

**Food-Crop Marketing Through Cooperatives in Tanzania
Problems and Prospects**

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Abstract

This study examined causes of the food crisis in Tanzania by analysing the marketing of food crops through state-sponsored marketing co-operatives. It aimed at, first, contributing to the solutions of food marketing through cooperatives and, second, at investigating available options to marketing co. operatives in order to expand and integrate food trading with processing.

The food problems experienced in the Third World countries had generated a great deal of concern among policy makers and analysts. Stagnating or declining trends in food production per capita and an increasing inability to meet shortfalls with imports had created severe food shortage problems in these countries. Tanzania was not an exception in this regard. It had equally been facing food shortage in varying magnitudes over the previous three decades.

Studies on food problems in these countries had often pointed to natural disasters such as floods, droughts, pests' attacks, etc. as main factors responsible for the food crisis. Yet, other studies considered low agricultural productivity and rigid consumption habits as additional factors

While all these factors could be accepted as partly responsible for hunger and famine in these countries, this study asserted that the problem could find cause in the agricultural marketing and distribution. The existence of food problems even during surplus periods that was observed in Tanzania revealed the existence of structural as well as institutional and policy-related food marketing problems.

On the same note, agricultural markets in a majority of developing countries had been subject to comprehensive state controls for several decades. In Tanzania, state involvement in agricultural markets had been a common feature since the beginning of 1960s. The period

between the 1960s and early 1980s witnessed an important role played by the state in agricultural markets, prices and institutions (such as the agricultural marketing co-operatives).

The state intervention in agricultural marketing co-operatives in Tanzania was necessitated by a number of factors. First, there was shortage of resources (especially financial and human) which constrained the Government from intervening directly in agricultural development. Secondly, co-operatives were seen as the only feasible alternative of integrating peasants into the wider national economy as well as international markets by providing agricultural marketing facilities. Thirdly, co-operatives were regarded as an ideal mechanism for agricultural intervention due to their ability to bring together small and scattered operations of peasants into a much more formal body, registered and operated within a given national political and legal framework. Further, co-operatives were ideologically accepted. Tanzania's attempt to build a socialist state - following egalitarian principles - saw co-operatives as a means of eradicating exploitation and social differentiations.

Although, after independence, marketing co-operatives started playing a crucial role in collecting surplus food crops for the state parastatals that had very limited contact with the peasants, their efforts in securing food self-sufficiency for their members remained very low.

This study had observed that the state-sponsored co-operatives had failed to solve food problems due to a number of factors. Agricultural marketing Co-operatives had been under close supervision and control by the state. They had been used to fulfil multiple objectives, some of which were even beyond their reach. The introduction of producer co-operatives as agents of rural change during the 1960s through the 1980s was a clear testimony in this regard.

Furthermore, there were deliberate policies which aimed at suppressing peasants' efforts in development in order to avoid emergence of independent power base for a peasant movement. As such, there was interference in cooperative affairs through, for instance, scrutiny of co-operative leaders and co-opting prominent leaders into the political system.

Apart from natural calamities, several state policies as well as internal weaknesses of agricultural marketing co-operatives had negatively affected the domestic food supply conditions. Government policies on agricultural marketing often acted as disincentive to small

producers, leading to a decrease in both production and sales of food through agricultural marketing co-operatives.

It was observed that smallholders, who were the key to Tanzanian economic prosperity, occupied a relatively minor position in public policies. There had been negligible budgetary allocation for research, extension, credit as well as direct investment in food production. As a result, the actual public resource input per capita into food and agricultural sector had remained insignificant. Externally, poor transport and communication network, inadequate storage and lack of crop finance greatly contributed to the country's food shortage problems.

Furthermore, the study pointed out that other factors which contributed to the Tanzanian food problems included eating habits, marketing structures and policies, crop financing and payment arrangements, shortage of capital equipment, lack of qualified and honest personnel and laxity of agricultural marketing co-operatives to handle some crops and perform certain marketing functions, such as food processing.

According to this study, there was need to improve food marketing as a necessary condition for alleviating, or even eradicating, hunger and famine in Tanzania. Agricultural marketing co-operatives, and all other types of cooperatives, still occupied an important position in the Tanzanian economy. They provide the most important single outlet for peasants' agricultural produce. They had been assembling food crops, transporting, storing and selling members' produce. They had been providing back-up services to their members. However, the existing co-operatives set up rendered them vulnerable to changes in prices, volumes of crops handled and the attendant market disturbances. Nonetheless, with renewed support from the Government and greater patronage cohesiveness among stakeholders, growth of agricultural marketing co-operatives was certain.