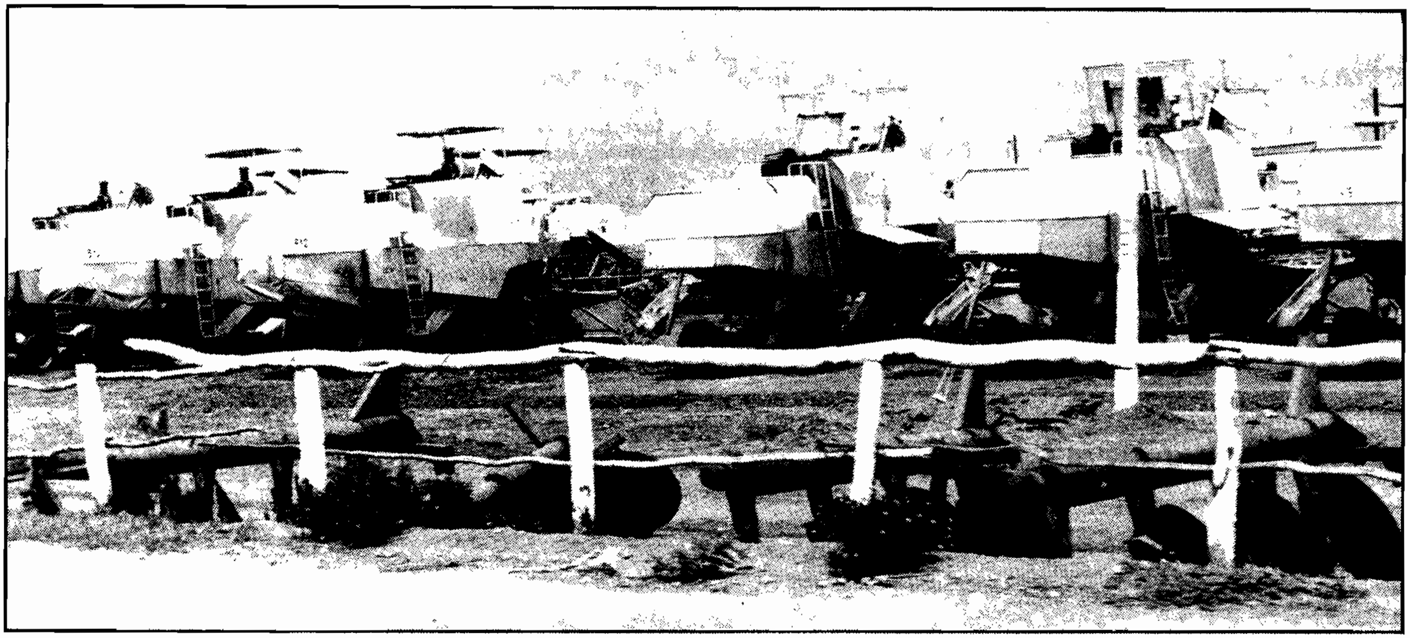

MOZAMBIQUE INFORMATION

CAIL machine park: "workshop for the destruction of our foreign exchange"

Alarming decline means end of state farm

Mozambique has closed down its largest state farm after a serious fall in output. **Paul Fauvet** *reports*

The largest state farm in Mozambique, the Limpopo Agro-Industrial Complex, better known under the acronym CAIL, has ceased to exist.

It was quietly dismantled in August, without a word appearing in the Mozambican Press. In its place are about a dozen smaller companies, each enjoying a large degree of financial and managerial autonomy.

CAIL was created in 1977 on 5,000 hectares of abandoned land, originally owned by Portuguese settlers who had fled the country after independence. Over the next couple of years it expanded to cover 16,000 ha of irrigated rice fields on the south bank of the Limpopo in the province of Gaza. A further thousand hectares was devoted to other crops (tomatoes, onions and other vegetables, and some experimental tobacco). This enormous area was divided into *filiais* (blocks), each one of which has now become a state farm in its own right. The enormous quantity of tractors, combine harvesters and other machinery owned by CAIL has been divided among the new companies.

The industrial part of the complex — milk products factory, a rice de-husking plant, a tomato processing plant and a sausage factory — has also been broken up. All are now separate, theoretically independent units.

The dismantling of CAIL is the clearest example to date of the implementation of the new agricultural policies decided at the FRELIMO Party Fourth Congress in April. The Central Committee report given to the congress noted that the country's state farms "have not yet reached the level of organisation desired, and the indices of production and productivity are unsatisfactory." The sprawling state farms were characterised as "top heavy," and were said to be of "unbalanced dimensions."

Emphasis on the state farms had been at the expense of the co-operative and peasant family sectors in agriculture. Summing up the previous six years, the Central Committee accepted that "in practice almost no support was given to the family sector." The state farms swallowed the lion's share of imported machinery, seeds, fertiliser and chemicals, while a meagre 2% of agricultural investment went to the co-operatives.

The directives emanating from the congress stated clearly that the state farms had to be "consolidated and restructured in order to overcome current management difficulties." They should be "scaled down in order to guarantee effective administration and control."

The practice of buying more and more sophisticated farm machinery for unwieldy and poorly managed enterprises was to stop. Instead, the principal tasks of the state agricultural sector were laid down as "increasing efficiency, using to the maximum areas already available for production, minimising investment, ensuring the efficient use of existing technical staff, of the equipment we possess, and of the fuel and chemicals we import." In other words, the state sector was not to expand, but was to make proper use of the land and facilities it already possessed.

CAIL has been a clear example of the failure of the earlier strategy of pumping resources into giant state farms in the hope that they would feed the cities. CAIL never lived up to expectations. At three tonnes of rice per hectare (by no means an over-ambitious figure) it should have produced getting on for 50,000 tonnes a year. This figure was never achieved. The best result at CAIL was in 1979 when a yield of 2.7 tonnes per hectare gave a total production of 41,000 tonnes. Since then there has been an alarming decline.

The 1981 figure of 25,500 tonnes was publicly proclaimed as a disaster (it meant that yields were down to 1.6 tonnes per hectare and that CAIL was therefore making an enormous loss). No figures were ever issued for 1982, but there seems to have been an improvement with a production of over 30,000 tonnes (still well below the planned target of 48,000 tonnes).

This year there has been a collapse, though admittedly this is much more the result of the Southern African drought than of management problems. At the time of writing a final production figure is not available. Optimists think it may be around 15,000 tonnes. Harvesting was only possible at all on 8,000 hectares, because of water problems. The level of the Limpopo is so low that it cannot fill the irrigation channels.

The winding up of CAIL (and, some months earlier, of another large state farm in the Limpopo valley, UPBL, now broken into three units) must call into question the other agro-industrial complexes planned for the Limpopo region. Eight or so of these exist on paper — but it is now doubtful if any of them will actually be set up in the foreseeable future.

Indeed, the special body created to supervise the development of the area, the State Secretariat for the Accelerated Development of the Limpopo and Incomati Region, has been abolished. Some of its functions have passed into the hands of a new State Secretariat for Agricultural Water Resources. It seems that this body will exclude from its budget any more large-scale schemes for the Limpopo Valley.

There can be no doubt that this is in line with the directives from the FRELIMO congress, with their postponement of schemes involving major new investment and their stress instead on "small-scale projects" relying largely on local initiative and resources.

The break-up of CAIL will presumably streamline the decision-making process and may also lead to a more rational use of available foreign exchange. One very clear lesson of the last six years is that more mechanisation does not necessarily equal more production. CAIL had a fleet of about 300 combine harvesters (mainly from the German Democratic Republic) — but with very few trained mechanics. The men who drove the harvesters and the tractors knew next to nothing about how to care for their machines. CAIL's machine parks were inadequate — so much so that in February 1982 when President Samora Machel made an unannounced visit to CAIL, he remarked that "a workshop for the repair and maintenance of our machines has become a workshop for the destruction of our foreign exchange."

Organisation has improved since then — pools of stagnant water are no longer allowed to accumulate inside the machines. But the machine parks still did not include enough covered space to protect all the machinery, and so expensive bits of equipment have still been exposed to the elements.

The major technical assistance agreement signed for CAIL was with a Bulgarian agricultural firm, TRAKIA, which supplied many of CAIL's tractors. With the disappearance of CAIL, this must now be renegotiated.

Are the smaller state companies likely to achieve better results than CAIL? One problem that they will inherit is the difficulty of recruiting seasonal labour for the rice harvest. The number of peasants prepared to migrate to the Limpopo valley in search of a few month's paid work has declined sharply. This is not so much because of the low level of agricultural wages (double those paid under colonialism, but still, at around US$2 a day, far from princely) but because there is practically nothing to buy with them.

The shortage of consumer goods in the countryside has led many peasants to withdraw partially from the money economy. Time which in the past they were prepared to spend working for wages at CAIL (or on the settler farms that preceded it) is now spent on their own subsistence agriculture. This guarantees physical survival — so until the cloth, the soap, the sugar and the other goods that these peasants would like to buy start appearing in reasonable quantities in rural shops and consumer co-operatives, it is going to be difficult to persuade them to work for wages ●

Crew repair one of 300 East German combine harvesters

MOZAMBIQUE INFORMATION