

THE ROLE OF AGRICULTURAL CO-OPERATIVES  
IN KENYA'S RURAL DEVELOPMENT: A STUDY  
IN THE POLITICS OF ACCESS IN WESTERN  
KENYA.

KIPKEMOI MARK ARAP BOR

THIS THESIS HAS BEEN ACCEPTED FOR  
THE DEGREE OF.....M.A.: 1982.....  
AND A COPY MAY BE PLACED IN THE  
UNIVERSITY LIBRARY.

UNIVERSITY OF NAIROBI  
LIBRARY

A THESIS SUBMITTED IN PARTIAL  
FULFILMENT OF THE DEGREE OF  
MASTER OF ARTS IN GOVERNMENT  
AT THE UNIVERSITY OF NAIROBI.

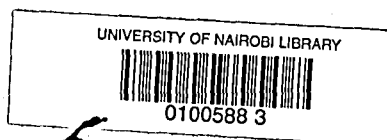
THIS THESIS IS MY ORIGINAL WORK  
AND HAS NOT BEEN PRESENTED FOR  
A DEGREE IN ANY OTHER UNIVERSITY.

*Milbor* 9-7-82  
KIPKEMOI MARK ARAP BOR

THIS THESIS HAS BEEN SUBMITTED FOR  
EXAMINATION WITH OUR APPROVAL AS  
UNIVERSITY SUPERVISORS.

*Walter Ouma Oyugi* 13.7.82  
WALTER OUMA OYUGI (Ph.D.)

*Njuguna Ng'ethe*  
NJUGUNA NG'ETHE (Ph.D.)



CONTENTS

	Page No.
ACKNOWLEDGEMENTS .....	iv
ABSTRACT .....	vi
LIST OF TABLES .....	ix
ABBREVIATIONS .....	xi
<u>CHAPTER ONE: INTRODUCTION</u>	
1:1 Subject and objectives of the study ...	1
1:2 Methodology .....	10
Footnotes .....	14
<u>CHAPTER TWO: THEORY AND PHILOSOPHY OF CO-OPERATIVES</u>	
2:1 Introduction .....	15
2:2 Conceptions of Co-operatives .....	16
2:3 Historical Origins of Co-operatives .	31 ✓
2:4 Co-operatives and Peasants in Africa: A General Overview .....	40
2:5 Co-operatives and the Politics of Access .....	48
Footnotes .....	54
<u>CHAPTER THREE: CO-OPERATIVES AND RURAL DEVELOPMENT IN KENYA.</u>	
3:1 Introduction .....	59
3:2 Agricultural Co-operatives During the Colonial Period .....	60 ✓
3:3 Agricultural Co-operatives After Independence .....	80 ✓
3:4 Agricultural Production and the place of the smallholder .....	87
3:5 Grassroots Discontent and Government Control .....	92

CHAPTER FOUR: AGRARIAN CO-OPERATIVES AND THE  
POLITICS OF ACCESS.

4:1	Introduction .....	102
4:2	Conceptualizing the Politics of Access ..	103
4:3	Some Economic and Social Benefits of Agricultural Co-operatives in Kenya ....	117
4:4	The Management of Co-operatives .....	119
4:5	Agrarian Co-operatives and Access to Economic Benefits .....	124
4:6	The Supposed Social Benefits of Co-operation .....	137
<u>Case Studies</u>		
	Case No. 1: Seme-Kisumu Farmers' Co-operative Society Limited, 1978 .....	139
	Case No. 2: Nyakach Farmers' Co-operative Society Limited, 1978 .....	145
	Case No. 3: Uyoma Farmers' Co-operative Society Limited, 1980 .....	148
	Footnotes .....	156

CHAPTER FIVE: THE POLITICS OF A FARMERS'  
CO-OPERATIVE UNION: The Case of MMFCU in  
Busia District.

5:1	Introduction .....	161
5:2	Cotton Production in Busia District ....	162
5:3	Agrarian Co-operatives in Busia District .....	168

5:4	Malaba-Malakisi Farmers' Co-operative Union Limited: A Case Study in the Politics of Access.	
-	General Background .....	171
-	Leadership and the Problem of Democratic Control .....	179
-	Leadership in MMFCU .....	184
5:5	"Grassroots" Responses to Governmental Intervention.....	196
	Footnotes .....	209
	CHAPTER SIX: CONCLUSION-----	211
	APPENDIX - QUESTIONNAIRE FOR CO-OPERATORS ..	233
	BIBLIOGRAPHY .....	242

ACKNOWLEDGEMENTS

I am grateful to the University of Nairobi for offering me a place to pursue a post-graduate course in Government and for successfully arranging with the Danish International Development Agency (DANIDA) to offer me a scholarship. I am equally grateful to DANIDA.

Many people have contributed in various ways to the success of this study. I am particularly indebted to my University supervisors, Dr. Walter Ouma Oyugi of the Department of Government and Dr. Njuguna Ng'ethe of the Institute for Development Studies, University of Nairobi, both of whom read the entire manuscript several times and made many invaluable suggestions. I thank them for their constant encouragement.

More thanks to the Chairman, Department of Government, Professor Ahmed Mohiddin for his encouragement and advice, and for being patient on various occasions when his work was delayed or foregone as his secretary typed my manuscripts.

I wish to thank the lecturers in the Department of Government for freely sharing their ideas with me during my period of study. I am particularly indebted to Dr. B. C. Gondwe, Dr. D. Mazzeo,

Dr. Nicholas Nyangira, Dr. Peter Anyang' Nyong'o  
Dr. S. W. Rohio, and Dr. W. O. Oyugi for the preparatory  
series of lectures and tutorials.

My colleagues, Mr. Ben Elung'ata Akwara,  
Miss. Josephine Koitie, Mr. Crispine Odhiambo Mbai,  
Peter Wanyande Oduor and Mr. Martin Okerruk held very  
useful discussions with me at various stages during  
the writing of this thesis.

More thanks to the agricultural co-operators  
and government officials in Western Kenya for their  
co-operation which made my work a great deal easier.

My parents, Mr. Simeon Kipbor Arap Tesot and  
Mrs. Martha Chebuiwo Tesot gave me a lot of moral and  
material support during my study period. I thank them  
together with Rael, Chebet and Kibet for their  
constant encouragement.

Last, but not least, I am grateful to  
Veronica Nyokabi Muya for her patient and meticulous  
typing.

ABSTRACT

Agricultural co-operatives have been seen in most of the "Third World" as powerful instruments that could be used to develop the rural areas. The aim of this study is to examine the extent to which these co-operatives have contributed to the economic and social development of Kenya's rural areas. We do this with the help of case studies of selected registered and active co-operative societies in Western Kenya, particularly in Busia, Kisumu and Kericho Districts.

The contribution that agricultural co-operatives can make to the rural development of any particular country largely depends on the social and economic circumstances prevailing in that country. Co-operative organizations are not independent variables affecting the wider socio-economic setting within which they operate. Rather it is this wider setting which defines their role and shapes their behaviour.

The establishment, growth, and development of agricultural co-operatives in Kenya has been closely linked up with changes in the agrarian economy which have been taking place since the turn of this century. During the colonial period agricultural



co-operatives in Kenya mainly served to consolidate the apartheid character of capitalist development. They, therefore, developed as a hand-maiden of the colonial settler state and were largely used as instruments of economic and political domination. The achievement of independence did not mark a radical break with the past in terms of the rural development strategy. The only differences are those of degree.

The clientelist politics that developed after independence dictated that local participatory organizations, agricultural co-operatives included, would become instruments of local political control. The strength of the new political leadership depended on a series of patron-client relationships which shaped the character of national and local politics. Agricultural co-operatives thus became one of the organizations through which local power struggles, which we sum up as involving the politics of access, sought articulation. This kind of politics has negatively affected the ability of agricultural co-operatives to fulfil their formal economic and social objectives.

Finally, we argue that rural development in

Kenya could be enhanced by the adoption and pursuit of policies that are designed to minimize the existing socio-economic inequalities in the country. This would involve changes in the structure of production and distribution of the goods necessary to sustain human life.

LIST OF TABLES

<u>Table</u>	<u>Page No.</u>
1:1 Categories of Respondents .....	11
3:1 White Settlement in Kenya Highlands...	62
3:2 African Labour Force, 1920-1931 ....	62
3:3 Production of Major Crops for Sale 1946 - 1960 .....	64
3:4 Prices to Producers for Selected Agricultural Products (1946-1960) ..	75
3:5 Gross Marketed Production From Large and Small Farms, 1960-1980 .....	87
3:6 The Development of Smallholder Tea, 1964/5 - 1979/80 .....	89
3:7 New Agricultural Credit Issued By Type of Farmer, 1976/77 - 1979/80 ..	90
4:1 Payments to growers of tea and coffee compared to overseas payments for selected years .....	130
4:2 Average gross payment to cotton producers compared to export prices for selected years (1973-1980) ....	132
5:1 Cotton Output from Busia District in Percentage of Total National Cotton Output, 1963/64 - 1979/80 ...	167
5:2 Active Members in Six Societies affiliated to MMFCU, 1976/77 to 1979/80 .....	173
5:3 Annual Turnover in Six Societies affiliated to MMFCU, 1976/77 to 1979/80 .....	176

5:4 Average gross earnings per Member in  
the Six Societies affiliated to  
MMFCU, 1976/77 to 1979/80 ..... 177

ABBREVIATIONS

CCD	-	Commissioner for Co-operative Development.
CS & LMB	-	Cotton Lint and Seed Marketing Board.
D.C.	-	District Commissioner
DCO	-	District Co-operative Officer
MMFCU	-	Malaba-Malakisi Farmers' Co-operative Union Limited
PCO	-	Provincial Co-operative Officer.

CHAPTER ONE

INTRODUCTION

1:1 Subject and Objectives of the Study

This study is on the role of agricultural co-operatives in Kenya's rural development. Throughout the thesis the co-operatives are also referred to as "agrarian", "rural" or "marketing" co-operatives. This is because most co-operatives in Kenya's countryside are based on the production, processing, and marketing of agricultural commodities.

There has been no general consensus concerning the definition of the term "co-operative" because of the bewildering variety of institutions that go by that name in various parts of the world. Even the International Co-operative Alliance has not been able to offer a general definition without making numerous exceptions to it.<sup>1</sup>

The co-operative enterprise, however, is often conceived in terms of its formal organizational characteristics such as open and voluntary membership, democratic administration, and

equitable distribution of surplus, inter alia. These characteristics, which are often referred to as "co-operative principles", were originally propounded by the Rochdale Pioneers in nineteenth century Great Britain. Over the years the Rochdalian attributes of the co-operative society have been modified to suit changing socio-economic circumstances. They, therefore, cannot form the basis of a general definition.

Co-operative institutions have also been conceived in terms of their objectives. They are supposed to have a dual function, the "economic" and the "social". Failure to perform both duties at the same time would disqualify an organization from its "co-operative" claims. It would be "fatal"<sup>2</sup> to them. This subject is examined in our second chapter. In summary the economic role of co-operatives is emphasized by such definitions of the co-operative enterprise as essentially

"an association for the purposes of joint trading, originating among the weak ...."<sup>3</sup>

or " a collective economic enterprise" in which members, usually "small" or weak persons, work "at their common risk."<sup>4</sup> Assumed here is a

market situation where the more powerful socio-economic forces in society work to deny economic benefits to the less powerful. In this context co-operatives are supposed to increase the bargaining position of the weak vis a vis other socio-economic groups with which they have to compete for scarce resources.<sup>5</sup> In other words these institutions would improve their access to these valued but scarce resources.

The "social" role has to do with the building up of communal attitudes among the co-operators. The co-operators learn to work together as a community and also learn the "democratic" procedures. Co-operatives, wrote one advocate of co-operation in the colonies during the 1940s, "will tend to eradicate the helpless and mendicant mentality which is apt to lie down in the face of difficulties and wait for Government or some other outside agency to come to the rescue." These institutions, he continued, work to "transform countless inert and helpless people into active and self-reliant collaborators in the promotion of their own improvement."<sup>6</sup>

As a social movement, co-operation is also supposed to entail the identification of exploita-



tion, both at the level of production and in the sphere of circulation, as a menace to society. As we shall discuss in our second chapter, this explains why the co-operative institution was seen by the Utopian Socialists as a constructive alternative to the predatory character of capitalism in nineteenth century Western Europe. The association of co-operatives with the crusade against exploitation, however shaky the foundations of this association might be, has given rise to the idea that co-operatives are essentially "socialist" institutions and that they originate among and belong to the weak rather than the powerful.

In many developing countries the co-operative institution has been encouraged because of this presumed dual function. When it was first introduced in India, for example, it was intended not only to boost agricultural production, eliminate the money lenders and rid the countryside of indebtedness, but it was also geared towards breaking the caste barriers in the Indian society.<sup>7</sup> Co-operatives thus served an economic and a social purpose. Furthermore, they were thought to reinforce the interdependence and co-operation which was "the very Keynote of the Hindu family, joint in food, worship, and estate."<sup>8</sup>

Although agrarian co-operatives were introduced in India over seventy years ago - these were the first to be established in the British colonies - the caste system still forms an integral part of the Indian society.

As we shall see in the subsequent chapters, agrarian co-operatives in Africa have been encouraged because of their presumed economic and social objectives. In many African countries these institutions played an important role during the struggle for independence. In Tanzania, for example, they formed the core of grassroots political activity and provided the organizational framework within which a mass party emerged. In some countries, however, co-operatives developed as a hand-maiden of the colonial state and were largely hostile to African nationalism, especially in its violent form when it involved risk to private property. Co-operatives in Kenya, for example, were designed to support and consolidate the colonial socio-economic establishment, and they lived to their design by collaborating with the colonial government in its struggle to crush a violent form of African nationalism - **Mau Mau**

After independence, African leaders continued to publicly condemn colonialism and the institutions

that had been established to support it. Capitalism was condemned because exploitation during the colonial period had been associated with the private firm and the "capitalist middle-man."

The new African governments, therefore, could not build their political programmes on capitalism.

Communism was not a plausible alternative either, not only because the new states lacked the

resources to support a wholly state - controlled system, but also - and more importantly, because

the political elite were not ideologically

prepared to support it.<sup>9</sup> It was during this

search for ideology that "African Socialism" was propounded and became a popular catch-word among

virtually all African political leaders. The

ideology of African socialism became easily

acceptable because it was vague enough to commit

the new leaders neither to capitalism nor to

communism.

If "socialism" was going to be built in Africa, it was only logical that the political leaders proposed a "socialist" institution as a means of achieving it. The co-operative society was largely seen as an instrument for fostering the ideals of this African brand of "socialism."

As the practical implications of the new ideology

unfolded, however, it became clear that most African political leaders, like the Utopian Socialists of the nineteenth century, could not go further than criticise the social relations of production under capitalism.

Within the overall development ideology of African socialism, the promotion of co-operatives has been justified in two broad ways. On the one hand is an economic justification which sees cooperatives not only as replacements of non-African middlemen, but also as means of integrating peasants into the monetary economy. The argument here is that co-operatives would enhance capital formation and higher consumption among Africans without creating a new class system.<sup>10</sup> By reaching even the geographically most remote peasants, furthermore, co-operatives would act as agents of modernization. They would bring poor peasants more firmly into the monetary economy. In addition the government would channel various inputs through these institutions to the ordinary peasant farmer.

On the other hand is a social justification. Co-operatives, so the argument goes, enhance popular participation in the development process.

They stimulate local initiative and thus tap enormous individual resources which had not been exploited during the colonial period. The obvious implication here is that the colonial bureaucracy was too "undemocratic" to allow for effective local participation in development. This argument is often reinforced by the romantic idealization of village life in Africa before the colonial intervention.<sup>11</sup>

Although co-operatives in Kenya did not work against the colonial establishment, they have animated various post-independence policy documents including the national Development Plans. Although emphasis has been placed on their economic functions, agrarian co-operatives in Kenya are also supposed to play a social role. As economic tools they are supposed to boost agricultural production by supplying farm inputs to farmers, especially the small-holders. They also act as channels through which the government can provide loans to them. Co-operatives also collect, process, and market the agricultural produce through the state-owned and managed marketing boards.

Apart from this economic function, agrarian co-operatives in Kenya are supposed to be avenues

for popular participation in the development process. Through them the farmers can make demands on the government, or enforce co-operative norms among themselves. They learn much about the democratic procedure by actively participating in the running of their own cooperative societies.

This study is an attempt to examine the extent to which agricultural co-operatives have been successful in achieving the above stated objectives of rural development in Kenya. We are concerned with the manner in which individuals or groups of individuals organize themselves for the purposes of improving their access to the benefits which are supposed to accrue from co-operation. We are also interested in the problems that the farmers face and how they try to solve them, and with what success, in this struggle for access. We also want to examine the role that the government plays in resolving the conflicts that arise from these politics of access. Finally, we want to examine the social bases of leadership in Kenya's agrarian co-operatives.

Answers to these issues have formed the subject of debate on the role of agrarian co-operatives in the rural development of the

"Third World."<sup>12</sup> This thesis, therefore, is essentially a contribution to this debate.

## 1:2 Methodology

The author conducted research in Western Kenya, broadly defined to include Busia, Kisumu, and Kericho districts of Western, Nyanza, and Rift Valley Provinces, respectively. The field work was done between October, 1980 and March, 1981.

Co-operatives in these areas are very recent and there is, unlike in Kisii and the central parts of the country, very little literature on them.

Data was collected from primary and secondary sources. Primary data was gathered in two ways. First there was a formal questionnaire. Three categories of respondents viz the co-operative officers, the management committee of selected co-operative societies and a co-operative union, and ordinary members of the selected societies. The respondents were asked a series of questions, both closed and open-ended, relating to their roles in the co-operative societies. Second, the author held informal conversations with a few respondents from each category. This latter source of information was important particularly because the

respondents could discuss a wide cross-section of the issues raised in the questionnaire more freely than when they were aware of somebody taking notes.

In all, 145 randomly selected individuals from all the three categories of respondents were interviewed. This can be broken down as follows:-

Table 1:1 Categories of Respondents

District	Co-operative Officers	Managing Committee members	Ordinary Farmers
BUSIA	4	Jairos F.C.S. Ltd. 5	27
		Lukolis F.C.S. Ltd 5	27
		Malaba-Malakis F.C.U. Ltd. 5	
KISUMU	4	Seme-Kisumu F.C.S. Ltd. 5	27
KERICHO	4	Kablanga F.C.S. Ltd. 5	27
TOTAL	12	25	108

The first category of respondents were the "ordinary farmers." These were farmers with no



special responsibilities in the co-operative organization. They were asked questions mainly relating to their economic activities, why they joined the co-operative society, their participation in it, the problems they face as co-operators, and how these problems could be solved.

The second category of interviewees were members of the managing committee of the societies. In addition to the questions that were answered by the first category, the committee members were asked questions relating to their official duties, the problems they face, and how they could be solved.

The third category of respondents were the officials of the Ministry of Co-operative Development. Theirs was a different set of questions requiring a more critical evaluation of the co-operative movement in their districts, and especially those which had been selected for this study.

In addition I gathered secondary data by examining various documents. These included the official records of the four primary societies studied, and the one co-operative union. Information on co-operative society membership, production,

sales, loans, and the sources and types of formal communication was found here. The district monthly and annual reports, the Statistical Abstracts and Economic Surveys also proved useful in the provision of this data.

CHAPTER ONE: FOOTNOTES

1. Bager, T., Marketing Co-operatives and Peasants in Kenya. (Uppsala: Scandinavian Institute of African Studies, 1980) p. 14-16.
2. Laidlaw, A.F., "The Mobilization of Human Resources for Rural Development Through Agricultural Co-operatives." in Andreou, Paris (ed) Cooperative Institutions and Economic Development in Developed and Developing Nations. (Nairobi: East African Literature Bureau, 1977).
3. Fay, C.R., Co-operation at Home and Abroad (London: Staples Press, 1948) 5th Edition p. 5
4. Quoted in Digby, M., The World Co-operative Movement, p. 7.
5. Colombain, M., Co-operatives and Fundamental Education, (Paris; 1950. Unesco Publication no. 632) p. 10  
  
Campbell, W.K.H., Practical Co-operation in Asia and Africa. (Cambridge: W. Heffer & Sons, 1951) pp. xvii - xviii.  
  
Fay, C.R., op. cit., p. 3.
6. Campbell, W.K.H., "Memorandum on Co-operation in the Colonies." (Government Printer, Nairobi 1944) p. 3.
7. Hough, E.M., The Co-operative Movement in India. (London: Oxford University Press, 1932).
8. See Hough, E.M., *ibid* p. 44.
9. See Hyden, G., Efficiency Versus Distribution in East African Co-operatives. (East African Literature Bureau, 1973) p. 3.
10. See Hyden, G., *ibid* p. 4.
11. We discuss some of the arguments raised here in Chapter Two.
12. The review of some of this literature in Chapter Two reveals this. See for example the works of Hyden, G., Saul, J.J., the series of articles in Worsley, P. (ed) Two Blades of Grass - all of which are cited elsewhere in this work.

CHAPTER TWO

THEORY AND PHILOSOPHY OF CO-OPERATIVES

2:1 Introduction

In this chapter we review some of the literature on co-operative theory and philosophy. We identify and discuss two broad conceptions of co-operatives viz the liberal "economic" and the historical materialist "social" schools. These, however, are not two discrete or mutually exclusive conceptions, for their main differences seem to lie in the way they view the ultimate objectives of the co-operative institution.

The evolution of these two schools can only be fully understood historically, a fact which persuades us to trace the historical origins of co-operatives.

Co-operatives were introduced into Africa during the colonial period. These organizations later proved to be instrumental as a means of voicing popular resistance against colonial rule in most African countries. When African leaders propounded "African Socialism" as a new ideology for development after independence, the co-operative society presented itself to them as a means of

realizing this "socialism".

Finally, we examine some of the literature which seek to integrate theory and practice in African agrarian co-operatives.

## 2:2 Conceptions of Co-operatives

In recent years the plight of the rural population in the Third World has attracted the attention of politicians, administrators, and scholars of various ideological leanings. In Africa, developing the rural areas has been seen as a "matter of life and death" which must be done "no matter what our performance is in other sectors".<sup>1</sup>

This concern with rural development stems from three main considerations. First, the majority of Third World population lives in the rural areas - around 90 per cent in most African countries, including Kenya. Second, the economies of these countries are heavily dependent on agricultural production, thus placing, the rural population in a pivotal position in these countries' overall development. The third consideration, and an ironic one indeed, is the stark reality of rural poverty. In most Third World countries rural dwellers are poverty-stricken and generally disadvantaged from the point of view of access to public services.

They are, in the words of Robert Chambers, "least in contact with the modern world, least influential politically, least likely to possess adequate land and capital for decent life, least able to help themselves and hardest for government to help". They live "almost invisibly in the pockets of poverty".<sup>2</sup>

Arising from these considerations has been a view of rural development that emphasizes the provision of "basic needs". The argument here is that rural development has to focus on the improvement of rural man's material conditions of life. Thus rural poverty can be best tackled by stimulating the growth of employment-generating productive industries in the countryside.

The benefits of such growth must be equitably distributed so as to narrow the gap between the rich and the poor, both in rural and urban areas.

Rural development also involves the quantitative and qualitative increase in the provision of welfare services such as education, communication, and health.

Perhaps the most important aspect of rural development is that of public participation. The

rural population must be encouraged to participate actively, directly or indirectly, not only in the making of policies that affect them, but also in their implementation. The latter requires the creation of strong participatory institutions where none already exist. Policy making and policy implementation, however, are necessarily political processes since they involve the distribution of available resources, the allocation of advantages or benefits, and disadvantages. In the same vein participation in such processes necessarily takes on a political character. It happens therefore that only those who control state power, the most powerful instrument of coercion in modern societies, can make policies and implement them. Rural communities all over the world, however, have often been relegated to a sort of second-class citizenship. They are rarely in control of the state machinery.

What kind of politics are most appropriate for the realization of the above stated objectives of rural development in the Third World? There is no single universally acceptable answer to this question. We can, however, identify two schools of thought which offer different solutions to the problem. These are the liberal "basic needs" approach, and the historical materialist approach.

To begin with the basic needs approach is rooted in the liberal conception of the state, society and politics. The state is seen as a benevolent umpire catering impartially for the interests of all people within its jurisdiction. The basic assumption here is that there is no major contradiction between the interests of the rulers and the ruled.

The emergence of the liberal conception of the state can be traced back to the evolution of the market society in Europe during the industrial revolution and the subsequent downfall of feudal monarchies. During the nineteenth century, Europe had developed to a particular historical stage whereby the existing relations of production were becoming an impediment to any further development of productive forces. The capitalist mode of production could only articulate itself by bursting asunder the existing feudal relations of production. Bourgeois revolutions ushered in a new era, an era of bourgeois society and politics.<sup>3</sup> Kings lost their 'divine rights'. In the new era, even 'plebians', could make rulers if they proved 'industrious'.

Various individual freedoms were cherished. These included the freedom of speech, freedom of



choice, and so forth. Various equalities were also emphasized. These included equality of opportunities, equality before the law, equality of sexes, and many other 'equalities'. These social freedoms and equalities would also apply to economics and politics.

When this kind of socio-economic and political set up is confronted by a rural development problem such as the one we have just described above, the solution lies in the provision of "basic needs", viz education, communication, health, and so forth. Community development programmes are initiated. Self-help groups are formed. Charitable organizations and individuals are asked to make generous donations, in cash or in kind, towards the provision of these basic needs. The co-operative society immediately presents itself as a means by which the rural dwellers can pool their own meagre resources in an effort to solve their own economic problems. Although the co-operative society might have certain social advantages, their role under this broad liberal conception of development is perceived as essentially economic.

The historical materialist approach to the rural development problem, starts with the analysis of production and distribution of the goods

necessary to sustain human life. The argument here is that it is first and foremost necessary to understand the mode of production within which this rural development problem has developed before a solution can be prescribed.

In the process of production, argue Marx and Engels,<sup>4</sup> people get into certain relations with each other which are independent of their own wills. The dominant characteristic of these relations of production have always varied from one historical epoch to another. The important point to note, however, is that social classes and class struggles emerged when men consciously organized themselves for the purposes of producing the necessary materials for the sustenance of human life. Social classes are large groups of people who can be distinguished by the place they occupy in the process of production, the size of their share in the distribution of the product, the manner in which they acquire this share, and also the manner in which they dispose of it. The history of all hitherto existing societies, Marx and Engels argue, is the history of class struggle.

Except in that historical epoch of primitive communism, and in the future classless society, all human societies have been characterized by the

existence of antagonistic classes. The slave was oppressed and exploited by his master, the serf by his landlord, the proletariat by the capitalist. Their conflict and struggle has always centred around the ownership of the means of production, and the distribution of the product of labour. The appropriation of **surplus** value takes various forms in various historical epochs, from the brute force of the slave owner to the extortion of tribute by the landowner, and the payment of a wage by the capitalist in the capitalist mode of production.

Class struggle is an important aspect in the development of human societies. In this context 'development' involves breaking the economic and superstructural forms of domination and exploitation in a process that ultimately leads to the realization of a classless society. In this struggle, however, the exploited are always disadvantaged from several points of view. First, the exploiting classes usually have the coercive instruments of the state at their service. In addition they always have an ideology to legitimise their position of dominance. Second, it takes time for the exploited classes to identify their common interests and openly pursue them.

It is within this context that Marx and Engels analysed the capitalist mode of production and concluded that the latter, in its attempts to reproduce itself, creates devices for its own destruction. It creates an exploited and therefore impoverished class of wage-earners both in the urban and in the rural areas. This class, the proletariat, grows more and more class conscious and revolutionary. They are the morally unshakeable pillars of human progress, the agents of carthatic regeneration in all capitalist societies.

This growing revolutionary class is contrasted to the dying conservative rural folk, the peasantry. Exploited, though they are, the peasants are incapable of articulating their own interests. Their attachment to small pieces of land gives them the illusion of being a property-owning class. The survival of traditional kinship ties gives them the illusion of being secure. The peasantry are an inherently conservative lot. Write Marx and Engels:

"The small-holding peasants form a vast mass, the members of which live in similar conditions but without entering into manifold relations with one another. Their mode of production isolates them from one another instead of bringing them into mutual intercourse ----- Their field of production, the small holding, admits of no division of labour in its cultivation, no application of science, and therefore no

diversity of development, no variety of talent, no wealth of social relationships. Each individual peasant is almost self sufficient".<sup>5</sup>

Since the peasants produce the major part of their consumption needs in their small holdings, their interaction with other social groups in society is very low. The monotony and idiocy of rural life is hardly broken. It is just

"a small holding, a peasant and his family; alongside them another small holding, another peasant and another family",<sup>6</sup>

In this way a whole village community or nation "is formed by simple addition of homologous magnitudes, much as potatoes in a sack form a sack of potatoes".<sup>7</sup>

The peasantry cannot identify and articulate its own interests. Peasants are incapable of having an independent class consciousness. The consequence of this, continue Marx and Engels, is that they are

"incapable of enforcing their class interest in their own name, whether through a parliament or through a convention. They cannot represent themselves, they must be represented. Their representative must at the same time appear as their master, as an authority over them, as an unlimited government power that protects them against the other classes and sends them rain and sunshine from above.

The political influence of the small-holding peasants therefore, finds its final expression in the executive power subordinating society to itself."<sup>8</sup>

They are "a host of superstitions and no ideas whatsoever," commented one historian of Russian history. Peasant rebellions, he continued have often "changed nothing, brought nothing new into the mechanism of the state, into the structure of understanding, into customs and inclinations..."<sup>9</sup>

Writing about peasant rebellions, Eric R. Wolf observes that "peasants are often merely passive spectators of political struggles or long for a sudden advent of a millenium, without specifying for themselves and their neighbours the many rungs on the staircase to heaven."<sup>10</sup> They are handicapped in passing from passive recognition of wrongs to active political participation as a means of setting them right. The explanations given by Wolf about political incapacity are to a large extent similar to those offered by Marx and Engels. He mentions and discusses the peasants' limited social interactions, both within the village community and in their relations with the outside world. Peasants, furthermore, compete among themselves for available resources within the community, and for sources of credit from without. Wolf also mentions the tyranny of routine farm work which

weighs the peasant down, and the ties of extended kinship and mutual aid within the community which cushion the shocks of dislocation occasioned by rapid changes. Perhaps, the most important explanation of peasants' political incapacity, Wolf points out, is their past exclusion from participation in decision making beyond the village level.

In a capitalist society, changes within the rural village community are brought about by the impact of the capitalist mode of production itself. Historical materialists see capitalism and its institutions as progressive agents of change among the peasants. By creating a rural proletariat out of them, capitalism creates devices for its own destruction.

In summary, the answer to the rural development problem is that there can never be appropriate institutions for bringing about "basic needs" to the peasantry in a capitalist milieu, because basic needs is not the issue. The real issue is the transformation of the peasantry into capitalist farmers and the proletariat. By forcefully removing the capitalist from his position of dominance, the proletariat will create the appropriate institutions

for ensuring a smooth transition to a classless society. Only then will the rural development problem be solved.

This view has important implications for co-operatives in a capitalist society. In the rural areas these institutions are progressive only in so far as they help in the creation of a capitalist class and a proletariat from the peasantry. Although this is basically an economic role, the emphasis lies in co-operatives' more noble social objectives viz the creation of two antagonistic social classes.

Critics of the historical materialist perspective often use a totally opposite framework to denounce it. They would approach the rural development problem from a purely ideological point of view. One such anti-Marxist polemic is Karl Popper's The Open Society and its Enemies".<sup>11</sup> Popper cannot see why the poor cannot have their problems solved through legal reforms. They can elect leaders, political leaders, who are committed to alleviating their problems. The power of the vote is enormous because it allows people to make and unmake their governments. With political power "we can ask what we wish to achieve and how to achieve it. We can... develop a rational political programme for the



protection of the economically weak. We can make laws to limit exploitation. We can limit the working day ----- . By law, we can insure the workers (or better still, all citizens) against disability, unemployment, old age. In this way we can make impossible such forms of exploitations as are based upon the helpless economic position of a worker who must yield to anything in order not to starve".<sup>12</sup>

On such grounds, Popper dismisses the analysis of society offered by Marx and Engels. He goes on to question the intellectual foundations of their works. The two, he observes, fell victim to that "clown" called Hegel, that "flat-headed, insipid, nauseating, illiterate charlatan who reached the pinnacle of audacity in scribbling together and dishing up the craziest mystifying nonsense",<sup>13</sup> that "oracular philosopher"<sup>14</sup> who boldly, intentionally set out to "deceive and bewitch others".<sup>15</sup> Popper comes out strongly against revolutionary changes, arguing that what is needed in all human societies is not "holism", but "piecemeal social engineering".<sup>16</sup> Changes must be initiated incrementally and not brought about through sudden leaps as suggested by the "enemies of the open society".

POINT  
Popper

Popper's intellectual friend, H.B. Acton, dismisses historical materialism on similar grounds, identifying Marxism as the greatest "illusion of the epoch".<sup>17</sup> The problem with both Popper and Acton, however, is that they see historical materialism essentially as an ideology rather than as a method by which social phenomena can be analysed.

An important aspect of these contrasting points of view is the way they reveal two broad conceptions of "development". As to what role co-operatives should play in the development process, one perspective would emphasize their economic importance while the other would emphasize their social significance.

The variations in emphasis, however, do not constitute discretely independent categories precisely because those who have stressed the social role of co-operatives have at the same time appreciated the economic advantages of these institutions and vice versa. The differences between these two schools of thought lie in the ultimate objectives of the movement. Whereas one school, the liberal, sees the economic advantages as an end in themselves, the other, the historical materialist, sees them within the context of the class struggle. We can observe here that at the

heart of each of these schools lie different conceptions as to what the problem actually is that co-operatives should struggle to solve. Those who emphasize the economic aspects of the institution do not see the need for "holistic" or revolutionary changes in the nature of production and distribution; the co-operative becomes just another community development programme. The basic assumption here is that there is nothing fundamentally wrong with the socio-economic status quo. According to this view, co-operatives should do what Popper calls "piecemeal social engineering" which in this case would mean helping the poor people to pool their own resources and take advantage of the economies of scale.

Historical materialists would see the role of co-operatives in relation to the class struggle. They have an important social role, in fact a significant one. Co-operatives can either sharpen the contradictions in capitalist societies, and therefore speed up the coming of the proletarian revolution, or slow down the process of social differentiation and delay the coming of the proletarian revolution.

We shall be in a better position to discuss these issues after examining the social and economic

circumstances that gave rise to the movement.

### 2:3 Historical Origins of Co-operatives

Most of the literature on the origins of the co-operative movement point rather accusingly to the harsh milieu of capitalist industrialism which had degraded the lives of ordinary peasants and workers in nineteenth century Western Europe to such an extent that a solution or at least a palliative, had to be sought.<sup>18</sup> Jack Bailey's account of the rise of the co-operative movement in Britain, for example, paints a grim picture about the socio-economic circumstances that prevailed at that time.<sup>19</sup> He refers to the "ghastly process of squeezing the life juices of men, women and children into the brimming vats of industrialism," and the "squalor and wretchedness of the overworked and underfed women and children who toiled and sweated in the factories".<sup>20</sup>

During the nineteenth century, Western Europe experienced a particular historical stage in the development of capitalism, the stage of primitive accumulation. At its youthful stage capitalism is most violent. This is because capital, in all its might, has to set up the necessary conditions for its own development.

Marx examined the hardships of this period and explained how they were a result of the articulation of the capitalist mode of production, the latter being a product of a long historical evolution.<sup>21</sup> Feudal relations of production had to give way to the new order, and this was not a peaceful transition because it threatened the interests of those whose basis for domination lay in the continued existence of feudalism. Furthermore, it was undermining the traditional stability and conservatism of the agrarian economy. But for how long was the emerging bourgeoisie going to remain captive to anachronistic relations of production? For how long was capitalism going to remain in that 'womb'?

The bourgeoisie summoned the state machinery to set the market "free". Marx records how the state was used in England to create a propertyless mass of people to work in the booming industries as wage labourers. This included the setting "free" of agricultural population "under circumstances of reckless terrorism".<sup>22</sup> Traditional village communities were broken up together with their parochial solidarities. A new society had been born with force as the midwife.

The early part of the nineteenth century was particularly rough for industrial workers in Western

Europe generally. Wages were low, employment uncertain, and prices were high at the close of the Napoleonic wars. Chains of debt bound workmen and their families to the shops of their employers. Industrial unrest was rampant.

Human suffering has always provided the right occasion for the rise of populism. Out of the mounting discontent grew popular campaigns to improve the conditions of the workers. This took place at various fronts including the parliament and the trade unions.

In Britain these campaigns were opposed by the employers who, to a large extent, controlled the state machinery. Eminent economists were bought up to apologise for the system. Writing about the British working-class movement between 1789 and 1947, Cole observes that during the industrial revolution "the economists became, even against their own intention, the apologists of things as they were; it became their appointed mission to demonstrate to the poor, with scientific irrefutability, the virtues and blessings of machine production and the wage system".<sup>23</sup> Adam Smith's The Wealth of Nations<sup>24</sup> testifies to Cole's point.

The ruling classes had vested interests in the continued ignorance and exploitation of workers. The latter were not supposed to get any education, not even on the truths of orthodox economics.

Writes Cole:

"Torries and Whigs, for the most part continued to denounce all plans for educating the workman 'above his station', even when the object was to bring him to an awareness of the truths of orthodox economics ..... It was a common upper class view that the poor were much better without knowing how to read".<sup>25</sup>

Faced with the oppression which operated at various levels of the social, economic to political spheres, some workers resorted to escapist activities such as alcoholism while others hid behind the cover of religion which promised better conditions after death. It should be emphasized here that these were appropriate conditions for the rise of populism in Western Europe. Utopian socialists emerged to champion the cause of the "people".

These were the circumstances under which the co-operative idea took root and became a popular social movement. The co-operative ideology grew as "a social and moral critique of the existing society and the existing economy", writes Peter Worsley.<sup>26</sup> It did this, however, without agreeing

with the Marxian description and presentation of society.

In Britain, Robert Owen, a highly successful industrialist whose rise in the system was a fascinating American success story, together with other Utopian Socialists championed the cause of "the people". The Utopian Socialists, we can assert without doubting their sincerity, thought the problem of workers would be solved by appealing to employers to minimize exploitation. They struggled to tame capitalism, to hammer some conscience into it through moral exhortations. Owen himself converted his New Lanark cotton mills in Scotland into laboratories for the experimentation of his "communism", and appealed to employers to follow his example. Owen's ideals, however, failed because it proved logically and practically impossible to withdraw from the capitalist system and yet operate within it at the same time. The Utopian Socialists detested the dehumanising social relations of production, but had no quarrel with the industrial achievements of the capitalist society. They thought it was possible to divorce these relations of production from the capitalist mode of production itself, hence their suggestion of communist islands within the capitalist ocean. This is reminiscent of that "chichidodo" bird in



Ayi Kwei Armah's novel, The Beautiful Ones Are Not Yet Born. The "chichidodo" enjoyed eating the worms that grew and bred in human excrement although it hated the excrement itself.

That the Utopian Socialists failed is not important as such. What remain of significance are the issues they tried to articulate but which they were neither capable of understanding nor of concretizing.

To them the economic advantages of co-operatives were supposedly secondary to their more "noble" social objective of realizing "communism". Since they could not understand the forces that propelled capitalist development, this social objective was impossible to achieve. Historical materialists later put the record straight.<sup>27</sup>

It was not long before the co-operative movement lost the Owenite idealism and began to play its appropriate role within a liberal, capitalist society. Cooperatives became economic tools for integrating the wage labourers into the capitalist economy. Today, as Peter Worsley notes, co-operatives in Britain are "big business" and "as a social movement it is virtually dead".<sup>28</sup> The demise of social idealism in cooperatives came with

the rise of the Rochdale Society of Equitable Pioneers. The latter were capitalists without the capital, and their co-operative society, being so realistic about the socio-economic environment within which it had to operate, became the first successful society. An examination of the objectives of this pioneering society as stated in the original rules of 1844 sheds light on the theory and philosophy of co-operatives as it has developed in the West.

The society's major objective was "to form arrangements for the pecuniary benefit and the improvement of the social and domestic condition" of its members. These arrangements included the establishment of a store for sale of provisions such as clothing. They also included venturing into the manufacturing industry "for the employment of such members as may be without employment, or who may be suffering in consequence of repeated reductions in their wages". The society was also going to purchase or rent "an estate or estates of land, which shall be cultivated by the members who may be out of employment, or whose labour may be badly remunerated".<sup>29</sup>

The Rochdale co-operators thus came together because of genuinely felt common socio-economic

needs arising from the nature of production and distribution. As can be seen from their objectives, however, they did not seek to transform the capitalist mode of production. They simply wanted to improve their access to goods and services which only the "strong" could get in a highly competitive market economy. They had no progressive ideology in the Marxian sense.

From this humble Rochdalian nucleus, the co-operative movement grew, its tentacles radiating all over the world, as an essentially self-help economic organization. Far from threatening the capitalist mode of production the co-operative movement has helped to strengthen it by struggling to minimize the sufferings of those hardest hit by capitalist development. In Europe they have served to oil the system and lessen the friction between capital and labour. In most developed countries they have been successful in playing this role. They have, for example, preserved sufficient strength to remain a real alternative to the peasantry in socio-economic settings that are dominated by transnational corporations.<sup>30</sup> In other words they have become huge competitive capitalist institutions which gather for the interests of the "weak" rather than the "strong".

The consumer co-operatives in Britain and the dairy

co-operatives in Denmark are cases in point. Furthermore, by providing the smallholders with easier access to capital, technology and markets co-operatives have contributed to the preservation of peasant farm structures,<sup>31</sup> thus delaying the establishment of purely capitalist relations of production in the countryside. Without such co-operative services, farming in a peasant smallholding would make little economic sense. Smallholders would have been removed from the land by individuals and companies with huge reserves of capital and technology.

As democratic institutions, co-operatives in the West have been miserable failures. Capitalist competition makes centralization imperative. Co-operative management has been centralized and their control is mostly in the hands of professional managers rather than with members. They have, like all other large complex organizations, been bureaucratized. In the words of Peter Worsley, co-operatives have become "sterile soulless machines with only vestigial microscopic grass-roots involvement".<sup>32</sup> The celebrated social advantages often attributed to these institutions have long been forgotten. The success or failure of co-operatives, in this context, is judged solely by the extent to which they provide economic

advantages to their members. Co-operatives are little more than economic tools, and they are practically recognised as such by all liberal democracies.

At this point we wish to examine the character of the co-operative 'movement' in Africa. How has its role been perceived by African countries and how is this perception related to the reality 'out there'?

#### 2:4 Co-operatives and Peasants in Africa:

##### A general overview.

Co-operatives in Africa have been primarily rural institutions. This is because, as observed above, the economies of most African countries are dependent on agricultural production. Agragiran co-operatives have been built mainly around the processing and marketing of cash crops and dairy produce. Apart from the processing and marketing functions, co-operatives also provide a variety of services to their members. These include the provision of credit, education, and the supply of farm inputs, inter alia. The co-operative thus has become a useful instrument for integrating peasants into the market economy.

Let us briefly examine the history of co-operative growth in this continent. For this discussion we shall adopt Goran Hyden's convenient division of this history into four phases.<sup>33</sup>

(a) The Early Period, 1910 - 1950.

This period was generally marked by the establishment of the colonial system in its earlier years, and by the emergence of the politics of self-determination.

Co-operatives were started mainly on two grounds. First, there was direct initiative by the colonial government which looked upon the cooperative as a convenient marketing mechanism.

In 1910 the French National Assembly passed a decree which allowed for the establishment in France's overseas territories of some quasi-co-operative organizations. In French West Africa the decree was implemented after the First World War. The purposes of these quasi-co-operatives were mainly to collect food reserves for scarce times, provide transport and storage facilities for farmers, and also educate them.

---

The first Co-operative Societies Ordinance allowing for co-operatives among smallholders in

British Africa was passed in Tanganyika in 1932. British experiences with such co-operatives in India and Ceylon provided the impetus for encouraging the same in Africa. Similar legislations were passed in other British colonies in Africa within the next decade.

Second, co-operatives during this period were formed by members of the emerging African middle-class to defend their interests against foreign capital. Michael Lofchie<sup>34</sup> and Maguire<sup>35</sup> have documented how this struggle was waged in Zanzibar and Pemba, and in Tanganyika, respectively. Mamdani<sup>36</sup> and Okereke,<sup>37</sup> among others, have done the same for Uganda.

(b) The Price Boom Period, 1951 - 1959.

Co-operative were primarily organized to take advantage of favourable world market prices on a number of important cash crops. Cocoa, coffee, and cotton - growing areas in particular witnessed a rapid expansion and growth of these institutions.

(c) The Independence Period, 1960 - 1964.

The rapid formation of co-operatives during this period can be attributed mainly to the initiatives of politicians trying to build their own

political platforms. The economic viability of such co-operatives was ignored and in many cases there was no genuine commitment to co-operation among the members.

(d) The Post-Independence Period

Co-operatives formed during this period reflect the concretization of "African Socialism" as practically interpreted by the various African states. During this period we find many governments taking measures to supervise and control the activities of the co-operative movement.

Agrarian co-operatives in Africa have thus been formed in four different ways: by the colonial administration with the intention of providing convenient marketing mechanisms for agricultural produce; by the emerging African bourgeoisie with the intention of strengthening their position vis a vis private traders of Asian origins (in the case of East Africa) or the Lebanese (in the case of West Africa); by individual politicians with a view to increasing their popularity among the electorate; and by politically independent African governments with the purpose of their 'new' ideology of "African Socialism".



At independence, most African governments adopted the co-operative institution without much thought. It was a popular movement. This popularity can only be understood historically. In most parts of Africa the co-operative movement had been identified with the struggle to free Africans from socio-economic and political domination. "African Socialism" promised the continuation of this struggle, particularly in the economic sphere after independence. Exploitation had been associated with the capitalist middleman and the private firm. As such the new governments could not build their political programmes on capitalism. Co-operatives after independence were seen as instruments for the achievement of a society that was neither capitalist nor communist. This would be a society of African "socialists".

The popularity of co-operatives during the early years of independence stemmed from the widely accepted illusion that they were a ready-made route towards total liberation. Like the Utopian Socialists during the nineteenth century, African populists criticised the socio-economic system that had dragged Africans through blood and dirt. In the same vein they stressed the social functions of co-operatives.

In many African countries the co-operative movement played an important political role during the struggle for independence. As early as 1949, for example, Kwame Nkrumah had identified the movement as one of the most powerful tools for organizing the Ghanaian masses. Every organization had acquired a political character. Nkrumah urged during the struggle:

"Let individuals, men and women, join any of the political organizations, farmers' unions, trade unions, co-operative societies, youth movements. No section of the people of this country should be left unorganized .... The strength of the organized masses is invincible".<sup>39</sup>

The political struggle, the leaders asserted, was a war to end many years of exploitation. The African had been "impoverished and economically crippled by those who have come to this country for the purposes of trade - heartless, soulless, unsympathetic creatures who take delight in sucking the lifeblood of aborigines".<sup>40</sup> The war against colonialism embodied a moral critique of colonial economics.

In Tanganyika the co-operative movement laid the foundations for the emergence of a strong mass political party.<sup>41</sup> After independence Tanzania has continued to emphasize the social mission of

co-operatives. The latter are seen more as helping to eradicate a social evil, namely the growth of social classes and the sharpening of class contradictions, than as ensuring higher returns to the producer. Whether or not co-operatives in Tanzania actually serve this officially prescribed purpose is another question.

Although co-operatives in Kenya were not anti-establishment during the colonial period, a social purpose was officially given for them after independence, namely, that of helping in the achievement of "African Socialism".<sup>42</sup> As Arthur Dobrin observes, however, the claim in Kenya that co-operatives foster social justice is closely related to the fact that cooperatives assist the small scale farmer in competing in a market economy.<sup>43</sup>

There are interesting parallels between these critiques of colonial economics in Africa and the critique of capitalist relations of production offered by the Utopian Socialists in nineteenth century Europe. African leaders suggested "African Socialism", an ideology which has proved to be neither African nor socialism. Utopian Socialists suggested "communism", but their exemplary colonies would make one doubt their

sincerety. Both Utopian Socialism and African Socialism were propounded by populists who supposedly wanted to rescue "the people" from the predatory character of capitalist development. We need not mention the celebrated social mission which cooperatives were supposed to achieve, a contention which both groups of "socialists" maintained.

It was not long before reality unmasked the myth of "African Socialism" in virtually all African countries. Behind this ideological overcoat was the Orwellian 'Animal Farm', manifesting itself in the worsening socio-economic conditions of the rural population and the widening gap between the rich and the poor in both rural and urban areas. How was the rural development problem to be solved? Through "piecemeal social engineering" or through comprehensive, "holistic", revolutionary changes in the socio-economic set up? Most African countries chose the former, and this was precisely the point when agricultural co-operatives became just another community development programme. The success of agricultural co-operatives was to be measured by the extent to which they helped in integrating the peasantry into the cash economy. This meant a basically economic conception of the role of these institutions. The success of these institutions in

fostering their supposed "social" objectives was now going to be measured by the extent to which they helped in spreading liberal democratic ideals. It would be "fatal" for them to pursue one of these purposes while disregarding the other.<sup>44</sup> At the same time these institutions were expected to compete favourably in the capitalist market. They had to be economically efficient and socially democratic, but, in the case of Kenya, politically inert.

The question has often been raised as to whether 'efficiency' and 'democracy' can make good bed-fellows in the African countryside.<sup>45</sup> We can sum up the arguments raised here as involving the politics of access.

## 2:5 Co-operatives and the Politics of Access

Rural co-operatives in Africa are essentially political arenas where the interests of the government, those of the petty bourgeoisie, and those of the peasants seek articulation. This is best illustrated by John Sauls' study of marketing co-operatives in Tanzania,<sup>46</sup> and Goran Hyden's studies in East Africa.<sup>47</sup> Raymond Apthorpe alludes to the same point when he observes that rural co-operatives in most of Africa have become "a new

arena for social, economic and political processes that are already in motion"<sup>48</sup> so that their problems are a reflection of these struggles.

Government intervention in Kenyan agricultural co-operatives can be explained in two ways. First, through various credit schemes it supplies the necessary farm inputs which the ordinary peasant farmer could not otherwise afford. To the latter this is a necessary service. Second, the government has to supervise the running of these institutions. The Co-operative Societies Act<sup>49</sup> and the Co-operative Societies Rules,<sup>50</sup> which have been set in accordance with the national development policy, have to be adhered to.

In a situation of scarcity such as characterises virtually all Third World countries, however, reaching the peasant farmer is a difficult political exercise. This is because he is unable to compete favourably in a market situation where the most powerful social classes manipulate the market to their own advantage. Various social classes in the rural areas struggle to control or at least influence the distribution of these scarce resources. At the local level, these struggles manifest themselves in the formation of various

alliances which make the substance of local politics.<sup>51</sup>

By virtue of the fact that purely capitalist relations of production do not exist even in the more economically advanced parts of Kenya, such alliances are not formed along class lines. On the contrary members of the rural petty bourgeoisie viz school teachers, prominent traders, civil servants, local politicians, progressive farmers, and so on, do form patron - client relationships with the peasants. These relationships have been part and parcel of local and national politics in Kenya. Studies by Frank Holmquist<sup>52</sup> and John Njuguna Ng'ethe<sup>53</sup> on rural self-help and "harambee" in Kenya make this point clear. Joel Barkan's study of clientelism, linkage politics and the electoral process in Kenya emphasizes the same point,<sup>54</sup> so does Richard Sandbrook's discussion of clientelism in relation to the Kenya Labour Movement.<sup>55</sup>

For our purposes we find Njuguna Ng'ethe's discussion of the evolution of a patron - client state in Kenya most useful not only because he puts the issues involved in their proper historical perspective, but also because he discusses at length the implications of this clientelism on the

character of national and local politics. Of particular interest to us is the manner in which national politics in Kenya is intricately tied up, through patron-client relationships, to local power struggles. This has, as we shall discuss in chapters four and five of this thesis, important implications on the management of local participatory organizations including agrarian cooperatives.

At the local (village and district) level, the petty bourgeois "fixers", "community lobbyists", "local activists", or to use another reference to the same elite, "power brokers", present themselves to the peasants as people who could assist them improve their access to various social and economic resources if only they were assured of political support from the mass of the peasantry. The same local elite would exploit local parochial solidarities viz kinship ties or tribal sentiments, to rally support behind themselves, for these are some of their ideological bases.

It is precisely these alliances between the peasants and the petty bourgeoisie that shape the behaviour of local organizations in Kenya's countryside. Agricultural co-operatives cannot escape this socio-economic and political network. Responses to "external interference", which includes



governmental intervention, is filtered through the same network. Rather than being in the service of the peasantry co-operatives become instruments of local political control, serving the interests of social classes other than those who form the majority in the countryside.

What most of the literature on this subject point to is that co-operatives in a Third World capitalist economy, where they are seen as one of the self-help community development programmes, cannot serve the interests of target groups in the rural areas. The important first step towards solving the problem, Bernard Schaffer has suggested, is to consciously create an awareness among the disinherited groups so that they can confront the bureaucratic institutions at their "points of sensitivity". They must struggle to change their "social position .....particularly where production or resource ownership are concerned".<sup>56</sup> Schaffer's "Fourth Strategy" of mobilized participation is no different from what John Saul calls "the generalized spread of critical consciousness".<sup>57</sup> It is also no different from what Goran Hyden identifies to be a "new social consciousness" which is developing among peasants in central parts of Kenya, a consciousness which will work to improve

their access to goods and services in the capitalist market.

The role played by agricultural cooperatives in modern Kenya, however, cannot be fully understood apart from the history of their development in this country. The latter, as we shall see in our next chapter, is intricately linked up with the changes in the agrarian economy which have been taking place since the turn of this century.

CHAPTER TWO: FOOTNOTES

1. Kenneth Kaunda, President of the Republic of Zambia. Quoted in CHAMBERS, R, Managing Rural Development. (Uppsala, 1974). Preface.
2. Ibid., p. 12  
See also: Uman Lele, The Design of Rural Development: Lessons from Africa. (London, 1975).
3. For a more detailed discussion of this, see:  
(a) Marx, K. Capital Vol.1 part VIII.  
(b) Marx, K. and Engels, F.  
The Communist Manifesto.  
(c) Macpherson, C.B. The Real World of Democracy.
4. Engels, F. Anti-Duhring  
(Moscow: Foreign Languages Press 1962) Third Edition; Marx, K. and Engels The Communist Manifesto, op. cit.
5. Marx, K. and Engels, F.  
Basic Writings on Politics and Philosophy  
(New York, 1959. Anchor Books) p. 338
6. Ibid.
7. Ibid.
8. Ibid., p. 339
9. Quoted in Shanin, T. (ed): Peasants and Peasant Societies (Penguin Books, 1971). p.370.
10. Wolf, E.R. in Shanin, T. (ed)  
ibid., p. 265.

11. Popper, K., The Open Society and Its Enemies. Vol. II London (Routledge & Kegan Paul, 1945).
12. Ibid., p. 126.
13. Depiction of Hegel by Schopenhauer, *ibid.*, p.33
14. Ibid., p. 53.
15. Ibid., p. 28.
16. Ibid., p. 132; 134.
17. Acton, H.B., The Illusion of the Epoch.
18. See for example: Bailey, Jack, The British Co-operative Movement. (London, 1955. Hutchinsons University Press).  
Digby, Margaret, The World Co-operative Movement.  
Cole, G.D.H., A Short History of the British Working-Class Movement, 1789-1947. (London, 1947. George Allen & Unwin Ltd.).  
Marx, Karl, Capital Vol. 1 Part VIII.
19. Bailey, Jack, *op. cit.*
20. Ibid., p. 10.
21. Marx, K., Capital Vol. 1 Part VIII, *op. cit.*
22. Ibid., p. 732.
23. Cole, G.D.H.; *op. cit.*, p. 55.
24. Smith, Adam, The Wealth of Nations.  
Frederick Taylor's, Principles of Scientific Management is its American counterpart.
25. Cole, G.D.H., *op. cit.*, p. 58.
26. Worsley, P., (ed) Two Blades of Grass (London, 1971. Manchester University Press) p. 8.
27. See Engels, F., Socialism: Utopian or Scientific. (New York: International Publishers, 1967).
28. Worsely, P., *op. cit.*, p. 11.
29. Quoted in Bailey, J., *op. cit.*, pp. 19-20.

30. Bager, Torben, Marketing Co-operatives and Peasants in Kenya. (Uppsala. Scandinavian Institute of African Studies, 1980) p. 19.
31. Ibid.
32. Worsley, p., op. cit., p. 11.
33. Hyden, G., Efficiency Versus Distribution in East African Co-operatives. (East African Literature Bureau, 1973), p. 9.
34. Lofchie, M., Zanzibar: Background to Revolution. (Princeton University Press, 1965).
35. Maguire, E.A., Toward Uhuru in Tanzania (Cambridge, 1969).
36. Mamdani, M., Politics and Class Formation in Uganda. (London : Heinemann, 1976)
37. Okereke, O., The Economic Impact of Uganda Co-operatives. (EALB, 1974).
38. The debate as to whether "African Socialism" is genuinely socialistic was a debate of the 1960s and early 1970s. It cooled down as the reality of this political myth unwound itself.  
See: Mohiddin, Ahmed, (i) "Capitalims or Socialism? Sessional Paper No. 10 Revisited" in East African Journal, March, 1969.  
(ii) "Notes on the Colonial Background of Sessional Paper No. 10 of 1965" Paper presented to the East African Universities Social Science Council, Nairobi, December, 1972.  
(iii) African Socialism in Two Countries. (London: Croom Helm Ltd., 1981).
39. Nkrumah, K., I Speak of Freedom. (London: Heinemann, 1961) p. 15.
40. "The African Morning Post"; Quoted in Nkrumah K. ibid. p. 4.
41. Maguire, G.A., op. cit.
42. Republic of Kenya: "Sessional Paper No. 10 of 1965 on African Socialism and Its Application to Planning in Kenya". (Nairobi Government Printers, 1965).

43. Dobrin, A., "The role of Agrarian Co-operatives in the Development of Kenya" in Studies in Comparative International Development Volume V, 1969-1970, No. 6.
44. Prof. Laidlaw, F.A., "The Mobilization of Human Resources for Rural Development Through Agricultural Co-operatives" in Andreou, P. (ed) Co-operative Institutions and Economic Development. (East African Literature Bureau, 1977) p. 8.
45. (a) Westergaard, P.W., "Co-operatives in Tanzania; their functions as economic and democratic institutions - some economic comments". (Economic Research Bureau of Dar-es-Salaam, Paper No. 70:16.  
  
(b) Hyden, G., Efficiency Versus Distribution in East African Co-operatives. op. cit.  
  
(c) Saul, John S., "Marketing Co-operatives in a Developing Country: the Tanzanian Case" in Worsley, P. (ed) Two Blades of Grass op. cit.
46. Saul, J.S., op. cit.
47. Hyden, G., "Co-operatives and their Socio-Political Environment" in Widstrand, C.G. (ed) Co-operatives and Rural Development in East Africa. (Uppsala: Almqvist & Wicksells, 1970), and his Efficiency Versus Distribution (1973) op. cit.
48. Apthorpe, R.J., Rural Co-operatives and Planned Change in Africa: An Analytical Overview. (Geneva, 1972), pp. 9-10.
49. Enacted by the Kenya Parliament in 1966.
50. Issued through a Legal Notice (L.N. 175/1969) in 1969.
51. See Hyden, G., in Widstrand, C.G. (ed) (1970) op. cit. and Saul, J.S., op. cit., Also the contribution of B.B. Schaffer, towards a conceptualization of these struggles in developing countries. See his:  
(a) "Improving Access to Public Services" (I.D.S. Discussion Paper No. 23, Sussex, 1973).  
  
(b) "Official Providers" (I.D.S. Paper, Sussex, 1977).

52. See Holmquist, Frank, "Class Structure, Peasant Participation and Rural Self-Help" in Barkan, J, and Okumu, J.J. (eds.) Politics and Public Policy in Kenya and Tanzania. (New York Praeger, 1979) pp. 129-153.
53. Clientelism as a strategy for political control in Kenya has been discussed at length by John Njuguna Ng'ethe. See Ng'ethe, J.N., Harambee and Development Participation in Kenya: The Politics of Peasants and Elites Interaction With Particular Reference To Harambee Projects In Kiambu District, (Ph.D. Thesis, Carleton University, Canada 1979, unpublished).
54. Barkan, J.D., "Legislators, Elections and Political Linkage" in Barkan J. and Okumu, J.J. (eds) op. cit., Chapter 3.
55. Sandbrook, R., "Patrons, Clients and Unions: The Labour Movement and Political Conflict in Kenya". (1972) Quoted in Ng'ethe, J.N. op. cit p. 146.
56. Schaffer, B.B., "Can Equity Be Organized?" (U.N.E.S.C.O., Paris, 1981) p. 169.
57. Saul, J.J., in Worsley, P. (ed) op. cit. p. 368.

CHAPTER THREE

CO-OPERATIVES AND RURAL DEVELOPMENT  
IN KENYA.

3:1 Introduction

In this chapter we trace the development of agrarian co-operatives in Kenya during and after the colonial period. We also try to relate the growth of co-operatives to their officially prescribed role in rural development.

For the most part of the colonial period, agricultural co-operatives served the interests of the settler community. Little effort was made to encourage their development in the 'reserves.'

When, for genuine political reasons, the colonial government changed its policy on African agriculture, agricultural co-operatives began to be formed in most cash crop-growing areas. Co-operative formation in the reserves was further speeded up by the price boom of the 1950s and the Swynnerton Plan which was a grand political design to contain peasant discontent and rebellion in the countryside. The Swynnerton Plan continued to guide rural development policy after independence. Thus the formal transition from colonialism to independence was not



of any major consequence in terms of the rural development strategy.

Unlike in other parts of Africa, such as Tanzania and Ghana for example, co-operatives in Kenya did not develop as a protest movement against the colonial socio-economic system. Rather, they grew as a hand-maiden of the colonial state. As an instrument of political control during this period, agrarian co-operatives in Kenya were hostile to Mau Mau "terrorists." After independence the same co-operatives were used to consolidate and legitimise the continuity of a socio-economic system which had taken virtually the whole of the colonial period to develop.

### 3:2 Agricultural Co-operatives During the Colonial Period.

#### (a) The Socio-Economic Background.

The character of colonial intervention and the subsequent penetration and expansion of the capitalist mode of production in Kenya has been explored by, among others, Dilley,<sup>1</sup> Sorrenson,<sup>2</sup> Brett,<sup>3</sup> Leys,<sup>4</sup> and van Zwanenberg.<sup>5</sup>

In the quest for imperial expansion, euphemi-

stically articulated in philanthropic terms, Britain grabbed Kenya without a clear notion as to what to do with it. However, after the Kenya - Uganda railway had been built, the latter had to be made to pay. Furthermore, the colonial administrative machinery had to be self-financing. The colony, so the solution came, had to be made to produce some surplus. This marked the beginning of the most important structural innovation in the Kenyan economy - the development of plantation agriculture.

~~Prerequisites~~  
The prerequisites for the development of plantation agriculture, however, were conspicuously lacking in the colony. There were no entrepreneurs. There was no finance either, not even wage labour and the technology. Plantation agriculture could not start off without them.

The colonial state provided these prerequisites by inviting White Settlers, whom it also financially supported, into the Kenya highlands. Most of the settlers were individuals "seeking upward mobility and refuge from a stultifying class system" which characterized their countries of origin.<sup>6</sup> By expropriating the natives in the Kenya highlands from the "soil", the colonial state not only provided the settlers with land, the basic means of production, but also gave abundant wage labour, as shown

in table 3.2 below.

Table 3.1 WHITE SETTLEMENT IN KENYA HIGHLANDS.

	1903	1915	1920	1934	1942	1953
'Settlers' (approx.)	100	1,000	1,200	2,000	3,000	4,000
Occupied acreage (millions)	?	4.5	3.1	5.1	6.3	7.3

Source: Leys, C. Underdevelopment in Kenya  
(London: Heinemann, 1974) p. 29.

Table 3.2 AFRICAN LABOUR FORCE, 1920 - 1931.

<u>Year</u>	<u>Average Labour Units per month on European Farms.</u>
1920 <sup>a</sup>	53,709
1921	67,388
1922	61,649
1923	70,957
1924	87,092
1925 <sup>a</sup>	78,527
1926 <sup>a</sup>	84,611
1927 <sup>b</sup>	102,074

Table 3.2 cont.

<u>Year</u>	<u>Average Labour Units per month on European Farms</u>
1928	114,320
1929	110,697
1930	125,885
1931	120,210

- a. Years of insufficient labour supply
- b. Casual labour included for the first time.

Source: Dilley, M.R., British Policy in Kenya Colony (New York: Nelson, 1973) 2nd Edition, p. 235.

Violent expropriation from ownership of the means of production, forced labour, squatters - all marked the establishment of the capitalist mode of production in Kenya. This, however, was apartheid capitalism, for the capitalist and the wage labourer were racially defined. The partnership between the colonial state and the settler resulted in a highly elaborate system of economic, social and political discrimination which developed the White Highlands at the expense of the African "reserves." A detailed discussion of this has been made by Brett.<sup>7</sup>

The colonial socio-economic and political set

up turned the tables against Africans. Before the First World War, Africans in Kenya produced 75 per cent of all exports from the colony, mainly in the form of hides and skins, maize and sesame seed and were therefore responsible for generating the greater part of the revenue that was largely devoted to the expansion of White settlement. By the mid-1940s their participation in agricultural commodity production was almost negligible in terms of the total agricultural production in the colony. An examination of the production of major crops for sale between 1946 and 1960 clearly shows the subordinate role played by African agriculture.

Table 3.3 PRODUCTION OF MAJOR CROPS FOR SALE,  
1946 - 1960

	'000 Tons.				
	1946	1954/55	1956	1958	1960
<u>COFFEE</u>					
African	n.a	1.0	0.8	2.3	4.6
Non-African	9.0	11.6	23.1	18.5	18.8
Total	9.0	12.6	23.9	20.8	23.4
% of African Production*	0	7.9	3.4	11.1	19.7
<u>TEA</u>					
African	-	-	-	-	0.1
Non-African	5.5	8.5	9.5	11.2	13.5
Total	5.5	8.5	9.5	11.2	13.6
% of African Production*	0	0	0	0	0.7

Table 3.3 cont.

'000 Tons

	1946	1954/55	1956	1958	1960
<u>SISAL</u>					
African	-	0.3	0.8	negl.	3.0
Non-African	27.0	37.6	38.8	46.0	59.6
Total	27.0	37.9	39.6	46.0	62.6
% of African Production*	0	0.8	2.0	negl.	4.8
<u>MAIZE</u>					
African	n.a	16.0	58.1	69.6	73.2
Non-African	n.a	89.3	96.5	87.5	70.4
Total	146.8	105.3	154.6	157.1	143.6
% of African Production*	-	15.2	37.6	44.3	51.0
<u>PYRETHRUM</u>					
African	n.a	0.3	0.3	0.4	1.8
Non-African	6.7	2.4	2.8	3.4	6.7
Total	6.7	2.7	3.1	3.8	8.5
% of African Production*	-	11.1	9.7	10.5	21.2
<u>WATTLE</u>					
African	n.a	46.9	38.2	25.4	19.0
Non-African	n.a.	20.2	23.8	36.1	31.0
Total	n.a	67.1	62.0	61.5	50.0
% of African Production*	-	69.9	61.6	41.3	38.0
<u>WHEAT</u>					
African	-	-	-	-	-
Non-African	73.0	132.6	120.9	102.1	126.7
Total	73.0	132.6	120.9	102.1	127.4
% of African Production*	0	0	0	0	0.5
<u>BARLEY</u>					
African	-	-	-	-	-
Non-African	n.a	10.8	11.3	14.0	10.6
Total	n.a	10.8	11.3	14.0	10.6
% of African Production*	n.a	0	0	0	0

- African production as percentage of total production of the commodity in the colony.

Computed by author.

Source: Kenya Colony and Protectorate, Economics and Statistics Division: Statistical Abstract, 1961.

Throughout the greater part of the colonial period, Africans in Kenya were not allowed to grow cash crops. In the "reserves", therefore, traditional subsistence production of food crops remained the only major agricultural activity until the 1950s when the colonial government initiated a grand design for the development of African capitalism in agriculture. This was the Swynnerton Plan.<sup>8</sup>

As agricultural commodity producers - as shown in Table 3:3 - Africans remained far behind their non-African counterparts. It was precisely this apartheid character of colonial economics which shaped the role of agricultural co-operatives during the colonial period.

3:2 (b) The Growth and Place of Agricultural Co-operatives.

Goran Hyden's periodisization of co-operative growth in Africa, already referred to in Chapter II,

can prove useful to us in this sub-section.

The Early Period, 1910 -- 1950

Kenya got its first Co-operative Societies Ordinance in 1931, but the latter had to conform to the already established network of domination. It did not allow the formation of co-operatives among Africans.

The 1931 Ordinance, however, only served to formalize the status of already existing European Marketing co-operatives. As early as 1908, some settlers in the highlands had formed the Lumbwa Co-operative Society Ltd. This was in fact the first co-operative society in Kenya colony. Its main objective was to pursue merchandise such as fertilizers, chemicals, seeds, and other agricultural inputs, through collective effort. By marketing their crop collectively, the settlers would take advantage of the economies of scale. Many similar self-help groups emerged. These, however, were not economically viable and had to be amalgamated. This way some country-wide co-operative organizations were formed. These were the Kenya Farmers' Association (K.F.A) Limited which dealt mainly with the marketing of cereals and the supply of farm inputs; the Kenya Planters Co-operative Union (KPCU) Limited whose concern was with the



coffee in large-scale plantations owned by settlers in the Kenya Highlands; the Kenya Co-operative Creameries (K.C.C.) Limited which specialized in the processing and marketing of dairy products from the White Highlands, and the Horticultural Co-operative Union (H.C.U.) Limited which marketed a variety of fruits and vegetables grown by co-operative societies and individuals.

The co-operative movement lost its rather pious Rochdalian comradeship enshrined in the often celebrated "co-operative principles." The new iron principles which were appropriate to the Kenyan situation stated, inter alia, that there shall be no open membership, and that the promotion of equitable resource distribution shall not transcend racial borders. The movement therefore developed as an instrument for perpetuating inequalities between the settler community and the Africans. The settlers managed and controlled K.F.A., K.P.C.U., K.C.C. and H.C.U., a fact which not only gave them an upper hand in the setting of local producer and consumer prices, but also gave them privileged access to profitable foreign markets.

It was not until 1946 that a new Ordinance providing for the formation of co-operatives among Africans was promulgated. Some European civil

servants and the bulk of the "pioneers" had opposed this move on two main grounds. First, the opposition took an ideological form. They argued that co-operatives were essentially socialist institutions. Socialism in Kenya was not part of their agenda. The introduction of African co-operatives, therefore, would be in conflict with the colonial policy. Others opposed the introduction of African co-operatives on the grounds that the natives were incapable of running modern co-operatives.

It should be observed here that the fears of the majority of the settlers were genuine. African co-operatives would inevitably compete with the already existing European co-operatives, a fact which in the long run would threaten their position of dominance in various economic spheres.

In the reserves the majority of the literate Africans looked down upon African co-operatives.<sup>10</sup> Such a move, they argued, was "merely an attempt to keep the African in the herd." These were people who had had access to mission education and some of them had even travelled abroad for further studies. Most of them were employed in well paid white-collar jobs, lived in improved government houses, and enjoyed other tangible benefits. These were members of the emerging African bourgeoisie who were not

contented with mere co-operative 'peanuts.' They wanted political power and, as we shall soon discuss, this group of people did not lose in the ensuing struggle to inherit the state from the colonizers. Unlike in Tanzania,<sup>11</sup> for example, African co-operatives in Kenya were not anti-establishment. They were a hand-maiden of the colonial state rather than an independent protest movement engineered and directed by African nationalists.

By 1950 a large number of African co-operatives had been registered and liquidated. A total of seventy five societies were still in the register, most of which were situated in coffee-growing areas such as Kiambu, Kisii and Nyeri. During the previous year another 183 societies had been liquidated.<sup>12</sup>

#### The Price Boom Period, 1950 - 1960

In Kenya, as in many other parts of Africa, agrarian co-operatives were formed as a response to high prices for various agricultural products. The organization of African marketing systems in Kenya became imperative particularly because of the increased participation of Africans in agricultural commodity production.

This period was also marked by the introduction of a blueprint for a capitalist revolution in agriculture. The Swynnerton Plan<sup>13</sup> was also a grand political design for containing rural unrest, particularly in Central Province, over the lands from which Africans had been forcefully removed at the turn of the twentieth century. Under the Swynnerton Plan the colonial government would embark on a project which had been proposed in the 1940s but which had to be implemented in the mid-1950s as a solution to Mau Mau "terrorism." It had become clear that the policy of maintaining reserves as providers of subsistence foodstuffs for low-paid wage-workers' families had overreached itself. It was also clear that unless steps were taken immediately to make the reserves produce wealth for their increasing populations, the conditions which gave rise to the Emergency would become chronic. The plan to intensify the development of African agriculture, therefore, involved consolidating land fragments into single holdings and issuing registered freehold titles to individuals. The larger lease holders would then be able to borrow from the commercial banks or from the government on the security of their titles.

As a strategy for creating an African middle-class which would be supportive to the socio-

economic status quo, the Swynnerton Plan had been foreseen by Sir Philip Mitchell, a colonial governor in Kenya, when he wrote about "a substantial and growing body of Africans who must be distinguished from the great backward masses of ignorant tribesmen."<sup>14</sup> Mitchell was then referring to a class of Africans who were committed to "civilized standards", and who had emerged even in the rural areas by the 1920s. According to Mitchell the stability of the already established socio-economic system lay in the full incorporation of this substantial and growing body of Africans into the mainstream of the colonial economy.

The Swynnerton Plan came at a time when Mau Mau was increasingly taking the shape of a civil war particularly in the rural areas. On the one hand were Africans committed to "civilized standards" both in rural and urban areas. These were people who had been favoured by the colonial system, some of whom had acquired mission education both locally and outside the country, were placed in well paid jobs and had some property to protect. Some of them had been appointed to the Local Native Councils. In the rural areas most of them were progressive farmers, owning huge tracts of land and employing wage labour. From these educated and landed families were recruited the local "Home Guard" units.

On the other hand were the "backward" and "ignorant" Mau Mau "terrorists" who had no respect for the established system of private property. Most of them were recruited from the uneducated and landless Kikuyu families.

As land consolidation and registration began in the rural areas, Mau Mau violence subsided and finally ended. The political implications of the Swynnerton Plan, however, were quite explicit. A full-fledged class society was in the making. According to Swynnerton, the then Assistant Director of Agriculture in Kenya:

"....former government policy will be reversed and able, energetic or rich Africans will be able to acquire more land and bad or poor farmers less, creating a landless class. This is a normal step in the evolution of a country."<sup>15</sup>

The middle-class thus created would remain supportive to the colonial system in Kenya.

The emergence of a landowning peasantry was a central part of the new agricultural policy. Increased cultivation of various agricultural commodities in the smallholdings formed an integral part of the new agricultural system. Thus the percentage share of African agricultural production

as shown in Table 3:3, witnessed a substantial increase between 1954/55 when the Swynnerton Plan was introduced, and 1960. In coffee production it increased from 7.9 per cent to 19.7 per cent during the said period. Similarly, their share in tea, sisal, maize and pyrethrum rose. As shown by the same Table, however, the main beneficiaries of the price boom were non-Africans.

Among the African coffee growers, those in Meru, Embu, Nyeri and Kisii benefited most because these were the most developed areas in terms of cash crop production.

The rapid formation of African co-operatives for the purpose of marketing the crops was also an integral part of the Swynnerton Plan.

Table 3.4

(a) Prices to Producers for Selected Agricultural Products.

	1946/7	1950/1	1954/5	1958/9	1960/1
WHEAT (Shs. per bag)	27.85	39.80	52.00	52.33	46.62
MAIZE (Shs. per bag)	17.50	28.80	35.15	27.00	35.50
COFFEE (£. per ton)	112.0	374.24	426.67	393.31	320.00

Source: "Statistical Abstracts." Quoted in International Bank for Reconstruction and Development (IBRD): The Economic Development of Kenya (Baltimore: The John Hopkins Press, 1963) p. 346.

(b) Prices to Producers for Agricultural Products

	1946	1950	1954	1958	1960
SISAL (£ per ton)	35.51	116.03	64.64	53.32	81.34
PYRETHRUM (Sh. per cwt)	140.0	239.5	276.1	285.1	313.63

Source: IBRD, 1963 (ibid). p. 346.



When the boom period began in 1950 there were only 75 societies in the register. By 1960 a total of 511 co-operative societies had been registered but 168 of them had been liquidated, leaving a balance of 343 societies still in the register.

The Mau Mau nationalist movement revealed a significant social cleavage among peasants in Central Province. A body of Africans with a stake in the colonial economy had developed, and they violently resisted being dragged into endorsing the activities of the movement. Although some freedom fighters, such as Dedan Kimathi, were co-operative society leaders, these were isolated cases. In his Annual Report for 1953, the Registrar of Co-operative Societies noted that "members of societies are mainly loyal" and that "they can and do form small groups in which is built up a strong feeling of solidarity and loyalty to Government, and opposition to Mau Mau."<sup>16</sup> Again in 1954, the Registrar observed that "societies reported any known or suspect terrorist or Mau Mau sympathiser to the District Officers."<sup>17</sup>

By late 1950s it was clear that the Mau Mau nationalist had lost the military aspect of the war. The "homeguards" had won. The emerging bourgeoisie had hijacked the Mau Mau revolution,

campaigning through political parties rather than fighting it out in the forests. This was because they believed in the sanctity of private property. Co-operative societies in the rural areas were behind them in this hijack.

Around Independence, 1960-1964

The number of co-operative societies increased tremendously. This expansion took place at three fronts. The first was in the settlement area where the Kenya Government, in collaboration with the British Government and the World Bank, was financing the settlement of landless people in the one million acre scheme. The new settlers formed over a hundred multi-produce marketing societies between 1963 and 1964.<sup>18</sup>

A second front, which was also in the Highlands, came in the form of land-purchasing societies whose membership ranged from some of the richest individuals to the poorest farmers.

The traditional small-holder sector formed the third front of co-operative expansion.

Of significance during this period was the political inspiration that animated virtually all African co-operative societies. Re-settlement of

the landless was a political act, so was the formation of land-purchasing societies. The emerging bourgeoisie were hungry for property, and they accordingly became the new masters in the Highlands. Meanwhile, and this was the case all over the country, politicians were busy building their political platforms on the anxiety, expectations, or rather the illusions of the peasantry. As a show of political competence many politicians formed co-operative societies in their own constituencies. Little thought was given to the economic viability of such co-operatives. Consequently many of them were later either liquidated or became inactive.

Between 1960 and 1964 a total of 647 cooperative societies were registered, but some 65 societies were also liquidated leaving a balance of 582 still in the register by the end of the latter date.

The Government continued to recognise the importance of the Swynnerton Plan in its development strategy. In its 1964-70 Development Plan the Government observed that:

"Since the inception of the Swynnerton Plan, agricultural policy has been designed to increase substantially the productivity of growing numbers of African small holders . . . . To encourage the effective use of land

the government provides substantial agricultural credit and rapidly expanding extension service. The success of past programmes has already been demonstrated: from 1954 to 1962 cash output from small farms grew at the rate of 7.5 per cent per annum, while large farm output grew at less than half that rate."<sup>19</sup>

At this time the government had enough reasons to look back with pride. The land consolidation and registration programme had largely been completed in the war-torn Kikuyu country by the end of the 1950s. This had been followed by the provision of extension services and credit and, most important of all, by the removal of the ban on African-grown coffee. The results of the programme were dramatic. The value of recorded output from smallholdings grew rapidly to surpass that from large farms in the next decade as we shall soon see in Table 3.5.

The major beneficiaries of the programme, however, were educated and salaried individuals who could manage to buy land and get easy access to credit, knowhow and equipment. The majority of smallholders still had little access to capital, extension services or other farm inputs. They were, however, happy with their freehold titles and were generally satisfied that they had won the war. Through the Swynnerton Plan the Government had

succeeded not only in putting an end to the rural unrest of the 1950s, but also in convincing the majority of the peasants that they had a stake in the system. This was an important political achievement because it ensured that the post-independence government would continue to have strong political support from the grassroots.

### 3:3 Agricultural Co-operatives After Independence (1965-1980).

The formation of new co-operative societies slowed down during this period, particularly after 1967.

The role that co-operatives would play after independence was stated not only in Sessional Paper No. 10 of 1965,<sup>20</sup> but also in the subsequent national Development Plans. The Paper sets out the overall societal objectives as follows: the realization of political equality, the achievement of social justice, respect for human dignity including freedom of conscience, freedom from want, disease and exploitation. According to the Paper, Kenya also aspires to realize equal opportunities for all. In the economic sphere the target would be to achieve a high and growing per capita income accompanied by its equitable distribution. The

Government, declares the Paper, is committed to transform the Kenyan economy from that of subsistence to that of the "market."

The rural areas, particularly the former "reserves", demanded immediate attention because they had been discriminated against during the colonial period. These areas were characterized by widespread illiteracy, poverty, wide gaps between the rich and the poor, and an increasing exodus towards the urban areas. There was also the reality of a conspicuously widening gap between the living standards in the rural areas and those in the urban centres. Besides these problems there were regional inequalities which had grown as a result of colonial policies. These indeed were challenging problems to a country struggling to build "socialism."

It is within this context that we should understand the emphasis placed on rural development, and especially the development of former reserves. This being basically an agricultural country, it did not come as a surprise that agricultural co-operatives were given a prominent role to play in the realization of this task. Witness for example: (emphasis - ours).

"There is only one course of action open to the nation, and that is to strengthen the co-operatives to play their role adequately. Quite apart from the social and political factors there is no doubt that a strong co-operative movement would maximize the incomes of Kenya's peasant farmers, by, on the one hand performing essential functions of processing and distribution on a much larger and more efficient scale than would be possible for individual grower, and on the other hand, giving him a share in the profits associated with those operations."<sup>21</sup>

Perhaps an equally articulate summary of the officially prescribed role of co-operatives in Kenya is found in the 1979-1983 national Development Plan:

"The co-operative movement is an important instrument for achieving mass participation in national development and for providing a means of raising the living standards of participants and those who would otherwise not have access to inputs and services necessary for them to achieve a better standard of living. The co-operative movement, in fact the whole concept of co-operation, should be regarded as an organizational tool for promoting rural development generally and income earning opportunities in both rural and urban areas."<sup>22</sup>

Agricultural co-operatives, therefore, are seen as a means by which peasants can be integrated into the mainstream of the market economy. A single unit of many individual peasants, so the argument goes, can match a big capitalist in the scale and

efficiency of their operations. Such a unit would, furthermore, minimize exploitation at the sphere of circulation. In addition the co-operators would "have access to inputs and services" which they would not get as individual peasants. What this implies is that in the long-run peasants would change their social position vis-a-vis other social classes, and in the process fail to remain the peasants so ably defined by Eric Wolf.<sup>23</sup> Although they would remain rural dwellers they would not continue to be exploited by the dominant social classes. They would have control over the utilization of their surplus and, therefore, in the long run would not need to depend on other social classes for a variety of goods and services. Politically, there would be harmony because of the virtual absence of social class conflict.

Various studies on the Kenyan economy, however, reveal that these aspirations have been impossible to realise within the existing socio-economic environment. In 1971, for example, an I.L.O. study on employment, incomes and equality in Kenya pointed out that rural inequality and poverty were increasing and that the urban-rural economic gap was widening.<sup>24</sup> Colin Leys puts the same subject into a clear historical perspective.<sup>25</sup> In the field of



peasant production alone, Leys points to the exploitation of political and state power by wealthier families, leading to the consolidation of unequal access to land, farm credit, extension services, marketing facilities and new crops, among others.<sup>26</sup> Furthermore, apart from the obvious exploitation of wage labour by capitalists and rich peasants, there are some less obvious forms of exploitation. Leys summarises these other forms as follows:

"appropriation at the level of exchange, through adverse rural-urban terms of trade and through monopoly elements in the process of collection, processing and selling of peasant-produced commodities for foreign markets; regressive taxes of various kinds, legal and illegal, which in effect transferred surplus from the poorer to the richer families; the similarly regressive burden of the co-operatives and marketing boards' administrative costs, which supported a substantial part of the salariat by means, in effect, of flat-rate charges on every unit of output from both the capitalist and the peasant sectors of agricultural production; by the strong bias in the provision of services in favour of the richer peasant households as well as of the salariat and small-and large-scale owners of capital in the towns, and so on."<sup>27</sup>

In political terms what the two studies cited above, by I.L.O. and by Leys, reveal is that social class contradictions have continued to sharpen during the post-independence period. This is true of the

rural as well as the urban areas. In the rural areas the peasants have remained exploited by the more dominant social classes and they have had little control over the surplus they produce. They continue to depend on non peasants for a variety of goods and services. We shall pick up this discussion in Chapter Four. For now let us briefly look at the growth of co-operatives in Kenya after independence.

As we have already discussed the encouragement of co-operatives after independence was part and parcel of the overall development strategy of the country. By 1966 about 1,000 co-operative societies had been registered in Kenya.<sup>28</sup> Between 50 and 60 percent of them, however, were active.<sup>29</sup> Over 98 percent of their turnover derived from agricultural production and marketing.<sup>30</sup> By the end of 1968 there were 900 registered and active co-operative societies, the majority of them being rooted in agriculture.<sup>31</sup> Eleven years later there were 1,437 registered and active co-operative enterprises in Kenya, most of which were agricultural marketing societies whose estimated turnover (1977) was to the tune of K£106 million.<sup>32</sup> Small-holder co-operatives controlled nearly 50 percent of the pyrethrum marketed, over 80 percent of cotton, and over 50 per cent of all marketed milk.<sup>33</sup>

It is estimated that the total co-operative turnover in 1983 will be about K£151.2 million,<sup>34a</sup> slight fall from the 1978 figure of K£154.542<sup>35</sup> million due to the expected fall in coffee prices. Agricultural co-operatives will handle the bulk of this turnover.

The increasing significance of agricultural co-operatives in Kenya cannot be understood in isolation, however. The visions of the Swynnerton Plan became a concrete reality after independence. Land consolidation and registration continued, and the peasants, attached to their small pieces of land, were encouraged to produce for the market. The percentage share of small farms in the gross marketed agricultural production in Kenya increased tremendously between 1964 and 1980 (see Table 3:5). The small-holder cash earnings from the sale of this produce multiplied about six times during the said period. In addition, the small scale farmers and co-operatives do receive the largest share of total agricultural credit issued to farmers in Kenya.

Below, therefore, we shall briefly examine the general trend of agricultural production in Kenya since the mid 1960s. Such examination, we hope,

will put agricultural co-operatives in 'post-colonial' Kenya into their proper historical perspective.

3:4 Agricultural Production and the Place of the Smallholder.

As we have already noted, the agricultural policies pursued by Kenya after independence were a continuation of a programme that had been implemented since the mid - 1950s. Smallholders were increasingly being encouraged to produce for the market. The percentage share of small farms in the gross marketed production from large and small farms rose from 40.7 in 1964 to 53.1 in 1980. (see Table 3:5).

Table 3:5 GROSS MARKETED PRODUCTION FROM LARGE AND SMALL FARMS, 1964 - 1980

YEAR	LARGE FARMS (K £ million)	SMALL FARMS (K £ million)	TOTAL (K£ mi llion)	Percentage share of small farms
1964	35.8	24.6	60.4	40.7
1965	33.3	23.8	57.8	41.7
1966	36.0	32.7	68.8	47.5
1967	32.9	34.1	66.9	51.0
1968	34.4	35.8	70.2	51.0
1969	37.9	38.3	76.2	50.3

Table 3:5 Cont.

YEAR	LARGE FARMS (K £ million)	SMALL FARMS (K £ million)	TOTAL (K£.mil lion)	Percentage share of small farms
1970	41.2	44.2	85.4	51.7
1971	42.1	44.6	86.7	51.4
1972	50.3	55.6	105.9	52.5
1973	60.0	63.3	123.3	51.4
1974	73.4	75.0	148.4	50.6
1975	71.8	90.1	162.0	55.6
1976	122.1	128.0	250.0	51.2
1977	206.0	208.5	414.6	50.3
1978	147.2	186.2	333.4	55.5
1979	148.2	172.5	321.0	53.7
1980*	170.2	192.5	362.7	53.1

\* Provisional.

Source: Central Bureau of Statistics, Economic Survey. (1971, 1973, 1976, 1979 and 1981).

In order to ensure increased commodity production in the rural areas, particularly in the small-holder sector, the government also used various parastatal organizations to encourage farmers to adopt modern techniques of agricultural production. Towards this end such organizations as the Agricultural Finance Corporation (A.F.C.), Co-operative Bank of Kenya (C.B.K.), Kenya Tea

Development Authority (K.T.D.A.), the Pyrethrum Board of Kenya, the Cotton Lint and Seed Marketing Board (C.L. & S.M.B.), among others, provided agricultural credit to the farmers.

Perhaps the commitment of the Kenya government to the expansion of small-holder production is best illustrated by the K.T.D.A. and its rapid recruitment of tea growers between 1964 and 1980.

Table 3:6 The Development of Small-holder Tea  
1964/65 - 1979/80.

Year	Total Hectares at end of year	Number of Growers	Average size of holding per grower.
1964/65	5,133	22,343	0.26
1966/67	8,424	32,599	0.26
1968/69	13,409	42,596	0.31
1970/71	19,320	53,400	0.36
1972/73	30,895	79,314	0.39
1974/75	37,205	97,337	0.38
1976/77	43,636	115,648	0.38
1978/79	48,954	126,169	0.39
1980/81	51,420	129,912	0.40

Source: Economic Survey, 1973, 1980 & 1981.

Similar developments were going on in the coffee, pyrethrum, cotton, and dairy industries, to mention a few.

The flow of agricultural credit to the small farmers, especially through the co-operatives, has been remarkable (see Table 3.7). This was particularly the case throughout the 1970s.

Table 3:7

New Agricultural Credit Issued By Type of Farmer, 1976/77 - 1979/80.

	K.£ '000			
	1976/77	1977/78	1978/79	1979/80
I Small Scale Farmers	2,462	3,119	2,675	8,393
II Co-operative Societies.	9,846	10,583	10,602	9,510
III Large Scale Farmers.	2,735	13,690	4,567	2,749
IV Other Farmers	5,914	75	1,084	299
V Total Loans.	20,957	27,467	18,928	20,951
% Share of I* and II in V	58.73	49.89	70.14	85.45
% Share of II* in V	46.98	38.52	56.01	45.39

\* computed by author.

Source: Central Bureau of Statistics, Economic Survey, 1981. p. 111

It is within the context of this increased small-holder participation that the governments' emphasis on the importance of agricultural co-operatives in Kenya must be understood. Since the Swynnerton Plan was hatched in the mid 1950s, the Kenyan peasant has been undergoing a deliberate and systematic incorporation into the market economy. During the colonial period this was a calculated strategy for strengthening and perpetuating the established political system. Agricultural co-operatives, as we noted above, were part and parcel of this strategy. The latter, in fact, remained hostile to the Mau Mau movement, but supported the political alliances of the elite who finally brought the country to independence. It would have been politically unwise for the post-independence rulers to believe that they could perpetuate the inherited socio-economic structures without the full support of the small scale farmers who form the majority in the countryside. This explains the official commitment to the expansion of small-holder production, and consolidation of agricultural co-operatives. This also explains the governments' insistence that co-operatives must live to the bureaucratic standards set for them by public officials.



The above "success" story of co-operatives in Kenya, however, is only but one side of the coin. Political machinations at the local level have resulted in stringent control measures which in effect have removed the right of effective control by co-operative society members themselves.

Below we shall briefly discuss how the government has perceived these problems and the measures it has introduced in order to 'solve' them. We shall also examine the views of some students in this field.

### 3:5 Grassroots Discontent and Government Control

The tremendous growth in the number of co-operatives during the early part of the 1960s was accompanied by mounting grassroots disillusionment about the purposes of co-operation. Some observers began to doubt the usefulness of co-operatives in the process of rural development. They argued that these institutions were more of a liability than an asset in the rural areas.<sup>36</sup>

Prominent politicians and the series of national Development Plans have also constantly expressed the view that co-operatives have not lived to their expectations.

The 1966-1970 Development Plan identified the laxity and dishonesty of the governing committees of some agricultural co-operatives as one of the most formidable problems. They had "become lax in their financial stewardship, engaging in wasteful expenditure on their own account, managing their services inefficiently, and - - - making speculative investments with their members' proceeds." <sup>37</sup> Similar complaints, especially about numerous cases of fraud, dishonesty, or favouritism were made in the subsequent years. <sup>38</sup>

What this implied for the government was that the movement had to be closely guided, supervised and even controlled. This was done through an Act of parliament in 1966, and a Legal Notice in 1969.

The Co-operative Societies Act enhanced the regulatory powers of the Commissioner of Co-operative Development (CCD). These included control over the co-operative societies' budgets which was meant to minimize major financial abuses. The CCD was given power to amalgamate non-economic units, and also to dismiss union and society committees in cases of mismanagement.

The Co-operative Societies Rules (1969) is essentially procedural. It lays down the procedures

to be followed in the running of the societies.

In addition to the Act and the Rules the Government also stepped up its programmes of co-operative education. It also emphasized the training of co-operative officers and established a co-operative college for this purpose.

These measures were intended to increase the business efficiency of co-operative societies in the country. In agriculture it was hoped that such efficiency would improve the small-holders' productivity, access to profitable markets, and above all enhance the spread of communal attitudes through the celebrated democratic participation in co-operative affairs.

The above, it should be noted, are purely administrative measures geared towards solving purely administrative problems. As identified by the Government, co-operative problems in Kenya do not transcend the bounds of co-operative organizations and their management. This view is shared by some students of co-operation in Kenya. Arthur Dobrin, for example, argues that the most formidable problems in Kenya's agrarian co-operatives are to be found in their management.<sup>39</sup> He mentions tribal conflicts, clanism and religious

squabbles as some of the major problems in Kenya's agrarian co-operatives. Nepotism forms the basis, he argues, for electing committee members to run the societies. It also greatly influences the appointment of managers and other staff who are employed by the societies.

Dobrin goes on to explain why it is difficult to integrate Kenyan peasants into the cash economy. The extended family system, he argues, is generally detrimental to the development of a cash economy. Too many demands are made by relatives. The sick ones, the old, the uneducated and unemployed, or the "malingerers" make very pressing demands on the salary or wage of an employed relative. The latter starts questioning why he has to work at all if the money he gets is taken by needy or deceitful relatives. This way, asserts Dobrin, "many people are caught between the conflicting demands of two cultures: the modern ethic of profit, and the traditional feeling of mutual responsibility." The conflict is compromised by decreased production in the cash economy, usually in terms of reduced effort. No doubt this would affect the productivity of agrarian co-operatives.

This cultural explanation is both static and superficial. It is static because it does not

take into account the socio-economic changes that have been taking place in Kenya since the eve of the twentieth century. Although the extended family "may include a few hundred relatives," the latter's demands on the industrious individual are grossly exaggerated. Might they also not help him in the supply of agricultural labour? Does productivity necessarily fall because of the "demands"? Dobrin has oversimplified the problem of integrating the peasants into the cash economy.

A more plausible explanation for the behaviour of agrarian co-operatives in Kenya is that offered by Goran Hyden.<sup>40</sup> Although the latter employs the Durkheimian categories of "mechanical" and "organic" solidarities, he tries to analyse the Kenyan society in terms of the articulation of modes of production and his main argument is that the persistence of pre-capitalist socio-political structures tend to militate against the realization of efficiency in agrarian co-operatives. Administrative measures intended to solve them are therefore bound to backfire

While we agree with Hyden's analysis, we wish to add that the behaviour of Kenya's agrarian co-operatives today can best be understood within

the context of the informal patron-client political network that has evolved since independence. The informal network emerged to fill the gap that had been created by the depoliticisation of participatory institutions such as the political party and the parliament by President Kenyatta's Government. In effect this depoliticisation relegated politics to the countryside and linked constituency service with electoral success. It soon became clear that only those individuals who could muster support from the grassroots could actively participate in the new political game, and that only those who had a large following could expect to rise to the top political ranks.

Local organizations such as "harambee" self-help groups and agrarian co-operatives inevitably became politicised as local power brokers (who were clients to higher status political patrons) or local patrons struggled to win as many clients at the local level as possible. This subject, as we pointed out in Chapter Two, has been discussed at length by Njuguna Ng'ethe, among others.

We shall continue with this discussion in our next chapter where we also examine the management of co-operatives in Kenya and discuss how the

various interest groups, already referred to in our Second Chapter, manifest themselves at the local level. This will involve a general survey of the situation in Western Kenya, particularly in the districts surveyed in this study.

CHAPTER THREE: FOOTNOTES

1. Dilley, M.R., British Policy in Kenya Colony. (New York: Nelson, 1937).
2. Sorrenson, M.P.K., (i) Land Reform in Kikuyu Country (London: Oxford University Press, 1967)  
(ii) Origins of European Settlement in Kenya. (London: Oxford University Press, 1968)
3. Brett, E.A., Colonialism and Underdevelopment in East Africa. (Heinemann, 1973).
4. Leys, C., Underdevelopment in Kenya. (London: Heinemann, 1974).
5. Van Zwanenberg, (i) The Economic Development of Kenya and Uganda. (East African Literature Bureau (EALB), 1970).  
(ii) Colonial Capitalism and Labour in Kenya. (EALB, Nairobi, 1975)
6. Brett, op. cit., p. 167.
7. Brett, op. cit.
8. For a critical assessment of this blueprint see Mohiddin, Ahmed: "Notes on the Colonial Background of Sessional Paper No. 10 of 1965" (1972) Op. cit.
9. Hyden, G., (1973) op. cit., pp. 19-20.
10. Registrar of Co-operative Societies, Annual Report, 1946.
11. See Maguire, G.A., (1969) op. cit.
12. Hyden, G., (1973) p. 21.
13. Swynnerton, R.J.M., "A Plan to Intesify the Development of African Agriculture in Kenya". (Government Printer, Nairobi, 1955).
14. Mitchell, P., in his African Afterthoughts. Quoted in Mohiddin, A. (1972) op. cit.
15. Swynnerton Plan, op. cit., p. 10.
16. Registrar of Co-operative Societies: Annual Report, 1953, p. 3.



17. Quoted in Hyden, G., (1973) op. cit., p.22.
18. Ibid., p.22.
19. Kenya Development Plan 1964-70, p.43.
20. Republic of Kenya: "Sessional Paper No. 10 of 1965 on African Socialism and Its Application to Planning in Kenya." (Government Printer, 1966). Henceforth referred to as "The Paper."
21. Republic of Kenya: Development Plan, 1966-1970 p.200.
22. Republic of Kenya: Development Plan, 1979-1983 p.309.
23. Eric Wolf mentions four characteristics by which peasants can be socially identified. These are:-
  - (a) They are rural dwellers.
  - (b) They produce a surplus which through various mechanisms is transferred to the dominant social classes. That is, they are always objects of exploitation.
  - (c) They have little control over the utilization of surplus.
  - (d) They depend on non-peasants for a variety of goods and services. See his Peasants (Prentice - Hall, 1966) p.4.
24. International Labour Organization: Employment, Incomes and Equality: A Strategy for Increasing Productive Employment in Kenya. (I.L.O., Geneva, 1972).
25. Leys, C. (1975) op. cit.
26. Leys, *ibid.*, p.191.
27. *Ibid.*, p.192.
28. Kenya: Development Plan, 1966-1970. p.197.
29. Ibid, p.197.
30. *Ibid.*, p.197.
31. Kenya: Development Plan, 1970-1974. p.276.

32. Kenya: Development Plan, 1979-1983.  
p.310.
  33. Ibid., p.310.
  34. Ibid., p.320.
  35. Ibid., p.320.
  36. See for example Hyden, G. (a) in Widstrand,  
C.G. (ed) 1970 op. cit.  
(b) (1973) op. cit.
- See also Dobrin, A. (1969/70) op. cit.
37. Kenya: Development Plan, 1966-70.  
p.198.
  38. See for example: "Sessional Paper No.8 of 1970  
on Co-operative Development Policy for Kenya" and  
Kenya: Development Plan, 1970-1974.  
p.276.
  39. Dobrin, Arthur, op. cit.
  40. Hyden, G., (1973) op. cit.

CHAPTER FOUR

AGRARIAN CO-OPERATIVES AND THE POLITICS OF ACCESS

4:1 Introduction

In our third chapter we discussed the development of agricultural co-operatives in Kenya during and after the colonial period. We discussed their role in the process of rural development during both periods.

Here we pick up the concluding argument of our second chapter and, with the help of field data, examine the proposition that the behaviour of local participatory organizations in Kenya, including agrarian co-operatives, cannot be fully understood outside the patron-client political network. We deal with the manner in which the co-operators and others seek to articulate their interests, as individuals or as groups of individuals, within the co-operative movement.

We identify the interests of local power brokers, those of the inarticulate peasant clientele, and those of the Government.

We begin with a discussion of what the politics of access in Kenya's agrarian co-operatives involves.

#### 4:2 Conceptualizing The Politics of Access

The politics of access in agrarian co-operatives have to do with how individuals or groups of individuals struggle to improve their chances of controlling or influencing the distribution of benefits that accrue from co-operation.

One of the main problems of rural development in most Third World countries has been precisely that of strengthening the bargaining position of peasant producers so that they can compete favourably in a market situation. Peasants have always been disadvantaged, as we noted in our second chapter, from the point of view of access to public services. These rural dwellers have always produced a surplus which through various mechanisms is transferred to the more dominant social classes. They have little control over the utilization of surplus and usually depend on non-peasants for a variety of goods and services.<sup>1</sup>

In many countries all over the world agrarian co-operatives have been seen as instruments or

weapons which the peasantry can employ in their struggle to influence the distribution of resources. This explains the variety of features ascribed to such co-operatives. We can summarize them as follows: they stimulate local initiative, spread agricultural innovation, provide cheap marketing facilities by exploiting the economies of scale, enhance equity in the process of resource distribution, and provide incentives for the farmer to stay in the land rather than drift to the cities in search of wage employment. Co-operatives are also thought to provide experience in management and democratic decision-making. Furthermore, apart from keeping the proceeds of a region invested locally, they encourage self-reliance and development independent of government intervention.

In many developing countries, however, the above are co-operatives as they should be, not as they actually are. Local class struggles have often turned these institutions into instruments of control rather than avenues for popular participation in the development process.

The experiences of India and Pakistan, for example, bear testimony to the above. Daniel Thorner quotes instance after instance where a

single dominant family controls not only the 'Panchayat' and the local political party branch, but also the local co-operative society and the processing factory.<sup>2</sup> Although these countries have been changing fast, power, in its social, economic and political manifestations, has for a long time been wielded by families with high caste. For a long time social class 'boundaries' coincided with those of caste, and hardly was a 'harijan' a money-lender. When agrarian co-operatives were formed in India and Pakistan during the first quarter of this century, they faced problems of traditional hierarchy. These were problems of access. Poor peasants could derive little benefit from co-operation precisely because such benefits were filtered through the oppressive class system.

After considering this situation in India and Pakistan, Guy Hunter observes that the African peasant is a freer man.<sup>3</sup> He is not caught up in the caste system. There are no landlords to bother him for tribute. Even more importantly, there are no money-lenders to keep him perpetually in debt. The African peasant, argues Guy Hunter, has only three institutions to watch. These are his lineage and tribal system which is still powerful in customary and domestic ways, the political party, and the

officials of the government. It doesn't occur to Guy Hunter that these lineage and tribal systems could give way to or camouflage social class struggles in Africa. In any case his view of development in terms of tradition and modernity could not have allowed him to consider this point.

The problem of money-lenders, however, was not unique to India and Pakistan. In Sudan, agrarian co-operatives had to struggle against the "shayl" merchants.<sup>4</sup> The "shayl" was a form of crop mortgage, usually in return for credit at a local shop. High interest charges were usually imposed on such credit. The "shayl" system often carried disguised interest rates of up to 300 per cent per annum. Even after agrarian co-operatives had been established, the shayl merchants continued to remain creditors to a large number of peasants because of the social status they had acquired for themselves. They were the "brokers" of local politics, and to a large extent they influenced the development of agricultural co-operatives in the Sudan.

Neither the caste nor the "shayl", however, has been at the centre of the politics of access in most African co-operatives. The experience in

African co-operatives, nonetheless, has shown "specific and extensive failure and disillusionment" at the grassroots.<sup>5</sup> Various scholars have quoted one instance after another where agrarian co-operatives could be said to be responsible for the greater part of the peasants' misery.<sup>6</sup> Some official governmental reports have often confirmed these extensive failures.

In 1968, for example, a "Report of the Committee of Inquiry into the Affairs of All Co-operative Unions in Uganda" made the observation that:

"thousands of growers ---- had not been paid for their cotton for several years, which quite rightly was considered to constitute a potentially and perilously explosive situation."<sup>7</sup>

Such failure was in many cases attributed to the sheer dishonesty and inefficiency on the part of the officials of primary societies.

Prior to the Arusha Declaration in Tanzania there was widespread discontent over the management of agrarian co-operatives.<sup>8</sup> Farmers complained about committees having been "completely infected with the diseases of nepotism and dishonesty."



They complained about the predatory character of the Marketing Boards which kept prices for their commodities very low. This had led the farmers into believing that co-operative societies had been instituted, not for the purposes of protecting them from middle-men, but to place them under another worse type of middleman. At the union level, furthermore, there was "lack of democracy" and "political interference".

As we have already noted, the situation in Kenya's agrarian co-operatives has been no different. In a recent study of the movement in Kenya, Sylvester Ouma, a senior officer in the Ministry of Co-operative Development, repeats the same old story.<sup>9</sup> He observes that some influential people, especially politicians, have often used the movement for their own ends. Local political struggles have often manifested themselves in factionalism and secession within these institutions.

We pointed out in Chapter Two that the behaviour of local participatory organizations in Kenya must be understood within the context of the patron-client network that has developed since independence. We shall briefly discuss this point here, beginning with a brief examination of the character of clientelist politics.

Leading theorists of political clientelism begin with the basic patron-client link between two individuals.<sup>10</sup> This is the dyadic interaction between a single patron on the one hand and a single client on the other. This dyadic interaction could be enlarged to include more people, thus forming a patron-client cluster. Structurally, the cluster is composed of one patron and many clients. A cluster could also be vertically enlarged to form a pyramid. When leaders of various patron-client clusters, themselves, establish clientage bonds with still higher status political actors, they are said to have formed a pyramid.

There are three major characteristics of a patron-client relationship. First, the relationship develops between two unequal parties. The inequality could be based on a wide variety of factors. Wealth and political influence are some of them. This fact has led one theorist of clientelism to describe it as a "lopsided friendship."<sup>11</sup> Second, the formation and maintenance of the relationship depends on reciprocity. Such mutual exchange might and often does involve incomparable goods and services. It might, for example, involve the exchange of a cabinet post for political support,

or the exchange of votes for contribution to the success of a local co-operative organization.

Third, the development and maintenance of patron-client relationship rests heavily on face-to-face contact between the two parties.

Does clientelism have any political importance?

Powell asserts that the "clientelist state" has certain key political features."<sup>12</sup> First, patron-client relations are of central importance in the electoral process. The existence of elections is in turn necessary for the system because votes are the only things of value which poor clients can exchange with wealthier patrons. At the village level there is intense competition among brokers and potential brokers for peasant votes which can then be delivered to a particular patron or potential patron. Writes Powell:

"Such competition, which has been described as factionalism, is an essential ingredient in the process of aggregating clienteles and linking them to vertical patronage structures in the political system. National or regional political leaders recruit local political leaders from among the competing local patrons and brokers."<sup>13</sup>

Theorists of clientelism point out that factionalism is another key political characteristic

of a clientelist state. This comes about as a result of the lack of ideological coherence in the political system. The clientelist state has neither doctrine nor dogma and enjoys a large degree of flexibility in questions of policy. Many factions in this system, however, are simply loose alliances among patron-client networks.

Finally, the clientelist structures often primarily serve the purpose of representing interests on the periphery of the political system, at the political centre. In other words where, for instance, there is no party organization, and well organized interest groups are concentrated in the urban areas, clientelist structures frequently become the sole mechanisms through which peasants can penetrate the political/economic centre, not only for the purposes of making demands on central government institutions, but for providing support to those institutions as well.

As we observed in Chapter Two, clientelism has been part and parcel of local and national politics in Kenya. This can best be understood historically. Kenyans did not struggle for independence as a single entity. The struggle took regional and ethnic lines.<sup>14</sup> Regional leaders, who regarded

their areas as personal fiefs, emerged. The immediate post-independence problem in Kenya, therefore, was essentially that of unification. In the name of national unity, President Kenyatta deliberately evolved a style of leadership which later proved successful in controlling the faction-ridden Kenyan state. This was the patron-client hierarchy. The technique involved, among other things, the emergence of Kenyatta as the chief patron, and the decline of the party and parliament as participatory institutions.<sup>15</sup> The Provincial Administration, which was directly accountable to the President himself, was strengthened at the expense of these participatory institutions.

The emerging political formula had the following attributes:<sup>16</sup> First, a lot of importance was attached to personal and regional leadership. Second, there was a tendency to personalize policy issues. Third, a strong executive President emerged at the political centre. Fourth, there was lack of importance of the party and parliament as participatory institutions. Regional leadership took care of the absence of a strong political party, and confirmed Kenyatta as a true "Father of the Nation" since everybody else was a regional leader. He became the chief patron and final

arbiter of disputes.

An important effect of the depoliticization of parliament was that politics was relegated to the countryside. Members of Parliament who openly discussed and criticised Government policies were accused of "payukaring"<sup>17</sup> or roaming in Nairobi while they were supposed to be helping their constituents in self-help efforts. Kenyatta sought, and succeeded in doing so, to link electoral success to contribution to self-help activities at the local level. Thus, a good Member of Parliament was one who initiated and supported many "harambee" projects within his constituency. Some surveys carried out in Kenya in 1966 and in 1975 revealed that Kenyatta's definition of a good M.P. coincided with that of the majority of the electorate.<sup>18</sup> Voters wanted constituency service from their elected representatives. This shaped the character of politics at the constituency level. Candidates for local authority or parliamentary elections had to tell the electorate what they had done for them by way of assistance to locally initiated and managed schools, health clinics, cattle dips, access roads, or co-operatives. Such elections became contests between rival local figures who spent most of their time organizing at the constituency level with the assistance of local elites. Under such

circumstances, local participatory organizations become theatres of competing political interests. Agrarian co-operatives have not escaped being one of the local organizations where such interests are articulated.

When we talk about the politics of access in agrarian co-operatives, therefore, we are concerned with the manner in which these local interests express themselves through the co-operative movement. The question to which we need to address ourselves now is: Access to what in the agrarian co-operatives? In other words, why do individuals and groups of individuals struggle to control or at least influence the making of decisions in these local self-help organizations?

Part of the answer to this question is already implicit in the above discussion on the relationship between patrons and clients in a clientelist state. Local power brokers, who act as clients to higher status political patrons, do struggle to recruit more and more clients from among the peasantry for political purposes. Such recruitment can influence the results of civic and parliamentary elections, for example. In this sense, agrarian co-operatives become one of the instruments for the creation and

maintenance of voting blocs within the constituency. Thus to the local elite the power struggles in co-operatives are part of the wider struggle for votes in the electoral politics. The "community lobbyists" therefore do struggle for access to clients within the patron-client network which, as we have already discussed, has been part and parcel of local and national politics in Kenya.

In addition, co-operatives, as they have been run in Kenya, do offer opportunities for personal acquisition of wealth. This could be through corrupt transactions which benefit the individual at the expense of the co-operative organization. There have been numerous cases of corruption in Kenya's co-operative movement, and quite often such corrupt practices involve the embezzlement of huge sums of money. Furthermore, to control the management of a local co-operative society or union is to control the distribution of such benefits as loans (in cash or in the form of farm inputs) which are channelled from the centre to "the people". It should be pointed out here that the politics of "harambee" in Kenya made it absolutely necessary to accumulate wealth if one were going to be successful at the political entrepreneurship dictated by the clientelist system.<sup>19</sup> It is there-

1190  
252  
9/7/2



fore partly because of the opportunities for accumulation that co-operatives have attracted the attention of the elite in Kenya's rural areas.

So far we have discussed the question of access in agrarian co-operatives in relation to the interests of local power brokers. What do the ordinary peasants expect of the co-operative organization? The peasants' demands are immediate material pay-offs. Our survey indicated that the majority of the small-holders joined marketing co-operatives because of the desire to market their agricultural produce cheaply and more conveniently. Cotton farmers in Western Kenya, indeed as elsewhere in Kenya, joined co-operatives partly because of this reason, and partly because there was no other legal buyer of their produce. They also expect the co-operative society to provide cheaper transport facilities for their produce, a tractor-hire service, and credit, to name a few of their expectations. To them, access to these facilities is of primary importance. When we talk about the politics of access in agrarian co-operatives, therefore, we are also concerned with the manner in which these ordinary peasants organize themselves for the purpose of getting these benefits, the problems that they face, and how they try to solve them.

Before we further explore this subject, it is imperative to briefly point out the services that agricultural co-operatives in Kenya offer to the farmers, and how these institutions are managed. Co-operative management will be discussed in relation to the manner in which it affects access to the supposed benefits of co-operation.

4:3 Some Economic and Social Benefits of Agricultural Co-operatives in Kenya.

(a) Economic Advantages to Producers.

Although some of the economic benefits of agrarian co-operatives were mentioned in previous chapters, we can briefly reiterate them as follows: they help peasant producers to process and distribute agricultural commodities on a larger and more efficient scale than would be possible for individual growers. In other words they help them exploit the economies of scale, thus enabling them to "maximize" their incomes.

Closely related to this is the idea that they help the peasant farmer in his struggle against exploitation in the process of distribution.

Agricultural co-operatives in Kenya are

convenient channels through which the government can advance credit facilities to the majority of farmers who cannot compete favourably for such services in commercial lending institutions. (see Table 3:7). Farm inputs such as fertilizers, seeds, or pesticides are channelled to farmers on credit. Such measures are meant to raise the productivity of the peasants' small holdings and to give farmers the incentive to produce more of the commodities.

In summary the economic advantages of agrarian co-operatives in Kenya have to do with integrating the peasant farmers into the market economy.

(b) Social Benefits

The most celebrated social purpose of co-operation has been that of tutoring peasants on the tenets of liberal democracy. They elect their leaders "democratically," that is, through the ballot and on the "one-man-one-vote" basis. The co-operators manage all aspects of their society in the same manner.

This is part of the co-operative education programmes which are also designed to equip farmers with modern technological know-how in the production process.

Closely related to the economic benefits of struggling to eliminate exploitation at the sphere of circulation is the idea that exploitation itself is a social menace. Agrarian co-operatives in Kenya, however, were not designed to restructure the existing socio-economic system. If there is any war at all against such a "social menace," it is waged in a characteristic liberal manner which Karl Popper, as we discussed in our second chapter, would call "piecemeal social engineering."

Furthermore, by working together in a co-operative society, facing similar problems and struggling to solve them together, the farmers build a sense of belonging, and maintain communal attitudes and orientations. This is in line with the aspirations of "African Socialism," an ideology whose roots are supposedly African.

#### 4:4 The Management of Co-operatives

##### (a) The Act and the Rules

Reference has already been made to the Co-operative Societies Act (1966) and the Co-operative Societies Rules (1969) which guide co-operative activities in Kenya.

Under the Act a co-operative society may be registered if its objective is "the promotion of the economic interests of its members in accordance with co-operative principles" and if in the opinion of the Commissioner it is capable of promoting those interests.<sup>20</sup> A co-operative union or an apex organization "shall not be registered except with limited liability."

Another condition for registration is that the society must consist of at least ten persons, all of whom must qualify for membership as stipulated in the Act. All members must have attained the age of eighteen years. Each of them must also be "resident within, or occupies land within, the society's area of operation as described in the relevant by-law."<sup>21</sup>

"No registered society shall fix any limit to the number of its members",<sup>22</sup> and "save with the consent of the Commissioner, no person shall be a member of more than one registered society having the same or similar object."<sup>23</sup>

The Co-operative Societies Act puts a limitation on holding of share capital. "No member .... shall hold more than one-fifth of the issued and paid-up share capital of any registered society."<sup>24</sup>

The supreme authority of a registered society "shall be vested in the general meeting of members at which every member shall have the right to attend and vote on all matters . . . each member shall have one vote only.<sup>25</sup>

The duties of the annual general meeting are stipulated in the Rules as follows: to consider and confirm the minutes of the last annual general meeting, consider reports of the committee, the Commissioner or his representative, and the auditor's report on accounts and balance sheet of the society. It is also the duty of the annual general meeting to approve the accounts, elect officers for the ensuing year and to consider and decide the maximum borrowing powers of the society.<sup>26</sup>

According to the Rules every registered society shall have a committee consisting of not less than five, but not more than nine members. The committee is entitled to elect its chairman and vice-chairman "from amongst the members of the committee."

The management committee is the governing authority of the society or union. On behalf of the society or union the committee can enter into contracts, borrow money, institute and defend suits

and other legal proceedings.<sup>27</sup> The Rules also stipulate that, "in the conduct of affairs of a registered society the members of the committee shall exercise the prudence and diligence of ordinary men of business and shall be held personally and individually responsible for any losses sustained through any of their acts which are contrary to the Act, the by-laws of their society or the directions of any general meetings."<sup>28</sup>

The committee of a registered society is empowered to employ its officers, but, "no graded employees of a co-operative union shall be appointed except with the approval of the Commissioner who shall fix their terms and conditions of service."<sup>29</sup> This provision enhances job security for graded employees.

Although the Act provides for the imposition of fines on its members for any infringement of its by-laws, no such fine shall be imposed except with the written approval of the commissioner.<sup>30</sup>

(b) The Role of Government

The Co-operative Societies Act endows the Commissioner of Co-operative Development (CCD) with wide regulatory powers. Before a co-operative society is registered, he has to be satisfied or

convinced that it is capable of promoting the economic interest of its members. He can cancel such registration where a society has less than the prescribed number of members.

He can hold an inquiry, or authorize such inquiry, into the by-laws, working and financial condition of any society.<sup>31</sup> The CCD has the right to remove members of the committee of any society if it is not performing its duties properly and replace it with another committee appointed by him.<sup>32</sup>

The CCD has control over societies' budgets. Such financial regulation, it was hoped would minimize major abuses of societies' funds.

In order to improve the economic viability of weak societies, the CCD is empowered to amalgamate them where convenient.<sup>33</sup>

The Co-operative Societies Act and the Co-operative Societies Rules set the parameters for the administration of access to the already mentioned 'benefits' of co-operation. Below, we wish to examine the extent to which agrarian co-operatives have improved the farmers' access to these benefits. We shall examine some of the



problems encountered by the co-operators in this process and how they try to solve them. We shall do this with specific reference to experiences in Western Kenya, particularly in Kericho, Kisumu and Busia districts.

4:5 Agrarian Co-operatives and Access to Economic Benefits.

(a) Exploiting Economies of Scale

Although the major cash crop, tea, in Kericho district is marketed through the K.T.D.A. over 5,000 farmers are members of co-operative societies whose total turnover in 1979 was over K. Sh. 2 million.<sup>34</sup> Over 66 per cent of this turnover derived from the marketing of milk while the rest was earned mainly through the marketing of pyrethrum and sales from society stores.

The dairy societies are little more than collecting agents for the Kenya Co-operative Creameries. Most of the dairy farmers interviewed indicated that they joined their society because it was difficult for them to daily transport their milk individually to the Sotik K.C.C. depot which was about forty kilometers away from Kabianga. The economic inspiration featured prominently as a justification for forming dairy co-operative

societies, most of which had at least a van for transporting milk daily to the K.C.C. depot.

Agricultural co-operatives in Kisumu district handle the bulk of co-operative turnover. Out of the K.Shs. 108.7 million earned by co-operatives in Kisumu in 1978/79, about K.Shs. 97 million went to agricultural co-operatives whose main activities are the production and marketing of sugar cane, cotton, and coffee. Dairy and rice production and marketing contributed an almost negligible proportion of this.<sup>35</sup> In the Sugar Belt, co-operatives perform a variety of duties to their members. These include planting of the cane, weeding, harvesting, and transportation of the cane to the sugar factories. Although the farmer pays for these services, the costs are highly reduced by the scale on which these services are rendered. Furthermore, these services are usually rendered on credit and the charges are made on the marketed produce.

Cotton societies, whose share in the 1978/79 total co-operative turnover in Kisumu district was slightly over K.Shs. 4 million, provide a variety of farm inputs in addition to the storage and transport facilities that they offer. They also process and market the cotton produced by the farmers.

Most of the agricultural co-operatives in Busia district deal with the production, processing, and marketing of cotton. They offer the same services as their counterparts in Kisumu. At least as far as these services are concerned, agrarian co-operatives do help farmers achieve what they could not easily manage on their own.

It is on the strength of their numbers that the co-operators in the three districts have received loans from the government. This has been channelled to them mainly through the Co-operative Production Credit Scheme (CPCS), the Smallholder Production Services and Credit Project (SPSCP), Integrated Agricultural Development Programme (IADP), and the Farm Inputs Supply Scheme (FISS). The New Seasonal Credit Scheme was introduced only in 1980.

Getting agricultural loans, however, is not an end in itself. Access to loans is supposed to be a means of improving individual and collective economic gains among the co-operators. In many parts of the country, the manner in which these loans are distributed leaves a lot to be desired. The process of distribution tends to favour the more well off farmers - the "progressive farmers" - who

do not genuinely need these loans for production purposes. This category of farmers also get a disproportionate share of the agricultural extension service. This fact is a logical consequence of the inherent socio-economic inequality in the rural areas which tilts the flow of resources from the centre in favour of the more influential or "powerful" local notables. Our survey revealed that these people are often allowed to re-participate in agricultural credit programmes even when they have shown a poor record of loan repayment. All this is done at the expense of the poorer farmers who genuinely require the loans for production purposes.

(b) Eliminating the Middleman

Perhaps the most important attribute ascribed to co-operation is that of waging a crusade against exploitation of the producer by traders who manage to reap huge surpluses by acting as intermediaries between the producer and the market.

Agrarian co-operatives in many developing countries, however, are handicapped in the sense that they are unable to set prices for their commodities. Internationally this fact has been

at the centre of issues raised by the African, Caribbean and Pacific (ACP) countries. It has been at the centre of the so-called North-South dialogue, and has been an integral part of the New International Economic Order.

The failure of agricultural producers in the Third World to fix prices for their own commodities therefore cannot be explained by any peculiar socio-economic circumstances that might prevail in any single country. Rather it can be explained by the predatory character of capital which has subordinated the world's resources to itself.

The socio-economic conditions prevailing within any particular country, however, can exacerbate this problem. Depending on this latter point the agricultural producers can get the meagre world market prices (at least most of it) or even this will dwindle further as it is appropriated to meet the "administrative costs" of marketing.

There has been a wide gap in Kenya between overseas payment for various agricultural commodities and payments to the grower. A look at payments to growers by one of the most "successful" state-owned corporations, the K.T.D.A., and by one of the most outstanding co-operative organizations,

the K.P.C.U., in Kenya shows that producers often get less than 20 per cent of the overseas payments. (see Table 4:1)

Table 4:1 Payments to growers of tea and coffee compared to overseas payments for selected years

Tea	Average over-seas payment per kilogram for Kenyan tea. (K.SH.)	Average net payment to K.T.D.A. growers per kg. (K.SH.)	Payment to growers in % of over-seas payment.
Average for 1976 and 1977	15.72 <sup>1</sup>	2.50 <sup>2</sup>	16 %
Coffee	Average over-seas payment per kg. for Kenyan coffee (K. SH.)	Average net payment per Kg. to members of Kisii F.C. Union. (K. SH.)	Payment to growers in % of over-seas payment.
1975/76	20.93	2.01	10 %
1976/77	44.30	5.04	11 %
1977/78	39.70	5.56	14 %

1. Calculated on the basis of the official exchange rate 1 dollar = 3.32 K.Sh.

2. Transport costs 0.31 sh. per Kg. are deducted (to arrive at the net payment shown). Based on average of 1975/76, 1976/77, and 1977/78.

Source: Torben Bager, Marketing Co-operatives and Peasants in Kenya.

(Uppsala, 1980: Scandinavian Institute of African Studies) p. 99.

It has been a similar story for the cotton industry. The producer prices remained very low throughout the greater half of the 1970s. During this period cotton production for sale in the country stagnated around 16,000 metric tons, but this figure more than doubled within a few years after relatively substantial price increases were made. The prices were deliberately raised in order to boost the production of cotton whose demand in the local market has been rising.<sup>36</sup> As an export crop its percentage share in the total value of exports declined steadily from 2.7 and 2.4 in 1955 and 1960, respectively, to 1.2 and 0.4 in 1970 and 1978, respectively. Quantitatively this export fell from 5,245 metric tons in 1970 to 711 metric tons in 1977, but rose again to 4,001 million tons in 1980.<sup>37</sup>

Even the recently increased price to cotton producers, however, is only slightly more than 25 per cent of the export prices (see table 4:2 below).



Table 4:2 Average Gross payment to cotton producers compared to export prices for selected years.

	1973	1975	1977	1980
I Export prices (cotton, raw) (per Kg.)	5.74	8.53	11.39	12.96
II Gross payment to producers per Kg.	1.22	1.92	2.88	3.31
III) II as % of I	21.25	22.51	25.29	25.54

• Computed by author.

Source: Kenya: Central Bureau of Statistics

(1) Economic Survey, 1973-1981.

(2) Statistical Abstract, 1973-1981.

If agrarian co-operatives in Kenya were meant to improve the producers' access to world market prices for various agricultural commodities, the experience has been disappointing because the marketing mechanisms themselves are a kind of "middleman." The irony is that the marketing boards are state-owned, and the co-operative movement is, as we have seen, government-controlled. This, however, does not make it impossible for the world market prices to virtually disappear between

the boards and the unions so that the producers eventually get "peanuts". At the primary society level, the producers have to make contributions to meet the administrative costs of running the society. Most of them also have to repay their loans and use the little that remains for meeting domestic needs rather than ploughing it back to the land. The majority of the cotton farmers interviewed in Kisumu and Busia districts said that they had little to save from the sale of their major cash crop, cotton. Rather, they had to subsidise it with income from other sources - wage employment, sale of sorghum, sunflower, simsim, or tobacco - in order to meet the major expenses on food, clothing, and school fees.

Faced with a situation where they cannot make ends meet, poor peasant co-operators often sell their produce to individual traders as a means of avoiding loan repayment. This aspect is widespread among the cotton farmers in Western Kenya. In one co-operative society, for example, the managing committee had to ask the Provincial Administration to stop such traders from perpetuating this "poor habit". In a letter to all chiefs within Nyakach Division of Kisumu District, the Chairman of one primary society wrote:

"It is a very poor habit for some of our few shop traders, particularly at Kusa, Nyakwere, Pap-Onditi .... who are purchasing cotton from farmers at the lowest rate, not exceeding (Ksh.) 2/= per Kg. instead of 3.20 per Kg. .... I am writing to you because most of the farmers who were loaned are the people trying to do away with the loans they were given."<sup>38</sup>

The farmers were busy selling what actually did not belong to them, their mortgaged crop.

Widespread reports about this "illegal" business in many cotton societies, both in Kisumu and in Busia, are indicative of some futility in agrarian co-operatives. The middleman is yet to be conquered, but not before he is identified, in all his manifestations, as an "enemy" by the majority of those who feel the pinch.

The attempts by some farmers to avoid repaying their loans cannot be attributed, as Arthur Dobrin does, to the supposed conception of government assistance by farmers as "a gift-flowing from the cornucopia of independence."<sup>39</sup> Neither can this be adequately explained by what some Co-operative Officers knew, especially in Kisumu District, as local political incitement to boycott

loan repayment.<sup>40</sup> It is not a question of 'unindustrious farmers' either. A plausible explanation is that which attributes this fact to the socio-economic system which tends to tilt the flow of these loans in favour of those who do not genuinely need them. As pointed out above, the "progressive farmers" and other members of the rural elite often get a disproportionate share of these loans. They do not really care about what happens to the future of the credit programmes because they do not rely on this government assistance for production purposes.

Most of the poorer farmers, however, fail to repay their loans because of genuine economic constraints. Some of these constraints often come in the form of escalating costs of feeding and educating children. A ruined harvest makes the situation worse and they end up selling their mortgaged crop to "shop-traders."

In both cases of failure to repay loans, however, the patron-client political network acts as a "security" against the enforcement of punitive measures that could be taken by government officials to recover the loans in time. The farmers also know that the seasonal agricultural credit can only be recovered by deductions from the

sale of the mortgaged crop and not from the sale of any other assets that the loanees might possess.

Seen in this light, the poor rate of loan repayment could also be partly attributed to the government's lack of effective sanctions against loan defaulters.

Some of the difficulties faced by the co-operative unions, and consequently the farmers, were attributed to the activities of the Cotton Lint and Seed Marketing Board. Among the major complaints was that the Board often delayed payments to farmers for almost a whole year. The author learnt, however, that the cotton delivered by farmers could remain in society and unions + stores for about three, four, or five months before it was ready to be passed on to the Board. Another issue was that the Board paid too little a commission to the unions. An example of this was the ginning 'fee' of K.Sh. 1.50 per kilogram of lint produced which had remained the same between 1977 and 1980. This was too little, considering the prices of fuel and spare parts which had rocketed during this period. As a result of this dissatisfaction at the union level, some of the unions had made several petitions to the Cotton Board, seeking representation in it but, all in vain.<sup>41</sup>

The struggle between co-operatives and statutory boards over the representation of the former in the latter, and even more significantly over the control of crop marketing, is not new in Kenya. During a meeting with President Kenyatta in 1969, the Chairman of the Kenya National Federation of Co-operatives expressed the view that co-operatives should be given a monopoly in the marketing of crops.<sup>42</sup> The Government response, however, has been to reject such pleas.<sup>43</sup>

Neither at the local level nor at the national level have agrarian co-operatives overcome the problem of having intermediaries between the producers and the market.

#### 4:6 The Supposed Social Benefits of Co-operation

Apart from their economic role, co-operatives are supposed to have a social mission. Co-operatives have a dual character, the argument goes, and it is "fatal" for them to pursue one of these purposes while disregarding the other. "Unless agricultural co-operatives satisfy both economic and social needs at once, rural people are not likely to support them over a long time," writes Professor Laidlaw in a paper that was prepared for the Food

and Agriculture Organization (FAO) of the United Nations.<sup>44</sup>

As we discussed in our second chapter, however, this "social" purpose has been conceived differently by the two schools of thought whose major differences seem to lie in their approaches to the study of social phenomena. In section 4:3(b) of this chapter we discussed the more popular interpretation of this social mission which is also enshrined in some of the key policy documents in Kenya.

The questions we need to address ourselves to, concerning the social aspects of Kenya's agrarian co-operatives are: to what extent are they avenues for the peasants' 'democratic' participation in the development process? How successful has the government played its role of stimulating and supervising them without suffocating the so-called "co-operative democracy." Finally, what is the role of the conspiratorial elite who are often variously referred to as "local notables", "local power brokers," "fixers," or "activists." These questions, however, should not be seen as three distinct categories, for in their combination lies the substance of local politics in the rural areas.

Local power struggles in agrarian cooperatives are part of the politics of access in the sense that it is through them that various alliances between the local elite and the peasants struggle to control or influence the distribution of valued resources. As we shall explore in greater detail in our next chapter such struggles are often intricately linked to the "voting blocs" in civic and parliamentary elections. In this process the government is not an impartial observer. Rather, it is an active participant.

Below we shall examine a few case studies which, we hope, will throw light on the manner in which these struggles manifest themselves.

Case No. 1: Same-Kisumu Farmers' Co-operative Society Limited, 1978.

February, 1978

The election of the society's officers, which was supposed to have been held in October, 1977, was long overdue. Two major factions had developed among the society members. One faction supported the leadership of the society while the other did not and therefore demanded fresh elections for that was the only way of pulling down the 'regime.'



The dissatisfied faction wrote a letter containing 25 signatories to the District Co-operative Officer, raising the following issues:

They were writing to the DCO because he was the one who could "help victims" in "all primary societies of the common men." The DCO should convene the elections which were overdue. They detested being led by politicians in their society. The members wanted respectful committees, not those "who have no respect to farmers who elected them . . . We have no confidence in such members (of the committee) who ashame farmers before the meeting." This was the considered opinion of 'The Leader of Farmers', and the farmers themselves as shown by the 25 signatures.<sup>45</sup>

April, 1978

Letters continued to flow into the DCO's office on the same issues. The farmers had "suffered unnecessarily." The society's managing committee was composed of "political minded people, incompetent and . . . lacking power to organize and plan for the smooth running of the society for the welfare of members." The "poor method applied in dishing out loan" and the misappropriation of the society's finances were among their major grievances.

Finally, "we are not going to sit back and watch."<sup>46</sup>

December, 1978

Society elections had brought in new faces into the managing committee. This, they thought, was the right time to undo the wrongs that had been done by the previous committee. They were, however, disappointed when they discovered what they thought was a calculated move by the DCO's office to frustrate their efforts. They therefore decided to send a delegation to the Provincial Co-operative Officer (PCO). This was led by the chairman of the committee. As reported by the PCO himself the delegation raised the following issues against the DCO's office: it had become inactive and had failed to advise the committee. It had remained insensitive to the demands of the committee.

To back up their claims, the delegation cited more than ten instances of failure or negligence on the part of the DCO. The major ones included:

(a) The society had lost over K.Shs. 1,000 through some known careless employees. The committee had sanctioned that the money be recovered from their

salaries. The process of recovery had already begun on the salary of one of the employees when the DCO's office intervened and took the careless employee to a court of law against the better judgement of the committee. The court found him innocent and the society had to refund him the money that had already been deducted from his salary.

(b) One employee had fraudulently deprived the society of K.Sh. 3,000. The committee had, again, resolved that the amount would be recovered from his salary. Once again, however, the DCO's office intervened and took the employee, against the will of the committee, to a court of law where the case was dismissed for lack of concrete evidence. The society lost the money.

As if this was not enough, the DCO's office intervened in a similar manner in two other similar cases.

(c) Some IADP loan amounting to over K.Sh.100,000, which was meant for the society was being used illegally by the union to which the society was affiliated. The DCO's office had taken no action despite constant pleas from the committee.

(d) The DCO had been asked to attend a committee meeting on a fixed date and time. The committee waited for him or his representative from 9.00 a.m. to 5.00 p.m., but he did not turn up. He did not send any message either. It was later learnt that the DCO could not turn up because the key to his G.K. vehicle was lost.

(e) The society had requested the DCO's office to assist them get their payments from the Cotton Lint and Seed Marketing Board. The farmers had not received payment for the 1977/78 season. The DCO's office failed to offer any assistance to the society. The latter felt very strongly that either the DCO's office was not ready to assist and guide them, or there was some collaboration between the Cotton Board staff, the Union, and the DCO's office.

(f) The committee members had not been treated fairly concerning their claims of sitting, duty, travelling, and subsistence allowances. These claims had been rejected by the DCO's office without any satisfactory explanations.

This case reveals the existence of competing factions among the co-operators and how these factions interpret the behaviour of government

officials as either for or against them. The author learnt that the majority of the committee members who were ousted in mid-1978 had been strong supporters of the then sitting Member of Parliament for Kisumu Rural constituency where the society is located. The M.P., Mr. Onyango Ayoki had won the 1974 parliamentary elections only marginally against his major opponents, Mr. Ndolo Aya (who was the area's M.P. from 1969 to 1974) and Ouko Ogallo, a veteran politician in Kisumu Rural. By 1977/78 it had become clear to a large section of the electorate, including many members of Sema-Kisumu co-operative society, that they had made a wrong choice for their parliamentary seat. The M.P.'s major political opponents, Mr. Wilson Ndolo Aya and Mr. Gilbert Ouko Ogallo, whose combined votes during the 1974 elections amounted to over 60 per cent of the total votes cast, were busy "silently" campaigning against him in preparation for the 1979 parliamentary elections.

The fourth and last candidate in the 1974 parliamentary elections, who had won the least votes (121 out of the 22,767 votes cast in the Kisumu Rural constituency), was Mr. Thomas Akuku Owe. We have already noted the contents of his letter to the DCO, Kisumu. (see ff. 46)

The new committee members who later sent a

delegation to the PCO were mainly the political "prefects" of the M.P.'s opponents. It is therefore not surprising that they could not get on well with the DCO's office. Government officers are supposed to maintain cordial relations with the popularly elected leaders in the district so that they can work together.

When the 1979 parliamentary elections came, the then M.P. for Kisumu Rural constituency lost his seat by a big margin, coming third after a newcomer in the race, Dr. Robert Ouko, and his traditional political opponent, Mr. Wilson Ndolo Aya.<sup>47</sup>

The author found it difficult trying to verify some of the accusations against the DCO because of the time lag between 1978 and the end of 1980 when the research was carried out. Most of the respondents did not even know of the delegation to the PCO.

Case No. 2 Nyakach Farmers' Co-operative Society Limited, 1978.

Before society elections were carried out in June, 1978, some feuding factions had developed among members of the committee. Each of the two major

factions had supporters among the society's members. One of the factions to which most of the sitting committee members belonged was believed by the other faction to have been "pocketed" by the governmental administrative machinery.

The elections swept the majority of the committee members out of office, but the election results were nullified. According to the Ministry officials, the elections had not been carried out peacefully and fairly. Recalling the occasion in December, 1980, one co-operative officer in Kisumu remarked that society elections in Nyakach are "always hot" because of "politics," adding that they had to invite police officers to supervise such elections.

The nullification of elections was bad news to certain sections of the society membership. Several letters of protest were written to the DCO and the PCO. One such letter which was unsigned but was supposedly written by "Winner of Nullified Elections" read in part:

"I won the elections .... at Pap-Onditi by a majority vote of 280 against all my four opponents .... We learnt from that day that some of your officers, the chiefs and A/chiefs are trying to force in some

of the favourites of the former members of the committee."

The petitioner then asked the PCO to "stop these interruptions and interferences by these administrators," adding that the possibility of "secret dealings" between them and the committee members could not be ruled out. He then gave the "last word."

"My last word to you is that I should be named as elected committee member .....if peace and democratic freedom of human choice is to be maintained."48

This letter could not have been written by one of the semi-literate or illiterate peasants, for the majority of them cannot speak English, let alone write in it.

In an attempt to get the inside story of this case, the author raised it with some co-operative officers, and a few farmers from Nyakach cooperative society. Most of the latter could not discuss the issue freely, but the conflicts were largely explained in terms of individual differences and a hardly elaborated "political interference." Some of them, however, boldly named a few opinion leaders, both within and outside the formal



society leadership, who were watchdogs of local politicians. The more comprehensive assessment of the issues by several co-operative officers tended to confirm the latter point.

Case No. 3 Uyoma Farmers' Co-operative Society Limited, 1980.

September, 1980

The recorded figures for the amount of cotton purchased did not agree with the actual quantity of cotton delivered to the society stores. It was assumed that somebody somewhere must have deliberately messed up the figures so that a few individuals might make some fortunes out of the society's losses.

When the DCO learnt about this, he recommended that the society's Secretary-Manager be transferred elsewhere.

Three members of the managing committee swore before a Commissioner of Oaths that some committee members were involved in the racket. The chairman of the society, together with his supporters, protested against the transfer of the Secretary-Manager. A conflict between them and the DCO's

office ensued. It is clear from the communications which took place between the DCO and the chairman that there was a lot more than the "cotton shortages" in the conflict.

In a letter to the chairman, the DCO wrote in part:

"It was myself who allowed your cheque to be accepted by union to enable you to stand for election .... Right now you are campaigning through various politicians in your area to help you fight me because I don't want you ....

You are gossiping that you are not wanted upto Provincial Co-operative Officer's office."

The DCO then comments on the 'shortages' issue about which the chairman had been named by angry members of the society. He concludes:

"By copy of this letter, my office requests members of the committee to contain the situation (i.e. the protests and controversies surrounding the shortages) since they are collectively responsible for whatever is taking place before we call a special delegates conference of the union to review your performance under section 28(4) of the Rules, where we may be compelled to call for reshuffle of the committee or fresh elections."49

The chairman responded to the letter only three

days after it was written. He answered:

"I have no time to waste in such mere allegations and accusations . . . You are trying to cover up your mistakes which you have made very openly and clearly . . . In your letter you are trying to knock my head with the PCO's office. I do not know where you are collecting these false ideas from. But I know you are collecting these from your friends in Uyoma."

The 'friends' alluded to here included Ministry officials. The chairman then complains about the 'DIVIDE AND RULE' policy which the DCO had adopted, thus splitting his committee into two warring factions. One faction was pro-DCO while the other was pro-Chairman.<sup>50</sup>

November, 1980

During a Special Union Management Committee meeting which had been convened by the DCO, the chairman was 'voted' out of office. He, however, complained to the CCD about it in vain. In his protest against the 'vote', the chairman argued that the meeting had been convened without his knowledge, and that he had not been given enough time to study the agenda.

In his petition to the CCD, the chairman

wrote in part:

" ...after discussing all the listed agenda, the DCO ... came up with an A.O.B. item that the CCD had directed that I ... be removed from both the chair and the committee of the union. As this was a directive from you nobody was allowed to talk over it and I was ordered to vacate my seat to allow my vice-chairman to go ahead with the proposal and election of a new chairman. I protested and asked for the directive letter but this was never accepted by the DCO who directed members to go on with the election of a new chairman . . . . There was No Special General Meeting on the 13th and therefore my removal was not legal."

The chairman continued to allege that the DCO hated him for his "stand on the union money held by Department staff."<sup>51</sup>

What stands out in this case is an apparent erosion of the co-operators' right to choose their own leaders. The case also illustrates the character of confrontational politics that often occurs between government officials and powerful local notables. These local power brokers or local patrons are often clients of higher status political patrons. The DCO, by pointing out in his letter to the Chairman that the latter was "campaigning through various politicians" in an effort to "fight" him, shows that he (DCO) knew

much about the character of political patronage in this area.

The issues raised in this third case from Uyoma, Siaya District, are to a large extent similar to those raised by the first two cases. They all emphasize the political character of agrarian co-operatives in Kenya. Local power struggles among the elite often express themselves through these rural institutions. The cases also emphasize the fate of one of the most celebrated advantages of co-operation, namely, the social benefits as outlined in section 4:3(b) of this chapter. Co-operative democracy can only be realized among equals. In situations where the patron-client relationships prevail - and it is important to remember that these relationships are founded on inequality - democracy becomes a dream, an illusion. "Democracy" becomes an ideological construct for legitimising political control.

The Comilla experiment on "co-operative capitalism" in Bangladesh clearly illustrated the emptiness of co-operation in a situation of inequality. Introduced in the 1960s, the Comilla experiment was intended to tame or reform agrarian capitalism so that the peasants could control their

fair share of production and distribution. The basis of the programme was a relatively massive concentration of modern inputs such as pumps, tubewells, tractors, improved seed, fertilizers, pesticides and training which were very heavily subsidized. By mid-1970s, however, the credit programme had virtually broken down as a result of default mainly on the part of the rich and powerful. The Lesson of Comilla co-operative experiment has been summarized by one author as follows:

"The whole exercise constitutes a lesson in the futility of 'co-operation' in a situation of inequality. The programme accepted the unequal distribution of land as an initial condition and hoped to work around the big farmers not by arranging that 'they should be excluded from the new co-operatives', but by hoping that they would not be allowed to dominate . . . it is impossible to prevent the big farmers from dominating co-operatives if they are allowed to enter them. In fact, it is impossible to prevent them from dominating if they are allowed to exist."<sup>52</sup>

The Comilla experiment failed to improve the peasants' access to the benefits that were supposed to accrue from co-operation. The agrarian co-operatives became just another instrument of exploitation and control in the hands of the more dominant social classes.

In situations like that of Western Kenya where the development of agrarian capitalism has led to increased differentiation, socially and economically, among the peasantry, local co-operative organizations become one of the local institutions which are usually controlled by the rural elite. The illiterate and 'weak' peasants, who are the majority in Kenya's countryside, remain at the periphery of virtually all significant power transactions even in organizations that are supposed to be their own. The clientelist politics in Kenya tend to militate against their participation in any capacity during such transactions except as followers or clients of local notables. These notables, as we discussed in section 4:2, are usually power brokers at the village and constituency level.

One other observation that we can make from the cases we have discussed above is that factional rivalry at the local level provides the opportunity for increased government control of these organizations. Such governmental intervention inevitably involves control over politics at the local level.

We shall continue with this discussion of the problems of participation in Kenya's agrarian co-operatives in our next chapter where we pick on one co-operative union and some of its affiliated societies in Busia District for a more detailed discussion.



CHAPTER FOUR: FOOTNOTES

1. Wolf, E.R., Peasants op. cit.
2. Quoted in Hunter, Guy: Modernizing Peasant Societies. (London: Oxford University Press, 1969) p. 153.
3. Hunter, G., (1969) ibid. p. 69.
4. See Khider, M and Simpson, M.C., "Agricultural Development in Sudan" in The Journal of Modern African Studies 6, 4 (1968).
5. Apthorpe, R.J., Rural Co-operatives and Planned Change in Africa. An Analytical Overview. (Geneva: UNRISD, 1972) p. 3.  
Apthorpe quotes numerous cases where agrarian co-operatives have failed to improve the living conditions of the rural men.
6. Ibid.
7. Quoted in Apthorpe, ibid. p. 10.
8. See "Report of the Presidential Special Committee of Enquiry into the Co-operative Movement and Marketing Boards." (Government Printer, Dar-es-Salaam, 1966).
9. Cuma, S.J., A History of the Co-operative Movement in Kenya. (Nairobi: Bookwise Limited, 1980) pp. 153 - 155.
10. Among the leading theorists of political clientelism are: James C. Scott "Patron-client Politics and Political Change in South-East Asia." (American Political Science Review Vol. 70, March, 1972) and John Duncan Powell, "Peasant Society and Clientelist Politics" (American Political Science Review Vol. 64, 1970).  
For the discussion that follows I am greatly indebted to Ng'ethe, N.J. who has reviewed the literature on this subject and discussed the character of political patronage in Kenya. See his: Harambee and Development Participation in Kenya. (Unpublished Ph.D. Thesis, Carleton University, Canada, 1979) op. cit; especially Chapter Four.

11. Rivers, J.P.H. in The People of the Sierra (N.Y. 1954) Quoted in Ng'ethe, J.N. op. cit. p. 148.
12. Powell, J.D. (1970), Discussed in Ng'ethe J.N. *ibid.* esp. p. 148 - 1950.
13. Quoted in Ng'ethe, *ibid.* p. 149.
14. See Bennet, G. and Rosberg, C., The Kenyatta Election: Kenya 1950-1961 (Oxford University Press, London, 1961.) and Gertzel, C., The Politics of Independent Kenya. (East African Publishing House, Nairobi 1970).
15. For a fuller discussion see Ng'ethe J.N. op. c cit. and Gertzel. C., op. cit.
16. Ng'ethe J.N., op. cit. p. 127.
17. Meaning generally "idle talk". See also Ng'ethe J.N. *ibid.* p. 144.
18. The one of 1966 was carried out by Macro Surveys Ltd., while that of 1975 was conducted by Joel Barkan of the University of Iowa. See Ng'ethe J.N. op. cit. pp. 133 - 140.
19. See Ng'ethe J.N., *ibid.* pp. 169 - 170.
20. Co-operative Societies Act, op. cit. Section 5.
21. *Ibid.* section 14.
22. Co-operative Societies Rules, op. cit. Section 12.
23. The Act, section 13.
24. *Ibid.* section 15.
25. The Co-operative Societies Rules op. cit. section 24.
26. The Rules. *Ibid* section 27.
27. *Ibid.*, section 34 (1).
28. *Ibid.*, section 34 (6).
29. *Ibid.*, section 40.
30. The Act op. cit. section 31 (1).

31. Ibid., section 61.
32. Ibid., section 64.
33. Ibid., section 26.
34. Information gathered from Kericho District Co-operative Union Limited.
35. District Co-operative Officer, Kisumu District. Annual Report for 1979.
36. See Etyang, Martin Nyongesa, Cotton Production in Busia District During the 1970s (M.A. Dissertation, Department of Economics, University of Nairobi, 1979.)  
The quantities of raw cotton exported between 1970 and 1979 fell drastically because of this increased internal demand.  
See also Statistical Abstracts, 1979, 1980.
37. Statistical Abstracts; 1961, 1974, 1979, 1980.
38. From the committee, Nyakach Farmers' Co-operative Society Limited to all chiefs, Nyakach Division. Dated 4th November, 1977.
39. Dobrin, A. op. cit.
40. It was alleged that some politicians had tried to strengthen their positions by blaming co-operative societies for the miseries which the farmers had. Such politicians could easily lure some farmers into not repaying their loans.  
  
This allegation, however, was given credence by a row which nearly broke out at a Nyanza Agricultural Board meeting in November, 1980. A local Member of Parliament had argued that co-operative societies and unions were corrupt and inefficient, and that some farm inputs should not be channelled through them to the farmers. The Provincial Co-operative Officer demanded that the M.P. should withdraw the statements.  
  
See "The Standard", November 11, 1980.
41. Malaba-Malakisi Farmers Co-operative Union Limited (MMFCU) in Busia District, for example, made two such petitions between January and March, 1980.

42. See 'East African Standard', October 8, 1969.

43. See Republic of Kenya: "Sessional Paper No.8 of 1970 on Co-operative Development Policy for Kenya."

Co-operatives must first of all run their businesses efficiently.

44. Laidlaw, A.F., "The Mobilization of Human for Rural Development Through Agricultural Co-operatives." in Andreou, Paris (ed) Co-operative Institutions and Economic Development. (Nairobi: East African Literature Bureau, 1977). p. 8.

45. Letter dated 25th February, 1978 written by 'The Leader of Farmers,' Mr. Francis Oluoch, to the DCO, Kisumu.

46. Dated 7th April, 1978. From a society member, Thomas Akuku Owe, to the DCO, Kisumu. It is important to note here that the author of this letter had stood for parliamentary elections in Kisumu Rural constituency in 1974. Of the four candidates in the race, Thomas Akuku Owe won the least votes. He won only 121 out of the 22,767 votes cast in the constituency.

47. For a more detailed discussion of society and politics in Kisumu Rural Constituency see Anyang' Nyong'o, Peter, "Populism Without Populists: Elections in Kisumu Rural Constituency, 1979." (Staff Seminar Paper No.2, 1980/81; Department of Government, University of Nairobi.)

48. Letter dated 13th June, 1978 and addressed to the PCO, Nyanza Province, titled: "Protest against nullification of Co-operative Society Elections - 6/6/1978."

49. Letter Ref. CS/1579/Vol.IX/(140) of 26th September, 1980, from DCO, Kisumu, to the Chairman, Siaya District Co-operative Union. The latter was also chairman of Uyoma Farmers' Co-operative Society which is affiliated to the Siaya Union.

50. Letter from Chairman, Uyoma Farmers Co-operative Society to DCO, written on September 29th, 1980 and copied to CCD, and PCO (Nyanza) among others.

51. Letter from the Chairman, Uyoma Farmers Co-operative Society to CCD. Dated 18/11/80.
52. Khan, Rahman Azizur; "The Comilla Model and the Integrated Rural Development Programme of Bangladesh: An Experiment in 'Co-operative Capitalism'". in Khan, R.A., et al Agrarian Systems and Rural Development (London: The Macmillan Press, 1979) p. 144.

CHAPTER FIVE

THE POLITICS OF A FARMERS' CO-OPERATIVE UNION:

The Case of MMFCU\* in Busia District.

5:1 Introduction

This is essentially a chapter on local politics and how the latter shapes the behaviour of agrarian co-operatives in Kenya's countryside. Here we are particularly interested in the manner in which co-operative society leaders emerge, how they safeguard their positions and the implications which these have on the co-operative movement.

Malaba-Malakisi Farmers' Co-operative Union Limited is situated in the cotton-growing zone of Busia District in Western Kenya, but its activities are spread among the three districts of Kenya's Western Province viz Busia, Bungoma and Kakamega.

In order to understand the character of politics in MMFCU we find it imperative to examine how the union came to be in the first place. The latter becomes a historical question which we try to answer by tracing the history of cotton production in Busia District and how the idea of "co-operation"

\* Malaba-Malakisi Farmers' Co-operative Union Limited.

in its modern legal framework was introduced and developed. Although cotton production began in Busia District during the first decade of this century, it was only in the mid-sixties that co-operatives were formed to market the produce. We attribute the timing of co-operative formation to the character of national politics during this period. It was already clear that electoral success in the post-independence period largely depended on contribution to local self-help efforts.

#### 5:2 Cotton Production in Busia District

Historical evidence suggests that cotton was first introduced into Busia district around 1910.<sup>1</sup> It had already proved successful in Buganda, where it had been introduced by the British Growers' Association in 1901.

By 1912 an estimated 125 tons of cotton was being produced in Busia District. Unlike in other parts of the then wider Nyanza the crop was introduced there with considerable ease. This success, M.A. Ogutu has observed, "was attributed not so much to the enthusiasm and ingenuity of the government as to the work of indigenous chiefs."<sup>2</sup>

Nabongo Mumia's administrative machinery became a powerful instrument in ensuring acceptance of

cotton production in Busia.

Taxation was another contributory factor in the spread of cotton production in the district. Farmers themselves realized that they could meet the tax obligations more comfortably by tilling their land rather than by going out in search of wage employment. During the colonial period few able-bodied men left the district for wage employment in European farms.<sup>3</sup>

The fact that few able-bodied men were employed outside the district, however, did not lead to tremendous development in the cotton industry as would be expected. Cotton output in the district between 1936 and 1945 averaged only 2,792 tons per year with a value of £27,768. As we saw in Chapter Three, the "reserves" were given a raw deal during most of the colonial period, especially as far as cash production was concerned. Government policy on African agriculture was to encourage the production of crops which had both export and food value. Cotton production, therefore, was not given adequate encouragement. Instead maize (corn), which had been introduced in 1921, became a dominant crop even in the Busia cotton belt. In the market maize fetched higher



prices. The market value for the latter, for example, was Sh. 60 per acre in 1940 and Sh. 100 in 1944 while an acre of cotton fetched only Shs. 45 in 1940 and Shs. 65 in 1944.<sup>5</sup>

There was little incentive for farmers to grow cotton, a labour intensive crop. This, of course, was in line with the original colonial government's policy of discouraging African participation in the production of agricultural commodities.

Another problem which faced the cotton industry was the lack of any organized marketing mechanism before 1954. Even when the Nyanza Cotton Seed and Lint Marketing Board was formed in 1954 it did not present itself as an organization for fostering the farmers' interests. The Board was an exclusively government-owned-and-controlled organization. It offered few opportunities for the participation of cotton producers, especially in decision making. It was no surprise therefore that the cess retained by the Board, and placed in a special fund for general development, appeared to confirm the growers' suspicions, namely, that they did not get the actual value of their crop.

The Nyanza Cotton Seed and Lint Marketing Board's activities covered the wider Nyanza of the colonial period, which included the area around Lake Victoria and the present day Western Province. Its services were too widely spread to be effectively felt by the cotton growers, for the Board served a wide geographical area and a large population.

In an interesting comparative study on "The Evolution in the Agrarian Economy of East Africa, 1895-1960," M.A. Ogutu has outlined how the failures of the Board in Nyanza denied African growers certain social, economic, and political advantages which their counterparts in Tanzania and Uganda continued to enjoy through agricultural co-operatives.<sup>6</sup> By actively participating in co-operative affairs and coming into direct conflict and competition with the predominantly Asian middlemen, the coffee growers in Tanzania and the cotton growers in Uganda learnt much about the socio-economic and political forces which tried to chain them down as perpetual subsistence producers. In Busia, Ogutu further observes, the cotton producers remained "underdeveloped" throughout the colonial period.

Between 1946 and 1960 cotton production in Busia district increased very slowly, rising from 7,846 bales to 8,541 bales during the said years, with an average annual income of some £ 321,738 between 1950 and 1960. This minimal rise, as Ogutu argues, can be attributed to the failure of the colonial government to encourage the growers.

The above story of cotton production in Busia district points to the conclusion that the crop failed to establish itself as a cash crop which could form the basis of major agrarian socio-economic and political changes during the colonial period.

After independence cotton output from the district remained below 10,000 bales throughout the 1960s and rose above that figure during the 1970s. This, however, distinguished Busia district as an important producer of Kenya's cotton, contributing, as shown below, over 30 per cent of the national output.

Table 5:1 Cotton Output from Busia District in  
Percentage of Total National Cotton Output,  
1963/64 - 1979/80.

Crop Year	Total national Cotton output (in bales)	Cotton output from Busia District (bales)	Output from Busia District as % of national output.
1963/64	17,432	6,649	38.14
1965/66	23,430	5,758	24.58
1967/68	20,072	6,106	30.42
1969/70	27,752	8,674	31.26
1971/72	29,017	12,706	43.79
1973/74	28,392	12,146	42.78
1975/76	31,553	13,686	43.37
1977/78	46,867	12,227	28.22
1979/80	51,300	16,514	32.19

Source: Cotton Lint and Seed Marketing  
Board. (Annual Reports).

The sharp quantitative increase in the marketed cotton from Busia district between 1969/70 and 1971/72 tends to exaggerate the actual production in the district. Some of the cotton had been smuggled from Uganda. Cotton smuggling

in the Kenya-Uganda border became rampant after President Amin's declaration of the "economic war" which brought many of the Asian-owned ginneries to a sudden halt.

Apart from the production of food crops, cotton production for sale is the most important agricultural activity in Busia District. Sugar cane, tobacco, and sunflower are also grown in small but increasing quantities. These latter cash crops, however, are not marketed through co-operatives.

### 5:3 Agrarian Co-operatives in Busia District

Marketing co-operatives in Busia District sprang up mainly as a result of increased production of cotton and the need to organize its collection, processing, and marketing. They also emerged as a response to the activities of the Cotton Lint and Seed Marketing Board which was used by the government as an instrument for encouraging the formation of cotton co-operatives in cotton-growing areas. Perhaps another important factor which explains the timing of co-operative formation in the district is the general anxiety and the high expectations that surrounded the achievement of independence. The coming of

independence had been accompanied by a lot of populist rhetoric. The idea of co-operation, reinforced by the national slogan of "harambee" which supposedly meant pulling together, became particularly hypnotizing in the countryside. As we noted in our third chapter, most of the co-operatives that were formed around independence had a strong political inspiration. These were the circumstances under which agrarian co-operatives emerged in Busia district during the 1960s.

Before 1963 there were no co-operatives in Busia district. By 1967, however, Samia, Nambale, and Malaba-Malakisi co-operative unions had been registered. All the three dealt mainly with the processing and marketing of cotton. Like agrarian co-operatives in other parts of the country they were expected to act as agents for the spread of innovation in agriculture, provide easier access to cheap processing and marketing facilities thereby eliminating the middlemen, and to educate and train members on various aspects of co-operation including 'democracy.'

These days all the cotton produced in the district, including that which is often smuggled

from Uganda, is marketed through these three co-operative unions to the Cotton Lint and Seed Marketing Board (CL & SMB). The Board is the only legal buyer of cotton in Kenya. Agricultural co-operatives are little more than its collecting and processing agents.

Below we wish to discuss the character of "popular participation" in Kenya's agrarian co-operatives with particular reference to one co-operative union and its primary societies in Busia District. The notion of popular participation reminds one of populism and how populists organize or mobilize "the people" for the purpose of achieving certain advantages. Such mobilization, as we discussed in Chapter Two in relation to the Utopian Socialists, often assumes a political character. The discussion, therefore, is essentially one on local politics in a Kenyan sub-district. Such a discussion, we hope, will throw light on some of the theoretical issues raised in Chapter Two, which we have also discussed in Chapter Four. In particular we shall be concerned with the problem of leadership in agrarian co-operatives and how the patron-client network shapes the behaviour of the co-operative movement.

For this closer study the author chose MMFCU because of its past successes and its more recent reputation among co-operative officers in Busia District as a "problem area." In a preliminary survey of the research sites, I got the impression that MMFCU and its affiliates have, at least since 1974, been at the centre of political controversy in Busia North. The choice was also influenced by the spread of the union's activities among the three districts of Kenya's Western Province which are inhabited by several sub-groups of the larger Luhya ethnic group and the Teso. In view of the fact that the tribal ideology plays an important part in national and local politics in Kenya, MMFCU appeared to be a most suitable case in the study of clientelist politics at the local level. Our argument here, which is the major proposition in this thesis, is that the behaviour of agrarian co-operatives in Kenya cannot be fully understood outside the patron-client political linkage.

5:4 Malaba-Malakisi Farmers' Co-operative Union Limited: A Case Study in the Politics of Access.

General Background

MMFCU was registered in 1967 as a co-operative



society, but remained largely inactive until 1975 when it successfully negotiated a loan of K.Shs. 7 million from the Co-operative Bank of Kenya. This enabled it to meet its major capital requirements including the purchase of a cotton ginning complex which had hitherto been owned and managed by non-Kenyans. The latter were successful manufacturers of washing soap, edible oil, and cattle feed which were all by-products of the cotton ginning operations. With the increasing quantities of cotton produced in its neighbourhood, the union appears to have been fully endowed with the necessary raw materials for a good start.

By 1976 the union had six primary societies affiliated to it. Between this date and 1980, membership in these primary societies increased rapidly (see Table 5:2).

Table 5:2 ACTIVE MEMBERS IN SIX SOCIETIES

AFFILIATED TO MMFCU, 1976/77 to 1979/80.

Name of Society.	No. of active Members.			
	1976/77	1977/78	1978/79	1979/80
LUKOLIS	2311	2802	2700	4700
ANGURAI	2473	2473	2500	4500
JAIROS	2207	2207	2550	3100
CHANGARA	2307	2307	2350	2800
SANGO	2548	2548	2900	3000
MUSAMBA	450	903	450	600
TOTAL	12,296	13,240	13,450	18,700

Source: Malaba-Malakisi Farmers'  
Co-operative Union Limited.

For our purposes, it is important to briefly mention the ethnic composition of each of these primary societies. This is in recognition of the fact that ethnicity has played and continues to play an important part in the national and local politics of Kenya. It has been used as an ideology to unite groups of people, but at the same time it has often worked to divide "the people."

Lukolis, Angurai, and Jairos farmers' co-operative societies are predominantly Teso in membership composition. They are all situated in the Teso constituency of Busia North. Going by the size of the membership and annual turnover (see Table 5:3) in the six societies, we can say that these three are the largest and 'wealthiest' co-operative societies in the Malakisi cotton zone.

Situated in the border between Bungoma and Busia districts, Changara farmers' co-operative society has Teso and Luhya ethnic groups in roughly equal proportions. Although administrative boundaries place the majority of the members in Bungoma district, the latter, especially the Teso groups, are often registered as voters in the Teso constituency of Busia North during parliamentary elections.

Sango farmers' co-operative society, which is situated in Bungoma district, is predominantly Bukusu in membership. The Bukusu are a sub-group of the larger Luhya Bantu ethnic group. As shown in Table 5:2 its membership grew from about 2,500 in 1976 to about 3,000 in 1979/80. In 1980 the society was split into two, giving rise to Kimwanga Farmers' Co-operative Society. It seems

as if the split was occasioned mainly by the desire by the Bukusu elite to secure an equitable ethnic representation in the management committee of MMFCU. The division of Sango F.C.S. into two cannot be adequately explained in terms of increased membership or turnover as some of the MMFCU managing committee members would insist. Such an explanation would have made the division of Lukolis, Angurai, or Jairos co-operative societies much more convincing.

Lastly, Musamba F.C.S. Ltd., which is the smallest of the societies affiliated to MMFCU, is situated in the Luihya neighbourhood of Mumias Sugar factory where sugar cane production is rapidly expanding. Musamba F.C.S. is in Kakamega district. It has the least membership and the least turnover of the six affiliates of MMFCU (see Table 5:3).

Table 5:3 ANNUAL TURNOVER IN SIX SOCIETIES  
AFFILIATED TO MMFCU, 1976/77 to 1979/80.

Name of Society	Annual Turnover (K.Shs. '000)			
	1976/77	1977/78	1978/79	1979/80
LUKOLIS	1,579	4,022	3,144	3,718
ANGURAI	1,026	3,327	2,947	2,995
JAIROS	1,432	1,981	2,234	2,379
CHANGARA	536	603	1,037	2,242
SANGO	408	381	615	1,368
MUSAMBA	55	24	47	146
TOTAL	5,036	10,338	10,024	12,848

Source: Malaba-Malakisi Farmers'  
Co-operative Union Limited.

Table 5:3 underlines the dominance of the "Teso societies" viz Lukolis, Angurai and Jairos. These three societies handled about 80 per cent of the total turnover between 1976/77 and 1978/79, and about 70 per cent of it in 1979/80.

Whereas the average gross earnings per member in the three largest societies steadily declined between 1977/78 and 1979/80, the same

steadily increased in the other three societies, (see Table 5:4). This can be explained by the fact that membership in the smaller societies increased at a slower rate between 1976/77 and 1979/80 while their turnover more than trippled (Changara and Sango F.C. societies) or almost trippled (Musamba F.C.S).

Table 5:4 AVERAGE GROSS EARNINGS PER MEMBER IN THE SIX SOCIETIES AFFILIATED TO MMFCU, 1976/77 to 1979/80.\*

CO-OP. SOCIETY	AVERAGE GROSS EARNINGS PER MEMBER (K. Shs.)			
	1976/77	1977/78	1978/79	1979/80
LUKOLIS	683	1,435	1,164	791
ANGURAI	415	1,345	1,178	665
JAIROS	648	898	876	767
CHANGARA	232	262	441	801
SANGO	160	150	212	456
MUSAMBA	123	26	105	243
MEAN	377	686	663	620

\* Computed by author on the basis of membership and actual turnover figures for all the societies during this period.

Like most other agrarian co-operative unions in the country MMFCU administers several credit programmes. Four credit programmes are administered through MMFCU to the affiliated societies and subsequently to the co-operators. The integrated Agricultural Development Programme (I.A.D.P.) has been operational through MMFCU since 1976/77. The Smallholder Production Services and Credit Project (S.P.S.C.P.) has also been administered since the same crop year. Other credit schemes are the Farm Inputs Supply Scheme (FISS) and the New Seasonal Credit Scheme.

For our purposes the credit schemes are of little consequence except as one of the scarce resources which tend to strengthen the clientage bonds between relatively poor peasants on the one hand and the local power brokers on the other. The scarcity of the loans can best be illustrated by IADP, a credit scheme which strives to improve small farm management. In 1976/77 crop year, some K. Shs. 408,814 was released through the programme to some 374 applicants who formed only 3 per cent of the active co-operators in the six societies. This percentage rose to 7.4 in 1977/78 but fell again to 2.5 in 1978/79. In the case of SPSCP

only 3 per cent of the members of the six societies benefited from it during 1979/80.

With this brief general background of MMFCU we move to our major subject of discussion in this chapter, that is, leadership in MMFCU.

### Leadership and the Problem of Democratic Control

Central to co-operative philosophy is the idea of democratic participation. Here "democracy" is conceived in its more popular context of "one man one vote" irrespective of the shares held by individual members of the co-operative society. Using this democratic power of the vote, members can elect popular leaders who are supposed to remain sensitive and responsive to the opinions and wishes of the electorate. The democratic principle is supposed to guide the making of most major decisions, whether during the annual general meetings or during the closed sessions of the managing committee.

The main purpose of this 'democratic' idea is to train members on one of the most popular but least understood tenets of modern bourgeois societies. Democracy, it is believed, instils



a sense of belonging and kills alienation in a situation where people have to deal with impersonal institutions, particularly within a fast-changing socio-economic milieu. In developing countries 'democracy' has been seen as a powerful ideology for nation-building, an instrument for socially and politically integrating the various ethnic groups or 'nationalities' into the one 'family' of the nation state.

The experience in many developing countries, however, represents an honest portrait of George Shaw's definition of democracy as a balloon cast aloft to attract the gasping attention of the populace while the exploiting classes pick their pockets.<sup>7</sup> It has largely become an ideology by which the ruling classes legitimise their positions of dominance. Rather than being an instrument of nation-building, therefore, the supposedly noble ideals of democracy have been reduced to those of socio-political control.

If the experiences of Kenyan co-operatives are anything to go by, the so-called democratic election of leaders and democratic participation of members in many Third World co-operatives still remains a hope, an illusion. The findings of

several scholars in Kenya have concluded with a disappointing note on the issue of democratic participation. The failure of democracy in Kenya's rural co-operatives has been attributed by some scholars to the ignorance of the participants themselves, and how the more literate but dishonest members and outsiders exploit the situation to their own advantage.<sup>8</sup> The logical policy recommendations emanating from such studies have emphasized intensive and extensive programmes of co-operative education.

Other commentators have focussed on the socio-political set up of the Kenyan society itself, indentifying atomic parochialism as a major impediment to the realization of democracy in rural co-operatives. Parochial solidarities (the clan, lineage group, or tribe), so the argument goes, still constitute the very fabric of rural society in Kenya. A universalistic outlook which is a necessary condition for the proper development of liberal democratic ideals, is yet to be realized among the majority of Kenya's peasants. As the Africanization of the private sector advances, "co-operatives will continue to come under the influence of those individuals who occupy key economic positions in local communities.

Thus, co-operatives will increasingly serve the private interests of powerful local notables rather than the collective welfare of their larger membership. Where conflicts arise between co-operatives and such individuals, we should not expect them to be resolved in favour of the former. Because of the dominance of kinship ties over perceived economic interests, and because of the relative weakness and vulnerability of co-operatives in many areas, we should not expect them to battle effectively with local notables."<sup>9</sup> Rural co-operatives have served as "stepping - stones for ambitious members of the nascent rural 'bourgeoisie' - teachers, traders, politicians, and even administrators - and have therefore served to promote rural class formation rather than to prevent it."<sup>10</sup>

The reaction of the state bureaucracy to this situation has been to device measures for controlling the co-operative movement to such an extent that they remain feeble organizational cripples. They are a handmaiden of the state. Under such circumstances, democratic participation among co-operative society members becomes mere wishful thinking. The latter can only be achieved under a transformed socio-economic and political environment. Co-operative education and governmental intervention will not help.

Relevant to the discussion on democratic participation in rural institutions is Frank Holmquist's contribution which is rooted in the social class analysis of Kenya's countryside.<sup>11</sup> At the time of independence, he argues, Kenya's state bureaucracy was at its weakest in decades. The rural petty bourgeoisie, which was already firmly entrenched politically, formed a powerful alliance with the peasantry and forced the state bureaucracy to cede political ground to them. In the countryside the petty bourgeoisie manned the interstices between the peasants and the state structures that were formally dominated by chiefs and other bureaucratic personnel. The rural petty bourgeoisie were now the "patrons and brokers of rural politics, whom the bureaucracy and the party would have to deal with in most relations with the peasantry."<sup>12</sup> The use of local notables as ambassadors to the centre, however, was not a new development. It was already a tradition in local government politics.

As our discussion in Chapter Four (see section 4:2) indicates, we fully agree with Holmquist's analysis of the character of local politics in Kenya. The post-independence period has witnessed the establishment and consolidation of a patron-client political network which was President

Kenyatta's chosen technique of controlling the Kenyan state. Local notables are the wielders of power in the village and district levels. They are the people through whom new ideas penetrate the peasant countryside. The peasants look upon them to bring "development." They are expected to lead because of their "cosmopolitan" outlook. Usually these local notables are different from the ordinary peasant farmers in many ways. They can read and write, for example. Economically they are often wealthier, and some of them are successful businessmen. Perhaps one of the most important attributes of the local elite which makes them "automatic" local leaders is their ability to speak languages other than that of local village community. This makes them effective links between the village and the outside world. They can effectively articulate local problems to outsiders such as civil servants and other influential people. These are the people who lead self-help organizations and manage agrarian co-operatives. This is an important point to note as we focus on the problems of leadership in MMFCU.

#### Leadership in MMFCU

As we saw in Chapter Four, the Co-operative

Societies Act and the Co-operative Societies Rules provide for the election of co-operative society leaders. The annual general meeting of all members, which is the supreme executive organ in the Society, is vested with the responsibility of electing new members into the organization's management. The managing committee so elected serves in office for a renewable term of one year. Individual committee members can seek re-election not more than three consecutive times without the consent of the CCD.

The Act and the Rules do not impose any stringent conditions on those who aspire to be committee members in their societies. Neither educational qualifications nor managerial experience form any part of the official conditions during such elections. Candidates, however, should be honest adult members of the society.

The absence of such stringent conditions could be explained by the fact that the more technical aspects of co-operative management such as accounting and budgeting are done by the society's employees who are supposed to be recruited on the basis of their educational and technical qualifica-

tions and experience. In addition the Ministry of Co-operative Development supervises and ensures that co-operative societies are well managed.

Co-operative society leaders, therefore, are elected on the basis of their popularity rather than on the basis of their technical or educational qualifications. The major determinants of success during co-operative society elections can be traced to the local social, economic and political forces that work to make certain individuals popular and others unpopular. Popular individuals are propelled by the very forces that make them popular into top positions in co-operative society leadership.

On interviewing fifteen committee members in MMFCU and in two of its affiliated societies, the author learnt that primary school teachers, successful businessmen, and various local political activists are often elected into the managing committee of their societies. Forty percent of them were school teachers, while twenty percent were or had been civil servants, and another twenty percent were well known businessmen. The rest, despite not having been teachers, civil servants or well known businessmen, had been known to be politically

influential. In general these were individuals who had acquired some elevated position or status either through the educational system, business, or politics. Economically they were more well-to-do than the average peasant in the cotton zone, but they were closer to him than to the local "barons."

In some of the smaller and weaker societies, such as Musamba Co-operative Society, the position of the managing committee was not as competitive as it was in the larger and stronger societies such as Lukolis, Angurai and Jairos. The latter societies tended to attract more teachers, businessmen, and politicians into the ranks of their managing committee. This fact tended to reflect the extent to which the local petty bourgeoisie regarded their co-operative society as a stepping-stone to something higher or more valuable than mere committee membership. This higher objective, the author learnt, is mainly access to power, even if this only means being a political "prefect" of some more powerful individuals.

Since the co-operative union became active in 1974, its leadership has remained controversial for two main reasons. First, there has been competition



and rivalry among the petty bourgeoisie from the Teso, and Luyhya 'tribes' over the control of the union. Second, even within these tribal groups there have been rival political factions which try to articulate their interests both through the primary societies and the co-operative union.

Their competition and rivalry centres on the distribution of scarce resources. To control or influence decision-making in the primary society or in the union is to affect the distribution of such resources from the centre as the loans. With such control, furthermore, individuals could influence the distribution of the society's services such as the tractor hire service. In addition, the power wielders in a peasant co-operative society naturally get the local publicity they deserve because their activities affect directly the economic life of the majority of the members. To control the affairs of a large and economically strong co-operative society or union, therefore, is beneficial to those who wield the power, both from the point of view of local accumulation of wealth and from that of local political control.

The co-operative society thus becomes a theatre of competing economic and political interests.

Such struggles often have various ideological manifestations. Tribalism is one of them. Factionalism within the tribe is yet another. Both of these have been key political issues in MMFCU, and they have shaped the nature of members' participation in the running of their co-operative organizations. Ethnic differences between the Teso, and the Luyhya tend to be emphasized at the expense of the unity that these tribes are supposed to have expressed through co-operation. Under these circumstances co-operative society leaders are seen more as ambassadors representing the interests of the tribe or the faction than as the embodiment of co-operators' solidarity. Patron-client relationships develop between the co-operative society leaders and the ordinary members of the Society. This relationship does not end at the society level. In fact the patron-client chain can extend even to the national level, and in Kenya this forms the fabric of political organization.

Leadership and the so-called co-operative democracy cannot, therefore, be discussed in isolation from the socio-political environment in which the co-operators have to operate. The machine politics at the national level is a

sophisticated simulation of politics in the Kenyan district, division, or village. The same kind of politics is to be found in the co-operative society or union. Alliances are built around patrons' 'brokers' or 'fixers' who often provide material favours to their 'clients' in exchange for political support. "Democracy" becomes an ideology for legitimising the existing relationship between the patron and the client.

The definition of electoral constituencies during co-operative society elections reinforces the ideological bases of the said parochial solidarities. Let us briefly discuss the electoral hurdles in MMFCU.

The smallest electoral unit in MMFCU and its affiliated societies is the "store." Every primary society has several cotton collecting and storing centres - the stores. Every member of the society delivers his harvest to one store where its quality and quantity is recorded against his name and number. Every "store" is a small organization of co-operative society members sharing a common facility in a small peasant village. Quite often most store members belong to the same sub-clan.

As we noted earlier, co-operative societies are required to elect their leaders every one year. In MMFCU and its affiliates every member of the managing committee is first and foremost an elected representative of his "store." The elected Store representative is supposed to be the store's ambassador in the primary society's managing committee. The store expects him to be a good ambassador. He should strive to improve his constituency's access to any advantages that might be gained through the co-operative movement. The latter could be improved seed, fertilizers, pesticides, sprays, tractor hire service, better storage and transport facilities, or simply narrowing the time lag between delivery of the crop and its payment.

In a situation where the goods and services to be distributed are scarce the Store often fails to act as a single unit. It gets reduced to individuals or groups of individuals seeking this or that favour from their representative who might also be the local political prefect of some more "well-placed" individuals. This forms the core of the patron-client relationships and temporary alliances which ultimately determine who will be voted in as store representative when the annual general meeting is held.

As we noted earlier, co-operative societies are required to elect their leaders every one year. In MMFCU and its alliliates every member of the managing committee is first and foremost an elected representative of his "store." The elected Store representative is supposed to be the store's ambassador in the primary society's managing committee. The store expects him to be a good ambassador. He should strive to improve his constituency's access to any advantages that might be gained through the co-operative movement. The latter could be improved seed, fertilizers, pesticides, sprays, tractor hire service, better storage and transport facilities, or simply narrowing the time lag between delivery of the crop and its payment.

In a situation where the goods and services to be distributed are scarce the Store often fails to act as a single unit. It gets reduced to individuals or groups of individuals seeking this or that favour from their representative who might also be the local political prefect of some more "well-placed" individuals. This forms the core of the patron-client relationships and temporary alliances which ultimately determine who will be voted in as Store representative when the annual general meeting is held.

The Store election is important because it is the true grassroots political activity in the co-operative movement. Its importance to the rural petty bourgeoisie as a stepping - stone to higher political ambitions varies from one part of the country to another, depending on the extent to which this class of people are attached to the village community, socially, economically and politically. In some parts of the country, for example, prominent politicians and businessmen have risen above the village level and would not bow down to risk a defeat in Store elections in order to maintain their influence. In the predominantly Teso constituency of Busia North, however, a Member of Parliament who had represented his constituency throughout most of the 1970s, and who in the course of that period had been appointed Assistant Minister, represented KOLAIT STORE of Angurai Co-operative Society between 1975 and 1979. He did this because co-operative society politics were still strong enough to make and unmake even veteran politicians of his calibre.

In MMFCU all the primary societies affiliated to the co-operative union have elected representatives in the managing committee of the Union. Usually these 'ambassadors' are some of the members

of the managing committee of their own primary societies. We have already outlined the ethnic composition of the various primary societies affiliated to MMFCU. Competition for top posts in the co-operative union, not surprisingly, have always had some ethnic controversies. The Co-operative Societies Act provides that there can only be nine members in the managing committee of any co-operative society. Equitable ethnic representation in the union could not be achieved in MMFCU without being unfair to the larger societies of Lukolis, Angurai and Jairos, all of which have predominantly Teso membership. In the past these three largest co-operative societies affiliated to MMFCU retained five seats in the union's managing committee, leaving the remaining four seats to the smaller societies which are predominantly Luihya in membership.

Between 1975 and 1979 (excluding the period from February, 1977 to February, 1978 when a CCD - appointed Commission managed the union) the posts of Chairman, Treasurer, and Honorary Secretary, the three posts considered most important by the committee, were held by "ambassadors" of the three biggest Societies. These came from the Teso "tribe." The Luihya elite did not like this Teso dominance. When the relatively smaller society

of Sango whose membership is predominantly Luihya split into two in 1980, the Teso co-operators looked upon the division as a Luihya strategy of increasing their representation in the union's managing committee. The Teso suspicions seemed to be given credence when, for the first time since the union was formed, a Luihya candidate won the prestigious post of Chairman in the 1981 society elections.

Feuding factions continued to characterise the politics of MMFCU. In the Teso constituency of Busia North, factional groupings continued to be formed around individuals who were thought to be influential. Such influential people included a former Member of Parliament who had the reputation of maintaining Teso hegemony in MMFCU. Before he was defeated in the 1979 parliamentary elections, the ex-M.P. had made sure that his political prefects had firm control over the co-operative movement in the constituency. This strategy of local political control was in line with the character of clientelist politics in Kenya.

The short account of co-operative society elections presented above serves to illustrate the origins of patron-client relationships in rural



co-operatives. It also throws light on the type of membership 'democracy' that is bound to emerge. Leadership is the monopoly of local notables who use the tribal ideology to gain mass support. This explains the failure of members to publicly protest against the maladministration which prompted the Commissioner of Co-operative Development to institute a Commission which ran the union from February 1977 to February 1978. It also explains why the same members of the Union Management committee who had been thrown out by the Commission were later elected back into office by the same society members who were supposed to have suffered from the mismanagement of the Union.

Membership democracy, it appears, will only be realized when any ordinary member of a co-operative society can say "no" without fear of losing certain advantages. In the union we have just been discussing, petty bourgeois conflicts and alliance formations have given rise to machine politics which are just too sophisticated for the ordinary peasant. This is particularly so because even national politicians from that region, as we have mentioned in the case of Angurai Co-operative Society, still find occasion to bend so low as to risk a defeat in 'Store' elections. This fact reveals one important aspect about the development

of the rural elite in that part of the country. They are strongly attached to the village, so much so that ordinary peasants do not immediately identify them as belonging to a different social category. This weak rural elite also know that their political fortunes lie with the village community. Here lie the roots of what Frank Holmquist saw as a powerful alliance between the peasantry and the rural petty bourgeoisie. Government intervention finds a hostile response from the 'grassroots.'

5:5 'Grassroots' Responses to Government Intervention.

What often appears to be grassroots responses to governmental intervention in co-operative affairs are in fact manifestations of local petty bourgeois interests. In their struggles against each other over the distribution of scarce resources, the local notables present themselves as crusaders against the exploitation of the peasants. This way they build alliances with the peasants and wage a joint struggle against 'external interference.' Governmental attempts to control the affairs of these local organizations, even when the purpose is to curb excesses of nepotism, corruption, or mismanagement, is often resisted at the 'grassroots.'

The situation is best illustrated by the case of Malaba-Malakisi Co-operative Union and its affiliates between February 1978 and February 1979 when the Union had to be run by a Commission appointed by the Commissioner of Cooperative Development.

Before the Commission was appointed, the Union was in a crisis. The management committee was already divided into two main competing groups. One group, led by Oduya Oprong, then Member of Parliament for Busia North and Assistant Minister for Labour, had held prominent positions in the Union since 1975. Most of the group members were Oduya Oprong's henchmen. They were leaders of various co-operative societies in Busia North constituency and had helped the M.P. in his political campaigns. Oduya had been active in the politics of Busia North since the 1963 elections. During the period between 1963 and 1978 he had established strong political alliances with various local notables in this constituency, some of whom emerged later as cooperative society leaders. Most of these primary society leaders owed their success in cooperative affairs to the influence of Oduya Oprong. His influence at the local society elections was so powerful that most of his opponents were

kept out of cooperative leadership altogether. This was particularly the case in the predominantly Teso societies of Lukolis, Jairos, and Angurai, the three biggest primary societies affiliated to Malaba-Malakisi Co-operative Union.

The other group was composed mainly of non-Teso committee members and political opponents of Oduya Oprong.

Apart from this polarization of the union leadership there was the problem of corruption and the falling production of animal feed, edible oil, and soap. There were debts to clear but the union could not repay them according to schedule. The committee engaged itself in petty politicking at the expense of making substantive policy decisions. Complaints about mismanagement of the union were made especially by the anti-Oduya group both within the union and outside. The co-operative Ministry officials were dissatisfied about the running of the union.

No sooner was a Commission set up to run the affairs of the union than local notables mobilized public opinion against it. When society elections came, supervised by the Commission, it was seen by the committee members in various societies as an

opportunity for the commission to bring in their own men. Their fears appeared confirmed when most of them were swept out of office. 'Grassroots' resistance against the commission was soon made obvious by the ousted committee members who made appeals to the Commissioner of Cooperative Development. One letter addressed to the Commissioner protested:

"We, the legitimate elected members of Jairos Society wish to object very strongly (to) the recent election held in Jairos Society by your officers. As far as we are concerned no election has taken place at all. No Government officer has a right to impose anyone on us."

Special reasons were given for the objection. The chairman of the society had not convened any meeting of all members; nobody else had a right to do this. Members of the society, furthermore, were not ready for such elections till each one of them had heard from the Minister for Co-operative Development to whom an appeal had already been lodged. Finally, the committee observed, "the farming community in our society is terribly perturbed by the way the Department of Co-operatives is handling its affairs."<sup>13</sup>

The above was not an isolated case. During the same year the managing committee of Lukolis society complained to the Commissioner of Cooperative Development about the activities of the Commission. They singled out the commission's chairman, who was also the District Commissioner for Busia District, for special attack. The D.C. had "come out with full force to hinder the progress of all farmers . . . The most interesting part of the whole affair is that Mr. Mulama (D.C) is the chairman of the commission which is now looking into the day-to-day activities of Malaba/Malakisi Farmers' Co-operative Union Limited, and it is the same Mr. Mulama who is working for the total downfall of the same complex." In a concluding statement the committee recommended that Mr. Mulama and his team "be removed immediately and 'Wananchi' be given the chance to manage Malaba/Malakisi."14

There was little protest against the commission from the three smaller societies. This could be attributed to the fact that their representatives detested the predominantly Teso and pro-Oduya clique that had been ousted by the Commission and which still sought to regain their dominance.

In February, 1979 the commission, which had managed the union for one year, was withdrawn. In the society elections that followed, the original power holders within the union came back to the scene. The chairman of the managing committee was the same old retired chief, the Honorary Secretary, the same old Member of Parliament. It was generally seen as a pro-Oduya victory. The 'victors' had come to continue where they had left only that this time they saw themselves as having a special mission - to rebuild Malaba/Malakisi union from the 'ruins' left behind by the commission. It was noted in several committee meetings between March, 1979 and December, 1979 that under the commission, the union had sustained heavy losses.

Not long after the commission left, the union management was once again locked up in a tug-of-war. In March, Christopher Rushlaw, a Peace Corps Business Advisor, summarized the situation as follows:

"Conflicts of loyalties have split the credit section into two factions. The Union's manager heretofore left the section to manage itself. The Assistant Co-operative officer for Credit and Administration has been conducting most of its activities. Performance seems slow, clumsy, of questionable honesty, inconsistent, and detrimental to the affairs of the Union as a whole ...."15

By May, 1979 it appeared as if the Government would be forced to institute another commission to manage the affairs of the union. Critics of Oduya Oprong and his clique gave publicity to the union's failures. Some of the critics succeeded in getting 'valuable' documents from the union's General Manager, which were used against the sitting committee members. At one time the committee blamed the General Manager for failing to keep the union's secrets. They noted that the manager had given out valuable documents to a Mr. Nichodemus Osukuku, a well known opponent of Oduya Oprong, for the purposes of ridiculing the committee. Although the manager apologised he was later fired and replaced with a loyal one. During another sitting in June 1979 the committee "noted with great concern the statements and allegations made by Mr. Osukuku against members of the Union when the Permanent Secretary to the Ministry of Co-operatives visited Bungoma district."<sup>16</sup> The allegations referred to here were about nepotism in the recruitment of the union's employees, and mismanagement of the union's finances. In a letter to the PCO which we extract in full below, Mr James Mwasi a co-operative officer in Bungoma District, seems to suggest that these allegations were true.

Co-operative officers had no place in the new management. They were, according to the officer,



ignored and often threatened with physical confrontations, even during committee meetings. The officer, who thought he had had enough of the threats, decided to officially record his difficulties by writing to the Provincial Cooperative Officer, Western Province, some copies of which he sent to the commissioner of Cooperative Development, among others. Since the letter, which was written in July 1979, is enlightening I have reproduced the entire piece here:

"On behalf of the Ministry staff stationed here at Malakisi, I wish to inform you that it has now become very difficult for us to contribute effectively to the running of union affairs. Every piece of advice we give to the above committee results into a heated confrontation between the Union Honorary Secretary and the Ministry staff, and no fruitful conclusion is reached. The same Honorary Secretary would like us to respect all his views because of his high position in the Government. He feels now that the Ministry's efforts including credit facilities are of no great value to the union. He threatens us that one of these days he could be our own Minister and we should have to follow his directives.

In the above circumstances and in view of the fact that we have very little hope of salvation from above, we are now left with no alternative but to hopelessly watch events take their courses pending transfers to other stations where our services will be highly appreciated."17

Meanwhile the financial situation of the union was deteriorating. It could not repay its loans. In the course of July, 1979 the managing committee of the union noted that the union's creditors were threatening to take legal action against it. The threat of litigation could not have come at a worse period. The production of soap had been brought to a halt partly by mechanical breakdowns in the manufacturing plant and partly by the lack of capital to purchase the necessary raw materials. Cotton ginning operations were slow because of the frequent mechanical breakdowns in the old ginnery. Furthermore, the union had yet to recover K. Shs.10 million which it had lent to individuals and 'companies'. Some of the debtors were the union's leaders themselves.

Towards the close of 1979 the union's failures gained more publicity than ever before, particularly among the Teso peasants. This was because of the parliamentary elections which were due to be held in November, 1979. The then Hon. Oduya Oprong, who was the union's Honorary Secretary, was going to defend his parliamentary seat in Busia North constituency. It is important to recall that the three largest primary societies affiliated to MMFCU are located in this constituency.

During the election campaigns the affairs of MMFCU featured prominently. The man who "killed" MMFCU was "identified." Oduya lost his parliamentary seat to a political 'unknown' who had the support of his traditional political opponents. Oduya Oprong subsequently lost his position in Co-operative society leadership, even though his KOLAIT Store members were willing to re-elect him (February, 1980 co-operative society elections, Angurai F.C.S. Ltd). The former Honorary Secretary of the Union, however, was disqualified in the Store elections because he could not meet some "essential" conditions.

The defeat of Oduya Oprong in the parliamentary elections marked the beginning of a change of hands in co-operative society leadership in Busia North. The anti-Oduya political alliances were determined to route out "the Bicycle" (Oduya's election symbol in the 1979 parliamentary elections) from leadership in MMFCU. In Angurai F.C.S., for example, an ex-chief who had been chairman of the managing committee for several years, and who had been a staunch supporter of Oduya Oprong, lost his position as a co-operative society leader. A new general manager of the union was appointed to replace the one who was generally believed to have been Oduya's choice. After these hectic reshuffles, Oduya

Oprong's successor in the Busia North constituency has, to a large extent, left co-operative affairs to co-operators. He does not take part personally in the Store elections. He does not need to do so as long as "the Bicycle" stays away from cooperative affairs.

In the course of 1981, however, the new M.P. for Busia North was being accused of betraying the Teso in MMFCU. He had allowed Luihyas to control the affairs of the union. Many of the M.P.'s supporters thought that such accusations emanated from the "Bicycle" and his henchmen who were busy trying to win new supporters in preparation for the 1984 parliamentary elections. By the second half of 1981, however, it was clear that not all was well in MMFCU. The union had incurred heavy debts. The cotton farmers could not repay their seasonal loans because payments for the 1980 crop had not been completed. Factionalism rather than cooperation prevailed among the members of the managing committee. It was under these circumstances that the CCD set up a committee to probe into the affairs of MMFCU in December, 1981.

The case of MMFCU illustrates the character of socio-political factors that affect the behaviour of agrarian co-operatives in Kenya. In many parts of

the country, these organizations have been used as theatres of competition among rival political groups at the local level. They have largely served to strengthen the patron-client network which, as we discussed earlier, is an instrument of political control in Kenya. Agrarian co-operatives, as a result, have tended to lose sight of their primary formal objectives. Recently the Government realised that the use of these organizations by local notables as instruments of power consolidation at the local level was largely responsible for the widespread disillusionment in the rural areas about the purposes of co-operation. When the President decreed in December 1981 that civil servants and politicians should quit the management of co-operatives it was clear that some prominent personalities had acted for a long time as chairmen of their primary societies and co-operative unions as well, and that co-operatives had indeed acted as powerful political platforms.

Factional rivalry at the local level negatively affects the performance of these organizations. Neither the celebrated social nor the economic objectives of co-operation are achieved. Popular and democratic participation is redefined to mean participation within the patron-client political network. Economic benefits such as the

loans, the tractor-hire service or employment, will tend to accrue more to those individuals who are in good books with the local patrons. The recruitment of top personnel such as general managers of the unions is rarely done on merit. In the case of MMFCU, for example, at least four general managers were hired and fired between 1976 and 1981. On the average, each general manager served for a period of about one year. Such a high turnover in the top management of agrarian co-operatives, coupled with the corrupt manner in which they are recruited and fired, tends to inhibit the development of skilled and experienced manpower to run these organizations. In addition, it inhibits the development of long term planning in the co-operatives. When a clique in power knows quite well that it is there only temporarily, it will tend to pursue short term objectives with immediate or almost immediate pay-offs. Such objectives could involve, and often does involve, outright embezzlement of the society's funds. Such embezzlement is made much easier by the low level of business knowledge among the majority of the peasants.

In our next chapter we sum up the main arguments raised in this study and examine some of their theoretical and policy implications.

CHAPTER FIVE: FOOTNOTES

1. See Ogutu, M.A., "The Evolution in the Agrarian Economy of East Africa, 1895-1960" Paper presented at the 14th Annual Meeting of the African Studies Association, Denver, 1971.
  2. Ibid.
  3. Ibid.
- See also Van Zwanenberg, R.M.A., Colonial Capitalism and Labour in Kenya 1919-1939. (Nairobi: East African Literature Bureau, 1975) p. 219. Relatively few Africans from Western Kenya were squatters in European farms.
4. Ogutu, M.A. (1971) op. cit.
  5. Ibid.
  6. Ibid.
  7. Quoted in Mohiddin, A., "An African Approach to Democracy" in East African Journal, February, 1970.
  8. Ouma, S.J., A History of the Co-operative Movement in Kenya. op. cit.
  9. Hyden, G. "Government and Co-operatives" in Hyden, G. et al (eds) Development Administration: The Kenya Experience (London, Oxford University Press, 1970.) pp. 304-5.
  10. Ibid., p. 314.
  11. Holmquist, Frank "Class Structure, Peasant Participation and Rural Self-Help" in Barkan, J. and Okumu, J., (eds.) Politics and Public Policy in Kenya and Tanzania, New York, Praeger, 1979 pp. 129-153.
  12. Ibid., p. 134.
  13. Letter from the Chairman, Jairos Farmer's Co-operative Society to the Commissioner of Co-operative Development. Written on 10th July, 1978.

14. Letter from the management committee, Lukolis Farmer's Co-operative Society to CCD. Written on 16th December, 1978.
15. Letter from Christopher Rushlau, Peace Corps Business Advisor, to Mr. Donny Harrington, Assistant Peace Corps Director, Nairobi. Dated 16th March, 1979.
16. MMFCU Ltd. managing committee meeting of 16th June, 1979. Minutes.
17. Letter from the Assistant Co-operative Officer in charge of credit, Malakisi Cotton Zone, to PCO, Western Province. Written on 31st July, 1979. Ref. C5/1761/B/43.



CHAPTER . SIXCONCLUSION

Our task has been to assess the contribution of agricultural co-operatives to the social and economic development of Kenya's rural areas. We have examined the various economic and social advantages that are often ascribed to co-operative organizations and discussed the extent to which some of these advantages have been achieved by Kenya's agricultural co-operators.

In this chapter we shall summarise our main arguments and examine some of the theoretical and policy implications of this study.

More than ever before, the plight of the rural man in the Third World has attracted the attention of scholars, administrators, politicians, governments and the entire international community. To them all the problems of rural people in these countries are thought to be those associated with poverty, ignorance and disease. To compound these problems there is the Malthusian scare of population explosion and dwindling food resources. The problems of these rural people might appear obvious but there has been little agreement concerning the causes of these problems. Consequently, and logically, there has been no consensus as to how these problems could be solved. In a world of sovereign states

the solutions to these global issues have largely been left to the "domestic jurisdiction" of individual governments.

Co-operative organizations have been identified by most governments in the Third World as one of the instruments that could be used to alleviate some of these problems. The nature and extent of co-operative organizations' contribution to the rural development of any particular country, however, depends to a large extent on the nature of the socio-economic policies being pursued by that country. The role of the state in defining the role of co-operatives in rural development cannot be over-emphasized. It is the state which formulates and legitimises the national development policies and promulgates the laws and regulations governing the operations of individuals and institutions within its domestic jurisdiction. The state, with its monopoly of the instruments of coercion, enforces these laws and regulations and authoritatively allocates the material resources on which these individuals and institutions, co-operatives included, rely for their growth and development. In most developing countries, however, part of the domestic socio-economic environment is set by forces that are beyond the control of the state.<sup>1</sup>

We have argued that there are two broad approaches to the solution of rural development problems in the Third World today. The liberal and the historical materialist approaches, we have argued, are rooted in two varying conceptions of the state, politics, and society. As far as the contribution of co-operatives to rural development is concerned the liberal approach tends to emphasize economic benefits to co-operators while the historical materialist approach tends to emphasize their social benefits.

During the nineteenth century, Western Europe reached a particular historical stage when the emergence of the liberal state, politics, and society were inevitable. The liberal society was a product of a long historical evolution and the establishment of the liberal state was marked by bourgeois revolutions which put an end to feudalism. The liberal state was a product of the articulation of the capitalist mode of production. The equalities and freedoms that were cherished and which continue to be cherished by liberal societies all over the world have been discussed elsewhere in this work.<sup>2</sup> Perhaps the most important attribute of this kind of society is its emphasis on the protection of private property and the notion that one's social position in society is largely

determined by one's industry. We have discussed the political implications of this notion in relation to the works of Karl Popper, a modern proponent of liberalism or more precisely an apologist of capitalist development.<sup>3</sup>

The liberal conception of the state is that it is a benevolent umpire which caters for the interests of all its citizens. It is seen as an embodiment of social values and custodian of justice and morality. Its citizens are equal and free to hold and express opinions contrary to those of the political establishment. They are also free to openly pursue these dissenting ideas through various organizations including trade unions and political parties. This is the kind of society which Karl Popper, as we discussed in our earlier chapters, calls the "open society".

In the 'open society' economic objectives are pursued through private enterprise. Individuals and groups of individuals are supposed to be free to plan and pursue economic objectives for the improvement of their own welfare. The open society is a market society. Competition in politics and in the acquisition of wealth, or more precisely in the accumulation of capital, is considered to be an indispensable ingredient in

the overall development of the capitalist society.

What does this discussion of the liberal or open society have to do with the role of agricultural co-operatives in the rural development of the Third World, or Kenya, for that matter? It is the diagnosis of the disease and the prescription. We have discussed in our second chapter the manner in which the liberal state responded to problems of poverty occasioned by capitalist development in Western Europe during the nineteenth century. Popular workers' movements were systematically suppressed. Their problems were not going to be solved by the state. On the contrary the poor were going to solve their own socio-economic problems through private enterprise and industry. The implication of this response was that the sufferings of the poor were occasioned by their own lack of industry or simply laziness.

Modern co-operatives, we have argued, emerged as a reaction to the harsh relations of production under capitalism and as an expression, especially among the workers, of the need to re-establish a more humane socio-economic order. The co-operative movement began as a popular social movement whose objectives were to alleviate the sufferings of the "weak" or the poor by pooling their meagre resources so that they could compete more favourably in the capitalist

market. The first successful co-operative society was realistic enough to know that the communist islands in a capitalist ocean which had been propagated by Utopian Socialists were an impossible proposition. The Rochdale Pioneers therefore succumbed to the interests of the liberal state and formed a co-operative society which not only recognised the institution of private property but also supported it and emphasized economic gains as a major reason for co-operation.

When we talk of the liberal conception of co-operatives, therefore, we have in mind the aspirations of co-operatives as they have developed in the West. They are seen as one of the institutions through which "the people" can achieve basic needs such as shelter, food, and clothing while relying on their own initiatives or 'industry'. Apart from this economic objective, co-operatives are also supposed to be avenues for popular and democratic participation in the development process. This latter objective is often referred to as the social role of co-operatives. With their liberal economic and social objectives, we have argued, co-operatives in the West established themselves as institutions that could be employed effectively to serve capitalist ends. Today there is little difference between them and private companies whose objectives are purely economic.

With minor modifications this was the kind of co-operative society that was later established in other parts of the world and which has been encouraged and supported by most independent governments in Africa, including Kenya.

The Marxist analysis and presentation of the state, politics, and society differs fundamentally with the liberal conception discussed above, so does its conception of the role of co-operatives in the development of society. Elsewhere we have discussed the salient theoretical features of this school of thought and highlighted some of the practical implications of this historical materialist analysis and presentation of the state, politics and society.<sup>4</sup> According to this analysis it makes little sense for one to study, analyse, or discuss superstructural elements such as laws, politics, morals, or institutions in any society without first understanding the particular historical stage of development which that society has reached. It is the economic base which conditions the superstructure. The dominant mode of production dictates the nature of laws, politics, morals and institutions in society. It conditions the manner in which the goods necessary to sustain human life are produced and distributed.

The capitalist society emerged from the 'womb' of feudalism after a long process of historical evolution, a process that was characterized by social class struggles. Social class contradictions are sharpest and most vicious in a capitalist society. In their struggle for access to economic and political power people struggle not as individuals but as members of large social groups, social classes, which occupy particular positions in the processes of material production and distribution in society. The state in a capitalist society, therefore, is an embodiment of social conflicts. It is an instrument of oppression in the hands of the dominant social classes.

Problems of poverty in a capitalist society cannot be solved through "piecemeal social engineering" as proponents of the "open society" would suggest. The solution to these problems lies in changing the mode of production itself because by its very nature capitalism perpetuates socio-economic inequalities.

Agricultural co-operatives in a capitalist setting like all other institutions in this setting, can only serve capitalist ends. In the Marxian sense agricultural co-operatives are progressive only in so far as they help to create a capitalist

Marxist



class and a proletariat out of the peasantry. Otherwise such co-operatives only serve as mystifying agents in that they help to preserve peasant farm structures and therefore give the peasant farmer the illusion of being producer and owner of the means of production. For a variety of reasons, as we discussed in our second chapter, peasants have always been easy prey to such mystification. History has shown, so the Marxist argument goes, that peasants are incapable of identifying their common interests as a social category and as such they cannot organize themselves politically and openly pursue these interests.

Co-operatives were introduced into Kenya during the colonial period. They were established as instruments of government policy and they served the interests of the colonial settler state by perpetuating socio-economic inequalities between Africans and the settler community. Africans in Kenya were not allowed to form co-operatives until after 1945. Even then few African co-operatives were formed before the inception of the Swynnerton Plan in the 1950s. The Co-operative Societies Ordinance of 1931 had only served to formalize the status of already existing European marketing co-operatives while not allowing the formation of co-operatives among Africans. The settlers formed, managed and

controlled such country-wide co-operative organizations as the Kenya Farmers Association, the Kenya Planters Co-operative Union, the Kenya Co-operative Creameries, and the Horticultural Co-operative Union. This not only gave the settlers an upper hand in the setting of local producer and consumer prices, but also gave them privileged access to profitable foreign markets. Co-operatives became one of the most powerful instruments of colonial economic oppression. That co-operatives played this role is not surprising given the apartheid character of capitalist development in Kenya during this period.

We have argued that the Swynnerton Plan of 1955 was a blueprint for a capitalist revolution in African agriculture. In face of rural unrest the colonial state designed and implemented a strategy for creating an African middle-class which would be supportive to the socio-economic status quo. Former government policy would be reversed. 'Able', 'energetic' or 'rich' Africans would be encouraged to acquire more land while 'bad' or 'poor' farmers would acquire less, thus creating a landless class. This, according to the Swynnerton Plan, was a normal step in the evolution of a country. Swynnerton's grand political design set the parameters for future development

in Kenya and the measure of its success became the squatter problem with which the independent governments had to grapple. We have also argued that the aspirations of the Swynnerton Plan continued to be pursued after independence, hence the continuity in the "rural development" strategies.

Around and shortly after independence many African co-operatives were formed. These were mainly marketing, land purchase, housing, and savings and credit societies. Co-operatives had been identified by the growing body of African middle-class as a means of acquiring capital. 'Able' individuals could buy land in the former White Highlands. Others could pool their meagre economic resources and with the assured government assistance could acquire some real estate. To the majority of the bourgeoining elite the co-operative society was one of the surest and quickest means of gaining access to credit facilities for the **purposes** of accumulation.

The importance of co-operatives in rural development as we have discussed, was emphasized by the Government in Sessional Paper No. 10 of 1965 and in the series of National Development Plans that have been produced since independence. Various economic

and social advantages were promised to co-operators. It should be reiterated here that most of the agricultural co-operators in Kenya's rural areas were and still are small scale farmers. We have noted (see Table 3:5) that the percentage share of small farms in the gross marketed production from large and small farms rose from 40.7 in 1964 to 53.1 in 1980. We have also observed (see Table 3:7) that the percentage share of small scale farmers and co-operative societies in the issue of new agricultural credit rose from 58.73 in 1976/77 to 85.45 in 1979/80. This shows the significance of small scale farmers and co-operatives in the economy of Kenya and explains the Governments' concern for the efficiency of co-operatives. We need not mention the objectives of co-operatives in Kenya at this juncture since we have discussed them elsewhere in this work.<sup>5</sup>

Agricultural co-operatives have helped in the spread of small-holder commodity production in Kenya's countryside. By acting as Government agents for the supply of credits and by providing agricultural extension services, co-operatives have helped in integrating peasants into the monetary economy. In the process, they have helped in the preservation of peasant farm structures in a socio-economic

environment that would otherwise have made farming in a peasant small-holding totally uneconomical. Agricultural co-operatives, apart from providing various farm inputs to the farmers, do collect, process and market agricultural commodities. They enable the farmers to exploit the economies of scale and utilize in common the services of expensive facilities in factories or ginneries. Without the pooled resources in co-operatives and the assistance from the Government, few small scale farmers in Kenya would afford to produce for the market. To the extent that agricultural co-operatives have helped to preserve peasant farm structures, however, these institutions have been unprogressive in the Marxian sense. This is because in spite of their social position as an exploited lot in capitalist societies, peasants cling to their small-holdings with the illusion that they are producers and owners of the means of production. They continue producing a surplus which through various mechanisms is transferred to the more dominant social classes. This way peasants become faithful servants of the capitalist state.

We have argued that agricultural co-operatives in Kenya are yet to conquer the exploitative middleman who stands between the farm and the market.

While some non-African middlemen might have been replaced by the state-owned marketing boards, world market prices for various agricultural commodities continue to dwindle between these boards and the agricultural producer. (see Tables 4:1 and 4:2).

At the co-operative society level itself, the problems of corruption have made co-operatives more of a burden than an asset to the ordinary co-operators. Administrative inefficiency and outright embezzlement of funds have made it difficult for them to enjoy the economic benefits that are supposed to accrue from co-operation. Not that the secretary managers and the managing committees are "crooked" or "wicked" people. It is only that they live and work in a socio-economic environment where everybody seems to be hungry for power and wealth and where these two attributes are held in high esteem. Corruption, factionalism, nepotism and patron-client relationships are manifestations of these power struggles and they are all aspects of the wider struggle for accumulation in an immature capitalist system. In such a socio-economic system where pre-capitalist labour processes remain preserved, the struggle for access to valued but scarce resources inevitably reproduces

pre-capitalist ideologies which serve as bases for political organization and solidarity at the local and national levels. In Durkheimian terms these are the "mechanical solidarities" which Goran Hyden has identified as a major impediment to the realization of business efficiency in East African co-operatives.

As we discussed in our earlier chapters, the politics of access have to do with the strategies which individuals and groups pursue for the purposes of securing for themselves some valued but scarce resources. The politics of access in Kenya's agricultural co-operatives, we have argued, have to do with the manner in which individuals and groups organize themselves for the purposes of achieving the economic and social benefits that co-operation promises. Co-operatives in Kenya have been seen by the majority of co-operators as instruments that could provide access to social power and wealth. They therefore lay strategies, as individuals and groups of individuals, to control or at least influence the distribution of these economic and social advantages. Our examination of these strategies in Kenya's agricultural co-operatives has revealed the persistent reproduction of pre-capitalist ideologies such as those of the clan,

THESIS

lineage group or tribe which have acted as bases for the formation of factions and patron-client relationships. These strategies, we have argued, form the very fabric of political organization in Kenya, both at the local and national levels.

As we discussed in our fourth and fifth chapters, agrarian co-operatives in Kenya have become political platforms for competing power brokers at the village and district level. This has been so because of the patron-client character of national and local politics in Kenya. The patron-client political linkage has acted as a strategy for political organization and control in Kenya. Power brokers at the village and district level, we have argued, while being patrons to the peasant clientele, are themselves clients to higher status political patrons. The patron-client relationship is a "lopsided friendship" whose basis for existence is socio-economic inequality. The relationship is maintained by a series of unequal exchanges between the patron and his client (see chapter II). More often than not, it is these local patrons or local notables who control the affairs of co-operative organizations



at the village and district level. The patronage ties of these "activitists" or "community lobbyists" are often so well established that they manage to remain in leadership positions even when they have openly misused them. Our case studies have revealed that "corrupt" people are often voted into office several times even when they are alleged to have squandered society's funds with impunity. Usually they are voted in because of the often vain material expectations that the electorate have of them.

Except for the fact that agricultural co-operatives have succeeded in involving a large number of smallholders in the production of agricultural commodities for the capitalist market, these institutions cannot justify their existence on their formal economic and social objectives. The real justification for the Governments' encouragement and support of these agrarian co-operatives, we can conclude, is that the "Wananchi" are happy with the economic and social promises of co-operation. These institutions are also encouraged because, as we pointed out earlier, co-operation is thought to represent a highly visible "alternative" to Marxian socialism and outright "naked" individualism,

both of which are ideologically untenable to a society whose declared objective is the realization of "African Socialism". It would be politically unwise to deny the co-operators what they have come to believe to be their gateway to power and wealth.

The problems facing agricultural co-operatives in Kenya today are structural in nature. They are superstructural reflections of the articulation of the capitalist mode of production in a socio-economic environment in which pre-capitalist labour processes, ideologies, and cultures continue to persist. In Kenya, unlike in Western Europe, political power preceded the emergence of social power along class lines. This in turn means that bourgeois culture, politics, and institutions are yet to emerge and define themselves as such. Throughout this study, therefore, we have been discussing the problems of a bourgeois institution, the co-operative society, in an alien and hostile socio-political environment. It is unlikely that administrative measures intended to make these organizations more efficient will offer long-lasting solutions to these problems.

Governmental strategies for improving the ordinary peasants' access to the formally promised economic and social benefits of co-operation have only had short term effects on the management of co-operatives in Kenya. The Kenyan Parliament enacted the Co-operative Societies Act in 1966 and the Government, through a legal notice, issued the Co-operative Societies Rules in 1969. These regulatory measures, it was hoped would make co-operatives more efficient, more effective, and more business-like. Despite these measures, however, co-operatives have continued to be crippled by various social, economic and political problems. The assumption of the Act and the Rules was that these problems were purely administrative and that they could be solved by intensifying government supervision, direction, and control. Throughout the 1960s and the 1970s, however, there was mounting discontent particularly in the rural areas about the popular but frustrated economic and social promises of co-operation. Corruption and factionalism in co-operative management were identified as the major problems. These were the same old problems which had given rise to the Act and the Rules.

During the early years of the 1980s a nation-wide campaign against mismanagement of co-operatives was undertaken under the leadership of the Commissioner for Co-operative Development. The campaign emphasized the need for increased observance of the laid down regulations governing the management of co-operatives. The war against corruption in these institutions was given extra weight by the Presidential decree that 'politicians' should quit co-operative society management. Whereas these are bold and sincere attempts to make co-operatives more business-like, these campaigns have focussed, like in the past, on superstructural manifestations of problems whose roots lie deep in the nature of Kenya's economy itself. One of the major problems facing these determined efforts is precisely that of knowing who "the beautiful ones" are. In situation where patron-client relationships form the very fabric of political organization, furthermore, the problem of knowing who is whose client or patron and therefore who is a "politician" for the purposes of "cleansing" co-operatives poses unsurmountable obstacles to the whole exercise. Deliberate efforts should instead be made to identify and route out these problems right from their roots which lie on socio-economic inequality.

Further research into the politics of access in Kenya's agricultural co-operatives is required to shed more light on the problems we quite often witness or hear about, but choose to ignore for the assumption that they are of little significance in the overall socio-economic development of Kenya. The observation by Goran Hyden, for example, that a critical consciousness<sup>6</sup> which might work to improve co-operators' access to the economic and social benefits of co-operation was emerging among the co-operators in the central parts of the country implies the existence of regional differentials in the perceptions of the Kenyan peasantry. In class terms, this suggests unequal development of capitalism in various regions and hence unequal degrees of class consciousness among peasants. This calls for comparative studies on the development of capitalism and co-operative organizations in the various geographical and economic regions of Kenya. Such studies would afford the chance to test the implied hypothesis that a capitalist or bourgeois institution is likely to work better in those regions where capitalism and therefore bourgeois culture, ideologies and attitudes are most developed. This in turn would shed more light on the future politics of access.

CHAPTER SIX: FOOTNOTES

1. We have in mind the operations of the international capital.  
see Leys, C. (1974) op. cit.
2. See Chapter Two of this work.
3. Ibid.
4. Ibid.
5. See Chapter Four of this thesis.
6. Hyden, G. (a) in Widstrand, C.G. (ed.) (1970)  
op. cit. p. 68 and  
(b) in Hyden, G. et al, (1970)  
op. cit. p. 305.

APPENDIX

DEPARTMENT OF GOVERNMENT

UNIVERSITY OF NAIROBI

STUDY: "The Role of Agricultural Co-operatives in Kenya Rural Development".

QUESTIONNAIRE FOR CO-OPERATORS

Personal Details

1. (a) Name \_\_\_\_\_
- (b) Sex (Male) \_\_\_\_\_  
(Female) \_\_\_\_\_
- (c) Age \_\_\_\_\_
- (d) Level of education:
  - (i) None \_\_\_\_\_
  - (ii) Lower Primary \_\_\_\_\_
  - (iii) Upper Primary \_\_\_\_\_
  - (iv) Secondary \_\_\_\_\_
  - (v) Above (iv) \_\_\_\_\_
- (e) Number of children, if any \_\_\_\_\_
- (f) Residence:
  - (i) District \_\_\_\_\_
  - (ii) Location \_\_\_\_\_

The Farm

2. What is the size of your farm? \_\_\_\_\_
3. Do you live in it?  
Yes \_\_\_\_\_  
No \_\_\_\_\_
4. (a) If not who helps you manage it?
  - (i) permanent farm manager \_\_\_\_\_
  - (ii) temporary farm manager \_\_\_\_\_
  - (iii) a close member of family \_\_\_\_\_
  - (iv) other (specify) \_\_\_\_\_
- (b) And where do you live? \_\_\_\_\_
- (c) Do you employ wage labourers? Yes \_\_\_\_\_  
No \_\_\_\_\_  
If yes, Permanent (No.) \_\_\_\_\_  
Casual (No.) \_\_\_\_\_

5. (For cotton farmers). When did you start growing cotton? \_\_\_\_\_
6. How many acres of cotton do you have? \_\_\_\_\_
7. What other crops do you grow?
  - (a) Subsistence crops \_\_\_\_\_
  - (b) Cash crops \_\_\_\_\_
8. Which of these crops is your major cash crop? \_\_\_\_\_
9. Is this your major source of income? Yes \_\_\_\_\_  
No \_\_\_\_\_
10. Apart from being a farmer, what other income-earning occupations do you have?
  - (a) School teacher \_\_\_\_\_
  - (b) Civil Servant \_\_\_\_\_
  - (c) Businessman \_\_\_\_\_
  - (d) Employed with a Company \_\_\_\_\_
  - (e) Casual wage worker \_\_\_\_\_
  - (f) other (specify) \_\_\_\_\_

The Co-operative Society

Name: \_\_\_\_\_

11. When did you join the cotton co-operative society? \_\_\_\_\_
12. What were the conditions of eligibility? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
13. How many acres of cotton did you have at that time? \_\_\_\_\_
14. Why did you join the co-operative? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
15. How would you assess your progress as a farmer since you joined the co-operative society? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



16. Would you agree with the view that co-operative institutions are indispensable to farmers like you? \_\_\_\_\_  
Yes, very strongly \_\_\_\_\_  
Yes, to some extent \_\_\_\_\_  
Undecided \_\_\_\_\_  
No \_\_\_\_\_

17. What duties do you have as a member of the co-operative society?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

18. What rights do you enjoy in return? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

19. How often do members of your co-operative society meet? \_\_\_\_\_  
\_\_\_\_\_

20. (a) Have you ever received a loan from your co-operative society?  
Yes \_\_\_\_\_ No \_\_\_\_\_

(b) For what purposes?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

21. If NO, could this be because you have not found it necessary?  
\_\_\_\_\_

22. What conditions have to be met before the co-operative society grants a loan? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

23. Do you prefer a loan from your co-operative society to one from other institutions such as the commercial banks or A.F.C.?  
Yes \_\_\_\_\_  
No \_\_\_\_\_

24. What reasons could you give for this answer? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
25. Have you faced any difficulties in trying to get a loan from your co-operative society?  
Yes \_\_\_\_\_  
No \_\_\_\_\_
26. If yes, what is the nature of these difficulties?  
(a) Processes involved are complex \_\_\_\_\_  
(b) Co-op officials are uncooperative \_\_\_\_\_  
(c) Not enough security for loan \_\_\_\_\_  
(d) Other. Explain \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
27. What do you consider to be some of the most challenging problems facing your co-operative society today?  
(a) \_\_\_\_\_  
(b) \_\_\_\_\_  
(c) \_\_\_\_\_  
(d) \_\_\_\_\_  
(e) \_\_\_\_\_  
(f) \_\_\_\_\_
28. How could they be solved?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
29. Do you have any special responsibilities in your co-operative society? Yes \_\_\_\_\_  
No \_\_\_\_\_
30. (If yes, cont... Q.33)
31. (a) If No would you have liked to have any?  
Yes \_\_\_\_\_  
No \_\_\_\_\_  
(b) Why? \_\_\_\_\_  
\_\_\_\_\_

32. If yes, what factors have made it difficult for you to have any special responsibilities?  
Educational qualifications \_\_\_\_\_  
Not enough time to spare for this \_\_\_\_\_  
Could not win during elections \_\_\_\_\_  
Other \_\_\_\_\_ specify \_\_\_\_\_
33. Specify responsibility \_\_\_\_\_
34. For how long have you held this responsibility?  
\_\_\_\_\_
35. How did you get it? \_\_\_\_\_
36. What are the duties of your office?  
\_\_\_\_\_  
\_\_\_\_\_
37. What duties do you consider most challenging to your office?  
\_\_\_\_\_  
\_\_\_\_\_
38. Would you say that you have always been well placed to deal with these duties and the problems that might arise out of them?  
Yes \_\_\_\_\_  
No. \_\_\_\_\_
39. What persons or institutions have been very helpful to you in the execution of these duties?  
(a) Members of co-op. society \_\_\_\_\_  
(b) Committee members \_\_\_\_\_  
(c) Co-operative Union officials \_\_\_\_\_  
(d) The Co-operative Department \_\_\_\_\_  
(e) Other. (Specify) \_\_\_\_\_
40. Would you say that persons holding offices like yours should be given more power than they already have?  
Yes \_\_\_\_\_  
No \_\_\_\_\_
41. Why? \_\_\_\_\_  
\_\_\_\_\_

Political Participation

42. How often are elections held in your co-operative society?  
43. What conditions does a candidate have to satisfy before he

44. (a) Do you think these conditions require any modification?  
Yes \_\_\_\_\_  
No \_\_\_\_\_
- (b) If yes, of what kind? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
45. If a candidate were vying for a top post in the co-operative society, which of the following qualities would help him most?
- (a) High Education \_\_\_\_\_  
(b) Business acquaintances \_\_\_\_\_  
(c) Wealth \_\_\_\_\_  
(d) Experience in politics \_\_\_\_\_  
(e) Managerial background \_\_\_\_\_
46. Do you think tribal origins or clan considerations have
- (a) any role to play during elections? \_\_\_\_\_  
(b) if yes, how strongly?  
Very strongly \_\_\_\_\_  
Not so strongly \_\_\_\_\_  
A rather weak role \_\_\_\_\_  
A very weak role \_\_\_\_\_
47. (a) Would you say the same of civic and parliamentary elections  
Yes \_\_\_\_\_  
No \_\_\_\_\_
- (b) If not, why? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
48. How many times have you voted for co-op. society officials since you became a member?
49. (a) Have you ever been a campaign agent for any of the candidates?  
Yes \_\_\_\_\_  
No \_\_\_\_\_
- (b) If yes, what post was your candidate vying for?  
(c) Did he win?
50. Did you vote during the last co-op. society elections?  
Yes \_\_\_\_\_  
No \_\_\_\_\_
51. Did you vote during the 1979 civic and parliamentary elections?

52. Had you attended any of the campaign rallies?

Yes, most of them \_\_\_\_\_

Yes, some of them \_\_\_\_\_

Yes, but very few of them \_\_\_\_\_

No \_\_\_\_\_

53. Did you campaign for any of the candidates?

Yes \_\_\_\_\_

No \_\_\_\_\_

FOR COMMITTEE MEMBERS AND ANY OTHER ELECTED OFFICIALS ONLY Q.54 - 56

54. What groups among the co-operative society members were most influential in determining your success during the last co-op. elections?

(a) School teachers \_\_\_\_\_

(b) Businessmen \_\_\_\_\_

(c) Farmers with no other occupations . \_\_\_\_\_

55. Would you say the same of other candidates as well?

Yes \_\_\_\_\_

No \_\_\_\_\_

Explain \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

56. Do you hope to stand for re-election when the time comes?

Yes \_\_\_\_\_

No \_\_\_\_\_

(b) If not, why? \_\_\_\_\_

\_\_\_\_\_

Officers in Co-operative Department

1. (a) Name \_\_\_\_\_

(b) Age \_\_\_\_\_

(c) Sex \_\_\_\_\_

(d) Office title \_\_\_\_\_

2. For how long have you been working with this Ministry? \_\_\_\_\_

3. When were you posted here ? \_\_\_\_\_

4. What are the duties of your office? \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

5. Which of these duties do you consider most challenging to you?

---

---

---

---

---

(b) Why? \_\_\_\_\_

---

---

---

---

6. (a) In which other part of the country have you served this ministry? \_\_\_\_\_

(b) For how long did you work there? \_\_\_\_\_

(c) How would you compare the problems facing co-operative societies and Union (s) here to those facing Co-operatives in that place where you worked before?

---

---

---

---

---

7. Do you think agricultural Co-operatives have helped the farmers in terms of socio-economic development?

Yes \_\_\_\_\_

No \_\_\_\_\_

Explain \_\_\_\_\_

---

---

---

8. Would you agree with the view that big farmers have an advantage over the smaller ones?

Yes \_\_\_\_\_

No \_\_\_\_\_

Explain \_\_\_\_\_

---

---

---

9. How often do you hold meetings with the officials of the co-operative societies(s) and Union(s) \_\_\_\_\_

10. What do you consider to be some of the most pressing problems facing agricultural co-operatives in this district today?

---

---

---

---

---

11. How could they be alleviated? \_\_\_\_\_

---

---

---

---

BIBLIOGRAPHY

(A) Books

- APTHORPE, R.J., Rural Co-operatives and planned Change in Africa: An Analytical Overview. (Geneva: UNRISD, 1972)
- ANDREOU, A.F., (ed) Co-operative Institutions and Economic Development in Developed and Developing Nations. Nairobi: East African Literature Bureau (EALB), 1977.
- BAGER, T., Marketing Co-operatives and Peasants in Kenya. (Uppsala: Scandinavian Institute of African Studies, 1980).
- BAILEY, J., The British Co-operative Movement (London: Hutchinson's University Press, 1955)
- BARKAN, J. and OKUMU, J.J., (ed) Politics and Public Policy in Kenya and Tanzania (New York: Praeger, 1979)
- BENNET, G. and ROSBERG, C.G., The Kenyatta Elections: Kenya, 1960-61 (London: Oxford University Press, 1966)
- BIENEN, H., Kenya: The Politics of Participation and Control. (Princeton, N.J., Princeton University Press, 1974)
- BRETT, E.A., Colonialism and Underdevelopment in East Africa. (London: Heinemann, 1973)
- CAMPBELL, W.K.H., Practical Co-operation in Asia and Africa. (Cambridge; Heffer, 1951)
- CHAMBERS, R., Managing Rural Development: Ideas and Experience from East Africa. (Uppsala, 1974).



- COLE, G.D.H. A short History of the British Working - Class Movement 1789-1947  
(London, 1947. George Allen & Unwin Ltd)
- COLOMBAIN, M. Co-operatives and Fundamental education  
(Paris, U.N.E.S.C.O., 1950)
- DILLEY, M.R., British Policy in Kenya Colony  
(New York: Nelson, 1937)
- ENGELS, F., Anti-Duhring  
(Moscow, Foreign Languages Press, 1955)  
Socialism: Utopian and Scientific  
(New York: International Publishers, 1955)
- FAY, C.R. Co-operation at Home and Abroad  
(London : Staples Press, 1948)
- FRANK, A.G. Dependent Accumulation and Underdevelopment (London: Macmillan, 1978)
- GERTZEL, C., The Politics of Independent Kenya: 1963-68 (Nairobi: East African Publishing House, 1970).
- HEYER, J., et al; Rural Development in Kenya  
(Nairobi, East African Publishing House, 1971).
- HUNTER, G., Modernizing Peasant Societies  
London: Oxford University Press (OUP), 1969
- HOUGH, E.M., The Co-operative Movement in India  
(London: OUP, 1932).
- HYDEN, G., Efficiency Versus Distribution in East African Co-operatives  
(Nairobi: East African Publishing House 1973)
- HYDEN, G., et al Development Administration: The Kenya Experience (London: OUP, 1970)

- INTERNATIONAL LABOUR ORGANIZATION: Employment.  
Incomes and Equality: A strategy for  
Increasing Productive Employment  
in Kenya. (Geneva: I.L.O. 1972).
- KHAN, R.A. et al, Agrarian Systems and Rural  
Development (London: MacMillan  
Press, 1979).
- KITCHING, G.N. Class and Economic Change in Kenya:  
The Making of an African Petite -  
Bourgeoisie (New Haven, 1980).
- LAMB, G., Peasant Politics: Conflict and  
Development in Muranga  
(New York: St. Martin's, 1974).
- LELE, U., The Design of Rural Development:  
Lessons from Africa. (London, 1975)
- LEONARD, D.N., Reaching the Peasant Farmer  
(Chicago: Chicago University Press,  
1977).
- LEYS, C., Underdevelopment in Kenya  
(London: Heinemann, 1974).
- MAGUIRE, E.A., Toward Uhuru in Tanzania  
(Cambridge, 1969).
- MAMDANI, M., Politics and Class Formation in  
Uganda. (London: Heinemann, 1976)
- MBITHI, P. and RASMUSSEN, R.,  
Self-Reliance in Kenya: The Case of  
Harambee (Uppsala: Scandinavian  
Institute of African Studies, 1977)
- MOHIDDIN, A. African Socialism in Two Countries  
(London : Croom Helm Ltd., 1981)
- NYANGIRA, N., Relative Modernization and Public  
Resource Allocation in Kenya, a  
Comparative Analysis. (Kampala,  
EALB, 1975).

- ODINGA, O., Not Yet Uhuru (London: Heinemann, 1967).
- OKEREKE, O. The Economic Impact of Uganda Co-operatives (E.A.P.H., 1974)
- OUMA S.J., A History of the Co-operative Movement in Kenya. (Nairobi: Bookwise Ltd., 1980).
- POPPER, K. The Open Society and Its Enemies Vol. 1 (London: Routledge & Kegan Paul, 1954)
- SHANIN, T. (ed) Peasants and Peasant Societies (Penguin Books, 1971).
- SORRENSON, M.P.K., Land Reform in Kikuyu Country (London: OUP, 1967).
- Origins of European Settlement in Kenya: (London: OUP, 1968).
- SWAINSON, N., The Development of Corporate Capitalism in Kenya, 1918-1977 (Berkeley, 1980)
- VAN ZWANENBERG, R., Colonial Capitalism and Labour in Kenya, 1919-1939 (East African Literature Bureau, 1975).
- WIDSTRAND, C.G. (ed) Co-operatives and Rural Development in East Africa. Uppsala: Almqvist & Wicksells, 1972
- WOLF, E. Peasants. (New Jersey: Prentice Hall, 1966).
- WORSLEY, P. (ed) Two Blades of Grass (London: Manchester University Press, 1971).

- ODINGA, O., Not Yet Uhuru (London: Heinemann, 1967).
- OKEREKE, O. The Economic Impact of Uganda Co-operatives (E.A.P.H., 1974)
- OUMA S.J., A History of the Co-operative Movement in Kenya. (Nairobi: Bookwise Ltd., 1980).
- POPPER, K. The Open Society and Its Enemies (London: Routledge & Kegan Paul,
- SHANIN, T. (ed) Peasants and Peasant Societies (Penguin Books, 1971).
- SORRENSON, M.P.K., Land Reform in Kikuyu Country (London: OUP, 1967).
- Origins of European Settlement in Kenya: (London: OUP, 1968).
- SWAINSON, N., The Development of Corporate Capitalism in Kenya, 1918-1977 (Berkeley, 1980)
- VAN ZWANENBERG, R., Colonial Capitalism and Labour in Kenya, 1919-1939 (East African Literature Bureau, 1975).
- WIDSTRAND, C.G. (ed) Co-operatives and Rural Development in East Africa. Uppsala: Almqvist & Wicksells, 1
- WOLF, E. Peasants. (New Jersey: Prentice Hall, 1966).
- WORSLEY, P.(ed) Two Blades of Grass (London: Manchester University Press, 1971).

B. Unpublished theses and dissertations

ETYANG, M.N.

"Cotton Production in Busia District  
During the 1970s".

(M.A. Dissertation, Department of Economics,  
University of Nairobi, 1979).

MULAA J.K.

"The Politics of a Changing Society"

(M.A. Thesis, Department of Government,  
University of Nairobi, 1980)

NGETHE, J.N.

" Harambee and Development Participation  
in Kenya"

Ph.D. Thesis, Carleton University, Canada  
(1979)

C. Articles and Working Papers

ANYANG' NYONG'O, P. "Populism Without Populists:

Elections in Kisumu Rural Constituency, 1979

(Staff Seminar Paper No.2, 1980/81

Department of Government, University of  
Nairobi)

CAMPBELL, W.K.H.

"Memorandum on Co-operation in the Colonies

(Nairobi : Government Printer, 1944)

DOBRIN, A.

"The Role of Agrarian Co-operatives in the  
Development of Kenya" in the journal

Studies in Comparative International  
Development Vol.V; 1969 No. 6

MOHIDDIN, A.

"Capitalism or Socialism ?

Sessional Paper No. 10 Revisited" in  
East African Journal, March, 1969.

"Notes on the Colonial Background of  
Sessional Paper No. 10 of 1965"

(Paper presented to the East African  
Universities Social Science Council, 8th  
Annual Conference, 1973).

OYUGI, W.O.

"Participation in Development Planning  
at the Local Level"

(Nairobi University, I.D.S. Discussion  
Paper No. 163, 1973)

"Community Development as a Strategy for  
Local Development: A Theoretical  
Examination."

(Nairobi University, I.D.S. Working  
Paper No. 193, 1974)

"Bureaucracy and Rural Development  
in Africa"

(University of Sussex, I.D.S.  
Discussion Paper No. 133, 1978).

REYNOLD, J.E. and WALLIS, M.A.H.

"Self-Help and Rural Development in  
Kenya"

(Nairobi University, I.D.S. Discussion  
Paper No. 241, 1976).

SHAFFER, B.B.

"Improving Access to Public Services"  
(Sussex, 1973. I.D.S. Discussion Paper  
No. 23)

"Official Providers"

(I.D.S. Discussion Paper, Sussex, 1977).

"Can Equity Be Organized ? "

(U.N.E.S.C.O. Paris, 1981).

WESTERGAARD, P.W.

"Co-operatives in Tanzania; their  
functions as economic and democratic  
institutions - some economic comments".

(Economic Research Bureau of  
Dar-es-Salaam, Paper No. 70:16)

OYUGI, W.O.

"Participation in Development Planning  
at the Local Level"

(Nairobi University, I.D.S. Discussion  
Paper No. 163, 1973)

"Community Development as a Strategy for  
Local Development: A Theoretical  
Examination."

(Nairobi University, I.D.S. Working  
Paper No. 193, 1974)

"Bureaucracy and Rural Development  
in Africa"

(University of Sussex, I.D.S.  
Discussion Paper No. 133, 1978).

REYNOLD, J.E. and WALLIS, M.A.H.

"Self-Help and Rural Development in  
Kenya"

(Nairobi University, I.D.S. Discussion  
Paper No. 241, 1976).

SHAFFER, B.B.

"Improving Access to Public Services"  
(Sussex, 1973. I.D.S. Discussion Paper  
No. 23)

"Official Providers"

(I.D.S. Discussion Paper, Sussex, 1977).

"Can Equity Be Organized ? "

(U.N.E.S.C.O. Paris, 1981).

WESTERGAARD, P.W.

"Co-operatives in Tanzania; their  
functions as economic and democratic  
institutions - some economic comments".

(Economic Research Bureau of  
Dar-es-Salaam, Paper No. 70:16)

D. Official Publications of the Kenya Government

KENYA COLONY and Protectorate:

- Registrar of Co-operative Societies-  
Annual Reports (1946-1962)
- R.J.M. SWYNNERTON" A Plan to Intensify  
the Development of African Agriculture  
in Kenya"  
(Nairobi, Government Printer, 1955)

Kenya, Republic of:

- Central Bureau of Statistics
  - i) Economic Survey
  - ii ) Statistical Abstract
- Cotton Lint & Seed Marketing Board- Annual Reports.
- Development Plan 1966-70, 1970-74, 1974-78, 1979-8
- " Sessional Paper No. 10 of 1965 on African  
Socialism and Its Application to Planning in  
Kenya"  
(Government Printer, Nairobi 1965)
- " Sessional Paper No. 8 of 1970 on Co-operative  
Development Policy for Kenya."
- The Co-operative Societies Act (1966)
- The Co-operative Societies Rules (1969)

E. Journals, Magazines, Newspapers

Journals

- American Political Science Review
- East Africa Journal
- Journal of African History
- Journal of Commonwealth Political Studies
- Journal of Development Studies
- Review of African Political Economy

OF NAIROBI



Magazines

STELLASCOPE LTD. - The Weekly Review  
NAIROBI

TREND PUBLISHERS LTD - Viva  
NAIROBI

Newspapers

NATION NEWSPAPERS LTD. - The Daily Nation  
NAIROBI, The Sunday Nation

STANDARD NEWSPAPERS LTD. - The Standard  
NAIROBI