
The Dynamics of Real Markets: Cattle in Southern Zimbabwe following Land Reform

**B.Z. Mavedzenge, J. Mahenehene, F. Murimbarimba,
I. Scoones and W. Wolmer**

ABSTRACT

Since 2000 there have been major changes in the agrarian economy in Zimbabwe. Extensive land redistribution and severe macro-economic instability have resulted in significant shifts in agricultural production and the functioning of markets, opening opportunities for some and closing options for others. This article focuses on cattle in Masvingo Province, identifying current patterns and dynamics and future challenges. Key to the analysis is an understanding of the social and political embeddedness of real markets and the relationship between the state and an increasingly informal, sometimes illegal, economy. The article traces the transformation of a formalized beef production and marketing system, organized around a relatively narrow group of players, to a more fragmented, diverse and complex system with a different — and potentially wider — scope and reach. It highlights a series of phases, from the technocratic order of the colonial era, and its replication in the period following Independence, to a new situation following land reform. Although there have recently been attempts to reinstate a particular order through price controls and other measures, this has had little impact. The result is a radically reshaped production and market system, which suggests very new political and social relationships for the livestock sector.

INTRODUCTION

The last few years have seen major changes in the agrarian economy in Zimbabwe. A combination of extensive land redistribution and severe macro-economic instability has resulted in significant shifts in agricultural production and the functioning of markets. The impacts of these changes have been highly differentiated, both across commodities and in different parts of the country. For the longer term, the consequences of the recent dramatic changes will have major ramifications for the way in which future development interventions are conceived. This article focuses on cattle — and particularly the beef commodity chain — and the southern province of

Masvingo, a region which before 2000 had substantial areas under large-scale commercial ranching. The article is based on fieldwork carried out between 2005 and 2007, and aims to go behind the headlines to explore what has really been happening on the ground. The focus is on how markets work in practice, given the new agrarian relations and the highly volatile, hyperinflationary economy. Through a detailed qualitative examination of the emerging structure and functioning of the cattle commodity chain, the article asks: what are its characteristics, and how do these compare with what existed before? By identifying the new players in the market — from producers to traders to processors to retailers to consumers — the article examines the evolving economic, social and political relations.

Our major focus is on production and market relationships and how these are shaped by social and political processes. The emphasis here is on ‘real markets’ (see, for example, de Alcántara, 1993; Platteau, 1994) and the wider ‘real economy’ (de Soto, 1989; Little, 2003; MacGaffey, 1991; Mkandawire, 1986)¹ within which markets are embedded. A central argument is that in many contexts — in Africa and beyond — the ‘second economy’, often characterized by illegality and a redefined relationship between the economy and the state, is often more important than the formal, official economy (MacGaffey, 1991). Without attention to the dynamics of the real economy we cannot understand how often vibrant economic activity, supporting numerous livelihoods, continues. This approach focuses on how markets work in practice and the social and political relationships that make them tick. As Berry (1989) highlights, it is processes of investment in institutions and the social relations of exchange that help us understand complex production and market processes in Africa. As others have emphasized, central to this is the functioning of patronage networks based on kinship, religion or political affiliation (for example, Bayart et al., 1999; Ellis, 1996). As MacGaffey (1991: 1) argues, such a perspective ‘poses a challenge to many economic assumptions and has profound implications for policy formulation’. In many respects, a real economy and markets analysis contrasts with more structural and economic analyses of supply, commodity or value chains (such as Gereffi and Korzeniewicz, 1994), pushing us to consider issues of social difference in the construction of markets — race, gender, ethnic identity and political affiliation, for example — in addition to the more standard metrics associated with inputs, outputs, returns and rents. This article argues that such an understanding of social and political embeddedness of markets and the wider economy is central to understanding current, and indeed future, dynamics in the Zimbabwean context.

1. Many different terms are used to describe the array of economic activity beyond that which is normally recognized and measured, including: informal, non-formal, real, second or hidden. All have different nuances, some referring to a more economic understanding, and some more political and social. This article follows the terminology used by MacGaffey (1991), giving greater attention to the socio-political dimensions.

The new agrarian conditions in Zimbabwe created by the post-2000 land reform have stimulated important new relations, opening opportunities for some, closing options for others. This study is not an attempt to evaluate the success or otherwise of this land reform, but to identify current patterns and dynamics and future challenges. An understanding of how markets function in practice, we argue, is particularly important for economies where formal and informal processes run side-by-side, and where the informal dimensions are taking on increasing importance in the overall picture. Zimbabwe is of course a good case study in this regard,² and one that allows us to explore how a change from a formalized, linear marketing system, organized around a relatively narrow group of players, can change to one that has a different, and potentially wider, scope and reach.

This study is based on a series of village surveys and focused interviews carried out across four research clusters in Masvingo province, involving a total of seventeen sites in the communal lands (small-scale farming areas), new resettlements (both semi-commercial [A2] and small-scale [A1]), as well as the few large-scale commercial farms remaining. The clusters are located along a north–south agroecological transect, moving from relatively high potential areas (Chatsworth and Masvingo) to lower potential areas (Ngundu and Chikomedzi), with the aim of capturing the full variety of circumstances in the province. In addition to the rural-based research, the study also involved carrying out interviews in towns and business centres across the province (including Chatsworth, Gutu, Masvingo, Ngundu, Mwenezi and Chiredzi).

The following sections explore in turn the characteristics of the new cattle commodity chains in the province, the politics and social relations associated with the real economy in the post-land reform period, and the implications this has for future development pathways. Through the lens of this empirical material, the article further asks: what are some of the essential elements of such markets in a highly dynamic and volatile economic setting?

CHANGING CONTEXTS FOR CATTLE MARKETING IN ZIMBABWE

Understanding the dynamics of real markets requires close attention to contexts. Reflecting on changes over time, four broad periods can be identified, each with different configurations of market relations, but also, significantly, different political contexts. These have affected both the broad policy narratives around livestock production and marketing, and the structures influencing market access and governance.

2. As a country regarded until recently as one with a strong and growing formal economy, this dramatic change is even more spectacular. It contrasts to the 'classic' case studies in Africa such as Democratic Republic of Congo (MacGaffey, 1991), Liberia (Ellis, 1996) or Somalia (Little, 2003), or elsewhere such as in the former Soviet Union (Burawoy and Verdery, 1999).

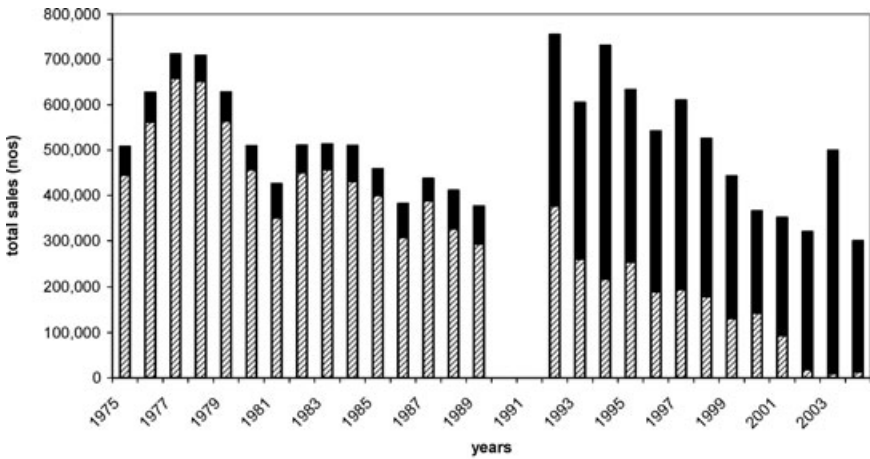
The first period started in the first decades of the colonial era. Zimbabwe (then southern Rhodesia) was seen as classic ranching country, and much effort was invested in building up a commercial livestock sector among recently arrived colonists (cf. Phimister, 1978; Samusuwo, 2003). During this period a dualistic production system emerged, separating white-owned beef ranching from black-owned livestock in the 'reserves'. These were two very different systems of production, with different breeds, stocking rates, range management approaches and uses for cattle. State support was, however, focused on the commercial beef sector, particularly with the establishment of the Cold Storage Commission (CSC) in 1937. The CSC became a virtual monopoly player in beef marketing, both for domestic and export markets (Mlambo, 1996). By fixing prices, stipulating grading systems and overseeing marketing, it had a huge influence in structuring the commodity chain for the best part of fifty years. A particular model of beef production thus came to dominate thinking about livestock management (Scoones and Wilson, 1988).³ It was highly technocratic, based on a restricted model of beef ranching, and supported by a tightly regulated marketing system dominated by a few players, notably the state-controlled CSC. It relied on the separation of the communal system, characterized by informal marketing, with entry into the formal market system allowed on specified terms, subject to strict veterinary regimes and regulated markets.

Following independence in 1980 this pattern persisted more or less intact. Despite the political transition to majority rule there remained a focus on high-quality beef for export from the still largely white-owned, large-scale commercial farm sector, and a concentration of marketing activity around the CSC; the whole sector continued to be backed by strong state support. In 1987, for example, 90 per cent of all formal sales went through the CSC, including all exported meat (Cousins, 1990). The pattern was strongly reinforced from 1985 when Zimbabwe gained access to the lucrative European market through a trade agreement which allowed for the export of boneless beef under a generous reduced tariff, preferential access and quota arrangement.⁴ Following the 1985 agreement, Zimbabwe's annual quota generated around US\$ 50 million of much-needed foreign exchange each year. From this period, beef exports grew, peaking at 14,503 tonnes in 1993.

While the basic parameters of the beef production and marketing system remained, processes of economic liberalization from the early 1990s heralded the beginnings of a new phase. The Economic Structural Adjustment Programme (ESAP) from 1991 encouraged the opening up of the marketing system to a range of private players, as well as a partial privatization of the CSC (now the Cold Storage Company). The CSC's share of throughput

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3. A good example was the Godlonton Commission on 'Native Production and Trade' of 1944.
 4. The ACP-EU Partnership is also known as the Cotonou Agreement and succeeded the Lomé Convention.

Figure 1. Total Cattle Sales 1975–2004



Key: shaded = CSC sales; black = private sales

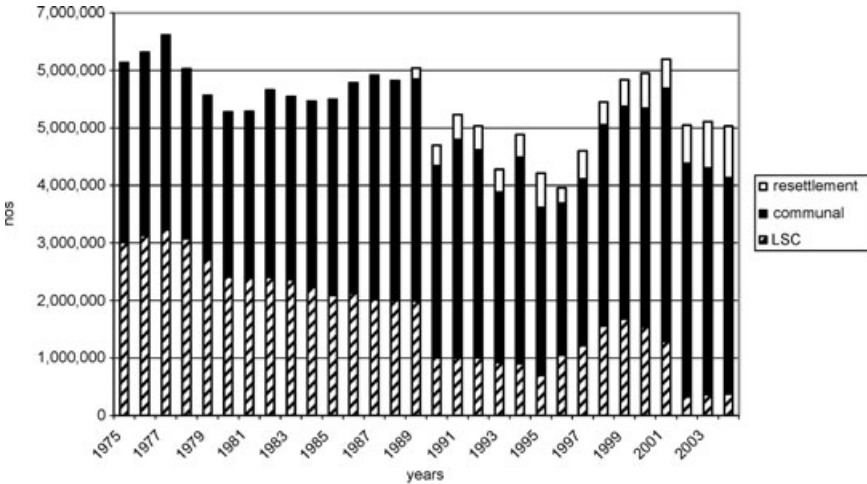
Source: Data from Department of Veterinary Services.

declined from around 90 per cent at Independence to around 80 per cent by 1990 and around 40 per cent by 1995 (see Figure 1). At the same time the commercial herd contracted, down from a pre-Independence peak of around 3 million to around 2 million in the mid-1980s and about 1 million by the mid-1990s, following the devastating impact of the 1991–92 drought. However, by 1999 the commercial herd had recovered, with numbers reaching around 1.7 million by 1999 (see Figure 2). The basic support infrastructure for the commercial beef sector was still in place, enhanced by the continued generous incentives provided by the European trade agreement.

Across these two phases — from the early colonial period to the late 1990s — the technocratic model of a commercial, large-scale and export-oriented beef sector, with a dominant role for a state-led marketing body, persisted. Both the state-led and subsequent liberalized economy phase created a production and marketing elite, forging a close relationship between markets and the state. This reinforced a pattern of dualism, with the large-scale commercial sector continuing largely unaffected, despite occasional outbursts of political rhetoric. For the privileged few in the commercial beef industry able to cash in on the lucrative export trade, the 1990s in particular was a boom period: there was a guaranteed export market offering good prices, export facilities were of high quality and well regulated, and disease control was effective and consistent.⁵ Indeed, it is this scenario, where the formal

5. Interview, Cattle Producers Association, Commercial Farmers Union, Harare (15 November 2005).

Figure 2. Cattle Populations, 1975–2004



Key: shaded = commercial farms; black = communal areas; white = resettlement areas

Source: Data from Department of Veterinary Services.

system dominated, which is often remembered today by those in the industry as the normative ideal, and indeed underpins many contemporary policy recommendations for rehabilitating the beef industry in the post-land reform period.⁶

But the economic and political sustainability of such a system was coming under threat. The CSC continued to lose vast amounts of money, with the government bailing them out at regular intervals.⁷ This fragile status quo all changed with the land invasions and subsequent land reform beginning in 2000 (Hammar et al., 2003; Moyo, 2004; Moyo and Yeros, 2005). This coincided with a major collapse in the formal economy, with spiralling inflation and sequential massive devaluations of the currency, creating a huge parallel, second economy (Bond, 2007; Brett, 2005; Clemens and Moss, 2005; Coorey et al., 2007; Davies, 2005.).

Although interpretations of causes and consequences vary dramatically, the basic contrasts with earlier phases could not be more stark. In 2005–06 the large-scale commercial herd stood at under 350,000, and deliveries

6. The October 2004 National Livestock Policy Document, for example, recommends the reinvigoration of the CSC and ‘enhancement’ of beef exports.
 7. See, for example: ‘Banks pounce on CSC’, *Financial Gazette* 22 May 2003; ‘Troubled CSC headed for collapse’, *Financial Gazette* 5 February 2004; ‘US 23.7 mln foreign debt weighs down CSC’, *Financial Gazette* 15 July 2004; ‘CSC Revival Attempts a Waste of Funds’, AllAfrica.com, 12 January 2007. Of course, the financial woes of the CSC are not just a recent phenomenon (Cross, 1971).

to the CSC had collapsed almost completely, with only 5 per cent of formal sales going through the CSC in 2003. At the same time, the formal economy of Zimbabwe was in melt-down. By mid-2008, year-on-year inflation was estimated to be over a million per cent, and, according to the International Monetary Fund, the formal economy had shrunk by over 30 per cent between 1999 and 2007.⁸ All economic indicators were down; the gap between the official and parallel exchange rates continued to increase; official unemployment was estimated at 90 per cent; and pay rates in many jobs were insufficient to make a living.

However, this did not mean that nothing was happening. On the contrary, the new phase following 2000 became dominated by informal, sometimes illegal, market interactions, involving many more, and very different, actors, connected through diverse and complex interactions. This recast the racial, economic, social and political relationships making up markets, reconfiguring the relationship between the state and these emergent informal market systems. A radically new commodity chain emerged, with around 90 per cent of cattle being small-scale (communal and A1/old resettlement) and the CSC becoming a minor player, but with a range of speculators, middlemen and private abattoirs appearing.

Elements of this change had already occurred. For example, the growth of private abattoirs and local butchery slaughter, following the liberalization of meat markets after structural adjustment, had encouraged a country-wide trade in meat, often contravening veterinary regulations. High premiums were paid within the export zone, creating a demand pull and a big incentive to break the rules. With government capacity to enforce such regulations severely hampered by reductions in budgets during the 1990s, an outbreak of foot-and-mouth (FMD) or some other disease in the export zone was simply waiting to happen. But these changes have accelerated since 2000. There has been a massive escalation in disease outbreaks, in part triggered by the breakdown in movement control accompanying the farm occupations, and leading to a ban on Zimbabwean beef exports. Although by 2007, the situation had improved and large-scale movements between areas had decreased, sporadic secondary FMD outbreaks were still being recorded, and the prospects of Zimbabwe regaining its export status looked bleak.⁹ Thus, in addition to a new production and marketing system, a whole new disease epidemiology now existed, one that, in contrast to the neat dualistic

8. Official inflation rates as reported by the Reserve Bank of Zimbabwe increased from 133 per cent in January 2005, to 613 per cent in January 2006, and to 8,000 per cent in September 2007, although official figures have been somewhat intermittent and inaccurate (see www.rbz.co.zw/about/inflation.asp, accessed 5 February 2008). By 2008 inflation accelerated even further, see 'Zimbabwe inflation now over 1 million percent', Associated Press, 21 May 2008.

9. See 'Plans to resume EU beef exports are shelved', FMD News, 7 March 2007, fmdnews@ucdavis.edu (accessed 5 February 2008).

system that existed before, was increasingly difficult to manage through the approaches used in the past.

In the period since 2000 there have therefore been some dramatic shifts in both the context for and functioning of cattle commodity chains in Zimbabwe. Although some changes have been ongoing for a time — such as the decline in the commercial herd and the reduced role of the CSC — others have been more sudden — notably the dramatic shift in epidemic disease dynamics. In addition, the hyperinflationary economic context has resulted in the emergence of an array of smaller enterprises and the explosion of the informal economy, putting some of the main market players, both in the processing and retail domains, into decline. There has thus been a major transition from a highly concentrated and regulated commodity chain dominated by a few players to a huge diversity of actors at all levels. This has been accompanied by a decline in state control and management of the market system, and a growth in independent, increasingly informal, sometimes illegal, economic activity and entrepreneurialism. The result is a massively more diversified and complex marketing system — some would say ‘haphazard’, ‘disorganized’ and ‘chaotic’¹⁰ — populated by more actors with more relationships.

Not surprisingly, such a radically new configuration of economic relations was not to everyone’s liking, and during 2007 there was a significant backlash. Although framed in terms of the need to control informality and illegality, with the deployment of familiar technocratic arguments, a wider political rationale must also be sought. With the economy increasingly out of control, and threatening the stability of the state and the political power of the ruling party, increasingly desperate measures were being taken, directed by the state security forces. Thus in mid-2007, the government announced the institution of price controls on beef, and the closing of private abattoirs, with the requirement that all meat had to be marketed through the CSC.¹¹ This was implemented in a draconian and inconsistent manner, with party youth, together with the police and sometimes army, mobilized to enforce the new regulations. This of course opened up huge opportunities for corruption and patronage, as well as driving the market underground. The price control measures resulted in beef disappearing from the butchers and shops; informal estimates suggested that overall production and supply remained

10. Quotes from participants at the Discussion Workshop ‘Changes in the Livestock Sector Following Land Reform in Zimbabwe: The Case of Masvingo Province’, Chevron Hotel, Masvingo (24 May 2006), www.ids.ac.uk/UserFiles/File/knots_team/Masvingo_workshop_report.pdf (accessed 5 February 2008).

11. See ‘Price controls devastating rural economy’, IRIN News, 24 July 2007, www.irinnews.org/report.aspx?ReportId=73391 and ‘Price cuts — CSC abattoirs empty again’, *Financial Gazette*, 6 December 2007, <http://allafrica.com/stories/200712060810.html> (accessed 5 February 2008).

at similar levels, but the meat was moving through new channels and at premium prices.¹²

This fourth phase, in which a political-security driven reinstatement of a technocratic order was attempted, remains formally in place, although in practice it is the informal, second economy that dominates. The next sections now turn to a more detailed examination of this commodity chain, looking at changes in production and markets, and the embedded nature of new political and social relations created by a combination of the land reform process and wider economic change. After assessing these dynamics, the future challenges for development, as well as the opportunities for moving beyond the formal, dualistic system, are explored in the conclusion.

BEYOND DUALISM: CHANGES IN PRODUCTION SYSTEMS

As Figure 2 showed, the vast majority of cattle today are part of small-scale, mixed-farming systems in the communal and resettlement areas. The new resettlements, acquired as part of the 'fast-track' resettlement programme, already have significant cattle holdings. In surveys carried out across the Masvingo study sites during 2005, holdings on resettlements were higher than in the communal areas (averaging 5.4 per household compared to 4.1) (Mavedzenge et al., 2006). In the new resettlements, the pattern of ownership resembles that in the communal areas, with a few larger owners, and a longer tail of those with small herd sizes (in the range of 1–38). On average, 49 per cent of households owned cattle in the communal and resettlement areas (with a range of between 33 per cent and 73 per cent across sites). Cattle were owned by men and women, although women tended to concentrate on smallstock, and most decisions over cattle production were taken by men.

However, between 1999 and 2004, only 4.5 per cent of the total herd was sold. The average number sold was 2.5, but there was large variation, with thirty households selling no cattle, and the overall median being one. A few households, notably the large cattle owners in the Chikombedzi cluster, sold regularly, with the maximum being thirty head of cattle over the six year period. Annual sales rates ranged from 6 per cent of the total herd (in 2001) to less than 1 per cent (in 1999, 2000, 2002 and 2003). Informants suggested that sales were few, especially in resettlement areas, as they were trying to build up herds. Many observed that selling, unless under duress, was not advisable as it would undermine their ability to plough and cut into their savings. For most, sales were seen as a route to raising cash. In a series of fifteen group ranking exercises carried out in all sites during 2005–06, the reason for livestock sales identified 'household needs' (mostly groceries) as the most common. This was followed by (in rank order) school fees, bridewealth, the purchase of breeding

12. Interview, Livestock Meat and Advisory Council, Harare (19 November 2007).

Table 1. Relative Importance of Different Market Options over Time

		1982–84	1991–92	1997–98	2005–06
Ngundu cluster	CSC/Livestock Development Trust	*****	****	**	*
	Private buyers	***	****	*****	*****
	Butchers	*	*	*	****
	Local sales	*	*	**	*
Chikombedzi cluster	CSC direct slaughter	*	**	**	*
	Private buyers	-	-	**	*****
	Butcher	-	*	*	*
	Locals (<i>majonijoni</i>)	***	*****	*	***
	Local sales (<i>showini</i>)	*****	*	****	-

Source: Matrix ranking exercises — first three periods from field study carried out in 1998 (see Scoones et al., 2001: 42) and 2005–06 from follow-up fieldwork.

animals, agricultural inputs and wages for agricultural work (Mavedzenge et al., 2006).

Cattle were sold to a variety of sources, mostly local, according to the group ranking exercises. Local beef committees (co-operative buying groups of teachers, extension workers, police etc.) dominated, followed closely by sales to speculators and intermediaries at private sales. In some places, missions and schools provided a regular market for meat purchases. In other areas, butchers were close by and did not usually require movement permits to send individual animals for pole slaughter. Long-term connections between butchers, storeowners and particular cattle keepers meant that tight vertical marketing linkages existed in some cases. Otherwise people sold or exchanged to other local farmers, although such sales were very limited. Table 1 shows the relative importance of different market options over time. In contrast to the pattern experienced a decade ago, people commented on the decline in formal auction sales, and complained that, while improving sales opportunities and ease of sale, private sales or door-to-door selling gave lower prices, and opened up opportunities for stock theft.

Large-scale commercial ranches now make up only 7 per cent of the total land area in the province, with a total of 1.2 million hectares having been transferred to around 20,000 households in the new resettlements.¹³ Those former (white) commercial farmers who are still engaging in the ranching business are deploying a variety of strategies. According to interviews, lease grazing across Masvingo province has taken place on the massive Nuanetsi ranch owned by the Development Trust of Zimbabwe, both on CSC ranches and in the new resettlement areas. One rancher reputedly had cattle on eleven separate farms, selling on to a variety of buyers, abattoirs and butchers. Others are engaged in exchange arrangements providing services (water pumps, veterinary drugs, transport or fuel) in return for access to paddocks

13. Provincial Department of Lands, Masvingo, November 2007.

on their (or others') former ranches. Others are operating as 'speculators' — buying cattle in new resettlement areas, taking them to a holding area or direct to slaughter once they are sufficient in number for a lorry load, or exchanging heifers for communal/resettlement area oxen for fattening and sale. In other words, the former large-scale commercial ranchers have had to integrate rapidly into a new system, operating often for the first time alongside smaller players, and usually without the back-up of large landholdings as security.

The old dualistic system may have all but disappeared, but what has replaced it? As discussed, today there is a predominance of small herd sizes, a herd structure focused on females and herd growth, a reliance on births for building herds, a very limited number of cattle purchases due to economic constraints, and, in the main, the absence of stratified or specialized beef-focused production systems. While the remnants of the former commercial ranching system operate through lease grazing and barter arrangements in a number of places, these are relatively limited and under threat. Some new semi-commercial resettlement farmers (designated A2) have plans for establishing beef herds, but on relatively small holdings averaging 250 hectares, and with limited capital and business financing, this is not proving easy.

UNDERSTANDING REAL MARKETS: ACTORS, RELATIONSHIPS AND POLITICS

So how are these new production systems, and the reconfiguration of the formerly dualistic structure in the cattle industry, affecting patterns of marketing, and the social and political relationships these engender?

These new production and market systems must operate outside the formal system, often engaging in the parallel economy, sometimes involving smuggling and illegal cross-border trade, and always on the margins of what is regarded as 'official' (although this changes regularly). In the hyperinflationary setting of Zimbabwe, there are considerable risks and uncertainties at play; the transaction costs of dealing with multiple players are high, and confronting uncertainty and illegality always stressful. Thus there are both benefits and costs, winners and losers in the new setting, and any assessment of future prospects must take a broad view. The following sections aim to do just that.

The box below offers a profile of seven actors in the new commodity chain, based on 2005–06 interviews. These range from small-scale speculators (case 1), through intermediary buyers working for a range of abattoirs/butchers on a commission basis (case 2), a large-scale buyer engaged in heifer exchanges, linked to a well-established ranching operation elsewhere (case 3), a new A2 farmer with a butchery business and store in Ngundu rural service centre (case 4), a buyer in Masvingo town who supplies his own restaurant and other butchers (case 5), Masvingo-based abattoir

owners with an outreach buying team, linked to rurally-based intermediaries (case 6), to, finally, a rancher/speculator/cattle dealer of long standing from the lowveld who currently leases grazing and formerly had ranching land (case 7).

None of these case studies is in any way ‘typical’. What is striking is that there is an enormous array of different arrangements, depending on highly particular local circumstances. What is equally striking is the dynamism and entrepreneurial inventiveness of this market. This is a challenging time to be engaged in any business, given high inflation, expensive credit and uncertainties on all fronts. But different people have carved out new market niches, with great energy and ingenuity. Not all will survive in such businesses, and one characteristic critical for survival is to keep changing and manoeuvring as the external economic environment shifts. But this diversity of players and the dynamism of their activities is a far cry from the very formalized, organized marketing chains of the past. The CSC, formal auctions, and large-scale purchasers from the commercial sector are either absent or operating in radically new ways. Today, more people are making a living from the marketing of cattle, even if for each this is not much, and not without difficulty. These ‘new’ entrants of course include many of the older players in the system, but in new roles. For example, the white-owned, ranching-abattoir chain which dominated the meat trade in Masvingo for the past decades can no longer operate as it did. It has had to change, even if reluctantly. Former ranchers, now without land, must run their remaining animals on different patches of leased grazing and have had to diversify their activities to include a greater engagement in communal area and resettlement marketing, often through new intermediaries. Space has opened up for new entrepreneurs too, now able to engage in business and trade in new ways, although with small turnovers and limited profits. Overall, it is a much more complicated commodity chain, based on different principles, relationships and politics.

Box 1: Real Market Case Studies

Case 1: In 2002, R., who lives in a Mwenezi District township, sold his car. He was able to buy two beasts which he drove to the nearby hotel where the owner was collecting together animals for transporting to an abattoir in Masvingo. From the profits R., together with two friends, began to build up the business. Today they transport around three truck loads of twenty-five animals to the abattoir per month. They hire a truck from a former white commercial farmer and purchase animals from all over the area. When possible they also buy from official auctions organized occasionally by the council. Animals are fattened on a holding ground hired from the council with purchased feed supplements as there is no grazing.

A recent initiative has been to buy up heifers from commercial farms near Masvingo. These are transferred to Mwenezi and exchanged for oxen from the communal and resettlement areas. They have received no loan finance for their business.

Case 2: M. learnt about the cattle buying business from another trader. In mid-2005 he was buying cattle from communal and resettlement areas across Chivi, Mwenezi and Chiredzi Districts. He registers with the local veterinary officer and pays a visit to the local councillor in the area where he intends to buy cattle. A month before buying he visits the dip attendant in the area to spread the word of impending purchases. As an agent to a number of buyers, M. can choose between them on the basis of the prices they offer and the reliability they show. He is currently working with a buyer from a Masvingo abattoir. The departure of large-scale commercial farmers has seen a proliferation in the number of private buyers, and the flow of animals through more diverse routes. As an agent, this variety also means that fees are kept reasonably competitive. Different buyers pay fees differently: some pay per kg of live mass purchased, while some pay a fixed amount per beast.

Case 3: H. is a former white commercial farmer, and has been operating as a cattle buyer for more than twenty years. He is well known across the region, and regularly attended sales in communal areas, buying up cattle for transport to farms for fattening and onward sale. In the late 1980s, H. made use of his capacity to breed substantial numbers of heifers on his farm (and purchase more from his large-scale commercial farm neighbours near Gweru) to establish a system of heifer exchange with the communal areas. Another commercial rancher observed ‘[our] main money-spinner is [in 1999] buying communal area cattle, fattening on the commercial farms and selling on at the commercial farm sales for higher prices. You can more than double prices at commercial auction. With a fat steer from an African area — you wouldn’t notice the difference [in quality]’.¹⁴ One or two heifers were offered in exchange for oxen or non-reproductive cows, depending on their size. This was taken up by communal area farmers with great enthusiasm, especially following the 1991–92 drought, as a means of restocking without loan finance which at that time was very restricted. The result has been a significant influx of exotic heifers into the communal herd — mostly Brahman and Sussex — which formed a significant base for herd growth in the past decade. In the last few years, following the land reform and the resulting lack of supply of heifers for sale, H. and others have reverted to simply buying, moving animals to holding farms and leased grazing.

14. Interview, Rancher, Mwenezi (12 August 1999).

Case 4: S. opened his butcher's business in 2001, at a time when there were only two other butchers in Ngundu township (there are now nine). It was good business and was an ideal complement to his store which had run next door for many years. He also had applied for an A2 plot in Mwenezi district as part of the land reform programme, and was allocated a plot in Mateke hills. When the butchery opened he sourced his animals from a nearby new resettlement area. When demand was up, he would slaughter three or four beasts a week. He had no problem with getting animals — there is always someone in the area wanting to sell. He has attended a couple of auctions over the last four years, but tends to go alone with his own pick-up. In 2002 he purchased thirty heifers from a ranch in Chiredzi district; they were left at the new resettlement area on a loan arrangement, looked after by three boys. For a period, these animals were used to supply the butcher's business. They were later transferred to his new farm in 2003 (over 150 km away). This was too far to bring for slaughter in Ngundu, so he has since relied on his old network of contacts in the new resettlement area for supplies of slaughter animals.

Case 5: R. owns a fast-food café in Masvingo. He has been in the beef marketing business for two years, having been on the look out for new business opportunities. He owns his own lorry and sources cattle from communal areas and resettlement areas which he provides wholesale to butchers and supermarkets. He attends public auctions where, by his own admission, buyers collaborate beforehand to decide on a strategy and prices, and also negotiates private sales. In line with the formal regulations, he is accompanied by a policeman and a vet to the point of sale where clearance forms are signed by the buyer, seller, kraal head and village witness, police and vet. Most of his competitors sell direct to abattoirs rather than selling on to retailers. He has recently received an A2 farm in Mwenezi and plans to ranch his own cattle there.

Case 6: C. is an established Masvingo abattoir owner. When the commercial herd was still intact they would sometimes book 500–1000 head at a time. C. will collect free if there are more than thirty-five. However, the growing trend now is for 'walk-ins' of three or four animals. Increasingly, the former ranchers who supplied their own stock to C. are operating a network of speculators — organizing sales from the settlers on their properties or in communal areas and booking them in. Bookings were full in 2005 given the drought conditions. C. has five buyers who attend auctions and arrange private sales. These include the manager's two sons. He envisages in the future having up to twenty buyers arranging animal sales, putting them on holding grounds and then taking lorry loads to the abattoir.

Case 7: V. operates as a livestock speculator from a ranch in the Mateke Hills. In the 1990s he was buying goats for export to Mauritius, and

providing exotic goats for local farmers to fatten. He used to be able to buy four or five animals at a time with ease, but now he finds it harder to buy in larger numbers, attributing this to the fact that speculation is becoming a lot more competitive, with more people approaching headmen to secure preferential access. He has a reputation in communal areas as a 'good buyer', but buys on account. He no longer attends fixed auction days but advertises through word of mouth and with flyers the days that he will be buying in an area.

Source: Interviews in Masvingo Province, 2005–06

Risky Business: Coping with Hyperinflation

With such a large array of actors in the market, running on often small turnovers and low margins, the risks for any player are great. No longer are large tracts of land available for fattening up cheap animals bought from the communal areas. With land occupation and reform there has been great insecurity and much cattle theft. Guaranteed prices and markets no longer exist, and, with hyperinflation, any price regulation is meaningless. Inflationary pressures have also meant that capital is scarce and expensive, and borrowing is extremely risky. So any large-scale operation relying on anything but immediate cash transfer and expenditure is likely to falter. Those able to operate must speculate on prices and inflationary movements of different goods, and try and transfer cash in local currency into a useable asset as quickly as possible. This is possible for the smaller operators who are making small profits to fund day-to-day needs, but it is not the basis for longer-term investment and business development.

Offsetting risks is therefore all important. This requires careful financial manoeuvring and hedging, including complex strategies of diversification, with multiple eggs in multiple baskets, and livestock trading/speculation as part of a portfolio of livelihood activities. Risk-spreading and avoidance also requires tapping into and developing social networks that allow things to run smoothly, reducing the sometimes hideous transaction costs of operating in such a complex, highly inflationary economy, where uncertainties prevail at every turn.

The lack of formal credit is a constraint mentioned by many informants. Outside the often well-connected semi-commercial resettlement farmers in the A2 sites, no case was reported of formal loans being accessed for the purchase of livestock. While some were aware of initiatives from newspaper reports, none had approached the banks or other loan agencies, and all dismissed these options. A trader from Mwenezi district commented: 'We have no finance for our business. These loans are only for the big people. You need a shop, a car or something. What about the small guy? We get

nothing'.¹⁵ An A1 settler from the Ngundu cluster was told by the bank he approached: 'Giving loans to dryland farmers is like tying your money to the leg of a wild buck — you are assured that you will never recover it'.¹⁶ Transport is another major problem. A hike in fuel prices or reliance on the black market can mean a profitable venture is turned into a loss-making nightmare at a stroke. There is thus a greater move towards localization of commodity networks, with supply and demand being more closely linked. Transporting animals from communal areas in trucks for fattening on a ranch in another province is no longer feasible, and animals must either be moved directly to slaughter in large enough numbers to make it economically viable, or sold locally to butchers, dealers and others. The growth in local butchers is phenomenal and reflects this dynamic (see below).

This growth of local-level economic activity means that supply and demand have to be more closely matched. There is no way a 'super' grade animal is going to be sold at premium prices in rural townships. Thus the demand for higher quality animals has all but disappeared. While the CSC and the urban abattoirs will source such animals and sell on to retailers, this is no longer the dominant component of the commodity chain. With exports very limited, the market was being flooded with high grade meat in 2005–06, far exceeding demand. The surplus was either sold at a loss or disposed of in other ways; the CSC, for example, used it in rations for the army.

In this new market it is only the flexible, fleet-footed operators who succeed. The cumbersome, bureaucratic and highly capitalized CSC looks even more of an anachronism. There is little likelihood of the huge investments made in the infrastructure of the old-style meat industry making any return in the near future. The Masvingo abattoir, for example, is operating at around 10 per cent of capacity.¹⁷ Some radical re-thinking is clearly necessary, as alternative pathways for production and marketing emerge.

Illegal Trade: Smuggling, Rustling and Informal Exchange

One such pathway is based on illegal trade. Although it has always existed in some form, it is perhaps more important now than ever. Rustling and livestock theft have long been part of the livestock economy in Zimbabwe, especially near the border areas. Increasing levels of border control, including fencing and manned border posts, restricted this to some extent, but there were always regular police reports of thefts and rumours of well-organized rustling groups operating, particularly in the lowveld areas. However, the period from 2000 has seen an explosion of such illegal trade. For some, the illegal acquisition of cattle from the large-scale ranches was part-and-parcel

15. Interview, Lundi Bridge (21 November 2005).

16. Interview, A1 Fair Range (11 December 2005).

17. Interview, CSC abattoir (23 May 2006).

of the land invasion process. Termed ‘confiscation’ by those who benefited, the so-called *jambanja* period saw the boundaries between legality and illegality become extremely blurred, and political justifications were often used (Chaumba et al., 2003). No-one knows the number of animals that transferred hands without payment during this period.

At the same time, there was also an increase in illegal movement of animals across borders: a considerable number of animals were apparently moved to Mozambique by ranch owners and farmers removed from their land by invaders. Again the evidence is anecdotal and figures are difficult to estimate, but certainly not all the animals removed from the commercial herd were ‘confiscated’ locally or disposed of through formal sale or slaughter within Zimbabwe. The confusion and lawlessness of this period provided an opportunity for criminal elements to steal animals and move them across borders illegally. Often working in gangs, Mozambicans co-operated with locals to steal animals both from the ranches and from the communal areas, often in large numbers, particularly in the Chikombedzi cluster.

This sort of rustling declined during 2005–06, following the intensification of local concern and police activity after a particularly gruesome attack.¹⁸ However, an ongoing cross-border trade of cattle and goats persists between Zimbabwe and Mozambique. This now involves well-organized traders who purchase animals in large numbers and trek them illegally across the border for transport by rail to Maputo, and across the border into South Africa for sale in local townships. This is a highly lucrative trade operated in the now valuable Mozambican currency, *metacais*.

Demand for foreign currency also drives other forms of exchange, including a thriving biltong (dried meat — both beef and wild game) trade from the Chikombedzi cluster to South Africa. In contrast to the cross-border live animal trade to Mozambique, which is run by men, this is largely operated by women. Women come from the border town of Beitbridge and transport sacks of biltong illegally across the border for sale to wholesale and retail outlets in South Africa.

These new cross-border relationships and exchanges are in part driven by the Zimbabwean economic crisis, but they also are possible because of new sources of production. Wildlife harvesting in the resettlement areas of Mateke Hills, for example, has increased significantly as more people now have access to this resource. In addition to new gender dynamics in production and trade, cross-border interactions require other relationships to be built. In the case of the live animal trade this has involved Zimbabweans and Mozambicans (often both Shangaan speaking) co-operating in new business ventures, while for the risky cross-border movement to South Africa, good relationships with intermediaries allow safe passage and successful trade.

18. See ‘Suspected Chikombedzi Rustlers, Murderers Nabbed in Mozambique’ *The Herald* 22 November 2005.

Retail Revolutions

Further up the commodity chain, the retail sector within Zimbabwe has had to respond to these new dynamics. Different outlets exist in a highly differentiated market, ranging from large chain supermarkets, to butchers which source their own slaughter animals to butchers linked to farms, to the informal sales in the rural areas, to so-called beef committees, or indeed unregulated sales of meat at a village level. With a significant increase in the number of players, there is also more competition among retail outlets, wholesalers and processing abattoirs. When the market was dominated by the CSC, the number of retail outlets was limited; the new situation has led to massive growth in this sector. The number of butchers in Masvingo and Ngundu, for example, has increased five-fold in the past decade, while the number of abattoirs has doubled.

A total of thirty-one butchers were surveyed during 2005–06 in the provincial capital, Masvingo, with most being in the ‘township’ area (twenty) and the rest in ‘town’ (eleven). Town butchers are dominated by supermarkets, five of which have butchers. These include local supermarkets established by Masvingo-based businessmen, as well as well-known national chains. With the exception of one supermarket at the township bus rank, the remaining nineteen butchers outside the central urban area are small in scale. There is one ‘chain’, with three outlets run by one family business, and all the rest are businesses owned by individuals (Mavedzenge et al., 2006).

In terms of throughput, the five supermarkets were averaging 5.5 carcasses per week, the four larger butchers averaged 8.5 carcasses per week, and the remaining thirteen averaged 3.2 carcasses per week. Thus in 2005–06 around ninety carcasses were sold through butchers’ outlets in Masvingo each week, 70 per cent of which were traded through independent butchers and 30 per cent through supermarkets. Of the thirty-one butchers surveyed, nine sourced meat wholesale from abattoirs. In the past, CSC was the favoured supplier as it offered graded and CSC roller-marked meat. However, supplies have been poor since 2000, and some have turned to other sources, notably Triangle and Chimombe Ventures. Others still rely on the CSC arguing that it can deliver the type of quality required in terms of grading, hygiene and refrigeration. The rest source their own animals directly from nearby rural areas, or at least in part from their own often newly-acquired farms. Sourcing in small quantities is increasingly costly due to rapidly escalating transport hire costs, fuel shortages and the requirements of both the veterinary department (for movement control) and the police (stock theft unit) to accompany and register any local sale. Some have abandoned local sourcing and accept the higher prices in wholesale markets at the local abattoirs. Larger outlets, including Tsungai supermarket and the Rashai Foroma chain, source from wholesale markets, as well as direct sourcing for slaughter at local abattoirs, and, in the case of Foroma, from their own farm too.

In 2005–06 all butchers had relationships with local abattoirs. There were five beef abattoirs in Masvingo urban/peri-urban area, including three large A-B grade abattoirs (CSC, Carswell and Montana) and two smaller outfits (Kismet and Tafira). Different butchers had different relationships with the abattoirs. While all agreed that the quality of service is high at CSC, many smaller businesses complained of the costs, and the fact that the CSC takes away tallow. Montana buys, slaughters, processes and transports directly to Harare and so is not so involved in the local trade. Carswell, on the other hand, was seen by many as a good alternative to CSC, offering good service at reasonable prices. Others preferred the cheaper out-of-town services of Kismet and Tafira abattoirs.

There is also a local market for meat in rural areas. Local sales of cattle for beef tend to be often deceased or sick/wounded animals. As a new entrant to the cattle buying business in Chikombedzi put it: ‘We are willing to buy moving bones not fat animals. We want to buy cattle that are beyond recovery — no matter how thin. Diseased cattle will not discourage us’.¹⁹ Cattle sales in the rural areas continue to be opportunistic, usually the result of distress, although hyperinflation has reduced wage levels and suppressed demand.

Land reform has had a number of specific impacts on the retail sector. New social and economic relationships are emerging, particularly between groups of producers in the communal and resettlement areas and butchers in the urban areas. Such connections are increasingly by-passing the formal routes of supply through buyers to large abattoirs and supermarkets. As one informant put it: ‘the old white businesses are having to rethink fast — they used to only work with their [white] friends, now they have to come right out to the communal areas’.²⁰ The shift to a wider range of smaller retail outlets, located in townships and rural business centres rather than the towns, is generating a range of new business opportunities, and allowing diversification beyond a previously very narrow base. In parallel, a form of vertical integration is emerging, as new owners of resettlement plots link production and fattening enterprises to butcher/restaurant businesses in urban areas. With the majority of supply now comprising low grade animals from the rural areas, the meat market has shifted and is now more in line with demand. This means that the high-end abattoir facility constructed by the CSC in Masvingo is now massively underutilized. It was designed for a through-put of 500 animals per day, but in 2005–06 less than twenty per day were being slaughtered, 70 per cent of which were customer service slaughters for individuals and butchers, and the remaining 30 per cent were CSC’s own animals, either from remaining CSC ranches or from animals bought in the rural areas by CSC’s two remaining buyers.²¹

19. Interview, Chikombedzi (7 May 2005).

20. Interview, Masvingo (20 November 2006).

21. Interview, CSC, Masvingo (25 October 2005).

With such a diversity of players operating in the new beef commodity chain, social relationships are critical. Whether this involves connections with the police and veterinary officer to get approval for the movement of animals to a butcher, or with a network of speculators and buyers in the rural areas, or access to land for holding or fattening animals for slaughter, each requires the nurturing and maintenance of relationships. The new ‘real economy’ of the beef commodity chain in Masvingo is, as a result, not straightforward. Informal, illegal and relationship-based transactions require much investment, and good connections. These work for some, but not for others. And when the state and security services intervene, as happened during the attempt at price control during 2007, this dynamic becomes even more complex.

BACKLASH: REASSERTING CONTROL

In mid-2007 the government withdrew licences for all private abattoirs in the country, and issued a price schedule for the sale of beef. The usual technocratic arguments about health and safety, as well as the need to reassert economic order in the formal economy, were deployed. But as with many things in the febrile, paranoid context of Zimbabwe at the time, there were other factors in the mix. The need to assert control in the context of forthcoming elections was uppermost in the minds of the political elite. Alongside this, the fast disappearing formal economy offered decreasing opportunities for political patronage and rent seeking. With politically-motivated directives being increasingly implemented through the security services, the beef price control and abattoir licensing regulations came under the control of state security forces.

The new entrepreneurialism unleashed by the potent combination of radical land reform and the collapse of the formal economy had begun, many commentators agreed, to challenge the power and authority of the central state, and with this the long-held technocratic ideals of how a ‘proper’ economy, and associated beef production and market system, should function. Despite the radical rhetoric about overturning colonial inequalities, a deep-seated conservatism prevailed in many quarters. With many in the political and security elite, as well as businessmen allied to the ruling party, seeing the post-2000 period as an opportunity for rapid accumulation and new forms of patronage, amidst the apparent chaos of land reform and economic collapse, the reassertion of a technocratic order, but with new actors in charge, was highly convenient both politically and economically.

Despite its disastrous economic record over many decades, it was the state-controlled CSC that became the centre-piece of the state’s attempt to reassert control. As a symbolic representation of state influence and an icon — even if mythical — of a past age when commercial beef production produced great national riches, the CSC was once again catapulted to the centre of

the state's ambitions, with an edict that all beef sales must go through the company.

During much of the latter part of 2007 there were attempts to implement this policy. Licences were withdrawn from abattoirs, and many closed. The CSC's throughput increased somewhat, but not substantially. Youth brigades,²² authorized by the party and supported by the security services, went from butcher to butcher, shop to shop, checking on prices and arbitrarily fining or arresting those who contravened the regulations. Of course with real prices increasing at an exponential rate due to inflation the price controls were meaningless before they were published, and no-one could afford to sell beef through regular channels. The black market increased further, and the opportunities for middlemen, speculators and dealers exploded — from those with good political connections and protection to those operating illegally at the margins (*makorokozo*).

The unevenness and arbitrariness of the implementation was soon apparent, with some abattoirs targeted (particularly the white-owned operations in Masvingo), while others were allowed to continue. The price control policy quickly descended into chaos, with the security services closing businesses, extracting bribes and imposing fines, while the beef market moved underground, with even less health and safety control. There were desperate attempts to reverse the political decisions by the relevant technical agencies and ministries, but to no avail. While the commodity chain discussed in earlier parts of this article began to re-emerge towards the end of 2007 and into 2008, with the re-licensing of some private abattoirs and a diversion of security force attention to other issues, as the elections came closer, there were inevitably increased costs, as more people had to be paid off, or contingency plans had to be put in place in the event of an arbitrary clamp-down by avaricious security personnel or political officials. Overall this period saw heightened uncertainty, with the threats and opportunities for extraction from newly empowered state security officials and party-sanctioned youth adding to the already severe travails of the economic situation.

CONCLUSIONS

This article has offered an overview of the changing nature of the beef production and marketing system in Masvingo province, Zimbabwe. A series of overlapping phases was identified, starting with the technocratic, elite model based on a dualistic system that persisted from the colonial era to the 1990s. There were some changes, although only marginal, as a result of economic liberalization and structural adjustment in the 1990s, but the system

22. These groups were constituted as part of the National Youth Service by the party stalwart the late Border Gezi. Also known as 'green bombers' after the colour of their uniform, these youth militia have become notorious enforcers of party discipline and state authority.

was only confronted fundamentally by the combined effects of radical land reform and economic collapse from 2000 onwards. This released a new form of entrepreneurialism and a radical reconfiguring of the commodity chain, involving many new players and relationships. This in turn was challenged in 2007 by the well-connected political–business–security elite which tried, ultimately unsuccessfully, to reverse some of the changes that had occurred since 2000, attempting to re-establish technocratic order and control, but with new masters.

These different phases, and the associated shifts in the beef production and marketing system, have resulted in some major changes in the way markets and the wider economy must be understood. They have highlighted, for example, the changing relationship between the economy and state power and authority. In addition, they have highlighted how the emergence of a second economy blurs the boundaries between the formal and informal, the legal and illegal, leading to fundamental changes in the social and political relationships of market actors. What MacGaffey (1991: 10) argues for Zaire in the 1980s has many echoes for Zimbabwe today:

Government intervention does not create informal practices but changes the context in which they take place and their legal definition. The margin between the legal and the illegal, the legitimate and illegitimate is often shadowy. Ultimately it is the responsibility of the state to define legitimate economic activity. . . . The state, however, operates to further the interests of the dominant class. Through the second economy, the citizenry may. . . also express resistance to the state.

In Zimbabwe significant opportunities have opened up as a result of the emergent second economy, particularly in contrast to the highly restricted dualistic and racialized economic structure that preceded it. But there are also evident costs and challenges: not everyone has had the opportunity to benefit. With new land for many and growing cattle populations on the new resettlements, access has widened, but this has not been universal. The patterns of cattle ownership in the new resettlements show a highly uneven distribution, with only some able to sell cattle, particularly following the droughts of the early 2000s, and as a result of the increasingly troubled economic situation. Especially following the politically-motivated clamp-down of 2007, access has been further constrained, depending increasingly on political patronage relations.

A bigger question is posed as a result of this assessment: are we seeing a sustained transition, a fundamental reconfiguration of production and markets, or a passing phase, after which a new technocratic order will be imposed, controlled by a new set of elite players? As our study has shown, all parts of the commodity chain have changed dramatically, from production to processing to retailing. This has fundamentally reshaped the relationship between the state and market actors, and — despite a fairly draconian backlash in 2007 — the new dynamic unleashed from 2000 has been difficult to suppress. The real markets that underpin these new economic arrangements

are fuelled by very different relationships, based on new connections and associations. Those who once dominated are adapting to new circumstances in order to survive, but this is not easy. Historic costs, inappropriate infrastructure and poor relationships, sometimes based on long-term racial hostility or indifference, are making adjustment to the new realities an uphill struggle. What should we make of this emerging scenario? What future challenges are likely to arise? Clearly it is too early to be definitive. In Zimbabwe things remain in flux. The continued uncertainties over land ownership and tenure security, for example, pose problems for diverse producers across the study sites. The current levels of macro-economic instability, and particularly the recent pattern of hyperinflation, have added to these problems.

Contrary to some of the more pessimistic proclamations on the current situation, it is not true that there are no markets today — there are just very new markets and commodity chains, associated with different players, new sources of supply and different patterns of demand. Even when uncertainties over land and the economy decline, it seems likely that these will remain. The old dualistic system, the inheritance of the colonial era sustained more or less intact for twenty years following Independence, has almost certainly gone for good. This is not to say that a more diversified set of production systems will not emerge, along with some re-establishment of larger scale commercial beef production. But most production systems will be rooted in mixed farming, with cattle as an important input to agricultural production. This is a far cry from the beef model so often seen as the ideal in the past (and indeed in some quarters even today).

The beef model of the past was based on the assumption that separation of production systems and specialization in different products was the route to progress. This created a dualism, an artificial, and ultimately politically untenable, distinction between ‘communal’ (read African, backward, subsistence, mixed farming) and ‘commercial’ (read European, modern, forward-looking, export-oriented) systems of production. The separation in production systems — spatially, economically, technically, socially, politically and racially — was replicated through the commodity chain, with separate investment and support for each. For many, both pre- and post-Independence, the beef model, associated with the ‘commercial’ production system, was seen as necessarily superior, and therefore worthy of continued and substantial support.

This separation of production systems — large-scale commercial/freehold and small-scale/communal — and the associated bifurcation of commodity chains entrenched social, economic, political and racial divides. There were very different relations in each system, associated with unhealthy animosities and unacceptable inefficiencies. In the end this was not sustainable. It had not been economically viable for some time, but it was its political unsustainability that was ultimately its undoing. The pressure for land reform was irresistible by 2000, and the events of that period set in train a long-overdue process of land redistribution.

The new market configurations that have emerged since 2000 are based on very different social and political relations. The white rancher–speculator–abattoir owner/operator chain had developed over fifty years, with strong business, friendship and kin relations forming the basis of the network, reinforced by a tight, rather insular social milieu centred on the sports and social clubs of regional towns such as Masvingo. Recent events have shattered this social and economic world, often with traumatic consequences. While in the past white businesses interacted with African producers and labourers largely on their own terms, this is no longer possible. Both the political and economic conditions have changed so radically that the functioning of the old, inward-looking social basis of business and trade is no longer feasible. Instead, new relations have to be brokered, with new entrants coming into these networks, and, indeed, wholly new networks being formed.

There has of course been an emerging black business and political elite which has been involved in the livestock trade for some time, mostly around transport and butchery operations. However, land reform and the associated political and economic shifts, have profound implications. New alliances have to be formed, and they have to make political sense, often at a very local level. Those who formerly dominated the beef trade have responded in different ways. Some have given up; others have retreated into smaller operations with old networks; while others have begun to negotiate relations which accommodate new political and economic realities. Little is known about these new networks and many remain clandestine and informal, but they suggest some important new social, political and racial contours of the business environment for cattle marketing in Masvingo province, and beyond.

Given the volatility and uncertainty associated with the current economic environment, such new business and trading relationships must operate under incredibly difficult circumstances, at whatever stage in the commodity chain. Some form of economic stability is clearly essential. Time will tell which operations survive and which fail. But, while there will inevitably be a shake-out, the end result will not look like the centralized, integrated commodity chain of the past, dominated by a few (mostly white) players.

With more actors and more interactions come shifting benefits and costs. Today, more people interact in the commodity chain; with this greater number of intermediaries come the risks of rising transaction costs, inefficiency and capture by sectional interests. The positive side of the story, however, highlights the dynamic, entrepreneurial activity that has emerged across the commodity chain. The new focus on local production and sale reduces transport costs and adds value locally, but makes oversight and regulation very difficult. With the loss of the major high-value export markets, the total value of output has declined, even if the benefits are more evenly distributed than before. In recent years total cattle sales have declined, although not by as much as suggested by the formal statistics because of the boom in informal marketing. But there are questions of future supply: with few farmers

having enough animals to sell regularly, the market is going to be reliant on a limited, but steady flow of relatively low-grade animals sold by farmers who keep them largely for other purposes and dispose of them only when necessary.

Overall, therefore, the existing infrastructure (including large abattoirs, fencing, and feedlots) and the associated policy frameworks (for disease control, market regulation, credit and financing) no longer seems appropriate. In the post-land reform era in Zimbabwe, some fundamental rethinking of the overall framework for livestock production and marketing is needed. This requires, first and foremost, understanding the new relationships and interactions of the 'real markets' existing on the ground, and finding ways to make them more effective and efficient. This not only means addressing the urgent economic challenges of viability and returns at different stages of the commodity chain, but also focusing on the social and political underpinnings of such markets under transition. Returning to an anachronistic heritage from a bygone era and trying to recreate the dualistic patterns of the past probably did not make economic and political sense before the land reform; it certainly makes no sense now.

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B.Z. Mavedzenge, J. Mahenehene and F. Murimbarimba are residents of Masvingo province and combine research and consultancy with farming in communal, A1 and A2 resettlement areas. **W. Wolmer** was formerly a Research Fellow at the Institute of Development Studies and now farms in the UK. **I. Scoones** is a Professorial Fellow at the Institute of Development Studies, University of Sussex, Brighton BN1 9RE, UK. All have worked together since the 1990s on a variety of research projects in Zimbabwe.