

# **RURAL DEVELOPMENT IN A GLOBAL CONTEXT**

*THE CASE OF NANTE IN MOZAMBIQUE*

*ORAM*

*RURAL ASSOCIATION FOR MUTUAL ASSISTANCE  
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## **SOME HISTORICAL REMARKS**

### **THE LAST CENTURY.**

Nante is an área in Mozambique situated in the lower part of the Licungo river basin near the Indian Ocean in the Zambezia Province. In this paper we want to report about the rural development process in this area within the global context. Rural development, foodsecurity and the trade of agricultural production can not been seen isolated of the past. To characterize the history of the Zambezia province we choose to quote the investigators Veil&White in their famous work about the the socio-economic processes in study area: “Since the mid-nineteenth century, the Quelimane district, the ‘garden of the province’ and the Empire’s ‘second São Tome’ has been ruled by the original landed slave traders, by a short-lived and disastrous Portuguese administration which provoked the only serious African resistance, by the plantation companies which collected taxes and controlled labour, and by the Estado Novo which demanded of the district only that it furnish Portugal with regulated quantities of sugar, cotton, rice, tea and vegetable oils. Throughout this whole period, two factors have been constant. First has been the absolute subordination of the interests of the local African populations to those of the various rulers, making Quelimane district a locus classicus of the manner in which capitalism has underdeveloped Africa. Second has been the persistence among peoples oppressed and exploited through systematic labour extraction of what might be termed ‘the peasant alternative’, the production in small gardens of crops for sale in the open market whenever conditions and prices served as sufficient inducement.” In the fourties of the last century the Lower Licungo – with favorite agro-ecological conditions – was transformed in a rice exporting area under a forced cultivation system. After the ILO intervention in 1961 the forced cultivation system was abandoned and the operating company Lopes&Irmãos transformed the family-wet-land-rice-systems in a comercial irrigation system for rice. In this transformation process farmers were expelled from their land. The management left the area after independance in 1975 and the new Frelimo Government replaced the colonial company by a state farm for rice production including the rice mill; not giving back the land to the farmers.

### **RECENT HISTORY IN NANTE.**

Now 25 years later we can confirm that the new government didn’t succeed in transforming the Zambezian colonial agro-economy in a socio-economic and cultural sustainable alternative. For several reasons – which doesn’t need to be reported here at this place – a long lasting war devastated the rural areas in Mozambique. Between 1983 and 1989 the Nante state production system suffered eleven heavy attacks were human capital, infrastructures and equipment was destroyed. The population was divided between the two combating parties and many families fled away to saver areas near the Quelimane city (provincial capital). Some years before but special after the peace agreements of 1992 the farmers returned to the area where they ocupied their plots within the abandoned state company lands which were taken from them by the colonial company. In the mid nineties Oram started a campaing in the area to inform the farmers about their (land)rights; defending the right of occupancy which was later – after a long national debate - formalised in the land law of octobre 1997. In the mean time (1996) a portugues company appeared in the Lower Licungo pretending occupy 5600 ha of the wet-land rice system which presents the “productive hart” of the community. The provincial Government was ready to pass the land rights for 50 years to the company but specially the women farmers of Nante rejected this alternative<sup>1</sup>. With the assistance of Oram

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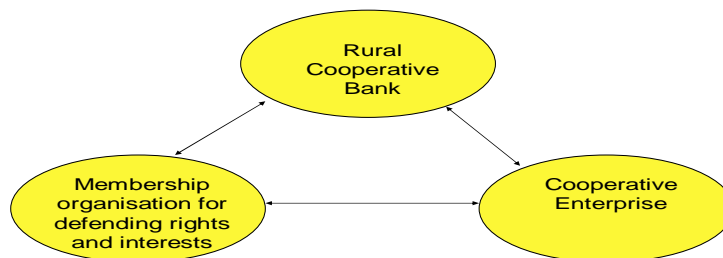
<sup>1</sup> The man were influenced by the company management to agree with the formation of a private enterprise for rice cultivation and processing promising them oportunities for employment. The local government was object of bribing by the company.

the local government was persuaded to leave the landrights with the population<sup>2</sup> and in 1999 the first delimitation (or semi-titeling) of community land (including irrigation lands) in Nante was executed. Later in 2004 the process of delimitation of the land of 4 communities on the left bank of the Lower Licungo were completed. These delimitation processes and for sure the land conflict between the community and the company geared a concienzialization process and countervailing power in the communities.

### **DEBATE ABOUT RURAL DEVELOPMENT STRATEGIES IN MOZAMBIQUE.**

With the shift from a central oriented socialist- to a market oriented economy during the last 15 years also the strategy of the Government for rural development changed considerable. The actual concept of the Government is clearly to reserve the key positions in the rural economy for private entrepreneurs and companies. Following the governments concepts the private sector has to form “partnerships” with the rural communities wherein the latter have the role of provider of cheap labour and facilitator of the access to land and natural resources to create “win – win situations”. The partnership can differ within a wide range of situations. From - for example - a precious wood logger who gives employment to the local people to push logs out of the forest to an agro-processing company which deals with outgrowers. In the cotton and tabaco production the government introduced the concept of concession where the farmers can get credit in kind for inputs and are bound to sell their product to the company. Generally one can state that farmers at the moment in Mozambique have little or none negotiating power in the markets for their agricultural products and they are not seen by the government as the dynamic factor in rural development processes oriented towards the market.

To counter these developments civil society – with Oram as leading organisation – introduced the concept of the “iron triangle” see the figure below.



Following this strategy farmers in their socio-economic emancipation process can form three different types of organisations:

- 1) A membership organisation to defend their rights and protect their interests through lobbying and advocacy.
- 2) A network of commercial cooperative enterprises which guarantee the access to the market and the formation of bargaining power.
- 3) A cooperative rural bank to guarantee the possibilities for credit and savings in the rural areas.

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<sup>2</sup> Oram was punished by the local Government for this through a banning order for the Maganja da Costa District. This was the only banning order in history given by the frelimo government to a civil society organisation.

### **FURTHER DEVELOPMENTS IN NANTE.**

Once the land rights were secured immediately questions as food security and human development came up in Nante with its 53.000 inhabitants. Floods occur frequently in the area and all infrastructure to regulate or defence against floods were not maintained and therefore eroded during the last decades. This affected heavily the area's food security. The regional floods in central Mozambique in February and March 2001 had also their negative effects in the Lower Licungo. Oram with the help of her partners was able to furnish seeds for the 2001 and 2002 agricultural campaigning but also was enabled (again by the partners Act Holland/ICCO and Christian Aid) to develop a post flood rehabilitation program to restore the minimum infrastructure as protection dikes, feeder roads and bridges to re-establish the access for people to markets and social services as health post and schools. In 2002 a investment plan for the medium and long term was elaborated with four main components; 1. reconstruct the irrigation infrastructures to restore the rice production, 2. rehabilitate access and feeder roads and bridges, 3. organising the commercialization and processing of rice and other products, and 4. rehabilitate social infrastructures in the health, education and drinking water sector. The total amount to invest was planned at 19 million USD in the next 15 years. In the period 2002 – 2005 the partners invested 1,3 million USD to complete at least the most necessary developments to reach food security.

### **THE FIGHT FOR RICE IMPORT SUBSTITUTION.**

Rice production in Mozambique totals during the last years 367.000 tons which is covered by the national production of 167.000 tons and imports of 200.000 tons. These imports from countries in the far east are flooding the local urban markets in all parts of the country and also the Zambezia province which is the main producer with 54% of the national production. Some national observers defend that these imports will destroy local production. In fact there are two different rice markets; one is the local production and rural consumption and the other is the import and urban consumption. From the National Government there exist a drive to invert this situation but for several reasons no actions were taken. The National Government has the instrument to protect the local market by increasing the actual import tax on rice of 5% (for raw materials) to 25% for consumer goods which rice is certainly. The only reason that this is not happen is the fact that the local production is insufficient and not prepared to serve the national demand. The private sector isn't interested to invest in the abandoned and ruined colonial rice factories because of the high interest rates for capital and the difficulties to deal with the small farmers who are the primary producers<sup>3</sup>. In fact the private sector is still looking for "easy money"; for example cutting timbre for export logs to the Chinese market or mining of precious stones.

### **TOWARDS THE "PEASANT ALTERNATIVE" IN THE RICE SECTOR.**

In this national debate Oram lobbied to start with cooperative enterprises and rural credit for small rice producers. In Nante (with the support of the partners) a pilot was developed to commercialize, mill and sell rice in the local market. Therefore a cooperative enterprise of rice producers in Nante is being founded, the ruins of the old rice mill are being restored, a small shop in the Quelimane city was opened and technical assistance was contracted. In the

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<sup>3</sup> One of the options of the Government is to interest local and foreign investors to open up private rice plantations. This option is contested by the local farmers organisations arguing that the land for these big parcels is theirs and that they will be marginalised from the market as outgrowers once the private sector dominates a part of the production and the processing. With the entrance of the Zimbabwean settlers (already active in the Manica Province) this "settler alternative" can be turned into reality.

2003/04 season selling of white rice amounted 50 tons while during this season sellings will be 100 tons. Price setting is done by the importers.

The challenges for the next years are the creation of a strong farmers movement<sup>4</sup> to defend the “peasant alternative” in the rice sector at least in the densely populated Zambezia delta. Further to raise funds to invest in credit for land preparation, capital for commercialization and buying of rice milling and transport equipment. With this inputs during the 2005/06 season the cooperative movement can show the viability of their option towards the Government and set the trend for future developments and investments. The – by consumers - well appreciated local rice with the aromatic flavour will be an important factor!

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<sup>4</sup> In Nante a development comitee was formed to deal with the general issues of the rurul development process and lobbying toward the Government and partners. For the management of the irrigation systems – in the line with the National Policy - Water Users Associations are being formed.