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The Organisation of Farmers as an Emancipatory Factor: The Setting Up of a Supply Chain of Cocoa in São Tomé

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Abstract

Few studies have examined the implementation and evolution development of a contract as a learning process for the actors involved. Individual farmers in São Tomé were obliged to organise themselves into a collective in response to a chocolate manufacturer’s innovative proposal of an organic cocoa, fair trade contract. This relational construction between actors is a basis and guarantee of the contract’s durability. We analyse how the relationship between the manufacturer and the farmers evolved, the technical and organisational impact on the farmers, and the farmers’ future perspectives. Our aim is to further understanding of whether the establishment of such a collective cocoa contract may be a means of achieving autonomy. In other words, we explore whether it presents an answer to the question of producer emancipation.

Keywords: cocoa, community, emancipation, farmers’ organisation, innovation, learning process, partnership, São Tome

1.0 Introduction

Cocoa was introduced to São Tomé by Portuguese settlers at the end of the 19th century. By the beginning of the 20th century, São Tomé rapidly had become the world’s largest exporter of cocoa. The island became known as “Chocolate Island”, and the owners of the large cocoa plantations imposed onerous conditions on farm workers. Over the years that followed, production regularly diminished. Since independence, cocoa production has stagnated at a low level despite heavy investments by international organizations to revive the crop (PNUD, 2002). Attempts by various governments to diversify agriculture also have failed (Frynas, Wood, & Soares de Oliveira, 2003). Cacao continues to be a market monocrop, the economic viability of which is no longer certain, and São Tomé must import between 75 and 80% of its food needs (ADB, 2009).

One of these rural renewal projects was launched in 1999 by the International Fund for Agricultural Development (IFDA) and local authorities. This family farm support program (PAPAFPA) aims to coordinate projects seeking to bolster the particularly low incomes of small farmers (IFDA, 2010). These projects largely have focused on the production and export of cocoa produced by small farmers. They also have focused on the expansion of vegetables, fruits and cereals, the production of which remains insufficient to meet local consumption needs.

This was the context in which IFDA solicited the intervention of a French chocolate manufacturer specialized in high quality, aromatic cacao. This
manufacturer wished to broaden his supply sources, and sought unique quality cacao produced through organic agriculture. To guarantee a steady supply of quality cocoa, he only wished to work with farmer’s collectives. The manufacturer required that post-harvest work be collective, and undertaken in community infrastructure. Lastly, the manufacturer set down his requirements in an equitable contract he intended to sign with interested cooperatives. Respect of the contract terms was expected to be verified by the member communities and by their cooperative. The Organic Cacao Export Cooperative (Cooperativa de Exportação do Cacau Biológico, CECAB) was created in response to the manufacturer’s proposal. CECAB coordinates the communities who join the cooperative, and is managed by delegates elected by each of the member communities.

The aim of this research was to understand the action taken in 2005, consciously motivated or not, by the producers and their organizations to engage in a contract with the manufacturer. This contract set down the rights and responsibilities of every party involved. Our hypothesis is that the sustainability of the contract depends on both the technical and organizational capacity of cooperative members to meet the manufacturer’s needs, and on the capacity of members to negotiate changes in the terms of the contract.

We met with numerous actors in the agriculture world with links to the cacao sector (see Box 1). We analysed their perceptions and practices to understand how they have oriented, and currently orient, their manner of proceeding and organizing (Roussiau & Bonardi, 2001). First, we rapidly retrace the history of cacao and its socio-economic organization in São Tomé. We then demonstrate how the development of a contract between the manufacturer and the cooperative reflected technical and organizational requirements. Lastly, we raise the question of whether these contractual learning processes can bring greater autonomy to producers.

Box 1: Actors Interviewed

We interviewed various actors involved in production and management of cacao, including the chocolate manufacturer and others involved in research and development programs. They were interviewed at their place of work. These interviews, individual and collective, were conducted in a semi-comprehensive mode (Kaufmann, 2007). For the farmers, the interviews focused on their personal and collective history, their actual operations and their future expectations. Twenty-five surveys were conducted:

- 4 groups of farmers, of which 2 were from communities of the Cooperativa de Exportação do Cacau Biológico (CECAB);
- 10 individual farmers, of which 5 producers were from CECAB communities (3 farmers and 2 delegates);
- the CECAB management team (4);
- the technical and commercial coordinator of CECAB;
- the director of the Programa de Apoio Participativo à Agricultura Familiar e Pesca Artesanal (Papafpa);
- 1 technician from Papafpa;
- a non-governmental community support organization;
- 3 research scientists: 1 French and 2 Sao tomenses from the Centro de Investigação Agronómica e Tecnológica (CIAT);
- a group of 3 researchers from Ciat;
- a group of Ciat (3) and Papafpa (2) managers;
- the chocolate manufacturer.
2.0 From Farm Worker to Individual Farmer: A Long Path

When slavery was abolished in 1876, São Tomé slaves became plantation farm workers. They nevertheless remained under the social and economic domination of the plantation owners (Temudo, 2008). The social system of the massive plantations was based on outlying settlements, known as roças, where “communities” of workers and their families were grouped. These communities were completely in the hands of plantation owners; each family received a very low salary and market gardening was forbidden up until 1966 (Valbert, 1990).

In the beginning of the 20th century, cacao was cultivated extensively by Portuguese colonialists at the expense of coffee and food crops. Between 1910 and 1920, São Tomé was the world’s largest exporter of cacao, with annual production exceeding 30,000 tons. Production then fell rapidly to 10,000 tons following a drop in prices induced by overproduction worldwide. Cacao from the “Chocolate Island” was considered to have fine organoleptic qualities. Since independence, production has stagnated between 2000 and 4000 tons (Dulcire & Roche, 2007).

When São Tomé became independent, 29 large colonial plantations occupied most of the arable land on the island (93%, PNUD, 2002), primarily producing cacao (id.). The plantations were nationalized and converted into 15 state farms. The plantation workers, who then became government employees, remained salaried farm workers. Cacao continued to be the dominant crop. Beginning in 1990, a change in government initiated a progressive redistribution of land: small areas were distributed to community members while medium and large surface areas were distributed to firms. Individual allocations of land were made community by community. Former farm workers benefited as well as other citizens (Gründ, 2006), with all of these beneficiaries thus becoming farmers.

The lots allocated varied greatly, creating differentiation in terms of farm characteristics. The allocation of former colonial community housing was carried out in the same manner as the land. It is estimated that 45% of the beneficiaries do not live in the same community in which they own a field. These land allocations did not constitute real land reform. They were not accompanied by the construction of basic infrastructure to improve rural living conditions, a failure which Temudo (2008) qualifies as an act of government irresponsibility. This social service failure accentuated the withdrawn attitude of these former farm workers turned individual farmers.

Despite this individual allocation of fields, the cacao trade remains in the hands of five exporters. They own the post-harvest processing infrastructure and purchase fresh cacao from small farmers, thereby impeding the latter from learning more about the sector. The purchase price is low, and does not take quality into account. The cacao mainly is used to produce butter. Curiously, however, the first “International Cacao Agreement” (UN, 1972) classed São Tomé within a small group of “producing countries exporting fine or flavour cacao”; the island still remains part of this group, although numerous countries since have been excluded (UN, 2010).

The production techniques used on the island have changed little since cacao was first introduced (Frynas et al., 2003). Recent research on genetic improvement has not had an impact on production (Aguilar, 1997) in terms of either quantity or quality. Yields remain very low, at approximately 150 kg/ha, due to the age of the plantations and because numerous producers collect their cacao only to retain property rights over the field. Only easy to access surface areas are now cultivated (PNUD, 2002).
3.0 The Establishment of a Manufacturer-Cooperative Contract: Negotiation or Imposition?

When interviewed, members of the first communities recruited by the manufacturer in 2005 announced that their initial, base objective was an immediate increase in income. The collective actor, CECAB, or, in other words, the elected representatives of the communities, noted the difficulty of finding a system, a sector to sustainably improve the sale price of cacao that would not require significant changes in customs and habits.

The manufacturer sought to diversify his cacao and guarantee a steady supply of quality beans. In order to ensure a viable agreement, he demanded that the cooperative sign the contract. For this to be possible, the contract had to be accepted unequivocally by the 11 communities that then constituted the cooperative, and thus by the producers. The manufacturer also required that these stakeholders respond to and propose improvements in the contract. He consequently was requesting an organization dynamic. This dynamic meant here the collective construction of a certain quality of cacao, in response to the manufacturer’s explicit requirements, and managing the export of this cacao to France (Table 2).

A quality approach, regardless of how it is recognized, involves strict conditions: the identification of products by the manufacturer and consumers, the voluntary engagement of producers, and the respect and verification of technical specifications. Beyond a historical, technical, and even unique pedoclimatic profile (Dulcire, 2005), this unique quality approach is part of a joint development process conducted by producers and the purchasing manufacturer. However, the reconstruction of a unique quality (Salette, 1997) cannot alone transform a traditional crop into a robust activity from an economic, social or technical perspective. As Flichy (2007) demonstrated, dynamic agriculture cannot rely on simply reproducing the past: it must innovate, in the socio-technical and organizational sense of the word.

Such innovation is based here on both community and individual initiatives, including those undertaken by elected members of CECAB. The transformation of their governance dynamics (Rey-Valette, Lardon, & Chia, 2008) represents a fundamental challenge in terms of the confidence and operational coordination of stakeholders. Lastly, this ensemble of small groups, as requested by the manufacturer, have a coordinated activity, a “creative learning process” (Hillier, Moulaert, & Nussbaumer, 2004) that is more effective than that of a large, centrally organized pyramid group.

Table 1. Evolution of the member communities, cultivated areas, and exported tons

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member communities</td>
<td>11</td>
<td>20</td>
<td>33</td>
<td>33</td>
<td>40</td>
<td>49</td>
</tr>
<tr>
<td>Member farmers</td>
<td>372</td>
<td>733</td>
<td>1253</td>
<td>1253</td>
<td>1525</td>
<td>1900</td>
</tr>
<tr>
<td>Surface areas of cacao (ha)</td>
<td>780</td>
<td>1790</td>
<td>2235</td>
<td>2235</td>
<td>2914</td>
<td>4100</td>
</tr>
<tr>
<td>Tons exported</td>
<td>67</td>
<td>130</td>
<td>216</td>
<td>327</td>
<td>478</td>
<td>600</td>
</tr>
</tbody>
</table>
The manufacturer signed the contract with CECAB, which in 2010 regrouped 49 communities (Table 1). This five-year contract specifies the qualities of the cacao to be produced, and lays down the rights and responsibilities that must be respected by the two signatories, i.e. the manufacturer and CECAB. CECAB thus is vouching for the communities that they will respect these rights and responsibilities (Table 2). The terms of the contract shows the manufacturer’s desire to not abuse his dominant position. Numerous financial aids recompense the supplementary efforts needed to respect the rules: in particular, the sale price for producers, guaranteed to be above that of the local market, and the provision of technical and economic support processes (Table 2). When asked, producers unanimously approved the terms of the contract, saying they gradually had come to understand the advantages for themselves, as this buyer was different from others. They said that due to their low level of education, their written signature was based on confidence, and on a verbal commitment given at that time, sealed by the traditional handshake.

However, these farmers initially did not understand that their active participation was expected over the entire contract period. Respect of the technical specifications was not something that simply could be asserted, it was to be certified: a certification carried out through internal and collective self-supervision, in addition to external supervision. The surveys demonstrate that producers have not completely assimilated these specifications. Producers fell back on their defensive routines (Argyris & Schön, 1996), resisting the functional change induced by the contract, particularly the collective activities: post-harvest, community infrastructure, quality control, etc. These new farmers affirm they have followed the instructions and thus, paradoxically, have “acted like farm workers” under contractual constraints. Implicitly, it is the high purchase price that motivated and recompensed the respect of these external rules. The other advantages (Table 2) were only cited by certain delegates.

Table 2. Some Specifications of the 3 Parties Involved

<table>
<thead>
<tr>
<th>Manufacturer = the buyer</th>
<th>CECAB = the cooperative, the seller</th>
<th>Communities = the producers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financing technical and management support.</td>
<td>Verification that contract rules are respected.</td>
<td>Internal quality control and traceability.</td>
</tr>
<tr>
<td>Pre-financing acquisitions, without interest.</td>
<td>Collection from communities and shipment to France.</td>
<td>Packing and labelling cacao in sacks.</td>
</tr>
<tr>
<td>Minimum price guaranteed, above world rates.</td>
<td>Payment to communities.</td>
<td>Payment to cacao producers.</td>
</tr>
</tbody>
</table>

Individuals who were not farmers and institutions interviewed on site also were full of praise for the contract between CECAB and the manufacturer. However, none had any modifications to suggest, evoking a lack of mastery and/or absence of alternatives.

The weak elements result here from the absence of a collective technical know-how and from the mode of effective participation of producers in the management
of their member communities and of the cooperative. During interviews, they did not explicitly express a lack of consensus regarding features of the contract or the overall joint construction of references in response to the manufacturer’s demands. The technical and organisational translation (Callon, Lascoumes, & Barthes, 2009) of this industrial demand, submitted to the producers, was monopolized by the manufacturer due to the lack of an active response.

The action asked of them as a group was to assume, for their first time in their lives, responsibility for their certified cacao. However, their manner reveals an instinctive block: the difficulty of coordinating or of working together due notably to their recent history as colonial and then state employees. The producers’ direct management of all stages in the marketing chain, including exportation, was a condition of the contract. This management mode guarantees a “fair” distribution of the value added created and an effective increase of income, all the while contributing to a joint discussion of the future. However, the revival of the patrimonial symbol of cacao was not enough to reawaken a cultural and collective identity.

4.0 Required to Organise, But Resigned

The collective activity of producers, in each community and through the cooperative, is required under the contract. The collective ties produced by the contract reduce hesitation, risk and incertitude. However, the contract also requires producers to abandon their former practices of individually producing mediocre quality cacao sold fresh.

4.1 Individual and Collective Learning

Respect of the contract requires a certain dynamism and efficiency, in individual decision making up to the social construction of collective decisions. It requires the construction of a coordination framework to manage rules and ensure smooth coordination between the farmers, their communities, and the manufacturer. Respect of this contract thus requires all of these actors to carry out a "joint analysis" (Sydorovych & Wossink, 2008), a representation shared by the producers and the manufacturer. These obligations, which ensue from the contract, lead one to ponder how the cooperative may function for this action to benefit producers and not just their delegates.

First, this forced learning of working in coordination to carry out activities reflects the technical and decisional changes required not only of the individual, but also of the collective. Community members need to learn to work together for individual and social autonomy (Moity-Maïzi, 2010), but not, as Touraine noted (1988), for independence. These learning processes gradually structure the capacity of the actors, the farmers, to communicate, both verbally and in writing (Fixmer & Brassac, 2004). To act together means they must first adapt themselves, and then respond to, the conditions for a “democratic rationalisation of the technical codes” (Feenberg, 1999, p. 147) which were imposed by the manufacturer. The collective construction of a cacao quality thus also involves developing and appropriating know-how, and learning to become autonomous.

De Koning and de Steenhuijsen (2009) affirm that the farmers must become “shareholders” in an enterprise if they wish to effectively participate alongside it. Here, the cooperative and the organised communities only are "stakeholders", partners of the manufacturer. However, they have a right, that of playing on the
dynamic of the terms and conditions of the contract. This contract reduces transaction costs, but also provides a guaranteed price, facilitates credit, and commits the manufacturer to reinvest part of his profits in the collective infrastructure (see Table 2). The organisational confidence (Chia & Torre, 1999) created is a fundamental element in the sustainability of the industry: founded on the sharing of know-how and information, and on mutual recognition, this confidence authorizes group action, in particular the collective mastery of uncertainty (Dulcire, 2005), which is the basis of the contract between the cooperative and the manufacturer. Communication between these stakeholders in this “multidirectional dialogue” (Romanow & Bruce, 2006, p. 146) is a necessary condition for the contract to operationally endure.

The contract also has undeniable economic advantages, not only for the producers' purchasing power, but also for the control of risk linked to fluctuations in international cacao prices. The interview respondents confirmed that this price guarantee was a major advantage. None declared a desire to withdraw from the contract despite having had serious doubts during the first years. However, the conditions of the contract oblige them to participate together in all stages of the process: post-harvest work and the joint development of specifications with the industrialist, and thus organizational practices oriented around the achievement of results. Such learning linked to the actual management of a process (Argyris et al., 2002) contributes to improving the capacity of various stakeholders to adapt. When analyzing the success of agro-alimentary initiatives, Constance (2008) particularly noted the importance of these collective learning processes, which he describes as emancipating for stakeholders. This required, cooperative manner of operating provoked a shock, and then a stirring of awareness, among these new producers, who previously never had experienced an opportunity to take the initiative. Spontaneously, they denied that there was a way to work as a group, while preserving their personal interests, or that collective management could help a producer make decisions. They thereby demonstrated that they had not yet appropriated the rules of the game. They had not understood, through either ignorance or a difficulty in comprehension, that their participation was part of the contract. The producers continued to perceive such a social and technical commitment as a constraint. Some, however, now have grasped that their participation is a learning process, a social and economic asset aimed at sustainably valorising their cacao, and therefore of reinforcing the role of the crop in the local economy.

A comparison with cacao farmers of Ecuador who signed the same type of contract with the manufacturer struck us as interesting. These professional farmers, who are not new to the profession like those in São Tomé, nevertheless were subjected to the same requirements of the manufacturer at the beginning of the contract (Dulcire, 2010). A number then responded to these requirements, resulting in an active collaboration. These farmers were innovation pilots in their cooperative, and rapidly brought changes to the contract through a steady process of proposition, negotiation, and validation, or, in other words, a joint construction process with the manufacturer.

4.2. Participation Stimulated by the Manufacturer, Yet Simulated by the Farmers

CECAB farmers paint an idealistic and positive portrait of the progressive development of the industry. This image shows their satisfaction in having “participated” in this complex business, an activity that they had not imagined possible several years previously. They also describe direct, positive consequences,
such as the improvements in their communities’ living conditions, housing, health, education, training, etc, and their social and cultural recognition at the national level.

It was in effect only twenty years ago that the statute of small cacao producer came into being, replacing their former status as forced farm labourers and then state farm employees. Individually, these new producers nevertheless remained subject to the five large local buyers. The awakening of the CECAB producers’ awareness, who have for the first time in their history succeeded in exporting their cacao themselves, is a real step forward in this country. This stratum of organized producers has earned the attention of rural development programs as a model. They therefore have benefited easily from the programs’ financial support. Yet were the benefits obtained at the expense of other communities? Furthermore, the exclusion of individuals, and indeed communities, incapable of respecting the specifications of the manufacturer-CECAB shocked the spirit of solidarity of some respondents. The difference between the CECAB farmers and those of the traditional sector also is seen in the time spent working at the community level: in the post-harvest processing of cacao; attending meetings and training sessions, participating in the development of infrastructure, and involving themselves in, and undergoing, internal and external quality controls. According to them, this represents six days of work per month, but more for the community delegates who are responsible for the cooperative operations of CECAB.

Due as much to their new status as individual farmers as to a lack of a tradition of collective farmer organizations, the farmers who are members of CECAB were and remain reticent with regards to collective operations. Our survey highlighted that regular coordination, stimulated by the manufacturer, did not really work. The producers did not acknowledge, or did not want to acknowledge, that their effective participation was necessary or obligatory. Their elected delegates, as well as outside stakeholders (Box 1), identified other major, limiting factors: the level of education; the lack of autonomy because the producers were accustomed in the past to being given orders; and a consequent difficulty to negotiate and construct projects, individually or collectively.

Constraints, both technical and organizational, thus have been interiorized by these producers, and they do not engage actively in the undertaking. They do not form a homogenous group, with differences particularly between the managers who are elected and the member farmers who they direct. Conforming to the rules of action laid down in the contract remained for many a passive, simulated agreement with the required social and technical innovations. The “new partnership governance” (Jean & Bisson, 2008) hoped for by the manufacturer to obtain a jointly constructed type of cacao had trouble getting off the ground. The process was conducted by the manufacturer alone, despite his desire for a functional alliance. This dependence did not enable a significant reinforcement of social cohesion in the communities, an essential factor for the sustainability of change.

Such a necessary collective empowerment has to be considered “as a social change rather than stability” (Drury & Reicher, 2005, p. 52). The participatory approach represented from the start a crucial challenge for the sustainable cooperation between the stakeholders of this contract. Their mutual recognition means that the producers, their associations, and the manufacturer are engaged in a process of translation (Callon et al., 2009) to reinforce the essential factor of reciprocal confidence (Busch, 2010), and to gradually change the specifications of the contract. From this moment on, there is both a contractual reality as well as a
cultural one. Each must become capable of producing the same discourse; while they may use their own terms, they nevertheless should be capable of expressing what pertains not only to their specific status but also to that of others in relation to the cacao product. This “contemporary creativity” (Rausch, 2009) is in the process of being born, and it cannot draw from São Tomé history. It is sketched out around the need to reinforce and to share knowledge and know-how. It also raises the question of the role of the framework pre-established by the manufacturer, which is one of unique cacao and “organic-fair trade”, used to construct a joint project; in other words, the cooperation, understanding, and interactions that are feasible between the enterprise and producers, as a group with a common culture.

5.0 Towards an Emancipation of the Producer?

The establishment of this certified organic cacao industry in São Tomé led to the production of a cacao with a special territorial character and a refined organoleptic quality. The contract gave new farmers, who formerly were salaried workers, an opportunity, for the first time, to produce and directly sell their cacao. The study highlights numerous positive socio-economic effects. However, while the chocolate manufacturer required the producers to manage the production, processing, and exportation together, the process was not built on the participatory basis sought for by the manufacturer. At the start, there was no active involvement on the part of farmers, and they later remained passive with regard to the manufacturer’s expectations. Due to their past history, the farmers will require a long time to master cooperative work, which is indispensable. The technical and organisational learning involved remains incomplete, and this difficult start of operational cooperation between actors has not yet produced a durable alliance. However, another question remains, can such a situation continue for these individual producers and their collectives, subject as they are to the monopoly of just one buyer?

6.0 References


