Large- and Middle-scale Farmers in the Groundnut Sector in Senegal in the Context of Liberalization and Structural Adjustment

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The article presents preliminary findings of a research survey on large- and middle-scale farmers and the groundnut sector in Senegal. The sampling of this group of producers is justified on the basis of the high degree of social stratification and farmers’ heterogeneity existing in Senegal, and the methodological problems associated with approaches focused on the ‘average representative farmer’. This argument leads to a task of grouping farmers into distinct classes according to capitalist tendencies, dynamism and scale of production.

The core part of the article tackles the political economy of the process of agricultural liberalization and structural adjustment in Senegal and their effects on the behaviour and production conditions of the classes of large- and middle-scale farmers analysed in the first part.

Keywords: agricultural liberalization and structural adjustment, methodology, Senegal, social stratification, groundnut sector

INTRODUCTION

A long-lasting period of crisis has affected groundnut producers in Senegal for the last 10–15 years: roughly from the launch of the New Agricultural Policy in 1984 until 1999 (see figures B1 and B2 in Appendix B). The crisis has coincided with the implementation of structural adjustment reform packages and liberalization policies, leading many critics of the Washington Consensus to stress it as just another example of the failure of these programmes. However, among those critics there is an absence of analysis in depth. The real conditions of production of the various types of producers, the internal dynamics of adjustment and the socio-economic and political processes encompassing agricultural structural adjustment are usually absent in the current literature.
Large- and Middle-scale Farmers in the Groundnut Sector

The research from which this paper emerged had two major objectives:

1. The first was to study the production conditions of farmers who are seldom studied, i.e. large- and middle-scale producers, in one of the major producing regions in Senegal (the Groundnut Basin). In this respect, a purposive sample of farmers was analysed to fill the gap existing in the literature on Senegalese agriculture.

2. The second aim was to analyse the context of changes, which these farmers, and the agricultural sector as a whole, have faced during the past 15 years, since the first measures of structural adjustment and liberalization, promoted by the World Bank and the IMF, were undertaken.

This paper is based on some preliminary results of a survey carried out in Senegal among large- and middle-scale farmers from the Groundnut Basin (hereafter GB). The relevance of primary data, its comparison with the results of other micro-surveys, which cover small-scale poor farmers, and the selection of respondents that are usually missed out in official statistics and other surveys, may contribute to the understanding of the processes underlying the current crisis in the groundnut sector in Senegal. Moreover, the debate on the effects of liberalization and structural adjustment packages may be enriched with such information at the micro level. Efforts to classify farmers into qualitatively different and meaningful categories may help to highlight the variety of situations in contrast with common ‘macro’ generalizations, which are often based on questionable assumptions. The locus for assessing ongoing processes of agrarian change and offering an alternative perspective on the challenges faced by different categories of farmers rests on the identification of forms of capitalist and non-capitalist development across farmers, of dynamic farmers who survive and take advantage of the recent policy directions, and of the complex effects of State actions and omissions.

As a preliminary to the substantive part of the paper, we note the problems associated with theoretical and empirical research based on a supposedly homogeneous peasantry, i.e. on an ‘average’ representative farmer. In this regard, a methodological critique of the conventional wisdom on Senegalese peasants (also common to other views on African peasants more generally), is presented in summary form, accompanied by an account of social stratification in rural Senegal and of the analytical relevance of surveying large- and middle-scale farmers. This critique may be seen in full in my forthcoming Ph.D. dissertation. The different characteristics and profiles of different classes of farmers within this sample, according to Marxist categories of analysis, are presented in brief.

The second, and substantive, part of the paper builds upon the existence of strong stratification and differentiation between various classes of farmers in order to interpret recent developments in the context of liberalization policies. The political economy of Government and farmers’ decisions is addressed, with particular attention paid to the types of adjustments that arise in a sample of large- and middle-scale farmers.

A glossary of acronyms is provided to help readers unfamiliar with Senegal.
FIELDWORK AND DATA COLLECTION

The results that are presented and discussed in this paper derive from a survey carried out in Senegal between 1997 and 1999, over different periods, and particularly between October 1997 and November 1998. The box in Appendix A summarizes the respondents interviewed for primary data, the institutions visited to collect secondary data and the kind of interviews carried out. Two types of respondents may be highlighted:

1. Agricultural producers and labourers in the field.
2. Representatives of different institutions (State, marketing board, rural cooperatives, extension agents, private input providers and traders) associated with the groundnut sector in Senegal.

The survey was based on a purposive sampling of large- and middle-scale producers in the main groundnut-producing area in Senegal: the South and Central Groundnut Basin, roughly corresponding to the regions of Fatick, Kaolack and, to a lesser extent, Diourbel. It was necessary to construct a sampling frame on this type of producer, since standard lists did not exist at the time of the survey. For this purpose, different sources of information were combined and the difficulty of surveying large-scale farmers became evident.

As is argued in the next section, the largest producers and many relevant large- and middle-scale farmers are usually missed out in most surveys seeking the ‘average representative farmer’. The degree of stratification and inequalities in rural Senegal, however, hints at the relevance of specifically surveying some of the largest farmers and those with different degrees of dynamism. Identifying these farmers is not a simple task and that may be why they are missing in most random samples in the Senegalese Groundnut Basin. Indeed, it is a process that is time-consuming: first, in identifying who they are, how much they produce and where they live; second, in actually finding them, because usually they are more mobile than other (poorer) farmers.

Repeated visits to the sampled farms were carried out for the purpose of obtaining different types of information. Farmers were asked about their agricultural activities, patterns of land use and acquisition, trends in production and acreage in the recent past and qualitative evidence on long-term changes with reference to standard time cut-off points. They also provided detailed information about input use and the sources of acquisition, on marketing and prices obtained in different channels. Finally, they were asked about their involvement in other economic and socio-political activities, and about their perceptions on agricultural policies and alternatives. Apart from the information included in the questionnaires, much evidence was gathered through more informal processes of interviewing and discussions with respondents. Furthermore, a collection of five life histories of relevant selected cases provided very useful information on long-term patterns of accumulation and entrepreneurial farming stories.

Given that several respondents employed seasonal labourers, it was possible to interview these workers during the agricultural season in order to explore patterns
of social relations affecting the lives of large-scale farmers and their workers,\(^1\) as well as the working conditions and the origins of these labourers.

CONVENTIONAL VIEWS ON SENEGALESE PEASANTS, STRATIFICATION AND DIFFERENTIATION

Conventional Approaches to the Study of Senegalese Agriculture

Before embarking on an analysis of preliminary fieldwork results, it is worth making some methodological and theoretical observations regarding conventional views of African farmers and, more specifically, their application to studies of Senegalese agriculture.

Broadly speaking, there are three types of approaches to the study of agriculture in Senegal. Firstly, a typical empirical (econometric) application of linear programming and models, based on a conceptual framework that embraces the neo-classical theory of Household Economics applied to agricultural households in poor countries (see works by Hopkins 1975; Barnett 1979; Crawford 1990; Sadoulet and de Janvry 1995; Abokundu et al. 1998, 2–5; Lopez and Hathie 1998; partly, Kelly et al. 1996). The second, more fashionable recently, is the filière approach\(^2\) to crop production and marketing, frequently coupled with the so-called Policy Analysis Matrix. Finally, and sometimes inserted in the previous two frameworks, there are ‘farming system analysis’-type studies, which are more devoted to micro aspects of agro-technical (environmental) conditions of production.

Within the first approach, optimization behaviour and, more particularly, profit maximization, are common to all available studies, being an integral part of an assumed economic rationality which, rather than being a consequence of similar production conditions, is a premise (Hindess 1988). In most filière-type studies on the Senegalese groundnut sector, although they are potentially more prone to investigate ‘real markets’, unfortunately, social relations, questions of power and the ‘politics’ of markets do not really constitute central objects of analysis.\(^3\) It is

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\(^1\) Some female relatives of principal respondents who were engaged in agricultural activities in the households visited were also interviewed to investigate some aspects of intra-household relations and different forms of intra-household division of labour.

\(^2\) The term filière, which is often not translated into English, refers to agro-industrial sub-systems or food commodity chains. It denotes the array of institutions, agencies and markets interlinked by a common product of agricultural origin, and conceptually drives meso-economic analyses with a long tradition in the French agro-economic literature (see Griffon 1992; Bernstein 1996a).

\(^3\) In this sense, the filière approach may be regarded as a potentially useful method of analysis, which can be opened up to answer a wider range of questions. But, as an approach, it does not guarantee that all relevant questions are formulated and researched. Frequently, the concept of filière is simply used to identify the various stages of the groundnut chain in order to apply other methods of analysis, of which the most fashionable is the Policy Analysis Matrix (PAM). PAM goes into simple questions: (a) calculation of the profitability of a ‘system’ (filière) at market and shadow prices, integrating cost-benefit analysis and conventional international trade theory; (b) assessing the financial and economic impact of alternative (price) policies through model simulations; (c) calculating the balance sheets and budgets for the different ‘types’ of agents (oil industrial producers, marketing board, private traders, ‘agricultural producers’, and final consumers) (on examples of these applications see Diouf 1998; Gaye 1998, 194–203; Bromard and Diop 1998).
beyond the scope of this paper to carry out a detailed analytical review of the weaknesses and virtues of the theoretical approaches mentioned above. The next section simply draws on one of the most relevant methodological problems, which is somehow shared by most analyses of Senegalese farmers, whatever the framework. This is the myth of the ‘representative agricultural household’, usually consistent with an implicit or explicit methodological individualism.

The ‘Representative Average’ Farmer

The myth of the ‘average representative farm’ has led much of the available economic literature. This myth, largely embodied in the neo-classical tradition of rational choice, peasant homogeneity and optimality in decision-making, has also shaped the pattern of data collection and survey evidence that is available on Senegalese farmers. It has provoked a bias towards the ‘smallholder-subsistence farmer’ who, despite being the most typical household in terms of number, controls smaller proportions of land and production than those managed by a minority of farmers at the top income deciles of Senegalese rural social strata. This bias entails significant methodological problems, especially when production conditions differ from farmer to farmer, technology and inputs are not readily available to everyone and power relations mould the patterns of accumulation and survival of different classes of producers. In contexts of high social stratification and growing differentiation, this case is especially strong. In this respect, available evidence shows that Senegal can be characterized as a polarized society, including its rural areas.4

When the ‘average farmer’ is the object of analysis, the ‘peasantry’ is implicitly or explicitly regarded as a homogeneous ‘class’, almost as in a feudal society. This belief has been widely contested since Lenin (1967), with the argument that in all contemporary transition-to-capitalism societies the peasantry ceases to constitute a monolithic class owing to growing differentiation (Patnaik 1994, 157).

The identification of strategies of farmers with respect to or within the farming unit is an important issue that is also strongly affected by the myth of the representative farmer. This myth often results in an empirical determinism about where the centre of decision-making is placed within the unit and how strategies of accumulation or survival are devised and implemented in practice. On the contrary, with regards to Sahelian peasants, Yung (1992) points out ‘within the same family unit of production (FPU), very different strategies may coexist’ (Yung 1992, 293).

As a result, recent surveys report that the bulk of rural inhabitants live in poor households sparsely spread over various regions of Senegal (World Bank 1999; GOS 1986, 1997a, 1998a). It is rarely acknowledged, however, that only a small

4 Some estimates of Gini coefficients for national income inequality (0.54 in 1991) suggest that Senegal has a particularly unequal distribution of income, compared to other countries for which comparable estimates are available (see WIDER-UN 2000). Other data show that the top quintile of the population holds over 58 per cent of national wealth, 17 times higher than the bottom quintile for the period 1986–95 (World Bank 1998, 327).
number of farmers of different characteristics control a great deal of cultivable land, as well as means of production (machinery, animal traction, chemical inputs, seed, etc.).

Social Stratification and Inequalities in Rural Senegal: the Analytical Relevance of Large- and Middle-scale Farmers

The evidence on land concentration and the degree of inequality in production of cash and food crops is scattered. However, the available estimates suggest that land and wealth concentration in rural Senegal are very marked and growing (Sene 1980; Copans 1980, 1988; Diop 1993, 18). Table 2 gives an idea of the recent situation in this respect, compared to the mid-1970s (table 1).

Table 1. Land distribution by income class and region (1975–6)

<table>
<thead>
<tr>
<th>Regions (Groundnut Basin)</th>
<th>Proportion of land cultivated by co-operative members</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lower income strata (25% of farmers)</td>
</tr>
<tr>
<td>Thiès</td>
<td>11% (&lt;5 ha)</td>
</tr>
<tr>
<td>Diourbel</td>
<td>10% (&lt;6.2 ha)</td>
</tr>
<tr>
<td>Sine-Saloum</td>
<td>9% (&lt;4.5 ha)</td>
</tr>
</tbody>
</table>

Source: SODEVA (1979) and Sene (1980).

The top 20 per cent with the largest holdings control over 50 per cent of the land and production, whereas the bottom 20 per cent with the smaller holdings only use about 4 per cent of land and produce 5–6 per cent of total output (all crops and groundnuts). A ratio of 12:1 between the top 20 per cent and the bottom 20 per cent is sufficiently high in this sample to confirm that land, production and, most probably, also other means of production (modern equipment, chemical inputs, certified seed, animal traction), are very unevenly distributed in the Senegalese countryside. Despite this evidence, most surveys continue to draw on samples that include almost exclusively small farmers (i.e. from the bottom 50–60 per cent of the population), therefore failing to incorporate qualitatively important cases of large and rich farmers. Although ‘representative’

5 The sample of DISA (Agricultural Statistical Office) hardly includes any ‘large producers’ according to the most accurate cut-off points (10–15 tons). In that sample of 2395 households, only 24 farms produce more than 10 tons of groundnuts and seven farms more than 15 tons, out of a total of 1109 that produce at least 1 ton of groundnuts. The total produced by the sample is 2823 tons. In contrast, our sample of 65 large- and middle-scale farmers in the Central South Groundnut Basin (just 5.8 per cent of the DISA sample, producing >1 ton) produces overall 2130 tons, over 75 per cent of the total production of DISA sample farmers!
Table 2. Distribution of land and estimated production in Senegal (1997–8)

<table>
<thead>
<tr>
<th>Producers/products</th>
<th>Top 1%</th>
<th>Top 10%</th>
<th>Top 20%</th>
<th>Bottom 50%</th>
<th>Bottom 20%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultivated area</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Groundnuts</td>
<td>6.5%</td>
<td>35%</td>
<td>54%</td>
<td>18%</td>
<td>3%</td>
</tr>
<tr>
<td>Millet</td>
<td>5.5%</td>
<td>30%</td>
<td>47%</td>
<td>20%</td>
<td>4%</td>
</tr>
<tr>
<td>Total (All crops)</td>
<td>6%</td>
<td>34%</td>
<td>53%</td>
<td>16%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Production</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Groundnuts</td>
<td>8.5%</td>
<td>35%</td>
<td>51%</td>
<td>19%</td>
<td>6%</td>
</tr>
<tr>
<td>Millet</td>
<td>7%</td>
<td>30%</td>
<td>45%</td>
<td>25%</td>
<td>8%</td>
</tr>
<tr>
<td>Total (all crops)</td>
<td>7%</td>
<td>37%</td>
<td>57%</td>
<td>17%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Source: Own estimates from DISA farmers’ sample (GOS 1998b).

in terms of the prevalent ‘type’ of holding, they fail to account for those households or individual farmers who control the bulk of national production (those in the top 20 per cent) and, as such, they miss the prevalent conditions under which the highest proportions of crop production are attained. The sample used by the Ministry of Agriculture to obtain national statistics is an example of this practice.6

One aim of this paper is to justify the relevance of surveying samples of large- and middle-scale farmers with different production conditions and histories of accumulation. Amongst the most pertinent reasons, the degree of concentration of wealth, land and production is a powerful one. The dynamics of agricultural supply in a context of policy changes may be grasped in more detail by surveying a sample of farmers within the top deciles of farmers. Moreover, this category of farmer provides a good platform to observe processes of differentiation. In fact, from a survey of this category of producer, patterns of social relations may be identified, to the extent that these farmers are more intensively engaged in different types of (capitalist and non-capitalist) labour mobilization; show particular paths of accumulation, since they concentrate a large share of agricultural surplus; and are more likely to hire labourers and engage in market interlinkages. Hence, particularly rich and capitalist farmers may also constitute a useful channel to reach the ‘bottom-end’ of rural society, i.e. farm labourers, labour tenants and other small poorer farmers. In other words, they represent a useful analytical locus for the kind of questions that are asked.

There are other reasons for concentrating a survey on large- and middle-scale and rich farmers. Purposively surveying large- and middle-scale producers may

6 The statistical confusion provoked by the Ministry of Agriculture’s methodology of data collection every season has caused, in the last few years, very heated discussions between different statistical sources of competing agencies, but particularly between SONAGRAINES, the groundnut marketing board which records official farmers’ sales, and the DISA (Agricultural Statistical Office at the MA). This is used politically by each institution to address mutual accusations. MA officials argue that SONAGRAINES cannot compete with the parallel market and lose huge market shares and SONAGRAINES agents dispute this by arguing that the MA systematically inflates figures in order to mask the State failure to provide support to farmers over the last decade (from our fieldwork interviews). On the issue of statistical discrepancies and the alternative estimates of groundnut production see Freud et al. (1997). See also figure B1 in Appendix B.
also allow situating the debate of the agrarian question from another angle. Within this sample of farmers, the identification of categories of producers, along the lines of discussions about the development of capitalism in agriculture and agrarian transitions, provides insights for three 'problematics' that characterize the agrarian question: (1) accumulation; (2) production; (3) politics. Therefore, the conditions under which over 50 per cent of national groundnut output is produced may be investigated in more detail. Last, but not least, rich large- and middle-scale farmers usually exert a monopoly of political power in rural areas, mediated by religious, customary and official mechanisms. Hence, the locus of local political struggles can be more easily investigated.

THE IDENTIFICATION OF DIFFERENT CLASSES OF LARGE- AND MIDDLE-SCALE FARMERS AND THEIR PROFILES

As a preliminary result of this survey, the relatively high degree of heterogeneity existing within the category of large- and middle-scale farmers is analytically interesting in itself. This reflects different ways of adapting to paths of modernization and development in the country and highlights the complexity and multidimensional nature of farmers’ strategies and responses to external and internal dynamics.

In this section, this heterogeneity is briefly discussed by using criteria that serve to group farmers into meaningful categories for analytical purposes only. There is no aim to place unnecessarily rigid and abstract labels on farmers. Statistical clustering analysis is useful as a tool to identify the most relevant differences, regarding technological dynamism, performance, types of accumulation, labour relations, farming scale, education, social background and insertion within the State and markets.

The debate on the appropriate (combination of) criteria is very rich (see Thorner 1982; Patnaik 1990b; Rudra et al. 1990; Sender and Smith 1990). Particularly elucidating is the debate in Patnaik (1990a), where a call for caution against the use of unduly rigid criteria and hypotheses is at the centre of the discussion. Patnaik (1990b) and Rao (1990) criticize Rudra’s rigid approach on the grounds that, within a non-capitalist system, forms of capitalist development, in terms of tendencies, may emerge. Moreover, the compliance with all his criteria ‘would make sense only in an unreal idealized world in which different classes existed only in their purest form’ (Patnaik 1990b). With those discussions in mind and

7 The three problematics mentioned may be summarized as follows: (1) ‘accumulation’ refers to the generation of productive resource surpluses in agriculture, which may contribute to the structural transformation of the economy; (2) ‘production’ explores the degree of development of capitalism in agriculture, and the existing barriers impeding the transformation of production relations and conditions; (3) ‘politics’ involves the study of political transformation, and of alliances between political formations and strata within the peasant population (Akram-Lodhi 1998, 137). See Bernstein (1996b), Byres (1996) and Akram-Lodhi (1998) for a thorough discussion.

8 In a similar vein, Kitching (1980), writing about classes and peasant differentiation in Kenya, shows how difficult it is to find strata within the peasantry who fit into rigid categories derived from abstract criteria, due to frequent straddling of occupations and class locations.
the limitations of choosing the ‘right’ categories of analysis and cut-off points, the criteria that have been used in this study to cluster farmers are the following:⁹

1. Labour hiring patterns: percentage of labour done by wage labourers, in particular, and contract labourers, in general (including labour tenants), in comparison with family or ‘unpaid’ labour (religious disciples).
2. Patterns of land use: land purchases and percentage of ‘capitalist leased-in plots’ (cash-leasing) in total operated land.
3. Degree of capitalization reflected in a ‘means of production index’.
4. Education: personal achievement and investment in children’s education.
5. Wealth and distribution of possessions (between consumer durable goods and means of production).

Combining these criteria according to the sample characteristics and establishing meaningful minimum cut-off points allows drawing of preliminary classifications, which can be corrected and qualified once overall results are scrutinized and look consistent with the specific context we are dealing with.

Towards a Classification of Large- and Middle-scale Farmers: Differentiating Factors

In the Senegalese literature, attempts to classify farmers into qualitatively different groups are rare. In one of these exercises, Yung (1992) classifies ‘well-off farmers’ in two sub-classes, focusing on the origins of their accumulation. Hence Yung identifies:

1. ‘Peasant traders’, who accumulated wealth by means of farming and then diversified into other activities, thus expanding their scale of business. The origins of such accumulation are varied, a mixture of ‘traditional’ and ‘modern’ surplus appropriation, based on labour availability, control over land, political (religious) power and additional privileges from officially sponsored development programmes.
2. ‘Agricultural entrepreneurs’, who based their initial accumulation on non-farm activities, usually trade and transport. Not only do they wish to diversify their portfolio of activities, they also seem to have the ‘willingness to reinforce a rural social presence and influence, which is not exempt of political connotations or clientelism’ (Yung 1992, 290).

Although insightful, in practice Yung’s classificatory method is not easy to systematize. It seems more operational to classify farmers along the lines of relative capitalist and non-capitalist tendencies, according to the criteria discussed above. Then, more specific sub-groups of farmers can be highlighted, regarding their degree of technological dynamism, the patterns of income portfolio diversification and any other specific features. Therefore, along the continuum from non-capitalist towards capitalist tendencies, farmers tend to rely more on wage labour.

⁹ Of course, these specific criteria are selected on the basis of theory and the effective reality of agrarian structures in contemporary Senegal.
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or non-family paid labour, to invest more cash in land acquisition per season, have higher degrees of capitalization per hectare, be more educated and invest more in the (formal) education of their children and use higher proportions of their wealth to invest in means of production. In order to simplify the analysis, the Groundnut Basin (GB) sample was then divided into three classes following these tendencies: non-capitalist, semi-capitalist and capitalist.

However, in the Senegalese context, the existence of ‘pure forms’ of capitalist development in farming (apart from input production, crop marketing, processing and distribution) is very limited. In fact, groundnut production has never been organized as agribusiness or ‘ideal’ capitalist plantations. Historically, colonists, capitalist entrepreneurs and, after Independence (1960), State institutions concentrated on the distribution, marketing and processing of the Senegalese export product par excellence. On the other hand, production was left to peasant farmers, who were assimilated by the filière apparatus after Independence. In general, the option chosen for agricultural modernization was to ‘lock in’ farmers through State-led agribusiness-style integration (see Bernstein 1990).

Senegalese farmers who are integrated in this production–distribution–processing circuit, including those with more obvious capitalist tendencies, are still far from the fully-fledged capitalist producers that one finds, for example, in the Mpumalanga lowveld, or in the Western Cape in South Africa. Of course, comparisons in this regard are always flawed if the historical and geographical contexts are not considered. In sum, it is important to remember that the use of terms ‘capitalist’, ‘semi-capitalist’ and ‘non-capitalist’ has to be properly understood in its context and not taken as rigid, absolute and universal characterizations of producers.

There are obvious differences between, but also within, classes. The strongest differences between classes concerned technological dynamism, production performance, extent and patterns of accumulation, use of hired labourers, especially wage labour, educational attainment and diversification of income portfolios. The socio-economic status, in terms of a possession index, is trickier, in spite of some differences between groups. However, by simply taking marabouts out of their non-capitalist cluster, it becomes clearer that richer farmers tend to be more dynamic than the rest. Obviously, the most (statistically) significant differences

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10 They are restricted to a few agribusiness companies: tomato production, sugar (CSS) and some horticultural products on the Senegal River bank, using irrigated fields. These are unusual cases in Senegalese agriculture; they are mostly monopolies and represent specific strategic branches for the economy (e.g. sugar).

11 For example, whereas light mechanization is rather widespread in the Groundnut Basin, due to the State Agricultural Programme of the 1960s and 1970s, tractorization is a very rare phenomenon, even among those farmers who are labelled as ‘capitalist’ in this survey. Similarly, irrigation is recent and restricted to a few areas around the Senegal River bank, under State-sponsored programmes to promote local rice production.

12 Marabouts, a term generally used for religious leaders, constitute a very particular group within the non-capitalist class. Apart from being devoted to their religious responsibilities, many of them, especially those included in this sample, belong to the richest strata in the area of survey and are often regarded as the ‘ruling class’ in rural areas and some urban centres because of their capacity to
Table 3. Technological dynamism and class of farmer (score index)

<table>
<thead>
<tr>
<th>Class of farmer/degree of dynamism</th>
<th>Low dynamism (0–5)</th>
<th>Average dynamism (5–8)</th>
<th>High dynamism (over 8)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalist</td>
<td>0</td>
<td>4</td>
<td>16</td>
<td>20</td>
</tr>
<tr>
<td>Within class</td>
<td>0%</td>
<td>20%</td>
<td>80%</td>
<td>100%</td>
</tr>
<tr>
<td>Within dynamic</td>
<td>0%</td>
<td>18%</td>
<td>70%</td>
<td>31.3%</td>
</tr>
<tr>
<td>Semi-capitalist</td>
<td>6</td>
<td>14</td>
<td>7</td>
<td>27</td>
</tr>
<tr>
<td>Within class</td>
<td>22%</td>
<td>52%</td>
<td>26%</td>
<td>100%</td>
</tr>
<tr>
<td>Within dynamic</td>
<td>32%</td>
<td>64%</td>
<td>30%</td>
<td>42.2%</td>
</tr>
<tr>
<td>Non-capitalist</td>
<td>13</td>
<td>4</td>
<td>0</td>
<td>17</td>
</tr>
<tr>
<td>Within class</td>
<td>77%</td>
<td>23%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Within dynamic</td>
<td>68%</td>
<td>18%</td>
<td>0%</td>
<td>26.6%</td>
</tr>
<tr>
<td>Total</td>
<td>19</td>
<td>22</td>
<td>23</td>
<td>64</td>
</tr>
<tr>
<td>Within class</td>
<td>30%</td>
<td>34%</td>
<td>36%</td>
<td>100%</td>
</tr>
<tr>
<td>Within dynamic</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Gamma coeff. = 0.898.
As. SE = 0.04.
Appr. Significance = 0.000.

Source: Own elaboration from survey data (1998–9). Note: ‘Gamma’ coefficient of correlation, significant at less than 0.01 (1%).

appear between the upper and lower tails in the continuum scale from non-capitalist to capitalist.

In order to assess the overall technological dynamism by classes, a composite index was constructed using the following criteria: yield performance (per hectare and per seed sown), use of certified seed, age of equipment (new and old), possession of different types of machines and tools, fertilizer and fungicide application (according to the norms). This index should contain the main elements that distinguish more dynamic farmers from others.

According to the data in table 3, capitalist farmers appear to be by far the most dynamic, combining all criteria (80 per cent are ‘highly dynamic’). The gamma coefficient\(^{13}\) is very close to 1 and highly significant, which corroborates the results in the cross-tabulation. As a result, they obtain, on average, higher values of groundnut net returns per ha in cash (70,000 FCFA compared to 56,000 FCFA for semi-capitalist and 35,000 FCFA for non-capitalist).\(^{14}\) Apart from achieving mobilize masses of disciples (talibe), their wealth and their inherited ‘charisma’ (see Cruise O’Brien 1971; Copans 1988; Villalón 1995). Marabouts farms deserve particular research and a paper on their own, so here the discussion will be restricted to those aspects that are relevant to the overall discussion.

\(^{13}\) This is a coefficient of correlation useful for clustering analysis in non-random samples.

\(^{14}\) The standard errors and confidence intervals are relatively large though, owing to insufficient input cost data in some cases.
Table 4. Differential features of classes of farmers: yields and fertilizer application

<table>
<thead>
<tr>
<th>Class of farmer</th>
<th>Average groundnut yield (kg/ha)</th>
<th>Seed multiplication rates¹</th>
<th>Average cereal yield (kg/ha)</th>
<th>Fertilizer application on groundnuts plots (kg/ha)³</th>
<th>Fertilizer application on cereal plots (kg/ha)³</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalist</td>
<td>1017 (168)</td>
<td>13.6 (4.8)</td>
<td>809 (109)</td>
<td>107 (45)</td>
<td>93 (52)</td>
</tr>
<tr>
<td>Semi-capitalist</td>
<td>938 (211)</td>
<td>11.8 (4.9)</td>
<td>678 (184)</td>
<td>96 (32)</td>
<td>67 (46)</td>
</tr>
<tr>
<td>Non-capitalist</td>
<td>729 (177)</td>
<td>8.8 (3.1)</td>
<td>554 (144)</td>
<td>56 (40)</td>
<td>32 (33)</td>
</tr>
</tbody>
</table>

Means are statistically different (% s.l.)²

---

¹ Figures in parenthesis indicate standard deviations of the means.
² In the last row, one-way ANOVA method for comparing means is applied (F ratio of differences between groups over differences within groups). Usually at 5–10% significance levels, the means of different sub-samples (capitalist, semi-capitalist . . . ) are considered to be statistically different.
³ Seed multiplication rates are calculated as kg of unshelled groundnuts per kg of seed sown.


higher physical yields per ha, both for groundnuts and cereals (see table 4), capitalist farmers also market a larger proportion of total agricultural output, especially due to a higher propensity to trade cereals, so the net returns per ha for total agricultural output are probably even more favourable.

Capitalist farmers also tend to farm large holdings and concentrate within the category of large-scale producers (in terms of groundnut output). However, in general, farm size does not seem to be a clear differentiating factor across the classes identified, as a significant proportion of dynamic farmers are middle-scale and some of the largest farmers fit within the non-capitalist and least dynamic groups (especially some marabouts and traditional landlords).

Further cross-tabulation also highlights the fact that large- and middle-scale farmers, especially the most successful and dynamic, are characterized by the straddling of activities (economic and political), and the increase in and diversification of their scale of business, between agriculture and trade, transport, public

¹⁵ Capitalist producers market between 75 and 80 per cent of total output, semi-capitalist 65 per cent and non-capitalist 55 per cent. The differences, according to the ANOVA test, are statistically significant at 5 per cent significance level.
Table 5. Farmer’s category (capitalist tendency, dynamism) and trade activity

<table>
<thead>
<tr>
<th>Class of farmer</th>
<th>Trader–entrepreneur</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No</td>
</tr>
<tr>
<td>Capitalist</td>
<td></td>
</tr>
<tr>
<td>Semi-capitalist</td>
<td></td>
</tr>
<tr>
<td>Non-capitalist</td>
<td></td>
</tr>
<tr>
<td>Low dynamism</td>
<td></td>
</tr>
<tr>
<td>Average dynamism</td>
<td></td>
</tr>
<tr>
<td>Strong dynamism</td>
<td></td>
</tr>
</tbody>
</table>


administration, money-lending. More than half of the capitalist farmers are professional wholesale traders and transporters, and many hold public sector jobs (teacher, managers or marketing board delegations, extension service agents, etc.) compared to smaller proportions among other classes (see table 5).16 There also seems to exist a virtuous link between trade and farming technological dynamism, as is shown at the bottom of table 5, since 75 per cent of the professional traders happen also to be among the most dynamic farmers. This is an important aspect that has been investigated and pointed out for other parts of Africa (Kitching 1980; MacGaffey 1987; Yung 1992; Rapley 1993; Forrest 1994) and contrasts with views of the ‘merchant capital’ or the ‘rentier classes’ as generally unproductive for overall accumulation.17 Sometimes, as certain farmers pointed out, agricultural activities nurture trade and other activities, whereas often it is agriculture that benefits from the reinvestment of profits in trade.

As for money-lending, although data are not totally conclusive, it seems that rich capitalist farmers are more prone to be net lenders, whereas petty commodity producers and non-capitalist farmers normally are net borrowers.18

16 Capitalist farmers as a class obtain over 30–40 per cent of their annual income, on average, from off-farm economic activities, whereas semi-capitalist and non-capitalist producers, excluding marabouts, obtain only 17 per cent of their revenues from non-cropping activity. Marabouts are very particular in this aspect, because their activities are highly diversified, especially towards religious and political actions, making farming often marginal. In fact marabouts obtain significant resources from other ‘delegated’ activities (in trade, import, transport, other services, etc.) and, especially, from donations granted by most of their followers (tālibē).

17 For an exposition of the ‘rentier’ class hypothesis and the role of merchant capital in Senegal, see Boone (1992).

18 Within the capitalist category, 40 per cent of farmers are net moneylenders. In contrast, between 75 and 80 per cent of the other groups of farmers, especially non-capitalist middle peasants, are net borrowers, and dependent on credit for seed provision almost every season.
Large- and Middle-scale Farmers in the Groundnut Sector

The features explained for each category of farmers give some insights about differences within classes. Furthermore, qualitative evidence collected during the visits and discussions with farmers, together with life histories, provided a possibility of identifying sub-groups per class. Therefore, non-capitalist producers include groups as diverse as:

1. **Marabouts**, religious leaders with abundant resources, land and labour, and usually at the top of local and national patronage relations.\(^{19}\)
2. Traditional landlords, with extensive cultivation, but lack of technical means for intensive farming.
3. Middle petty commodity producers, resource constrained, under-equipped and relying mainly on family labour.

**Semi-capitalist farmers**, most of them middle-scale producers but a rather heterogeneous class, may be:

1. Dynamic middle petty commodity producers, with more use of non-family labour and higher degree of capitalization than those in point 3 above and a good potential for future accumulation.
2. Contract growers, middle-scale producers engaged in special contracts with marketing agencies, therefore benefiting from access to inputs, credit and secure market outlets.
3. Former large farmers, who have failed to adapt to the new environment, but still hire labourers and maintain a fair degree of capitalization on a scale smaller than previously.

Finally, **capitalist farmers** may be grouped in two main clusters:

1. Farmer–trader/transporters, many of them examples of individual processes of ‘capitalism from below’, who succeed in one or another activity to reinvest in farming; some base their initial accumulation in farming, whereas others were traders in the first place.
2. Farmer–bureaucrats, often examples of ‘capitalism from above’, who use accumulated resources and contacts (social capital) acquired through public sector jobs to farm along a capitalist tendency.

These classes and sub-classes may serve to orient the core of the paper on liberalization, State compression and the experience of this sample of farmers in such an environment of policy changes.

**LIBERALIZATION AND STRUCTURAL ADJUSTMENT: WHICH FARMERS ADJUST?**

From 1980, the Senegalese Government engaged in deals with the IMF and the World Bank (WB). As early as 1980, the ONCAD was dissolved following

\(^{19}\) See also note 12.
years of internal corruption and chronic deficits. After a few years of impasse in agricultural policy, and a come-and-go of different rural State agencies, temporary changes and reforms, in 1984 the New Agricultural Policy (NPA) was launched. The NPA had two major objectives: (1) to start a process of liberalization of the agricultural sector and of markets, coupled with progressive State disengagement from the provision of agricultural services; (2) increase food self-sufficiency, with a target of 80 per cent coverage of cereal needs with domestic production, established in the Cereal Plan approved in 1986. Although only slightly implicit in the policy statements, the State disengagement from different activities of support to farmers, namely seed and fertilizer distribution, credit facilities and price support for cereals, was a central part of the programme. Most measures were to be taken to the detriment of the major export crop, groundnuts, as part of a switch of focus in favour of cereals. In this vein, cereals and groundnuts were mistakenly regarded as substitutes and mutually exclusive crops (Martin and Crawford 1991; Gaye 1994).

The actual implementation of the New Agricultural Policy entailed ill-designed and short-term measures to fill budget gaps and comply with IMF conditions for credit extension (see Diouf 1992). Killick (1998, 170) points out that the implementation of SAPs in Senegal exemplifies the problems brought about by conditionality in other countries. In fact, the Senegalese Government managed to secure access to large-scale inflows of assistance, due to the availability of credit from multiple donors with differing objectives and to the tendency of the IMF and the WB to fudge and extend credit facilities to keep programmes on track and avoid defaults on past credits (Killick 1998, Master Table). There was not a consistent implementation of donor-dominated structural adjustment packages, but rather a series of measures and amendments to previous initiatives in a typical stop–go fashion, which allowed the Government to postpone the application of the reform package as a whole. For example, the devaluation of the FCFA,

20 The most recent literature on this issue and our own fieldwork show that cereals (millet, maize) play different roles in farming strategies, depending on the class of producer, but are rarely considered substitutes for groundnuts by farmers. Some studies found a positive correlation between areas devoted to cereals and groundnuts (Kelly et al. 1996; Abokundu et al. 1998; Gaye 1998). For some farmers, cereals not only serve as part of the household consumption basket, but also as a wage fund to pay labourers in kind (or as lodging). For other producers, especially those richer producers engaged in trade activities, millet and maize are stocked and sold (or lent) during the hungry season, when prices peak. Finally, very often, cereals and groundnuts form part of a rotation system, which somehow constrains the logic of perfect substitution. On aggregate, though, it has been argued that cereals have expanded to the detriment of groundnuts, but that this has been the result of constraints on groundnut production rather than a deliberate decision by farmers to replace groundnuts with cereals.

21 The absence of any medium- and long-term agricultural policy is a prominent feature of State interventions over the various phases since Independence. As Mbodj puts it: “In plain words, agricultural policy in Senegal has had more to do with knee-jerk reactions to changing circumstances and the claims of political and social structures than with any clear-eyed attempt to achieve real control over the sector.” (Mbodj 1993, 87).

22 Franc CFA, common currency in the West African Monetary Union, pegged to the French Franc (1 FF = 100 FCFA). The devaluation of the FCFA was very drastic, 100 per cent (from 50 FCFA to 100 FCFA per French Franc) and negotiated over a long period of time.
which involved several countries and the approval by the Central Bank of France, was another expected but constantly postponed measure (from the mid-1980s to January 1994).

As Berg et al. summarized it for the 1980s:

Weak implementation derives in part from the Senegalese unwillingness to apply policies they felt compelled to agree in formal policy loan documents . . . lack of conviction or outright opposition to specific reforms could be translated into non-implementation because of the permissive environment prevailing in Senegal . . . When faced with domestic political risks of imposing an unpopular reform . . . the authorities have been inclined to risk donor wrath arising from violation of conditionality. (Berg et al. 1990, 109, quoted in Killick 1998, 111)

During the few years after the NPA was launched, and following the pressures from the IMF and the WB to show some commitment to the reforms, only some of the most drastic measures were undertaken, whereas almost no incentive policies were put in place. In fact, official seed distribution stopped in 1985, fertilizer distribution was severely squeezed and depended on aid agencies like USAID for some time, and fertilizer price subsidies disappeared in 1985–6 (from nearly 50 per cent to 0). Farm-gate prices, on the other hand, remained frozen and no extra non-price incentives were ever provided in that period up to 1987. Farm-gate prices did not change remarkably until the 1990s, when the crisis of production was already under way. To a certain extent, the Government was also forced to reduce the budget deficit more rapidly, so the elimination of input subsidies and the reduction of costs of marketing boards and input distribution were soon chosen as deficit-cutting measures. Between 1980 and 1988, official marketing collection posts were reduced from 1800 to 737, keeping the principle of three boards per rural community (Gaye 1998, 54). The number of rural cooperatives was also drastically reduced, from about 2300 to 317, and they were reorganized differently following the new guiding principle of ‘responsibilization’ of farmers.23 Furthermore, the extension services agency, SODEVA, was drastically affected by a progressive reduction of staff (60 per cent). The competencies of the agency were severely shrunk and restricted to the elaboration of reports and the concrete follow-up of some projects and farmers who had received technical support.

In other words, the degree of implementation of ‘promotional’ or ‘incentive’ actions was very limited and clearly overshadowed by those measures of ‘disincentive’ to groundnut production. State withdrawal was sudden and incoherent in its sequencing, with short-term rectifications that could only undermine the credibility of its action vis-à-vis farmers and traders in rural areas.

23 These 317 co-operatives were called ‘mother’ co-ops and were further divided into a total of 4472 village sections, regarded as branches of each co-operative at the village level, and where the centre of responsibilities with respect to allocated credit was established (Gaye 1998).
Moreover, the food self-sufficiency objective stated in the Cereal Plan sounded unreal from the beginning, for a variety of reasons. These included: lack of substitutability between local cereals and imported rice, excessive costs of locally produced rice that were contradictory with trade liberalization, particular diet patterns in favour of imported rice, need for large infrastructure investments to improve production conditions of local cereals, among others (Kelly and Delgado 1991; Martin and Crawford 1991; Gaye 1994).

Since the cereal markets were totally liberalized in 1985, further liberalization, affecting other sectors, particularly groundnuts, was delayed until the early 1990s. By then, there seemed to be more support (or less opposition) to liberalization measures among some powerful class factions of businessmen, notable farmers and marabouts, who played the role of ‘all farmers’ spokesmen. In any case, the first attempts at rectification and attenuation measures by the Government commenced only in the late 1990s (from 1997) and entailed a slightly greater commitment of the State to investment in agriculture, under the support of the WB and other bilateral agencies.

There are two elements of the process of reforms and adjustments that have to be considered separately in order to assess the reaction and adjustment of different middle- and large-scale farmers: market liberalization, on the one hand, and State withdrawal, on the other. In the first case there is an adjustment to reap the benefits of potential and real market incentives. In the second, farmers would tend to adjust to attenuate the perverse effects of State withdrawal from key activities and the appearance of ‘disincentives’ to produce groundnuts. Figure 1 shows patterns of adjustment that may accelerate processes of farmers’ differentiation: the factors under ‘A’ refer to output markets in a (partially) liberalized context, whereas the elements linked to ‘B’ represent the consequences of struggle for scarce inputs in a context of State ‘compression’. The degree to which particular groups of farmers succeed in taking advantage of some of the factors illustrated in the diagram shapes the pattern of adjustment of farmers to liberalization and to the withdrawal of the State from support activities.

*Reaping the Benefits of More Output Markets*

Partial liberalization may provide opportunities for the most powerful farmers to accumulate the benefits of policy reform. Informal traders still control a minor share of production (c.15–20 per cent) and SONACOS (the monopoly for oil mills) still buys the largest share (65–75 per cent), through its subsidiary marketing board, SONAGRAINES (Freud et al. 1997; Gaye 1998). The evidence in the last few years shows that SONACOS suffers from a crisis of provisioning, 24 Let us bear in mind that *marabouts* are the various religious dignitaries pertaining to any of the powerful Islamic brotherhoods operating in Senegal (*Mouride* and *Tidjane*), and which control vast spheres of economic and political power through their capacity of mass mobilization. 25 The remaining percentage of production allegedly goes to self-consumption or farmers’ seed reserves.
which reflects a real crisis of production rather than a takeover from informal traders (Badiane and Gaye 1997). Evidence from the sample of large-scale farmers suggests that they still sell more to the official traders and only a few concentrate on the informal channels, especially those who have strong links with the ‘parallel market’. The politics around where to sell, and to whom, is still very powerful. A clear sign is that the Khalife of Mourides, the single most important Islamic religious leader, sells his own production to SONAGRAINES in spite of his disciples being the largest unofficial traders and competitors for SONAGRAINES. But this serves two separate goals: first, to cover up the sales of many other religious leaders of the brotherhood to traders in Touba, a reality that becomes more obvious as time passes; second, to maintain favourable links and reciprocal interest relations with agencies connected to the State apparatus.

26 Touba has a special autonomous status as ‘holy capital’ of the Mouride brotherhood. State institutions are practically nonexistent in Touba, which is the fastest growing and most economically dynamic town in Senegal and concentrates the largest parallel market for groundnuts and cereals.
There are two types of farmers, within the classes identified, who have adjusted more quickly to changes: farmer–wholesale trader/transporters and well-connected farmer–bureaucrats, who form the two main sub-groups within the 'capitalist class' analysed in the previous section. Therefore, most of them fall into the category of capitalist farmers and some others are middle-scale farmers with a potential tendency to be successful accumulators. In any case, they constitute a minority among farmers, by what evidence in other surveys reflects.

After the liberalization of the groundnut market, ‘informal’ operators are more active, or at least more visible than before. There is a tendency, albeit mild, among large- and middle-scale farmers to progressively increase the share of marketed output sold to private unofficial traders, as a response to higher prices and as a result of late sales, after the closure of the official marketing season (ending in April) (Badiane and Gaye 1997; Gaye 1998; Ndiaye 1998). The results of this survey corroborate this finding. However, the groundnut official marketing channel continues to be the most important (65–75 per cent of marketed output by large- and middle-scale farmers).

Arguably, the richest, largest-scale and most dynamic farmers, among whom are most capitalist farmers, obtain, on average, higher prices per kg of groundnut marketed output (about 5–8 per cent premium or more). However, in some cases, the variance within groups is as high, making these differences statistically not strongly significant when all classes are considered together (see table 6). By pairs, the differences are more significant, especially when comparing upper and lower tails (for class, dynamism or scale of production). According to the qualitative information gathered in the interviews, some of these successful producers manage to secure good ‘clients’, who pay consistently higher prices in the ‘unofficial market’, and discriminate in favour of those producers who deliver large-scale amounts of groundnut or cereal output. In fact, those large and dynamic (capitalist) producers who sell a higher proportion of output to informal operators late in the marketing season manage to receive prices consistently higher than those offered to other small- and middle-scale, less influential, farmers.

This reflects an obvious but important issue: there are certain spheres of power that put a few farmers in privileged positions to reap the benefits of liberalization and State ‘compression’. In the context of scarce seed and fertilizer supply, those farmers working as intermediaries of official agencies have benefited from preferential access to inputs on time. They could also have the chance to exert power on other farmers and neighbours who depended on their distribution of inputs within the community. Access to credit also depended on some of these

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27 The level of groundnut marketed output is significantly correlated with average groundnut prices and parallel market prices: two-tailed Pearson correlation coefficients = 0.46 and 0.71, respectively, significant at 1 per cent.

28 The differentials in the case of groundnut parallel markets range between 8 and 21 per cent (for groundnuts), between 10 and 20 per cent (for millet and maize), always in favour of the most dynamic, most capitalist and largest- (and upper-middle-) scale farmers (see table 6). Of course, we expect that prices received by the poorest farmers, especially those forced to distress surplus sales, and which are not reflected in this survey, may be even lower than the lower tails of these clusters of large- and middle-scale farmers.
Large- and Middle-scale Farmers in the Groundnut Sector

Table 6. Categories of farmers and marketed output prices

<table>
<thead>
<tr>
<th>Farmers’ categories/Average output prices 1998 (FCFA/kg)</th>
<th>Average groundnut parallel market</th>
<th>Groundnut parallel market</th>
<th>Millet</th>
<th>Maize</th>
</tr>
</thead>
<tbody>
<tr>
<td>Degree of capital tendency</td>
<td>159</td>
<td>196*</td>
<td>150*</td>
<td>158*</td>
</tr>
<tr>
<td>Semi-capitalist</td>
<td>159*</td>
<td>179*</td>
<td>137*</td>
<td>156</td>
</tr>
<tr>
<td>Non-capitalist</td>
<td>153*</td>
<td>163*</td>
<td>135*</td>
<td>142*</td>
</tr>
<tr>
<td>Degree of high dynamism</td>
<td>160*</td>
<td>189*</td>
<td>148*</td>
<td>155</td>
</tr>
<tr>
<td>Average dynamism</td>
<td>159</td>
<td>176</td>
<td>138</td>
<td>149</td>
</tr>
<tr>
<td>Weakly/non dynamic</td>
<td>153*</td>
<td>175*</td>
<td>135*</td>
<td>160</td>
</tr>
<tr>
<td>Scale of production</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upper large scale</td>
<td>166*</td>
<td>194*</td>
<td>146*</td>
<td>153</td>
</tr>
<tr>
<td>Upper middle scale</td>
<td>157*</td>
<td>171*</td>
<td>147*</td>
<td>152</td>
</tr>
<tr>
<td>Lower middle scale</td>
<td>154*</td>
<td>n.d.*</td>
<td>123*</td>
<td>135</td>
</tr>
</tbody>
</table>

*a Marketed output prices per category of farmer are the average of the prices effectively obtained by farmers within each of the categories included.

*b ‘Average groundnut price’ is the weighted mean price between the official and the parallel/unofficial market prices.

* Denotes the statistical significance of differences between clusters. If all classes within a categorical variable (e.g. dynamism) have an asterisk, statistically significant differences (at least at 10% s.l.) apply to all classes. When only two asterisks are given, it is the case of statistical differences between the two clusters highlighted.


The crisis that has affected the groundnut sector over the last 15 years, which coincides with the implementation of the NPA, the State compression in farm-support actions and the liberalization of markets, has accelerated processes of social differentiation. Other studies have already highlighted this aspect, in terms of an increasing social exclusion of many marginal small-scale farmers, due to scarcity of credit, biased input provision (especially seed) and to lack of access to land of good quality (Diop 1993, 18; Mbodj 1993; Gaye 1994, 1998; Kelly et al. 1996; Seck 1997). Our fieldwork results corroborate this story, especially taking into account the failure of some middle- and large-scale farmers, who have reduced cultivated area and input application, and considering the origins of seasonal wage labourers who were interviewed. Invariably, these seasonal labourers were failed small-scale farmers, coming from the most vulnerable areas of the North Groundnut Basin. Land degradation, lack of inputs, increasing land pressure (for good quality land) and, in most cases, lack of seed were the most influential farmers who could give names of those individual producers or groups of farmers following a ‘personal needs assessment’.

Social Differentiation and Labour Use Patterns

The crisis that has affected the groundnut sector over the last 15 years, which coincides with the implementation of the NPA, the State compression in farm-support actions and the liberalization of markets, has accelerated processes of social differentiation. Other studies have already highlighted this aspect, in terms of an increasing social exclusion of many marginal small-scale farmers, due to scarcity of credit, biased input provision (especially seed) and to lack of access to land of good quality (Diop 1993, 18; Mbodj 1993; Gaye 1994, 1998; Kelly et al. 1996; Seck 1997). Our fieldwork results corroborate this story, especially taking into account the failure of some middle- and large-scale farmers, who have reduced cultivated area and input application, and considering the origins of seasonal wage labourers who were interviewed. Invariably, these seasonal labourers were failed small-scale farmers, coming from the most vulnerable areas of the North Groundnut Basin. Land degradation, lack of inputs, increasing land pressure (for good quality land) and, in most cases, lack of seed were the most influential farmers who could give names of those individual producers or groups of farmers following a ‘personal needs assessment’.
common reasons that labourers adduced to explain the abandonment of their fields. An increasing indebtedness with local traders, due to bad seasons, was also reported.

In spite of claims that the ‘labour markets function poorly’ and ‘hired labour is rarely used’ (Kelly et al. 1996, 99; Freud et al. 1997, 60), interviews with large- and middle-scale farmers and seasonal contract labourers clearly reflected a higher rural labour mobility than assumed. The latter is often associated with situations of economic distress in several regions and problems of ‘quasi-landlessness’ for many small farmers29 (see also Colvin et al. 1981).

The significant squeeze of official credit from the co-operatives and marketing agencies seems to have given a push to the money-lending practices of many private traders at the village and district levels (Diop 1992; Gaye 1998). Local traders offer cash and cereals to small-scale farmers on credit during the hungry season (especially July and August), and receive farmers’ harvest on a price imposed by the trader before the granting of a ‘loan’. Of course, the implicit price paid to producers is very low and implicit interest rates are almost usurious (50–100 per cent).30 In sum, it seems that, in the new context of liberalization and State disengagement, patterns of credit-tied ‘distress’ sales emerge with force.

For many failed small- and middle-scale farmers, off-farm employment in urban and rural areas, and on-farm employment in the holdings of middle- and large-scale cash-crop producers, have become essential sources of cash income every year. This source of cash-revenue usually allows them to pay for long- and short-term debts, food, social ceremonies and medical expenses and, for some, represents the possibility of making small-scale investments, including investment in cattle.

The scarcity of credit and seed, for all types of farmers, and the considerations of farmer-employers of hired labourers has also brought about a change in the prevailing labour relations. The substitution of seasonal wageworkers for labour tenants is one of the most prominent results of this process, but has not yet been highlighted by other available studies (see table 7).

The mbindane are semi-permanent wage labourers who work for 6–8 months on the farms of large- and middle-scale producers, and receive a fixed cash amount, agreed in advance, by the end of harvesting and the beginning of the marketing season (December and January). An advantage noted by the employers is their full availability for work in the employer’s fields, as opposed to a more limited commitment by labour tenants, who needed time to cultivate their own plots (at least twice a week). Moreover, in several cases, mbindane with a few years’ record in their employer’s farm may also play the role of subsidiary

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29 I use this term ‘quasi-landlessness’ because, in spite of many small-scale farmers having use rights over some fields, their relative infertility, added to the absence of fertilizers and pesticides, are so constraining to make them, de facto, unusable for farming.

30 A few trader–farmers in our sample reported this fact, although obscured some aspects related to implicit interest rates because it is viewed badly in their cultural context. On rural informal credit transactions and market interlinkages in Senegal, see also Waterbury (1987a), Tuck (1987), Diop (1992) and Gaye (1994, 1998).
Table 7. Changes in contract labour hiring over the last 10 years

<table>
<thead>
<tr>
<th></th>
<th>Mbindanesa (resident) 10 years ago</th>
<th>Mbindanesa (resident seasonal wage workers 1998)</th>
<th>Navetanesa (labour tenants 1998)</th>
<th>Navetanesb (10 years ago)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capitalist</strong></td>
<td>4.4</td>
<td>1.9</td>
<td>2.1</td>
<td>3.7</td>
</tr>
<tr>
<td>Average per farm</td>
<td>88</td>
<td>38</td>
<td>43</td>
<td>73</td>
</tr>
<tr>
<td>Total employed (in sample)</td>
<td>74</td>
<td>51</td>
<td>50</td>
<td>74</td>
</tr>
<tr>
<td><strong>Semi-capitalist</strong></td>
<td>2.7</td>
<td>1.9</td>
<td>1.8</td>
<td>2.7</td>
</tr>
<tr>
<td>Average per farm</td>
<td>74</td>
<td>51</td>
<td>50</td>
<td>74</td>
</tr>
<tr>
<td>Total employed (in sample)</td>
<td>11</td>
<td>11</td>
<td>8</td>
<td>21</td>
</tr>
<tr>
<td><strong>Non-capitalist</strong></td>
<td>0.6</td>
<td>0.6</td>
<td>0.5</td>
<td>1.2</td>
</tr>
<tr>
<td>Average per farm</td>
<td>11</td>
<td>11</td>
<td>8</td>
<td>21</td>
</tr>
</tbody>
</table>

a Resident seasonal wage workers (contracted for 6–8 months during the agricultural season).
b Labour tenants, exchange of labour services for land, seed (on credit) and accommodation.


working supervisors of casual labourers’ work, a situation that has also been reported amongst middle-scale farmers in India (Rutten 1986). Labour tenants (navetane), on the other hand, have become less ‘profitable’ insofar as access to seed and good quality land is constrained by the new circumstances, since their opportunity cost is higher than 20–30 years ago, when the shortage of workers was relatively more binding than shortage of land and seed.

Some mbindane used to be navetane before and had to adapt to the growing new set of labour relations. Most of them (85 per cent) had earlier been small farmers from drier areas in the GB. They ceased working their own farm for lack of seed (47 per cent of cases in our sample), general lack of other means to cultivate their land, such as equipment (18 per cent) or were simply discouraged by a continuous series of bad harvests and systematically lower yields per ha (27 per cent). Most of them still keep their holdings by entrusting them to relatives or neighbours, which makes them appear as not totally proletarianized. In any case, as Lenin put it, ‘an absolutely propertyless agricultural labour is a rarity, because in agricultural rural economy, in the strict sense, is connected with household economy. Whole categories of agricultural wage workers own or have the use of land’ (Lenin 1967, quoted in Desai 1990, 110).

The substitution of mbindane for navetane may also be a reflection of two processes. The first is the emergence of a new agrarian capitalist class of farmers, who rely more on wage labourers, have less access to land, and dispose of larger amounts of cash. The second is the decline in status and means to expand the
labour force of the former employers of *navetane*, usually landlords with large tracts of land, who may now be more strongly constrained by lack of sufficient cereal stocks (to cover workers’ lodging) and seed availability. In table 7, data show that capitalist farmers from the GB sample have not only replaced labour tenants with resident wage labourers, but have also substantially increased the total number of hired semi-permanent workers (from 5.6 workers per farm 10 years ago to 6.3 in the late 1990s), excluding casual wage labourers. On the other hand, semi-capitalist farmers have maintained the yearly intake of resident labourers (whether tenants or salaried workers), and non-capitalist farmers seem to employ fewer semi-permanent contractual workers than before.

Casual wage labour, according to the interviewees, has also become more important for those employers with greater access to cash but lacking simple farm implements in sufficient number to comply with timeliness in the large areas cultivated. In general, increasing wage labour relations have been reported in other studies, especially for what concerns casual manual labour (Venema 1978; Waterbury 1987a). Encompassing the increasing use of hired labourers under contract arrangements of different types and the decline of co-operative labour at the village level appears clearer since the 1970s (Venema 1978). In the GB sample of large- and middle-scale farmers, the recourse to *sintaane*, the most traditional form of co-operative labour, had almost disappeared. However, this does not preclude the maintenance of mass mobilizations of religious disciples (*talibe*) of rural and urban origins to carry out operations such as harvesting, in a rather festive manner under the leadership and ‘guidance’ of the most powerful and prestigious *marabouts* of Senegal. The case of mobilizations to work in the 45,000 ha of Khelcom is an illustrative example. Indeed, *marabouts* continue to rely on their masses of (unpaid) followers for most of the work in their holdings.

**Land Accumulation by ‘Capitalist Leasing’: the Formation of ‘Illegal’ Land Markets**

The reinforcement of non-price constraints (lack of seed and fertilizers) brought about by State disengagement from input provision, the removal of subsidies and the lack of response by private market operators, has meant that many small cultivators are forced to lease out plots of their land to better-off farmers lacking enough land use rights allocated by the local Rural Council.

In table 8 it is shown that the most dynamic farmers tend to invest more cash in land acquisitions per season, under lease-in contracts for cash rent, termed by

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31 According to Lenin, in Russia there were also these two types of casual labourers: those with implements and those proletarianized peasants offering just manual labour services (Srivastava 1989, 345).

32 Khelcom is the largest groundnut–millet farm in Senegal, with 45,000 ha, managed by the Mourides, under the leadership of the Khalife General, Saliou Mbacké. This farm was also included in the survey as a case study, but deserves a paper on its own.

33 In fact, the peculiarity in Senegal, which is also highlighted by Patnaik on a more theoretical level, is that of ‘. . . relations in which the lessor is of inferior economic status compared to the lessee . . . this is almost entirely ignored in the literature’ (Patnaik 1994, 163).
Table 8. ‘Capitalist leasing’ and farmers’ dynamism

<table>
<thead>
<tr>
<th>Percentage of cultivated land leased in (%)</th>
<th>Low dynamism (%)</th>
<th>Average dynamism (%)</th>
<th>High dynamism (%)</th>
<th>Total (count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>76+</td>
<td>5</td>
<td>4</td>
<td>18</td>
<td>6</td>
</tr>
<tr>
<td>51–75</td>
<td>0</td>
<td>32</td>
<td>35</td>
<td>15</td>
</tr>
<tr>
<td>26–50</td>
<td>21</td>
<td>23</td>
<td>17</td>
<td>13</td>
</tr>
<tr>
<td>1–25</td>
<td>5</td>
<td>14</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>0</td>
<td>69</td>
<td>27</td>
<td>17</td>
<td>23</td>
</tr>
</tbody>
</table>


Patnaik as ‘capitalist leasing’.34 Those who are less dynamic (first column), either do not have enough resources to pay for plots or have sufficient land, sometimes even in surplus, so they may lease out. Within the first group (more dynamic farmers) there are a number of farmer–traders, who also have recourse to ‘mortgage’ practices with indebted farmers. Land is then used as implicit collateral, although the ‘owner’ does not lose his established use rights. The trader, and creditor, can farm those plots of land for a number of seasons until the debt is cancelled. Ultimately, he might even retain the use rights in case of final default. It is not an uncommon practice nowadays, and shows the degree to which markets are interlinked and the potential uses of these links for some dynamic entrepreneurs.

As was argued by Rutten in the Indian context, here as well ‘these tenancy contracts and mortgage are therefore in no way agreements between two equal parties – land versus capital and knowledge . . . all the decisions regarding cultivation of the land are taken by the tenant, whereas in most cases the small-peasant owner is not able to call in the mortgage, terminate the contract and start cultivating his own land again’ (Rutten 1986, A-17). Lenin (1967), in the Russian context, emphasizes the same phenomenon: ‘The richer sections of the peasantry leased in more land per household, generally on cash rents . . . whereas the poorer sections of the peasantry leased land on more onerous terms . . . and they also leased out land which they could not cultivate themselves’ (quote in Srivastava 1989, 345).

To a certain extent, the lack of official credit has given a spurt to informal credit transactions and has consequently accelerated market interlinkages, debt defaults and the ‘illegal’ use of land for such transactions as a collateral (Tuck 1987). At the same time, this process is probably contributing to a hastening of the pace of farmers’ differentiation in areas where good-quality land is in short supply. The fact that most dynamic farmers engage in capitalist leasing for much higher proportions of the areas they operate than do less dynamic producers,
Carlos Oya implies that their access to land via legal or customary means is rather constrained, especially taking into account that they show patterns of more rapid accumulation. Therefore, this fact and the possibility of leasing-in land by alternative means may reflect different phenomena:

1. Inability or unwillingness of Rural Councils to allocate more land to farmer-entrepreneurs, and therefore an implicit policy of favouring farmers who do not necessarily demonstrate higher technological capacities.
2. Several dynamic farmers are 'late-comers', i.e. they try to cultivate in areas that had already been allocated to other established (less-dynamic) farmers before their arrival.
3. Over the last few years, more entrepreneurial farmers have taken advantage of the new environment to expand their scale of farming by using land of farmers who have been hit by State disengagement and liberalization.

Whatever the real causes underlying the process described above, for large- and middle-scale farmers, farming others' 'property' land (in terms of use rights, of course) provides a basis for further land concentration, and may eventually enlarge the potential number of nearly landless labourers (Rutten 1986).

These practices put pressure on the Government to take eventual legal changes more seriously. Indeed, there is a debate about this issue going on, which seems to move in the direction of legal reform of land ownership towards a mixture of widespread private property with some communal management under the aegis of State institutions (Kelly et al. 1996; GOS 1997b, 1998c).

A Summary of Responses According to Degree of Farming Dynamism

In the attempt to answer the question of which farmers adjust to the new conditions (liberalization, State compression), some particularly relevant trends have been highlighted. If producers are divided between those who are more dynamic and those who find it difficult to survive in the new environment, the observed strategies may be summarized as follows.

The most dynamic farmers, i.e. most rich capitalist producers and some semi-capitalist farmers:

1. increase mobility in search of better markets (price and trust) by using their contacts and knowledge of different markets, and own or leased transport facilities;
2. speculate with groundnut seed and cereal stocks;
3. strengthen links with some private input providers, but mostly with official agencies (SONAGRINES, NOVASEN);
4. maintain input use and choose plots for greater intensification;
5. increase scale of production (through farm size or better land);
6. increasingly rely on selected plots of leased land (investing in land acquisition);
7. straddle economic activities, reinvesting surpluses from one into another; and
8. substitute seasonal wage labourers (mbindane) for labour tenants (navetane) and family labour.
On the other hand, most farmers with a low degree of dynamism (among whom some marabouts, most petty commodity producers and other landlords are prominent) react in rather opposite ways. They:

1. tend to be ‘price takers’ rather than ‘price seekers’;
2. progressively reduce cultivated area, especially for groundnuts;
3. reduce or eliminate fertilizer use;
4. decrease or maintain seed density;
5. cannot plan seed provision for subsequent seasons;
6. diversify to other activities (trade and transport) without sufficient capital and at the expense of farming;
7. lease out or sell farm equipment;
8. lease out or ‘entrust’ plots of cultivable land; and
9. delegate farming to other relatives with fewer resources.

It is important to note that some of the most (politically) powerful producers within the least dynamic, especially top-ranking marabouts, still maintain their levels of production, at the expense of efficiency, because they can always count on land, seed, labour and other inputs through their web of connections and patronage relations, without investing as much as other dynamic farmers. In any case, the difficulties in finding a cluster of very dynamic farmers reflect their condition of minority, whereas those large- and middle-scale farmers in the second group seem to be more numerous and similar to the bulk of poorer small-scale farmers in terms of responses to the current crisis.

THE POLITICAL ECONOMY OF LIBERALIZATION: POLITICS, POWER, DISCOURSES AND RESPONSES

It is necessary to place large- and middle-scale farmers’ responses and adjustments, which were illustrated in the previous section, within the context of power relations and access to economic and political resources in contemporary Senegal. Arguably, the diffusion of control over economic resources to include groups outside the State has created diverse centres of power, thus effectively limiting any hegemonic monopoly of political control (Villalón 1995). Many rich farmers participate in the different centres of power, whether at the local or national level: some within the networks of religious brotherhoods, some fully or partially integrated in the administrative apparatus of the State; others within the local structures of dominance, based on economic power or inheritance.

The strategies of accumulation and straddling activities of large- and middle-scale farmers shape their production conditions and their political attachments. For instance, rich farmers use State resources directly, or take advantage of their privileged contacts with certain bureaucrats, to exert influence on their neighbours in a way that creates spaces of local power, often via intermediation in the official distribution of inputs, seed, credit or benefits from infrastructural projects.

The presence in and influence upon State agencies by rural notables, marabouts and some rich large-scale farmers has always been strong, whether during times
of greater State intervention or, more recently, with liberalization and State disengagement (Diouf 1992; Diop 1993). The strategic importance of the groundnut filière has made it an arena where different class factions have intervened at political and administrative levels (Diop 1993; Mboj 1993). Indeed the State, as well as the market, should be seen as arenas where social and political interactions, including conflict, take place, and where solutions reflect compromises, victories and defeats of the existing powerful classes. In other words, as Fine and Rustomjee (1996) put it: ‘the state and the market are both forms through which agencies function and linkages can be formed. Neither one is itself an agency for a linkage; the market never bought or sold anything on anybody’s behalf, although this is done through the market’ (Fine and Rustomjee 1996, 52).

Jammeh (1987) notes how large producers and marabouts were direct beneficiaries of input subsidy programmes and received special treatment from the Groundnut Price Stabilisation Fund in the 1960s and 1970s. Consequently, during the period of crisis in the system of distribution of seed and fertilizers in the first half of the 1980s, large-scale farmers and marabouts barely noticed these shortages (Mboj 1993; Gaye 1998). Powerful marabouts could assume that their loans were favours granted by a grateful State, which, on top of that, was ready to offer large subsidies to help them pay off some of the debts contracted (Mboj 1993, 121). In other cases, some talibés (religious disciples), who work as officials in input-provision and creditor agencies, assume debts of influential marabouts to whom they are personally attached.35 In 1992, the Government granted the Mouride constituency 45,000 ha of arable land, declassifying a protected forest, which led to the foundation of the Khelcom farm (see note 32). More recently, according to SONAGRAINES agents and farmers themselves, several notables and large producers assumed the role of intermediaries in the distribution of seed, becoming private licensed traders and stockers (OPS). Hence they control large amounts of inputs that are not abundant and keep their particular supplies of seed and fertilizer every year. In fact, the lack of farmers’ response to some drastic price reductions, like the one in 1968 (21 per cent), reflected, on the one hand, a lack of organizational power of the bulk of small farmers. On the other hand, it showed how the ‘gros producteurs’ were more concerned with ensuring their access to supplies of subsidized inputs and other forms of patronage, and the degree to which they still received superior prices relative to those paid to small producers (Jammeh 1987).

The liberalization process has opened new opportunities to a certain extent, in trade, transport, cereal and groundnut storage and marketing, while maintaining the bulk of preferential treatment by State-sponsored agencies and the oil-producing industry (SONACOS). Moreover, even private traders from the unofficial (parallel) circuit tend to target large producers, given that they can fill up their trucks more quickly, reaching economies of scale. The State and oil-producing industry are aware of that and have made an effort to target large

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35 Such a case was reported during my survey, involving names of very influential marabouts and top officials in SONAGRAINES.
producers systematically since 1995. Consequently, the competition between official and unofficial traders tends to favour some large producers, who can ensure better deals and/or privileges in different spheres of State intervention.

Not surprisingly, some powerful farmers and rural leaders participate, directly or indirectly, in the formulation of policies. Sometimes, they do it by means of connections at the highest levels of bureaucracy, including the President and certain Ministers. Some also form a part of consultative groups at the newly established CNIA (Groundnut Inter-Professional National Committee), as representatives of farmers’ co-operatives and GIE (Economic Interest Groups). Others also are officials of agricultural State agencies and enterprises, like SONAGRAINES. In this sense, they have information about and influence the policy guidelines of the sector from their respective positions. To what extent they represent the interests of the mass of peasants and farmers is open to debate, but it seemed that farmers’ interests in relation to particular policy options were not so uniform among themselves. In any case, and despite being in contact with and knowing the demands of most peasants, ‘these alternative communication channels seem inappropriate substitutes for a genuine producer-based interest group’ (Jammeh 1987, 230). The variability of situations suggests the presence of individual interests, class faction lobbies and a short-term day-to-day decision-making process.

In the sample it was noted that dynamic capitalist farmers were able to insert themselves inside the State apparatus more easily than other less dynamic and more resource-constrained farmers, many from the semi-capitalist and non-capitalist classes analysed before. In fact, 45 per cent of capitalist producers had higher-level political responsibilities, mainly within the structures of the ruling party (PS). Non-capitalist farmers, middle peasants (petty commodity producers) and marabouts were much less involved in local or national politics directly. Capitalist farmers also had jobs in the administrative apparatus at various levels, but mostly at regional and national levels, whereas other large- and middle-scale farmers who reached such positions were at local level only (rural community or village). On the other hand, non-capitalist and semi-capitalist farmers had more direct connections with positions of religious responsibility and representation. Some were reputed imams, presidents of religious rural councils (dahiras) and, at the highest levels, some were top-ranking marabouts with large numbers of followers (20 per cent of non-capitalist farmers in the GB sample).

Capitalist and more dynamic farmers, apart from enjoying or coming from administrative and political roles, were also much more engaged (70 per cent in the sample) in positions of leadership in economic interest groups (GIE), a new form of association (at a rural and urban level) devoted to improve access to credit, infrastructures and support projects. The percentage of semi-capitalist and non-capitalist farmers in such a situation is much less important. These findings suggest two separate issues:

1. Capitalist and more dynamic farmers had always been involved in politics and public administration through which many have accumulated wealth and knowledge to subsequently invest in agriculture.
2. Farmers with dynamic strategies of accumulation understood that direct connections with the State apparatus, and economic interest groups, are instrumental to their accumulation patterns and used their resources and influence to take advantage of public privileges and institutions that facilitate access to credit, technology, markets, etc. In this sense they are also ‘politically’ more dynamic than other types of large- and middle-scale farmers.

In this respect, however, it is worth noting that influential marabouts still monopolize several spheres of power, albeit indirectly, as passive recipients of favours from State bureaucrats and rich talibe (farmers, traders and businessmen followers). They did so with the co-operative system from the 1960s36 and, more recently, in the context of shortages in input distribution. As a result, they have always secured large quantities of seed, probably at the expense of some large-middle-scale dynamic farmers with weaker political connections. As Jammeh (1987) puts it:

There is always that traditional understanding between state and religion which ensures that their important interests form part of the agricultural policy agenda. Their [of marabouts] most powerful leverage is their reservoir of rural support, particularly in the Groundnut Basin, as well as their dominant influence over producer responses to government policy. (Jammeh 1987, 229)

In this respect, ‘a social group under pressure (e.g. small poor peasants)’, notes Villalón, ‘finds that the most readily available model for organising a claim to the attention of the State is the maraboutic one’ (Villalón 1995, 247).

Discourses and Views on Policy Options

Within this complex web of power relations, the views on agricultural price policy and liberalization have usually taken a polarized form, sometimes in contradictory ways. The line-ministries, the presidency, managers and workers in the oil industry, capitalist large-middle-scale farmers with State connections, capitalist large-middle-scale farmers willingly or not separated from the official channels, marabouts, other non-capitalist middle-scale farmers, small-scale farmers, urban consumers, extension agents, rural and urban traders, show frequently contrasting views on the pros and cons of liberalization and, most often, stress their concern about the State ‘compression’ and the reduction of direct support to agriculture. Some see it as the end or a shrinking of very profitable privileges, whereas others, the poorer and less powerful, look at it as the disappearance of their main source of means to keep their farms alive. Often, a ‘patriotic’ discourse is used to criticize those farmers who prefer to sell to unofficial private traders rather than to the parastatal operators or officially licensed traders (OPS).

36 Even before Independence (1960), the first co-operatives established by Senegalese citizens (1947), without opposition from colonial authorities, were founded by top-ranking marabouts from the Mouride and Tidiane brotherhoods, who also were major producers of groundnuts (Mbodj 1993, 120, note 15).
Large- and Middle-scale Farmers in the Groundnut Sector

One of the bases of this criticism is precisely the fact that ‘parallel’ private traders may offer better prices and farm-gate deals, but do not provide inputs or credit on favourable terms, if at all. As some point out, ‘they do not invest in farming production, they just speculate’. In a sense, this highlights the gap existing in input markets, which, for various reasons, have not attracted sufficient rural traders. The monopoly in fertilizer and pesticide production (by SENCHIM), the large participation of official agencies in this domain, the high marketing costs, as well as the uncertainty in the demand for these products, make the partial liberalization of input markets a very risky choice (Badiane and Gaye 1997).

In view of the current crisis, a policy of ‘benign neglect’ has been proposed a few times by State officials and some analysts (see SODEVA 1979; Waterbury 1987b). This consists of targeting the most effective and efficient regions and classes of farmers in search of specialization. Now, some agents of official marketing boards, tired of the inefficiencies they incur and the lack of ‘loyalty’ of many producers and zones, progressively become advocates of such a position. However, it is not yet clear to what extent the Government puts into practice the commitment to favour more successful farmers. The ‘small farmer’ bias is still present in the political discourse, and some of the most inefficient large farmers still benefit from privileges from State intervention in agriculture. It would be naïve to think that marabouts and some powerful landlords would be excluded from favourable access to inputs and credit on the grounds of their less efficient land management. So, the question is what farmers would be chosen in practice? To answer this question it is necessary to ponder the relevance of political and powerful constituencies like brotherhoods, rich traders, rich capitalist and non-capitalist farmers and some bureaucrats to put in question populist discourses of defence of small peasants across all regions.

As an example, how do many rich capitalist farmers react in the political realm? Some insert themselves directly or indirectly in the State apparatus and become advocates of Government policy, trying to make it compatible with the interest of their local community. Some disconnect from State agencies, defying local bureaucrats by means of selling in the parallel market and advocating totally free trade, often more actively inserting themselves in the religious constituencies to which they had been connected. Using the ‘unofficial’ economic channels, they often use a political discourse of denouncing the corruption of Government officials, especially those at high levels. The degree of mistrust is sometimes significant. In fact, since the co-operative system was put in place in the 1960s, uneasy relations between the mass of farmers and marketing agents have always existed. They often resulted in misuse of loans, debt default, attempts to cheat agents, bad weighing of sold produce, excessive deductions, arbitrary grading of groundnuts, etc.

37 These were common expressions not only among most SONAGRAINES and SONACOS agents and managers, but also among several farmers who sold in the official circuit or who had had bad experiences with private traders.
Carlos Oya

Therefore, in general, although there seems to be a clearer concern among State bureaucrats and official marketing agents to target and favour the largest producers of groundnuts, it is still unclear how the most dynamic and capitalist farmers are treated with respect to other less dynamic farmers, of the sort identified in this research. It seems that rich capitalist farmers either were already connected to the State apparatus before becoming entrepreneurs, or use their economic power to obtain privileges above other large farmers, rather than actually being an explicit target of State agencies. Still today, in fact, it seems that marabouts are in the best position to obtain some of the largest grants and favours from official and private institutions or from powerful individuals within the State apparatus or large private businesses. Cronyism and patronage relations at the highest levels of bureaucracy, related to religious constituencies, continue to affect major political economic decisions and the discourses and political attachments displayed by the top-ranking religious dignitaries (Cruise O’Brien 1971; Villalón 1995). As Waterbury notes, in a dose of realism, ‘In terms of efficient resource allocation, an argument can be made for benign neglect, but in terms of servicing major politico-religious constituencies concentrated in the north-central region, such a policy would be risk-laden’ (Waterbury 1987b, 190). The determinant influence of marabouts from that region on the electoral commitments of a very large rural social base represents such political risk (Villalón 1995, 263; see also Diop 1993).

CONCLUDING REMARKS

This paper draws on fieldwork evidence from Senegal, using categories of farmers that are usually excluded from most surveys, and the literature on structural adjustment and liberalization in Senegal, with emphasis on the groundnut sector. In the first place, a series of methodological criticisms to conventional approaches of Senegalese agriculture have been presented in light of the significant degree of social stratification and growing differentiation among farmers. This has provided a basis to justify a purposive sampling of large- and middle-scale groundnut farmers whose heterogeneity is briefly analysed in the first part of this paper regarding capitalist and non-capitalist tendencies, labour hiring patterns, degree of technological dynamism, patterns of accumulation and scale of production. In the second, and substantive, part of the paper on liberalization, State ‘compression’ and large- and middle-scale farmers, the main conclusions may be summarized as follows:

1. In spite of a process that began as early as 1980, the full implementation of structural adjustment and liberalization reforms has followed a pattern of stop-and-go strategies.
2. The process of structural adjustment and liberalization reflects internal tensions, domestic politics, the interaction of different dominant class factions and a certain dispersion of centres of power at the national and rural level.
3. After the application of the first measures towards the liberalization of agricultural output and input markets, the typical short-term character of agricultural policy in Senegal has been reinforced, hence underlining some of the main constraints on overall accumulation and farm productivity existing before.

4. It seems that the reforms have offered opportunities of accumulation and success to a small group of large- and middle-scale dynamic and non-dynamic farmers (especially those engaged in trade and with privileged connections to State agencies), whereas the bulk of small- and middle-scale farmers become marginalized and forced to look for alternatives to farming, or are otherwise doomed to produce at ever-decreasing levels of productivity. Other failed large-scale farmers have also lost interest in investing in farming.

5. The patterns of social relations have also been affected through a speeding-up of social differentiation. Accordingly, labour relations seem to suffer from some significant changes of which the following are important: a substitution of semipermanent wage labourers for the traditional labour tenants; an emergence of a capitalist class of farmers who have increased employment of semi-permanent paid workers (including wage labourers and labour tenants); a generalization in the use of daily casual labourers and piece-workers by large-scale farmers and dynamic producers in order to meet the timeliness of crucial operations like sowing and harvesting; a further decline of cooperative forms of labour; periodic mass mobilizations of rural and urban disciples by the most influential marabouts without clear considerations of efficient farm management.

6. New tendencies are also highlighted with regards to the growing commoditization of land, via a more widespread practice of ‘capitalist leasing’ by a group of successful accumulators short of land-use rights, and the actual purchase of high quality plots by some producers.

7. The dichotomy of State-farmers or State-private traders yields spurious analyses that fail to account for the complexities of a system which develops towards different directions than those expected by mainstream analyses.

8. The perceptions and discourses about the effects of and the ways to adjust to liberalization and State ‘compression’ are rather complex and sometimes seemingly contradictory, highlighting the relevance of the specific class location of farmers, and their particular insertion in the official and unofficial networks of economic and political power.

9. In this regard our fieldwork evidence suggests that, although capitalist farmers usually manage to secure favourable connections with the different channels of marketing, input provision and rural administrative power, religious dignitaries and their rich followers still monopolize many of these spheres of influence, power and privileges.

Senegalese agriculture is undergoing a period of major uncertainty. State withdrawal from key support activities to farmers seems irreversible and resources
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devoted to improve the material conditions for production are scarcer than ever. At the same time, liberalization and privatization can, at best, only bring about modest changes, either positive or negative, in a context of crisis. At worst, some activities are doomed to disappear and many people are forced to look for alternatives through an exodus from rural areas and the country as a whole, which is already taking place. Unfortunately, although the prospects for yield improvement and area expansion are still realistic, provided the technical recommendations were followed and the means for it put in place, the direction of changes seems to go the other way. Much will depend on the particular developments among the largest farmers, who control large proportions of marketed output, on the trends in their relations with the State and the policy orientations of the latter, in terms of who is targeted in a context of scarcity of support services, and on the still unclear performance of ‘unofficial’ trade operators.

APPENDIX A

Data Collection. List of Respondents

<table>
<thead>
<tr>
<th>Sources of information for the research.</th>
<th>Interviews, respondents and institutions visited during 18 months of fieldwork</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Repeated interviews with ‘gros producteurs’:</td>
<td>65 large–middle farmers in the regions of Fatick, Kaolack and Diourbel (using questionnaire).</td>
</tr>
<tr>
<td>2. Interviews with 45 seasonal agricultural workers (mbindane), using questionnaire.</td>
<td></td>
</tr>
<tr>
<td>3. Interviews with 20 women farmers living in compounds of ‘gros producteurs’ (using questionnaire).</td>
<td></td>
</tr>
<tr>
<td>4. Life histories of five selected large–middle-scale farmers.</td>
<td></td>
</tr>
<tr>
<td>5. Ministère de l’Agriculture</td>
<td></td>
</tr>
<tr>
<td>i. Division des Statistiques Agricoles (DISA): Director, technicians.</td>
<td></td>
</tr>
<tr>
<td>ii. Programme National de Vulgarisation Agricole (PNVA): Director.</td>
<td></td>
</tr>
<tr>
<td>iii. Unité de Politique Agricole (UPA): Director, technical advisers and head of documentation centre.</td>
<td></td>
</tr>
<tr>
<td>6. SONAGRAINES–SONACOS</td>
<td></td>
</tr>
<tr>
<td>i. Director (delegate).</td>
<td></td>
</tr>
<tr>
<td>ii. Service Semencier: program director, delegate in Kaolack and Diourbel.</td>
<td></td>
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<tr>
<td>iii. Marketing and collection director.</td>
<td></td>
</tr>
<tr>
<td>iv. Extension services: director and extension agents.</td>
<td></td>
</tr>
<tr>
<td>v. Regional delegates/supervisors (Diourbel, Kaolack).</td>
<td></td>
</tr>
<tr>
<td>vi. Statistical Division Diourbel–Kaolack.</td>
<td></td>
</tr>
<tr>
<td>8. SODEVA: extension agents, senior officials, head of documentation centre.</td>
<td></td>
</tr>
</tbody>
</table>
9. **ISRA**: Regional Director ISRA-Kaolack, agronomic and agro-economist technicians, extension agents.
10. **BCEAO**: National Director, technical advisers.
12. **USAID**: some officials and documentation centre.
13. **SENCIM** (monopolist of production and distribution of chemical fertilizers and pesticides): meetings with sales manager, technicians and extension services.
14. **Union Nationale Interprofessionnelle de Semenciers (UNIS)**: regional representative, members.
15. **Union Nationale de Cooperatives Agricoles du Sénégal (UNCAS)**: National Director, regional delegates (Fatick, Kaolack) and presidents of village sections.
16. Discussions with **OPS** (*Opérateurs privés stockeurs*), private licensed traders.
18. Meetings with presidents and members of **Rural Councils** in Fatick and Kaolack.
19. Several visits to **religious leaders** of the **Mourides** (Touba and Kaolack), and **Tidiane Niassène** (Kaolack), and meetings with several **talibe** (disciples).
20. Interview with the manager of **Khelcom** (*Mouride farm*).
21. Some other individuals were interviewed from the following institutions: University of Dakar, IFAN, CODESRIA and Walf-Adjri.

**APPENDIX B**

**Production Trends**

*Figure B1* Trends in groundnut production (for oil)

Figure B2 Moving average for groundnut production


GLOSSARY OF ACRONYMS

CNCAS: Caisse Nationale de Crédit Agricole du Sénégal (National Savings Bank for Agricultural Credit in Senegal). The main official financial institution with private management for rural credit, especially before the agricultural season and during the marketing season.

CNIA: Comité National Interprofessionel de l’Arachide (Groundnut Interprofessional National Committee). This committee was set up in 1995 to face the new liberalized environment for the groundnut sector. One of the main tasks of this body is to establish indicative floor prices, which are used by SONACOS–SONAGRAINES as reference prices for the official circuit, and to serve as a consultation group for any matter regarding the organization of the groundnut sub-sector. Representatives of the State (Ministry of Agriculture), UNCAS, SONACOS–SONAGRAINES, NOVASEN, SENCHIM, UNIS, CNCAS, OPS, SODEVA, ISRA and groundnut farmers sit at the CNIA.

CSS: Compagnie Sucrière Sénégalaise (Senegalese Sugar Company). An agribusiness monopoly for sugar production, with one of the largest plantations in the Senegal River bank.

DISA: Division de la Statistique Agricole (Agricultural Statistical Division). The official body for agricultural statistics, part of the Ministry of Agriculture.

FCFA: Franc CFA. Franc CFA, common currency in the West African Monetary Union, pegged to the French Franc (1 FF = 100 FCFA).

GB = Groundnut Basin. A vast region in Central and North Senegal, which is the historical setting for the development of groundnut production and produces over 80 per cent of the national groundnut annual output.
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GIE: Group d’Intêret Economique (Economic Interest Group). New form of association for different economic agents (producers, traders, manufacturers) particularly for the purpose of obtaining access to credit from official institutions.

GOS: Government of Senegal.

ISRA: Institut Sénégalais des Recherches Agricoles (Senegalese Agricultural Research Institute). Serves three major functions: (1) agro-economic research and publications; (2) production of base seed for groundnuts and cereals (either high-yielding varieties or drought-resistant varieties); (3) extension and field trials of varieties, techniques and equipment.

MA: Ministry of Agriculture.

NOVASEN: Societé Nouvelle des Arachides du Sénégal (New Company for Groundnuts in Senegal). A private company, integrated into the official circuit of groundnut marketing, specializing in the collection and marketing of edible groundnuts for export. The quality standards are strict and operate through contracts per hectare, engaging producers who in turn receive a higher price per kg, seed, pesticides and fertilizers per hectare according to the terms of the contract. NOVASEN operates mostly with small- and medium-scale farmers.

NPA: Nouvelle Politique Agricole (New Agricultural Policy). Launched in 1984, the NPA represents the move towards structural adjustment and liberalization in the agricultural sector.

ONCAD: Office Nationale de Coopération et d’Assistance au Développement (National Development Aid and Cooperation Board). Former Groundnut Marketing Board and rural development agency, with more mandate than the actual SONAGRAINIES. It also invested in the distribution of inputs and farm equipment, but ended up with great losses by the second half of the 1970s. It was dissolved in 1980 after severe problems with chronic deficits by the second half of the 1970s, and accusations of rampant corruption (see Caswell 1984; Mbodj 1993, 98–101).

OPS: Operateurs Privés Stockeurs (Private Licensed Stock-Operators). Private licensed traders integrated in the official groundnut marketing circuit, sometimes large-scale farmers themselves, with a mandate to collect groundnuts at the farm gate to subsequently deliver at the official SONACOS mills. They also operate in the distribution of seed to other farmers.


SAP: Structural Adjustment Programme.

SENCHEM: Sénégalaise des Chimiques (Senegalese Company for Chemicals). The private monopoly for fertilizer and pesticide production and distribution in the home market in Senegal. They produce a variety of chemical products for agricultural use, usually through contracts with official agencies and large private traders and importers.
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SODEVA: Société pour le Developpement et la Vulgarisation Agricole (Agency for Agricultural Development and Extension). The former official extension agency, replaced the SATEC in the early 1970s and which was very active during that decade and the early 1980s, until the application of SAP measures brought about the reduction of staff by 60 per cent. Today SODEVA is being replaced by a new private extension agency financed by the World Bank.

SONACOS: Société Nationale de Commercialisation des Oléagineux du Sénégal (Company for Oilseed Marketing). A groundnut and vegetable oil company, involved in production, refining, import and export of vegetable oil, but mostly groundnut oil. It is the main outlet for local groundnut production and holds a monopoly position in the local market for vegetable oil. It is currently in process of privatization.

SONAGRAINES: SONACOS/Graines (SONACOS – grain/seeds). SONAGRAINES works as SONACOS’s subsidiary in charge of the provisioning of groundnuts in shell from local producers, and of the distribution of seed and fertilizers on credit (and cash) to farmers.

UNCAS: Union Nationale des Cooperatives Agricoles au Sénégal (National Union of Agricultural Cooperatives in Senegal). Coordinating body for rural and agricultural cooperatives, at work since 1962, has regional and district branches, which gather members from different rural communities, now organized as village sections.

UNIS: Union Nationale Interprofessionelle de Semenciers. The official association of producers, collectors and distributors of groundnut seed, still in an embryonic stage, which only controls a minor share of total seed distribution.

USAID: United States Agency for International Development.

REFERENCES


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