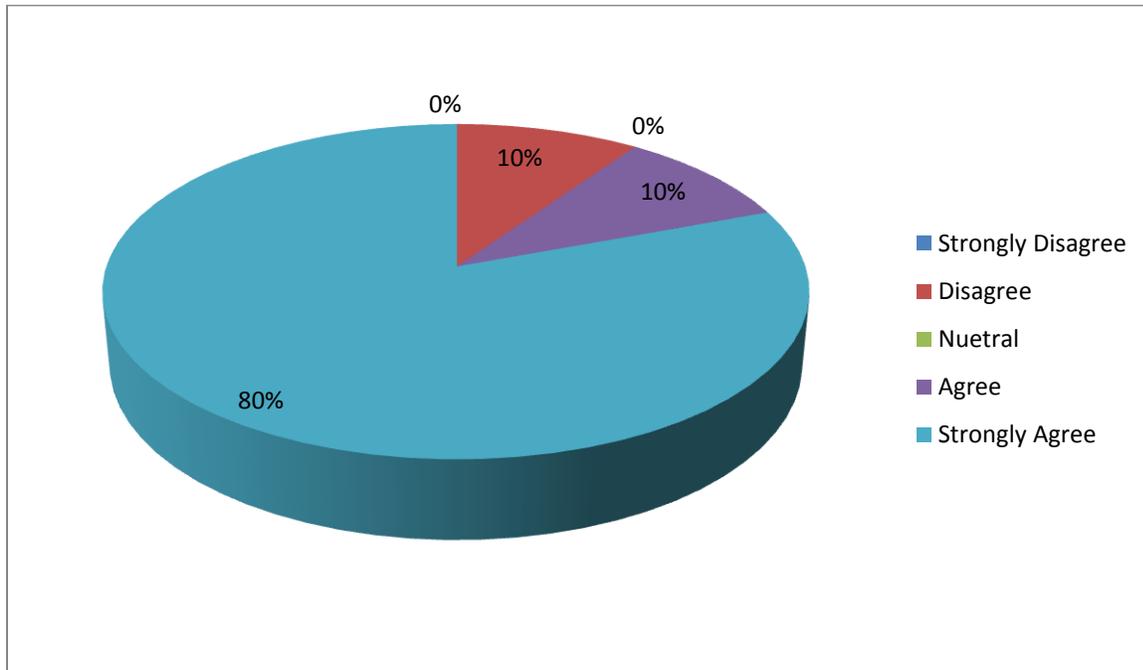


Figure 4.11: Sustainability of banana smallholder contract farming

Figure 4.11 above shows that 25 (80%) of the respondents have strongly agreed that there is sustainability in banana contract farming. This may indicate that there is going to be sustainability of the contract farming for the banana smallholders since it has done so much towards poverty alleviation. This implies that the small holder banana contract farmers have since and enjoyed contract farming and it has shown difference between them and those not in the contracts. However, 3(10%) of the respondents have disagreed that there is sustainability in

banana contract farming. This may indicate that these smallholder farmers were frustrated by the banana prices offered by the contractor.

4.4 RESPONSES FROM INTERVIEW GUIDE FOR VILLAGE HEADS, DISTRICT ADMINISTRATOR AND WARD COUNCILOR.

4.4.1 Gender Male 5 Female 0

The respondents for the conducted interviews were a total of 3 male Village Heads, one male District Administrator and one male Ward Councilor. There was no female respondent as all the leadership positions were led by men. This scenario is very common in the local and traditional leadership of Zimbabwe whereby men occupy most of the influential leadership positions as compared to their female counterparts.

4.4.1 Farmer selection into contract farming

During the interviews all the village heads stressed that most households were selected into banana contract farming because of their land sizes and also because of the number of members in the household. Village Head A said:

Mukusarudzwa kwevarimi, zvakaonekwa zvisingabatsiri kusarudza munhu mumwe ane minda mishomanana kuti ave muurongwa nokuti goho rake rinenge riri shomanana. Mhuri dzaiva nenhengo dzakawanda uye dziine minda yakakura yakawanda dzaiwana mikanamikuru. (It would not have helped selecting one person with few acres than a large family with many hectares).

This implies that land size and household size were the major factors to be considered in contract farming. The District Administrator and the Ward Councilor stressed out that the selection

criteria of banana contract farming were based on the requirements of the contractor. District Administrator said:

The contractor was targeting smallholder farmers under an irrigation scheme, with land size between 3-10 hectares and labour requirements were 2 or more productive people within a household.

The terms and condition of banana contract farming

All the 3(100%) Village Heads agreed that there were terms and conditions in the contract of the small holder contract farming. Village Head C stressed that:

Isu kwedu mutemo watakanyanya kubatisisa ndewekuti hatifaniri kutengesa mabanana nepadivi. (In our village we understood that we must no sell on the side market no matter how attractive).

The other Village Head A mentioned that:

Mbeu yakasvika uye yakanaka inongobva ikokwavari zvokuti hatishupiki kuuchika nekutsvakatsvaka kuti mbeu kwayo yemabanana toiwanepi zvese nezvinodiwa pakurima mabanana edu. (Seeds and all other inputs are provided for by the contract and we do not worry for anything).

The District Administrator and Ward Councilor have also agreed that there were terms and conditions in the contract of the small holder banana farming. Ward Councilor mentioned that:

Banana smallholder farmers in ward 5 were given the terms and condition by their

contractor (Matanuska Company) to abide by, inputs, extension services, market and transportation was provided by the contractor. Contracted farmers were not allowed to practice side marketing.

In addition, the District Administrator said that:

The smallholder farmers who are in banana contract farming in ward 5 have a contract with Matanuska Company and I have a copy of the contract in my files.

4.4.2 Benefits of contract farming to smallholder farmers

During the interviews, the Village heads stressed that there are tremendous benefits from banana small holder contract farming. Village Head A and Village Head B impressed that those in the contract farming are distinctive in the way they live. They have exhibited that they are far much better off than those not in the contract farming. All of them have corrugated roofed houses some with solar panels and some have improved their well-being by acquiring necessary assets like wheel burrows and scotch carts. Village Head B, went on to stress that some have even been able to afford purchasing cars in his village. Further, the District Administrator also mentioned that there are significant improvements in the social welfare of the contracted smallholder farmers. The Ward Councilor stressed that:

Varimi vemabhanana veMatanuska vamwe vakatenga zvipfuyo, zvigayo nekuvaka dzimba dzemarata somuenzaniso muvakidzani vangu akaenga chigayo nemari

yemabhanana. (contracted smallholder banana farmers have managed to buy assets like livestock and grinding mill, for example my neighbor who is in banana contract farming has bought a grinding mill)

4.4.3 Are there any challenges faced by the contracted farmers

All the Village Heads stressed that, without putting importance on challenges contract farming has been good in their villages. Village Head C stressed saying:

Hakuna kusina matambudziko asi kuti kukosha kwematambudziko ndiko kunosiyana. Hongu matambudziko tinawo seemigwagwa isingasviki paminda nezvimwewo, asi kuti isu tinoshinga kusvikawo hazvo zvazonaka zvokusvitsa migwagwa paminda. (Problems are everywhere, but we persevere since the roads are not satisfactory enough).

Village Head B said:

Iyo migwagwa yacho iyoyo isingasviki paminda, hainawo zvayo kutonaka zvokuti nguva yemvura iya anenge angova madhaka chete. Saka dambudziko iri iguru kwazvo. (Even the roads during rainy seasons they are deplorable).

The District Administrator and the Ward Councilor mentioned that there are some challenges which are being faced by the contracted smallholder farmers of bananas in ward 5 of Mutasa district. The District Administrator mentioned that:

Contracted smallholder farmers in ward 5 are having a challenge of poor road

network, however, the government has managed to maintain the road last year through Rural District Council but currently I heard that the road is now bad due to high rainfall that was received last season.

Ward Councilor has confirmed that:

The major challenge that are faced by the contracted banana smallholder farmers was that they are getting low income after selling their bananas to their contractor and most of the time payment is done late.

4.4.4 What is the role of the government in banana contract farming

Two of the Village Heads said they did not see what exactly the government has done in these farming contracts; instead they blamed the government for leaving them to the mercy of the contractors. However, Village Head B, mentioned that the government has provided Extension Officers to help with the farming even though it was not clear if they were not from the contractor but they were from AGRITEX, which was government to them. The District Administrator stressed out that the government has provided some guidelines on the implementation of banana contract farming. It was also the duty of the government to monitor the way banana contract farming is done and to make sure that the contract is not exploiting anyone. Further, the Ward Councilor mentioned that it is their duty as a member of the Rural District Council to make sure that the road is well maintained as to promote market linkages. The sentiments of the District Administrator and Ward Councilor imply that the government has a significant role in the success of banana contract farming and poverty alleviation in rural areas.

4.4.5 Sustainability of contract farming

All the Village Heads agreed that if the villagers keep united and especially the contract farming households and if they do not get tempted with side marketing, the smallholder banana contract farming can be sustainable. Thus, with commitment to the contracts, small holder contract farming is highly sustainable.

4.5 RESPONSES FROM FOCUS GROUP DISCUSSION FOR HOUSEHOLD REPRESENTATIVES

4.5.1 Gender Male 7 Female 9

4.5.2 Farmer selection

All the Household Representatives in Group A (males only) expressed not a clear knowledge as to how the selection procedure took place. However, they stated that they submitted their names to the Village head who was working with the Ward Councilor and Agritex Officer and they were selected. However, Group A (males) Household Representative 5 stated that:

Hatina kuziva kuti zvakafambiswa sei masarudziro avo, takangoonawo kuti vazhinji vakapinda muchirongwa ichi vaiva neminda mikuru uye vakawanda mumba mavo takangofungawo kuti ndizvo zvainyanya kutariswa. (We are not sure but those selected have big land sizes and family sizes, so we suspect that was considered first).

Most representatives agreed to this suggestion.

The Household Representatives in Group B (females only) expressed the same sentiments that they were not very sure on how the selection procedure took place. Eight Household Representatives in Groups B stated that they submitted their names to the

Village head and then he make the selection with the Agritex Officer. However, Group B Household Representatives 1 stated that:

Vanhu vakasarudzwa naSabhuke pamwe chete nemudhumeni wedu asi vakapinda vahu vaiva neminda mikuru, magadhiwa matatu zvichienda mberi uye vaitarisawo kuti vanhu mumhuri menyu muri vangani. (People were selected by the Village head and Agritex Officer and the selected were those with big land size, 3 hectares or more and family sizes were also considered).

4.5.3 Terms and condition of banana contract farming

Group B, Household Representative (HR)1, HR4, HR6, HR8 and HR9, stressed that there were many things expressed that the contract stipulates but as laymen the most important fact are more contained. All Household representatives seem to agree that side marketing was the most important term and condition which the contract stressed much. Thus, if the contracted farmer was found breaching that point, the contract will be terminated. So, as long as the farmer wants to be in the contract, he/she has to observe that condition and other in the contract. Group A also mentioned that there were terms and conditions in banana contract farming.

Group B (females) Household Representative (HR)7 and (HR)3 stressed that:

Varimi vemabhanana vanopihwa mafetireza, mabhanana embeu, vanopihwa ruzivo rwekurima mabhanana, uye vanotakurirwa mabhanana avo kwavanotengeserwa.

(Contracted farmers were given inputs, extension services and transportation of their bananas to the market).

4.5.4 Benefits of contract farming to smallholder farmers

All household representatives in both Group A and Group B specified that they get their moneys in a lump sum and they are able to invest it into meaningful asset acquisition rather than selling

at some markets where they do not pay cash and payment comes in small batches. Household Representative in Group A (males) HR 3 mentioned that:

Mazuva apera aya ini ndakapihwa \$600 ndatengesa mabhanana angu airema 30000kgs, kg imwe chete yaitengwa 20 cents. Ndakakwanisa kutenga chikochikari changu. (Recently I was given \$600 after selling 30000kgs of bananas and each kilogram of bananas was sold at 20 cents. With this money I manage to buy a scotch cart).

In addition, Group B (females) Household Representative 1 asserted that:

Nemari yemabhanana andakatengesa kuMatanuska Company ndakatenga chigayo chakaita \$1500, ini kurima mabhanana kuri kundiitira zvakanaka nemhuri yangu. (I managed to buy a grinding mill after selling bananas and I am really enjoying with my family).

4.5.5 Are there any challenges faced by the contracted farmers?

The Household Representatives impressed that the contract does not always look at current going prices of banana and they do not quickly adjust their contract prices to suit current going rates. This would tempt the farmer because there would be better offers on the side market. Group B (females) Household Representative 3 said:

Chokwadi vanhu vemisika miedzo mikuru chaiyo. Anouya nemutengo wokuti kana newe unoona sewazviregerera. Apa veContract vanenge vainemitengo iripasipasi kwazvo. Asi unongozoona kuti ingorimiedzo chete nokuti havatengi zvinoenda kure. (Side markets are a huge temptation since their offers are always better and above those of Contractor but they do not buy for a long time).

Group A (males) Household Representative 4 stressed that:

Kazhinji mari yedu inononoka kuuya kana tichinge tatengesa mabhanana edu, zvinova izvo zvinoishungurudza. (Most of the time there are some delays in receiving our payments after selling our bananas and this is our worry).

4.5.6 Role of the government in banana contract farming

All the Household Representatives in Group A (males) and Group B (females) agreed that the government did not play any part in their contracts. They did not see anyone from the government helping with the contract. The Extension Officers were brought in by the contractor as part of the contract. Group B (females) Household Representative 2 said that:

Hurumende hatisi kuona rubetsero rwayo mukurima mabhanana kwatiri kuita, Nekuti madhumeni atinavo anobhadharwa naContractor vedu sezvakanyorwa muContract yatakapihwa. (We are not seeing the role of the government in banana contract farming because the Extension Officers are being paid by the contractor since it is mentioned in the contract that we were provided).

4.5.8 Sustainability of contract farming

All the Household Representative in both Group A (males) and Group B (females) expressed that contract farming is more than farming. It is a sustainable source of income for life that assists their children and their children's children. Once in a contract of supplying bananas; you can never lack or want. You can always generate enough income for your sustenance and you will never lack. Thus, sustainability of contract farming is insurance of excellent household incomes and improved food safety and food security.

4.5 DISCUSSION OF FINDINGS

4.6.1 Type of contract arrangements between smallholders and the contractor in ward 5 of Mutasa district.

The researcher found out that the type of contract that the contractor used was the one that used a selection criteria in order to select households into the contract and the criteria used and which was most favourable was the size of land and the size of the household. This was basically opted because large tracks of land would mean a large yield and large families would also mean labour provision since banana farming is a labour intensive type of farming. This was in agreement with Bogetoft and Olesen (2004) who avers that contract farming is an economic activity that inculcates costs and expenses and considers important facts which are put into the criteria for selection of beneficiaries. Nhodo and Changa (2013) highlighted that there are a number of driving forces behind contract farming in Zimbabwe; these include the diminishing of national agricultural productivity, economic downturn, raw material shortages for agro processing and increasing food insecurity which in recent years has been exacerbated by the catastrophic impact of climate change.

4.6.2 The impact of banana contract farming on poverty alleviation in ward 5 of Mutasa district.

The researcher also found out that smallholder banana contract farming is doing a great job in poverty alleviation in Ward 5. This was in agreement with Coulter et al (1999) who allege that small holder contract farming has been instrumental in poverty alleviation in Zimbabwe. Also SNV Netherlands Development Organization Report (2011) indicates that in Honde Valley more

than 4,000 people depend on bananas for more than a third of their income. Thus, banana contract farming is catalytic in poverty alleviation in Ward 5, Mutasa District.

4.6.3 Challenges faced by smallholder farmers through contract farming in attempting to reduce household poverty

The researcher found out that due to desperation by the contract farmers to enter into attractive contract, there is a plethora of challenges that come with contract farming to an extent that Baumann, (2000) argue that contract farming arrangements are basically exploitative arrangements done by large agribusinesses mainly because of the unequal bargaining power between small-scale farmers and well-resourced agribusinesses. This would imply exploitation that is permissible by the small holder farmer because of benefits which outweighs challenges.

4.6.4 To ascertain the sustainability of contract farming in ward 5 of Mutasa district

The researcher also found out that small holder contract farming is sustainable if only the smallholder farmers are able to keep holding to the end of their bargaining deal of especially not side marketing. Once that happens, the researcher found out that the contract becomes null and void. Thus, according to Miyata et al (2009), Mafuse et al (2012) and Coulter et al (1999) most contract farming of small holder farmers are informally terminable by contract if not happy.

4.7 Chapter Summary

This chapter looked at the data that was gathered during the field study; presentation, interpretation and discussion of the data that was gathered. The chapter presented data gathered from questionnaires distributed to the Ward Councilor and Extension Officer. The chapter also presented data that was gathered through interviews to the Village Heads and Focus Group Discussions with the Household Representatives. A discussion of the findings was given at the

end of the chapter. The next chapter will look at the summary, conclusions and recommendations.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The main objective of the study was to assess the effectiveness of smallholder banana contract farming on the alleviation of poverty with a special focus on Ward 5 of Mutasa District in Manicaland.

5.2 Summary of procedures

The first chapter summarized the introduction, problem statement, research objectives, literature review, research methodology and findings of the study. This chapter gave an introduction to the proposed study and an insight of the area under study. The problem statement, significance of the study, objectives, research questions, limitation and delimitation of the study, ethical considerations were discussed.

Chapter two looked at Contract farming which was very essential for the development of small scale agriculture, fighting poverty and improving farmers' income. For value chain activities to thrive, organisations played a pivotal role in the reduction of poverty through contract farming among smallholder farmers. Contract farming has had the responsibility of creating an enabling environment in terms of infrastructure, institutional support and contract enforcement. Farmers will be able to access agricultural related services like inputs, finance, technology and extension services easily. Contract farming would lead to an increase in agricultural productivity which would increase farmers' income; surplus food sold to the market hence poverty would be reduced. Contract farming also promoted quick market linkages between farmers and

agribusinesses and this would increase household income hence poverty levels would be reduced.

Chapter three which preferred research methodology looked at the research design whereby the descriptive survey research design was highlighted as the research design and the chapter highlighted that the population of the study was approximately 160 respondents and a one tenth sample of sixteen respondents was selected. Research instruments, which were questionnaires, interviews and focus group discussion was triangulated to come up with a well-balanced data collection set of tools. Also on the chapter, the ethics were highlighted and considered in the carrying out of this study.

Chapter four looked at the data that was gathered during the field study of this research; presentation, interpretation and discussion of the data that was gathered. The chapter presented data gathered from questionnaires distributed to the Ward Councilor and Extension Officer. The chapter also presented data that was gathered through interviews to the Village Heads and Focus Group Discussions with the Household Representatives. A discussion of the findings was given at the end of the chapter.

5.3 Summary of the findings

5.3.1 Type of contract arrangements between smallholders and the contractor in ward 5 of Mutasa district.

The researcher found out that the type of contract that the contractor used was the one that was an all-inclusive contract with provision of inputs, transport and market except for labour.

5.3.2 The impact of banana contract farming on poverty alleviation in ward 5 of Mutasa district.

The researcher also found out that smallholder banana contract farming has got a positive impact on smallholder farmers that their lifestyles have changes in comparison to the counterpart not in contract farming.

5.3.3 Challenges faced by smallholder farmers through contract farming in attempting to reduce household poverty

The researcher found out that there is a plethora of challenges that come with contract farming, chief amongst which is the exploitative contract itself followed by provisions of what the contract say it provides for example transport which does not reach the field.

5.3.4 To ascertain the sustainability of contract farming in ward 5 of Mutasa district

The researcher also found out that small holder contract farming is sustainable because of the one-sidedness whereby the small holder farmer should keep the end of bargain than the contractor.

5.4 CONCLUSIONS

The following are the conclusions derived from the findings of the study:

5.5.1 Type of contract arrangements between smallholders and the contractor in ward 5 of Mutasa district.

The researcher concluded from the findings that the type of contract for the small holder banana farmers was a hybrid of contracts which provides for most of other contract for example, they provide transport, inputs, market among others.

5.4.2 The impact of banana contract farming on poverty alleviation in ward 5 of Mutasa district.

The researcher also concluded that small holder contract farming may lead to eradication of poverty since it enhances the lifestyles of farmers.

5.4.3 Challenges faced by smallholder farmers through contract farming in attempting to reduce household poverty

The researcher concluded that there are many challenges amongst which are the transport which does not reach the field and the prizes that are not flexible.

5.4.4 To ascertain the sustainability of contract farming in ward 5 of Mutasa district

The researcher also concluded that contract farming is sustainable if the farmers are able to keep their own end of bargain especially not side marketing.

5.5 RECOMMENDATIONS

5.5.1 Type of contract arrangements between smallholders and the contractor in ward 5 of Mutasa district.

The researcher recommends that the contractor draws a contract that is all-inclusive and which is favourable to both the contractor and the farmer.

5.5.2 The impact of banana contract farming on poverty alleviation in ward 5 of Mutasa district.

The researcher recommends that contractors should put into consideration the fluctuating of market prices so that they are flexible to consider farmers positions and pay them according to the running prices in the market.

5.5.3 Challenges faced by smallholder farmers through contract farming in attempting to reduce household poverty

The researcher recommends that government should take part in the moderation of these contracts so that they do not only benefit contractors but farmers as well.

5.5.4 To ascertain the sustainability of contract farming in ward 5 of Mutasa district

The researcher also recommends that if there is equilibrium in the dealings of the contracts, then sustainability is ensured.

5.6 Recommendations for further studies

5.6.1 Type of contract arrangements between smallholders and the contractor in ward 5 of Mutasa district.

The researcher recommends that a study on types of contract with small holder farmers is necessary which favours them more than contractors.

5.6.2 The impact of banana contract farming on poverty alleviation in ward 5 of Mutasa district.

The researcher recommends a study on specific impacts of contract farming and allocation of resources from these contracts on small holder farmer's households.

5.6.3 Challenges faced by smallholder farmers through contract farming in attempting to reduce household poverty

The researcher recommends a study into barriers into progress and development by small holder farmers.

5.6.4 To ascertain the sustainability of contract farming in ward 5 of Mutasa district

The researcher recommends further studies on what could be done to further ensure sustainability of small holder contract farming.

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APPENDIX 1: APPROVAL LETTER



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FACULTY OF ARTS

OFFICE OF THE CHAIRPERSON

Department of Development Studies

To Whom It May Concern

RE: REQUEST FOR PERMISSION TO CARRY OUT RESEARCH

George Musakwa, Student Registration Number R09209X is a bona fide student in the Department of Development Studies at Midlands State University studying towards a Master of Arts Degree in Development Studies. Currently he/she is carrying out field research which is a requirement for his/her programme. Kindly assist him/her wherever possible.

Yours Faithfully

Yours Faithfully

Munhande Constantine

(Email: munhandec@msu.ac.zw)

Cell +263 773 568 280

APPENDIX 2: QUESTIONNAIRE FOR THE CONTRACTED SMALLHOLDER FARMERS



I am a student at Midlands State University doing Masters of Development Studies. I am carrying out this study in partial fulfilment of a requirement of the programme. The study seeks to assess the effectiveness of contract farming on alleviating poverty among banana smallholder farmers. Therefore, this questionnaire seeks to source data to that effect.

You are requested to complete this form using a where applicable. No names should be indicated and all the information you provide will be strictly confidential.

Thanking you in advance.

SECTION A: DEMOGRAPHIC DATA

1. Which type of banana farming are you involved in?

Contract farming Non contract farming

2. Gender

Male Female

3. Age

20 – 25 Years

26 - 30 Years

31 – 35 Years

36 and above

4. What is your highest level of education?

Primary

Secondary

Diploma

Degree

Masters

5. How many years of experience do you have in contract farming?

0 – 5 Years

6 - 10 Years

11 – 15 Years

16 and above

**SECTION B: TERMS AND CONDITIONS OF BANANA CONTRACT FARMING IN
WARD 5 OF MUTASA**

6. Are there any terms and conditions in banana contract farming?

Yes No

7. If Yes, what are the terms and conditions? Provision inputs

- Extension services
- Market
- Transportation of the produce
- No side marketing
- Other, specify.....

8. What were the selection criteria in banana contract farming?

- Land size Number of asserts Livestock size Household size Other, specify.....

SECTION C: THE IMPACT OF CONTRACT FARMING ON SMALLHOLDER FARMERS

9. Do you have some benefits that improved your household welfare as a result of contract farming?

- Strongly Disagree Disagree Neutral Agree Strongly Agree

10. Do you think that banana contract farming have benefited smallholder farmers to alleviate poverty?

- Strongly Disagree Disagree Neutral Agree Disagree

11. Are you satisfied with banana prices on the market?

- Very Satisfied Satisfied Neutral Not satisfied Not very satisfied

SECTION D: ROLE OF GOVERNMENT IN BANANA CONTRACT FARMING

12. Did government do something in banana contract farming?

Yes No

SECTION E: CHALLENGES IN BANANA CONTRACT FARMING

13. Are there any challenges faced smallholders in contract farming?

Yes No

14. If Yes, what are the challenges

Poor road network Low prices on the market Labour intensive

Lack of inputs Lack of extension services Exploitative contract agreements

Other, specify.....

SECTION F: SUSTAINABILITY OF BANANA CONTRACT FARMING

15. Is banana contract farming sustainable? Yes No

APPENDIX 3: INTERVIEW GUIDE OF VILLAGE HEADS, DISTRICT ADMINISTRATOR AND WARD COUNCILOR

1. Gender Male Female

2. How were farmers selected into contract farming?

3. What are the terms and condition of banana contract farming

4. What are the benefits of contract farming to smallholder farmers?

5. Are there any challenges faced by the contracted farmers

6. What is the role of the government in banana contract farming

7. Do you think that contract farming is a good measure of alleviating poverty on smallholder farmers
8. Do you think that banana contract farming is sustainable?
9. What can be done to make contract farming more effective on alleviating poverty among smallholder farmers

APPENDIX 4: FOCUS GROUP DISCUSSION FOR HOUSEHOLD REPRESENTATIVES

1. How were the farmers selected in contract farming?
2. What are the terms and condition of contract farming
3. What are the benefits of contract farming to smallholder farmers?
4. Are you satisfied with the prices of bananas offered by the contractor?
5. Are there any challenges that are faced by smallholder farmers in banana contract farming
6. What can be done to address these challenges?
7. Are there any measures that are done by the government to improve banana contract farming?
8. Is banana contract farming more sustainable on alleviating poverty among smallholder farmers?

Thank you for your cooperation.