

## Book Reviews

*Farming and Working Under Contract: Peasants and Workers in Global Agricultural Value Systems*, Edited by Praveen Jha; Paris Yeros; Walter Chambatim and Freedom Mazwi, Tulika Books, New Delhi, 2022. Pp. xvi+432. Rs 1350.00.

In the era of economic liberalisation, the agricultural sector has encountered a gradual withdrawal of public provision in the form of public investment in agriculture and rural infrastructure and social security to the rural cohort. In such a situation the agricultural sector in specific and the rural economy in general have undergone a grave crisis in the global economy. The problem has been provoked further by the introduction of modern agricultural practices which are generally led by capital intensive technology and is not very congenial especially for small peasants who are not only in large numbers but also contribute a major proportion of the agricultural production. In the face of agrarian crisis, a number of countries have opted for contract farming as a mitigating tool to cure the crisis. However, here at the very outset it is acknowledged that global agricultural value systems (GAVS) have a much longer history. The 'triangular trade' that incepted capitalism in the Atlantic world and other triangular arrangements that ingrained countries in Asia in critical ways during the course of the industrial revolution, were precisely the predecessors of what today we call GAVS. In furtherance, it must be recognised that under the contemporary conditions of expedited metropolis expansion through mergers/acquisitions and a predatory financial sector, the advance of GAVS is closely linked to both the colossal metropolis that dictate the global agro-industrial production, and the speculative commodity and asset grabs under way since 2000s. In other words, allied powers of corporates concentrated in the North have imposed such policies on the weaker sections of the world population, the aim of which is to exercise control on the tropical-subtropical agriculture and landed resources with making smart and crafty use of the huge labour resources largely located in the South. Consequently, evidences show that the expansion of GAVS across the South does not occur by means of decentralisation of control over investments or the distribution of surplus, which are spread across the commodity chains. The unscrupulous strategies of monopoly firms and their financial partners ensure that this is not the case. The accumulation of wealth remains with companies that are largely head-quartered in the North, while land concentration and social conflict magnify in the South. Data show that food and agriculture have emerged as pivotal sectors for foreign investment by the top multinational companies, and that massive mergers have occurred and thereby hefty lobbies have developed in these sectors. The top ten firms control almost two-thirds of the production and trade in agricultural inputs, along with a significant market share in retail.

For some analysts contract farming overcomes the constraints confronting agriculture in the developing countries with provision of support to farmers through

strengthening backward and forward linkages. However, such 'win-win' narratives cannot be accepted uncritically as the evidence in the specific case studies at best show mixed outcomes for the farmers. The proponents of contract farming assert that participation in it may result in unparalleled opportunities for the farmers, like access to markets, inputs, credit, technology; assured prices, increase in income and family employment and better risk management thus giving the smallholder leverage over traditional marketing. Also, positive macro level transitions presumed to be driven by contract farming, such as rise in food stock, foreign exchange, boost in employment and economic growth remain its optimistic highlights. As is well-known contract farming, is widely supported and promoted by the World Bank, the International Finance Corporation and the Commonwealth Development Corporation in Asia, Africa and Latin America, particularly since the 1980s, has been progressively adopted by a significant number of developing countries.

On the other hand, the critics of it argue that asymmetry of economy and other kinds of power between firms and farmers in contractual relationships are manipulative of the latter. Further, they extraordinarily curtail, if not entirely displace, the decision-making provision and ability of the farmers as the multinational corporations (MNCs) enhance indirect control over the production and distribution process. The integration of farmers into GAVS through contract farming is often driven by export orientation in the countries of the south in terms and conditions that are heavily disadvantageous in particular for smallholder community. Contract farming may also endanger food security by shifting food production from basic food crops towards high-value crops. These debates further connect to the future and sustenance of small farmers in contract farming in the context of increasing corporatisation and internationalisation of agriculture.

The book mainly covers global south with main focus on Asia, Latin America and Africa. It is divided mainly in three sections with first section introducing contract farming, global value chains, agribusiness and agriculture supply chain from chapter one to six. The second section in chapter seven to eleven presents regional trajectories of contract farming in different crops covering countries of Asia, Latin America and Africa. The global agricultural value system is covered in the last section enclosed in chapter twelve to chapter nineteen. These nineteen chapters are written by eminent scholars from the three continents of the global South bringing in country level proficiency in the subject.

The first chapter written by Praveen Jha and Paris Yeros introduces the concept of global agricultural value systems in terms of sequence of activities from production to final consumption through various actors within the domestic periphery as well as on the international front. The chapter explains how the incursion of capital moves from north to south through large international and domestic corporates, agribusiness companies, trading and procurement agencies and financial institutions. This is followed, in the first section, by contributions that explore further the concepts and debates within GAVS literature, capitalising on and drawing from the experiences of

several countries with regard to contract farming in the context of contemporary imperialism/capitalism. Kojo Amanor critically examines the agrarian value chains in the south highlighting the fact that outsourcing is related to value capture and siphoning-off the value or wealth from the south to major global corporations headquartered in the imperialist north. The chapter provides three African case studies including seeds, cocoa and pineapple to underline the fact that how agribusiness penetration and control over smallholder farming is destabilising autonomous forms of agricultural production in the African continent.

Kate Meagher scrutinises how global value chains modify the process of value creation by redesigning the institutional systems that preside over the livelihoods of poor rural informal workers in the present African countries. The chapter examines the effect of global linkages on farm workers in South African horticultural farms and the women producers of exotic oil in the Argan forests of south-western Morocco. The chapter highlights the mechanisms through which global linkages have reconfigured institutional system in the creation of global value chain and the social tensions created by the economic and organisational realignment needed in this regard. Ismail Doga Karatepe and Christopher Scherrer argue that smallholders have not been able to get a fair share from the global value chain and therefore they argue for the collective action as a prerequisite for economic and social upgrading in agriculture production network. They analyse the significance of collective action and the role of the state in scaling up the social and economic conditions of the farm workers and small-holders, drawing on experiences/examples from Pakistan with a case study of mango exports and melon and organic rice in Brazil.

Mark Anner narrows down on the issue of persistent poor working conditions and systematic violation of workers' rights in supply chains. This chapter examines workers' rights in the context of Bangladesh Accord and that of US agricultural workers' Accord. The author uses the examples of apparel industry in Bangladesh and Fair Food Programme in the US to examine the question of workers' rights. Freedom Mazwi *et al.*, expand the discussion further pertaining to the role of the state in protecting the peasantry from the exploitative contract farming by agrarian capital in the case of Zimbabwe. The chapter examines the effectiveness of targeted command agriculture programme as an alternative state-led contract farming in stimulating growth and food security. The programme provided a ready market, favourable prices and much needed extension services to farmers although input provision was found delayed and inadequate in quantity. The command agriculture programme points to the possibility of state-led contract farming although Kumar (2006) study points out that the state should stay away from such involvement.

The second section points out the regional trends and tendencies of contract farming from chapter seven to chapter eleven. Walter Chambati and Freedom Mazwi in Chapter 7 broadly look into the dynamics of contract farming in Zimbabwe in the backdrop of Fast Track Land Reforms implemented in the country since 2000. With the field-based data of contract farming in cotton, sugarcane and tobacco, the authors

observed that models of contract farming varied across the commodities studied. Notwithstanding the variations in the types of contracts and income returns, they observe that exploitation of farmers by private agribusiness is a common denominator across all the three commodities under study. Further, the negative consequences of contract farming on farming households are not unique to a particular commodity but are pervasive in this model of financing agriculture itself. In a yet another study on Zimbabwe (Kakira sugar works) and Tanzania (Kilombero sugar company), Giuliano Martiniello and Richard Azambuja conclude their assessment of the trends in Eastern Africa concerning the integration of the small holders into contract farming. The study reveals a picture of contract farming which is an alternative to 'win-win' interpretations of the inclusive development. In fact, far from being a space of pure market interactions, conducive for the small-cultivators, contract farming scheme has emerged to be a site of intense political contestation and social conflict. The chapter brings into light many of the economic and political forces that have sustained contract farming while also pointing to their nefarious socio-ecological implications. Praveen Jha *et. al.*, analyse the contours of contract farming in India in the light of noteworthy reconfiguration underway since the 1970s. The chapter begins with the overview of contract farming in the Asian region with a focus on few case studies from different states in India. The authors support for state intervention in facilitating contract conditions especially for small farmers as market forces are unable to do justice with them. Different forms of contract farming whether through farmer-producer organisations, cooperatives or any other institutional arrangement, the asymmetric power relations across the agriculture value system must be addressed as *laissez faire* regimes and neo liberal globalisation preclude any such possibilities.

Paris Yearos *et al.*, similarly explore the emergence of modern contract farming in Brazil and Argentina as a key feature of the formation of commercial agro-industrial value systems integrating South America with world markets. The crops and livestock examined include poultry, tobacco, coffee, tea, orange, milk and other dairy products. The chapter portrays that contract farming has become a generalised feature of corporate agriculture in South America alongside the other known corporate strategies of direct appropriation of agricultural lands, forests, water and other natural resources. Andrea Santos Baca covers consumption aspects in the chapter titled as the Food Consumption Pattern of Free Market. The chapter draws attention to the changing food consumption pattern in the long process concentrating on the effects of the North American Free Trade Agreement (NAFTA) on the Mexican food system. The chapter portrays that free trade has increased the import dependence which has led to market vulnerability. The dominant tendencies of the capitalist food system have imposed themselves on the Mexican agri-food system. The versatile incorporation of maize into the agri-food sector has not only led to confrontation between humans and other animals for maize but also its appropriation by agri-food industrial corporations with the objective of using them as foods, as inputs, as feeds and as agro-fuel depending on where the highest profit exists. The nutritional richness of maize, its high adaptability

and productivity are subsumed under capitalist logic after NAFTA has turned against the indigenous communities. Looking at the side of production, farmers are displaced from their lands and thrown into unequal competition with massive US maize imports with no state support other than conditional cash transfer programme for the consumption of noxious processed foods.

The third section transfers the focus on the evaluation of national experiences from the three continents through the lens of definite tendencies, or commodities, which are incorporated into contract farming and global agricultural value system. Dzodzi Tsikata discusses the interface between the global norms and sub-national agreements in Ghana. The chapter argues that “the global consensus around contract farming, standards and guidelines is made possible by selective blindness, the fudging of inconvenient facts, myth making, and the propagation of over-simplifications”. The author further argues that standards and certification is based on the myth that small farmers and women are the main beneficiaries of ethical contract farming when the facts on the ground are completely in the reverse direction as they mostly exploit the same groups. He supports his argument by the fact that women were the first to leave industrial cassava and revert to their own crops and strategies such as selling outside the contract farming framework and refusing to work on Saturdays are enough examples of small scale producers to maintain some control over their land, labour and livelihoods. Mkama et.al., analyse the politics of contract farming in Tanzania under structural adjustment and in relation to Southern Agricultural Growth Corridor. This chapter observes from the empirical analysis that diffusion of sugar agro-poles and out-grower scheme in sugar and horticultural industries has been a catalyst for social differentiation through the creation of pyramidal and fragmented agrarian structure where large scale corporate industrial agriculture is at the top, large landowners-entrepreneurs, agrarian medium cultivators and small-scale farmers in the descending order while dispossessed agricultural labour/workers at the bottom. Overall, the contract farming promoted in Africa in general and Tanzania in particular through various large scale development projects remains in the continuation of the strategy followed in the past to incorporate smallholders into global capitalist production system.

Manish Kumar and Twinkle Siwach further carry the debate by examining the gender dimensions of global agricultural value system with focus on India. Their chapter titled as Global Agricultural Value System and Women establishes asymmetry and invisibility of the value of work done by women agricultural workers in this GAVS. The chapter observes power imbalances within non-egalitarian structures of work, access to land, allocation of common property resources, ownership of technological resources as well as knowledge resources. In comparison to women, men have the option to opt out from agricultural activities and work elsewhere for better remuneration. On the opposite, for women it is often the construed choice due to mobility restrictions. Gertude Dzifa Torvikey examines the boom and bust of industrial cassava contract farming in south-eastern Ghana. More, importantly, the study also

demonstrates the importance of class and gender relation in unpacking the ramifications of contract farming on the distribution of gains and losses. Manish Kumar turns to the dynamics of the price squeeze experienced by the farmers in basmati rice exports from India. The chapter focuses on the question whether rice trade liberalisation would also address the issue of poverty in India but it is found that in the long run, excessive specialisation on a narrow range of product makes the economy vulnerable. The export growth of primary commodity has very little secondary impact due to weak backward and forward linkages.

In continuation with Kumar in another study on India, Sukhpal Singh concentrates on the export value chain of baby corn and proves through a case study that it is possible to include small-holders in high value chains if only they cultivate crops that are less expensive to grow with local needs coupled with conducive mechanisms that are required to be created at the global and local levels of the chain. So what emerges as crucial is the role of service providers who are the real drivers of the local system, being in touch with farmers as well as leveraging their networks for production, labour supply and finally export. The chapter concludes with the recommendations that while upgradation of networks, upgrading of workers needs to be prioritised alongside that of growers. Global Production Networks are not just about value creation but also about value sharing with others especially those of smallholder farmers and workers who are at the bottom of the value chain. A chapter by Tadesse A. Melketo and Stefan Siber assess the capacity of contract farming arrangements to contribute to a pro-poor development strategy for the food security in Ethiopia where they find positive impact of contract farming in ensuring country's food security. Based on the analysis of different value chains the study unveils that contract farming (CF) has over-all positive effect on small-farmers as CF reduces market uncertainty, improves access to inputs knowledge, services thereby offering higher income and household food security. Last but not the least, Section III is brought to a close by Olaf Tietje and Elisabeth Tuider who focus on the influence of agricultural practices of the indigenous people across gender in southern Mexico and their forms of resistance examining cooperative and fair trade coffee production. This chapter focuses on the coffee production by Zapatist *comunidades* (a form of cooperative emerged in protest of NAFTA) in South Mexico to investigate the conditions of production in cooperatives and their interwoven relationship with neo-liberal reproductive conditions in the global value chains based on qualitative interviews.

As may be evident from the above review, the book offers a rich and fairly engaging discussion on theoretical issues pertaining to dynamics of contemporary global agricultural value systems in the light of contract farming drawing on experience from major countries of the South which form the hub of small-holders in lieu to understand the impact of it on small farmers and agricultural workers. The book highlights the pertinent theoretical issues at the frontiers of the relevant literature, backed by solidly grounded studies from the Global South, which is indispensable if one wants to develop thorough knowledge as to future of the lives of small farmers

with regard to contract farming in a context of growing internationalisation of agriculture. There is a vast literature available which favour contract farming as a tool for provisioning technology, inputs and extension services to the smallholder in the absence of government interventions specially for the high value commodities which entail much higher risk. The book with vast coverage of commodities and encompassing almost entire world where smallholder agriculture exists would serve as a caution going ahead with contract farming-led corporate agriculture. It would also serve for more informed public policy making in shaping a better future for the agriculture in the third world. The book will be extremely helpful to students, academia and policy makers.

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