



# **Institutional Architecture and Pro-Poor Growth in the Office du Niger: Responses from Farmer Organisations**

A Pilot Study<sup>A</sup>

**Isaie Dougnon<sup>B</sup>  
and Lamissa B. Coulibaly<sup>C</sup>**

**Discussion Paper Series  
Number Thirteen  
August 2007**

**IPPG Discussion Papers  
available at  
[www.ippg.org.uk](http://www.ippg.org.uk)**

IPPG Programme Office, IDPM, School of Environment & Development  
University of Manchester, Arthur Lewis Building, 2.023, Oxford Road  
Manchester M13 9PL; Telephone 0161 306 6438; [ippg@manchester.ac.uk](mailto:ippg@manchester.ac.uk)  
[www.ippg.org.uk](http://www.ippg.org.uk)

A WE ARE GRATEFUL TO JOHN MORTON (NRI, LONDON) FOR HIS VERY HELPFUL COMMENTS; WE REMAIN RESPONSIBLE FOR CONTENT AND ERRORS  
B PROFESSOR OF ANTHROPOLOGY, UNIVERSITY OF BAMAKO, MALI  
C UNIVERSITY OF BAMAKO, RESEARCH ASSISTANT IN IPPG MALI



Paper prepared for the DFID-funded Research Programme, Institutions and Pro-Poor Growth (IPPG). The authors are grateful to DFID for the funding that made this research possible. The views expressed in this paper are entirely those of the author and in no way represent either the official policy of DFID or the policy of any other part of the UK Government.

Material published by the IPPG may be reproduced free of charge in any format or medium provided it is reproduced faithfully, not used in a misleading context and properly attributed to the author(s). Copyright exists in all other original material published by members of the Programme and may belong to the author or to the University of Manchester depending on the circumstances of publication. Enquiries should be sent to the editor at the above address.

## SUMMARY

This pilot study shows that the farmer organisations (FOs) were not able to adapt themselves in an adequate way to the new institutional architecture of the Office du Niger (ON). Sustainable answers to a range of members' concerns could not be achieved. These included the drop in the price of production materials, the reduction of revenues from the water license and from the interest rates of the agricultural credit, issues of land security, the increase in price of rice and the lack of social cohesion. This failure generated a social climate unfavourable to the partnerships between farmers and between the FOs and the ON that led to the contesting of legal institutions.

We will show how the FOs suffered multiple constraints which blocked their effective functioning. The intervention of the State and the ON will be required to lift these constraints. Our study also reveals that, in their fight for the improvement of family farms, the farmers entered into conflict with the ON over the implementation of new rules. The solution to these conflicts can be found in a closer reading of the decree of management, in particular of the systems of land tenure and license payment.

## CONTENTS

	PAGE
Map of the Office du Niger	4
1. Introduction	5
2. Historical Overview of the Office du Niger (ON)	7
3. Objectives and Basic Questions	10
4. Methodology	11
5. Legal institutions	11
5.1 Contract Plan	11
5.2 Decree of Management	12
6. Farmer Representation in the Legal Institutions	14
6.1. Joint Committee for the management of land	14
6.2. Joint Committee for the management of the network maintenance fund	14
6.3. Rural Council	15
6.4. Farmer Deputy General	15
6.5. Municipalities	15
6.6. Creation of legal institutions and the farmer's involvement	15
6.7. Organigram of the Office du Niger after the 1994 Reform	16
7. Farmer Organisations (FOs)	17
7.1 Autochtone Agricultural Association (AAI)	17
7.2 Agricultural Co-operative Association (ACA) from 1958 to 1963	17
7.3. Co-operative Units (UC) from 1963 to 1984	17
7.4. Village Associations (AVs) and the farmers' empowerment	17
7.5. Training and transfer of activities to the farmers	18
7.6. Unions: SEXAGON and SYNADDEC	18
7.7. Institutional reforms and the Farmer Organisation's boom at the Office du Niger	18
8. Constraints related to the transfer of activities to the Farmer Organisations	19
8.1 Legal Constraints	19
8.2 Economic constraints	21
8.3. Social constraints	23
9. Conflicts between the Farmer Organisations and the Office du Niger regarding the water and the land	25
9.1 Price of water and eviction of farmers from the land	25
9.2 Redistribution of new land parcels	26
9.3 Management of the funds allocated to the maintenance of the secondary network	26
9.4 Statistical profitability of rice	26
9.5 Participative development	26
9.6 Decentralisation	27
10. Failure of the Pro-Poor Growth Reform	27
11. Conclusion	30
11.1 What have we learnt?	31
11.2 Reinforcement of the Farmer Organisations	32
11.3 Should co-operatives replace the Village Associations?	32
Abbreviations	34
Bibliography	36
Reports	36



### MAP OF THE OFFICE DU NIGER

Source: Study of the Master Development plan for the Zone of the Office du Niger (September 1999).

## 1. INTRODUCTION

*Governments and aid agencies committed to reducing rural poverty have made vast investment in canal irrigation but performance has usually fallen far short of expectations. Millions of poor households who should have benefited have not done so. To improve the anti-poverty performance of canal irrigation systems is now one of the great practical and intellectual challenges facing humankind*

Robert Chambers

Located at the centre of Mali, the Office du Niger is the largest hydro-agricultural entity created by the French Colonial Administration in French-speaking western Africa. It was created in 1932 following the 1925 discovery of a fossil delta in the centre of Mali, the Niger Central Delta. At its creation, it presented an irrigable potential of about 1,5 million hectares of land, with a forecast of 960,000 rehabilitated hectares in 50 years. However, after 75 years the ON has only developed 82,000 hectares of rehabilitated and farmed surfaces, 7% of the expected objective.

When created, the ON's main objectives were: i) to satisfy the cotton need of the French textile industry and ii) to guarantee food security in rice of the Sahelian regions of the French Empire of Western Africa. In 1971, under the military regime of Mali, the agro-industrial complex abandoned cotton production and specialised in the production of rice. The objective was to improve the income and the standard of living of farmers, to ensure the food self-sufficiency of the country and to combat desertification.

It was already clear in the 1970s that the ON was far from reaching its irrigable land potential. In addition, the already equipped lands were in decline with a deteriorating hydraulic network and paddies' average returns per hectare at their lowest level (1,6 tons/ha). The farmers' situation worsened due to a general decline in production and monetary incomes as well as the overuse of land and the precariousness of land tenure. Therefore in 1977 the Government of Mali requested support from international sponsors<sup>1</sup> for the physical, institutional and financial rehabilitation of the ON. From 1987 to 1996 an important programme of technical rehabilitation of the ON's infrastructure was undertaken. The result was encouraging: more than 20,000 hectares of rehabilitated lands and an average output of 6 tons/ha of paddy. The intervention of the Netherlands through the programme 'Improvement of the Production of Rice in the Office du Niger' or ARPON (Amélioration de la Riziculture Paysanne à l'Office du Niger) during the 1980s was decisive in the success of this rehabilitation. ARPON gave priority to the training of managers and farmers, to the intensification of rice production through the introduction of more productive types of rice and to the dissemination of technical agricultural expertise.

Demographic Information 2003–2004	
Number of villages	249
Number of families	26,435
Total population	350,079
Male	174,471
Female	175,608

(Around 100 inhabitants/km<sup>2</sup> in southern Kala, Niono zone)<sup>2</sup>

According to the Study of the Master development plan for the Zone of the Office du Niger 2004 (*Etude du Schéma Directeur d'Aménagement de l'ON, 2004*), the current rehabilitated zone covers a surface of 9,740 km<sup>2</sup> for approximately 306,000 inhabitants with a high average density of 31.3 inhabitants/km<sup>2</sup>. The cultivated surfaces cover 135,800 ha of which 42% offer dry cultivation. Counter-season intensive agriculture for commercial purposes has progressed strongly for the last five years with 3,400 ha providing overall production of 85,000 tons.

Since 2000, in addition to the family farms, the Office du Niger has tried to install private investors (agribusiness) on its lands through a lease system (common lease of 30 years and long lease of 50 years). The farmers have argued that this system is a two tier regime and they demand to have access to the leases as well. They believe they could produce more with the security given by a lease, contrary to the precarious situation they currently suffer under the exploitative licence system. (See Dougnon, Improving Institutions for Pro-Poor Growth Report, 2005).

Whereas the agribusinesses (private investors) have secure access to land, thousands of farmer families, who have been living on the ON's land for more than five decades, suffer a precarious situation.

1. The Government of Mali presented, in 1997 at the World Bank, with the assistance of the Association for the Development of the Production of Rice in West Africa or ADRAO (*Association pour le Développement de la Riziculture en Afrique de l'Ouest*), an exploratory study on the intensification of rice growing at the ON. The World Bank agreed to provide its technical and financial aid and other international sponsors followed the example. The first rehabilitation pilot project was undertaken by the Netherlands in 1982. Currently six donors provide assistance to the ON: the European Union, the World Bank and the French, Dutch, German and US Governments (for more details see <http://www.worldbank.org/afr/findings/french/ffind61.htm>).

2. For more details see [http://www.maliagriculture.org/services\\_tech/Office%20du%Niger/page-ON.html](http://www.maliagriculture.org/services_tech/Office%20du%Niger/page-ON.html)

However long a farmer has been living at the ON, he can be expelled for the non payment, partial or total, of the water license. The painful events of 2003–2004 illustrate the problem: 4,700 families were expelled and, in total, 5,000 hectares were confiscated from their owners. Following the intervention of the Prime Minister of Mali, those who were expelled were reinstated on their lands in November 2004. However this conflict demonstrates how the land tenure regime is one of the main worries for farmers.

In addition to the agribusiness, Mali has been trying to develop a programme of participative development. The M'Bewani perimeter is an example of an experiment of participative development, where the farmers have taken part in the development of their land. This was also implemented in Macina and Sokolo. Regrettably these cases are already a source of conflict between the ON and the farmers. The farmers find that the cost of participation is too high considering the low production they can achieve from the land.

A study of the relationships between institutions and farmer organisations (FOs) at the Office du Niger (ON) could be fruitful for a number of reasons:

- The change of the status of the farmers at the ON from closely controlled workers to private economic operators;
- The ON, which was a closed company similar to those during the soviet period, became a company that works under the conditions of international sponsors (World Bank, USAID, International Fund for Agricultural Development, Inter-American Development Bank, French Agency for Development, etc.);
- The multiple constraints that prevent the FOs being able to influence the legal institutions;
- The multiple conflicts between the FOs and the ON concerning the water and the land.

This table shows the institutional and organisational changes at the ON between 1985 and 2000

Adopted Reform		Related Institution	Related Organisation
Farmers' Empowerment	1984–86		Creation of 140 Village Associations or AVs ( <i>Associations Villageoises</i> ) (commercialisation of paddy)
Introduction of agribusiness (private investors)	1994–96	Two new systems of land tenure: the common lease and the long lease	450 Groupings of Economic Interest (GIE) and 91 micro-finance, credit and savings institutions
Farmer participation in the management of water	1994–	Decree No. 96–188/PRM of 1 July 1996	Joint Committee for the Management of the secondary hydraulic network maintenance fund (CPGFERS)
Creation of the New ON and farmer participation in the management of land	1994–	Decree No. 96–188/PRM of 1 July 1996	Joint Committee for Land Management (CPGT)
Introduction of the Agro-Industry <ul style="list-style-type: none"> <li>• Experimental Chinese farm at M'béwani</li> <li>• Hydro-agricultural development of the <i>casier<sup>3</sup> de Alatona</i> for the USAID Millennium Challenge Account</li> </ul>	2000–		<ul style="list-style-type: none"> <li>• Co-operatives of agricultural producers</li> <li>• Association of service providers</li> <li>• Association of craftsmen</li> </ul>
Re-inforcement of unionism at the ON	1997–98	Official recognition of the unions by the ON	<ul style="list-style-type: none"> <li>• Union of the Farmers of the ON (SEXAGON)</li> <li>• Union of Farmers, Breeders and Cereal Producers (SYNADEC)</li> </ul>

According to the Inventory of Land Resources, on a total surface of 124 million ha, of which 74.8 million ha is desert, Mali has 5.5 million ha of forests and 43.7 million ha usable for agriculture and breeding. The land suited to irrigation was estimated at 2,200,000 ha, of which the Office du Niger owns 960,000 ha. To redevelop all the land suited to irrigation, the Government highlighted the need of:

3. *Note from the translator:* 'Casiers' are hydrologically isolated fields closed by a cordon of dikes that make them watertight. The water level inside can thus be regulated, allowing earlier cultivation. For example, in the event of heavy rainfall, the field can be isolated by closing the sluice gates, and during low water in summer the water can be retained inside the 'casier'

- Total water control (84,000 ha)
- Partial water control (recession farming)
- Rehabilitation of the slums (300,000 ha)
- Rehabilitation of the small and micro perimeters (9,000 ha)

The Government has stated food security and the fight against poverty as the major axes of its policy. As part of this it promised the rehabilitation of a surface of 50,000 ha over the period 2002–2007.<sup>4</sup> In addition to this programme, the Office du Niger set out an ambitious development project valued at 250.8 billion CFA Francs (265 million GBP).<sup>5</sup>

In Mali, agricultural activity occupies more than 80 % of the population, contributes to more than 40 % of the Gross Domestic Product (GDP) and constitutes more than 2/3 of the export earnings. The ON delivers 50 % of the national production of paddy rice.

Between 2002 and 2005, several development projects were launched in Mali: the hydro-agricultural dam of Tassoua in the region of Tombouctou, the Project Middle Bani (PMB) in the region of Ségou, the redevelopment of the plains of Pondori in Djenné. The question is how to make these projects beneficial to the poor? A comparison with the ON from this point of view could be useful.

## 2. HISTORICAL OVERVIEW OF THE OFFICE DU NIGER (ON)

During the colonial period recruitment to cultivate the irrigated areas was made, initially, by force. It was essentially done within four ethnic groups, Bamana and Minianka of Sudan (current Mali) and Samo and Mossi of Haute-Volta (current Burkina Faso) territory approximately 600 kilometres far from the Delta (Viguié, 1950). To this population was added an important number of farmer families which, voluntarily, decided to join the Office du Niger during the droughts of 1972 and 1984: Dogon, Peul, Bozo, Marka, Bamana, Bella. Finally, since the end of 1950s, the population has increased with civil servants, storekeepers, pensioners, and former ON workers laid off in 1993. The ON nowadays has a population of more than 300,000 farmers.

The initial objective of the ON was to help the farmers<sup>6</sup> become small land owners, masters of their destiny who would commercialise their agriculture to make money. In reality, this objective was never achieved due to the land regime set up by the colonial administration and then strengthened after independence. As well as a land regime which prevented the emergence of farmer land owners, it is also necessary to underline the existence of a system of land exploitation based on the strict application of norms elaborated and imposed by the ON's top management (it was prohibited to produce anything but rice until the mid 1980's).

The rehabilitation of land requires considerable investment which is out of reach for the farmers. The State invested the required initial resources and implemented institutions (land regime, scientific and technological support) with the single concern to protect and make profitable its investment. The State (colonial and post-colonial) gave itself the absolute right to monopolise the control of land at the ON (installations and eviction of farmers; increase or decrease of surfaces). Because the irrigation implied a new technical and commercial environment, the ON also monopolised all the upstream and downstream production, ensuring the definition of the technical standards and the control of their application, the supply of production material, farm equipment and oxen, the granting and collection of agricultural credit, as well as the purchase and transformation of paddy, the management of water and the maintenance of the networks (Yamin et Coulibaly, 1995:2). As a result, the farmers at the ON are only occupants with precarious rights to exploit the allocated lands.

With time, the central management of the ON, through control structures such as the economic police<sup>7</sup> (more than 4,000 agents worked for the Office du Niger before 1978), in addition to the land's degradation led to stagnation of production. The returns, which hardly achieved 2 tons/ha, did not allow the families to pay taxes and bills to the ON, nor to assure their own food self-sufficiency. The farmers increased complaints about their bad living conditions, the demands of the economic police, and the authoritarian

4. A project financed by Libya.

5. CFA Franc = Communauté Financière Africaine Franc. 1 GBP = 945.5141 CFA Francs (Source: www.xe.com at 30 September 2007).

6. The rice farmers at the ON are called 'colonists' meaning somebody who occupies land to exploit it. In fact, the true colonist is the State or the ON because they have a monopoly over both the land and water. In this text we use the term 'farmer' which is more revalorising than the term 'colonist', charged of prejudices and stigmatization (for more details on stigmatization of the term 'colonist', see Dougnon [2003]).

7. As described by Chiébane Coulibaly (1997), the economic police was a military body in charge of the repression of the 'clandestine commerce of rice' at the ON. It was an autonomous service, independent from the ON's administration. Its mission was to control the farmer products market. It was placed under the control of officers and sub-officers. It had its agents in the centres and main exits of villages of the ON. Actually, the main task of the economic police was to control the vehicles in order to confiscate any rice bag which exit was not authorized by the sub-officers and the ON agents controlling the zone, but rather than controlling vehicles, the economic police agents mainly the poor farmers. The vehicle owners used a system of corruption (1,000 CFA per bag) to exit as many bags of rice as they wanted. The economic police abused of its competences and often proceeded to body searches. The police were assisted in this by 'Gate-Keepers' located in the rice fields and villages. These 'Gate-Keepers' had the purpose of preventing the peasants from *fraudulently* harvesting their rice to sell it to traders. The abuses of these control structures ended up by revolt amongst the farmers, especially as these agents were recruited without any kind of training. (Coulibaly, 1997:101–102)

behaviour of the management agents who were assuming the right to expel outside the Office du Niger any farmer who would not comply with their orders.

In order to find a sustainable solution to the farmers' increasing poverty and to the economic stagnation of the ON, the Government of Mali undertook, at the end of 1980s, a policy called 'Farmers' empowerment'. This policy aimed at encouraging rural cooperation through organisations of co-operative type: Village Associations or AVs (*Associations Villageoises*) and Village Tons<sup>8</sup> or TVs (*Tons Villageois*), a kind of superior version of the AVs. The objective was to create a path towards endogenous, participative and integrated development. On 27 February 1982 Decree No. 53 was published, giving legal status to the Village Tons<sup>9</sup> (see *The Dynamics of Farmers Empowerment in the ON - La Dynamique de la Responsabilisation Paysanne à l'ON*, 1987:6).

Between 1984 and 1985, all the ON villages were organised into AVs. Thanks to the support of the Dutch programme ARPON (Improvement of the Production of Rice in the Office du Niger), the members of the AVs received several training courses in organisation and management, which helped them to undertake several economic activities previously carried out by the Office du Niger: mechanical threshing, commercialisation, credit to agriculture, supply of production material. Besides these activities, the AVs led social activities (health, elimination of illiteracy) and undertook several collective investments (in schools, stores, threshing machines, hulling machines) for the benefit of their members.

### Some historic stages of the Office du Niger

The table below captures the main developments in the Office du Niger

1919	Study conducted by the engineer Bélimé on the possibility of irrigation in the central delta of Niger.
1932	Creation of the Office du Niger in charge of the study and rehabilitation of the delta. The project envisaged the irrigation and cultivation of 510,000ha of cotton and 450,000ha rice by 300,000 farmers and their families.
1937	Opening of the channel of the Sahel. Installation of the first voluntary and forced inhabitants.
1947	Creation of the Markala dam and abolition of the forced recruitment of labour.
1948/61	Creation of the mechanised rice centre of Molodo on 5,600ha with paid employees.
1953	Opening of the Macina channel.
1960/61	Independence of Mali and hand-over of the Office du Niger to the Malian State. The ON has the monopoly on commercialisation, which led to the creation of the economic police to control the transfer of harvests; nearly 2,000 Mossi people return to their country.
1966	Beginning of the sugar cane cultivation with the assistance of the Chinese.
1970	Abandonment of the cultivation of cotton; monoculture of rice, attribution of 1 hectare for three people.
1975/76	Voluntary return of a second wave of Mossi inhabitants.
1975/80	Development of <i>hors-casiers</i> <sup>10</sup> cultivation.
1978	First studies for the rehabilitation of the casiers.
1978/81	Allocation of lands on the basis of 4ha by plough.
1979/82	Study of the requirement for water for rice and sugar cane (project BEAU <i>Besions en eau du riz et de la canne à sucre</i> ).
1981/84	Study of the management of water (project GEAU <i>Gestion de l'eau</i> ).
1982	Beginning of the rehabilitation programme ARPON (Improvement of the Production of Rice in the Office du Niger) in the Niono area.
1984	Suppression of the economic police; creation of the first village associations (AVs), orientation affirmed towards intensification and rehabilitation. Creation of the sugar complex of Higher Kala (SUKALA) and its separation from the Office du Niger. Free commercialisation of Paddy.
1985	Many purchases of oxen on credit FIA (ARPON). Experiment of cultivation in counter-season.

8. *Ton*, is a bambara word meaning organisation. The village *Ton* is a form of pre-colonial villages organisation based on solidarity and voluntary participation.

9. As part of the 1980s participative policy, the Malian Government tried and revitalised the Village Tons by giving them a legal basis, as opposed to the Village Associations which never got one.

10. Out of the 'casiers'.

1985/86	Beginning of the rehabilitation of the Sahel sector (Rétail project) land parcels and obligation of transplanting and double culture of rice on 25% of the rehabilitated parcels.
1988	Equipment or re-equipment thanks to the National Agricultural Development Bank or BNDA ( <i>Banque National de Développement Agricole</i> ) credit for the rehabilitated zone.
1989/90	Launch of project Rétail 2: 1,400ha. Suppression of very vast <i>hors-casiers</i> for ON and non-ON villages.
1994	Reform of the Office du Niger; disengagement of the Office du Niger from all activities related to commerce by transfer, long-term renting or cancellation of those activities not being able to reach the conditions of profitability. Creation of the current Office du Niger in charge of the missions related to the rehabilitation and maintenance of the networks, the management of water and the rural council.
1995	First Contract Plan over the period 1996–1998 signed between the State, the Office du Niger and the farmers. The Contract Plan determines, for each of the three partners, their technical, financial and institutional engagements.
1996	Decree of land management No. 96-188-P-RM supplemented by the decree No. 96-1695-MDRE-SG about specific conditions.
1998	Evaluation of the first Contract Plan 1996–98. Second Contract Plan 1999–2001.

Source: Study of the Master development plan for the Zone of the Office du Niger (*Etude du Schéma Directeur d'Aménagement pour la Zone de l'Office du Niger*), September 1999.

In 1994, the policy known as the Reform created the New Office du Niger (New ON).<sup>11</sup> The New ON was born from the ashes of the former ON through the privatisation, transfer and liquidation of its constituent entities.

The privatisation involved the following organisations: the Society of Rice-growers of the Delta or SRD (*Société des Rizeries du Delta*), the Society of Development of the Delta or STD (*Société des Travaux du Delta*), the Workshop of Assembly of Material or AMA (*Atelier de Montage de Matériel Agricole*) and the Fund for the Village Development or FDV (*Fonds de développement Villageois*). Several hundreds of workers were dismissed and the total cost of redundancies (in terms of rights, compensations and bonuses) was several million CFA Francs, which were paid by the French and Dutch Co-operations, the European Union and the USAID.

Following the 1994 Reform (creation of the New Office du Niger), farmers' participation was extended to the management of the water and the land tax through two Joint Committees, bringing together the representatives of the farmers and of the ON: the Joint Committee for the Management of the Secondary Hydraulic Network Maintenance Fund or CPGFERS (*Comité Paritaires de Gestion des Fonds de Redevance pour l'Entretien du Réseau Secondaire*) and the Joint Committee for Land Management or CPGT (*Comités Paritaires de Gestion des Terres*). These two organisations deliberate on the attribution of land and on the eviction of farmers.

The farms' equipments are considerable: the ON zone included in June 1999, 514 threshing machines, 498 hulling machines, 149 motorised cultivators, 32 tractors and 122 mills. Today, livestock is estimated at 482,000 heads, with a strong predominance of cattle. 160,000 heads of cattle belong to the ON's farmers.

At the ON the production of rice is varied: intensive production of rice in the rehabilitated casiers and increasingly intensive production of rice on the non-rehabilitated casiers and *hors-casiers*. Pluvial agriculture, however, also remains important; it equals and sometimes exceeds the surfaces where rice is cultivated.

From the 1990s a diversification strategy was pursued at the ON. The ON's management understood that with rice only, the farmer could not escape from the trap of poverty and debts.<sup>12</sup> Intensive agriculture for commercial purposes was developed very strongly in 1997 and 1998; the main crops were: onion, sweet potato, tomato, garlic, gumbo and chilli. Further diversification occurred with the development of production of corn and potatoes.

A further point worth noting is that the development of irrigation in the rehabilitated zones, by creating vast zones of flood, was favourable to fish reproduction and increased the practice of fishing. Fishing is practised, besides the professionals in Bozo and Somono, by certain farmers in the zone. The population

11. The 'New Office du Niger' means simply the 'privatisation' of some of its economic activities, in which farmers and outside interests can now compete. From being a state-owned enterprise, in the mid-1990s it became an administrative structure for land and water allocation, in which the private sector can operate alongside family farms in the production and commercialisation of rice. It is note-worthy to mention that after the redefinition of the ON missions, international donors supported the reinforcement of FOs (Farmer Organisations, notably Farmers' Unions) and of micro-finance institutions in the ON.

12. For more details see Dougnon (2002) '*Migration et introduction du maraîchage du Plateau Dogon à l'Office du Niger: du rejet à la reconnaissance, le cas de Diabaly*' in Mamadou Diawara, ed., *L'interface entre les Savoirs paysans et le Savoir Universel*. Bamako: Le Figuier, Présence Africaine, pp. 162–178.

of fishermen is estimated at 7,500 individuals, to whom we should add seasonal fishermen who are not from the zone.

In sum, the ON has experienced three big institutional reforms in 20 years: farmer empowerment through the AVs, the Reform, which redefined the roles of the ON and of the FOs, and the introduction of participative development and agribusiness (private investors). However these reforms have not, so far, saved the farmers from poverty nor have they allowed the ON to maximise its potential. Where do the causes lie? Is it the in-land regime or in the farmer organisations?

### 3. OBJECTIVES AND BASIC QUESTIONS

We undertook prospective studies (in October and December 2005) to examine how some Malian economic institutions (Office du Niger, Mali Company for the Development of Textiles or CMDT *Compagnie Malienne pour le Développement des Textiles*) could, in the years to come, contribute to a pro-poor economic growth. This experimental research focused on the Office du Niger which remains the state company where reforms raise most controversies because of socio-economic consequences. Indeed, the Malian Government introduced agribusiness into an environment where the farmers didn't have full understanding of the rules. The FOs were not capable of benefiting from the opportunities offered by the institutional reforms. Facing competition from the big private investors, the farmers were worried about their own economic and social survival at the ON:

- At what price will the farmers have access to the irrigated lands?
- In the context of the agribusiness, how will the old and the new irrigated lands be beneficial to the poor farmers?
- How can the family farms be improved in surface and productivity?

Several studies carried out in western Africa show the importance of family farms in the reduction of rural and urban poverty. According to Michael Lipton, three conditions must be met to improve the productivity of family farms:

- National political and economic incentives and institutions to create and apply appropriate crop science,
- enough land in the hands of the efficient farming poor,
- opening and widening markets (Lipton, 2004:2)<sup>13</sup>

Toulmin and Guèye think that the distinction made between the family farms and agribusiness (private investors) has no basis. 'The first is often presented as backward, inefficient and subsistence-oriented while the second is attributed the virtues of being modern and forward-looking, efficient and market-oriented' (Toulmin and Guèye, on 2003:31-32).

Referring to several studies carried out in Asia or in Latin America, Toulmin, Guèye and Lipton support that the productivity is superior in a small family farm than in a wider farm. They state that 'small farms have lower labour-related transaction costs, more well-motivated family workers per hectare, each able to find, screen, and supervise hired workers over a smaller area' (Lipton, 2004:3).<sup>14</sup>

However, having supported for more than 50 years the family farms at the ON with no long-term success, the Malian Government has now granted advantages to agribusiness (private investors), which has a commercial and industrial orientation. Essentially the Government massively distributes lands to those who have the financial means to exploit the lands. Some big local farmer organisations obtained leases from the ON, but they lack adequate resources to develop these lands.

We will try in the following pages to answer basic questions such as: how do the farmer organisations support the interests of the farmers in the new institutional architecture of the Office du Niger? How do the farmers explain their decisions to reject or to conform to the legal institutions? How do the farmer organisations play their increased role in the definition and execution of the policies in the sector regarding production of rice? How do they judge from a moral, ethical and egalitarian point of view the functioning of the formal institutions? What kind of conflicts arises from the interaction between legal institutions and farmer organisations?

To answer these questions, we will begin with a historic description of the FOs and of the legal institutions. We will describe the multiple constraints (social, cultural and organisational) faced by the FOs which are often the main source of conflict between them and the legal institutions. We will emphasise the complex relationship between the FOs and the legal institutions: relationship of complementarity<sup>15</sup> or competition? We will discuss the absence of complementarity, which is necessary to pro-poor growth, between the FOs and the legal institutions (including micro-finance). Finally, we will highlight how the Reform aggravated

13. For the moment the ON just meets the last condition which constitutes a threat for the second one. As for the first condition, the research on agriculture (monopolized financially and materially by the only Institute of Rural Economy - IER) is in a precarious situation given the budgetary reductions.

14. As we will see later in the section of constraints, at the ON we observe the opposite tendency: a too high cost of immigrant labour in the family farm and the erosion of the discipline of work at the level of the family members.

15. *Note from the translator:* the term 'complementarity' (*complementarité*) refers to the inter-relation of reciprocity whereby one thing supplements or depends on the other.

the conflicts between the ON and the FOs, on the one hand, and between the diverse FOs on the other hand.

## 4. METHODOLOGY

For this pilot study we used a qualitative and participative approach. We used interview guides to interview the farmers, the active and retired employees of the ON and the private investors. This approach included focus groups (with members of the AV's) and the analysis of documents collected at Ségou. These documents supplied information on the history of the FOs, the types of transferred responsibilities and the difficulties of their appropriation by the farmers.

However, by reading the qualitative data on the links between production and poverty, between debt, corruption and explosion of the AVs, between the variations of the price paid to farmers and the market price of the rice, we think that quantitative data is necessary to make a more revealing analysis of the situation at the ON. We consider that in the next phase of the study, an economist will be necessary to fill this very visible gap in the present pilot study. A quantitative analysis of the migrant workers' income in the ON will be useful to test the assertion of the farmers according to which the migrants would gain (in net terms) more than the farmers, because labour takes 16 % of the expenses connected to the production of rice. The chosen villages in each zone are the following:<sup>16</sup>

Zones	Villages
Niono	Gnoumanké, Bagadadji, Médina, Fobougou, Niono
N'Débougou	Nionbougou, Bolibana, N'Débougou
Kouroumari	Kourouma, Diabali, Yangasadiou Kana, Kourouma Cura, Surugutu, Diabali Kura, Dogofry I, Dogofry Ba, Ratenga
Macina (casiers of Niaro, Boky-èrè, Kokry at Ké-macina)	Bassan-Coura, Tongoloba, Oula, Lafiala, Kankan, Darsalam, Ké-Macina Djimédjiladaga et Kologotomo
Ségou	Headquarters of the ON and Documentation Centre of the ON
Bamako (Agriculture Ministry)	Institute of Rural Economy

## 5. LEGAL INSTITUTIONS

Two statutory texts clarify and regulate the relationship between the Office du Niger, the farmers and the State, regarding the management of irrigated lands and their development:

a) The 1996–1998 Contract Plan between the State, the Office du Niger and the farmers signed on 27 December 1995

b) The Decree of Management of 1 July 1996 (decree n°96–188/P-RM), about land management, completed by the decree n°96–695/MDRE-SP of 30 October 1996 with specifications.

We will begin this section with a brief description of the contents of the Contract Plan. However, in this section we will focus our analysis on the second legal institution (the Decree of Management), which determines the security of the farmers' income. It is also the institution of which farmer unions deeply demand revision. We consider that its revision is crucial to fight against poverty in the ON.

### 5.1 Contract Plan

The Contract Plan<sup>17</sup> determines the consensual framework of partnership between the State, the ON and the farmers for the implementation of a development policy for agricultural production in the ON. The

16. The study took place in three zones out of six (Niono, N'Débougou and Kouroumari) plus Ségou, the ON's headquarter. In each of these zones, we chose some villages with Village Associations (AVs – *Associations Villageoises*) and Economic Interest Groupings (GIEs – *Groupements d'Intérêt Économique*). Our investigation took place essentially in the rehabilitated zone.

The sixth zone of M'Béwani has just been created. It opened less than three months before this report was completed. It was previously part of the Niono zone and we are interested in this zone (especially for future investigation) because its development – funded by the World Bank – included the farmers' participation. It is the zone where the Government experimented for the first time with the foreign agribusiness (private investors) and experimental Chinese farm. The Chinese people rent the land to the Malian farmers instead of farming it directly. We were told that the Chinese do that because whenever they cultivated the rice themselves for the first time, most of their rice was stolen; the thieves were never found. Following this bad experience, the Chinese investors now prefer to rent.

17. A Contract Plan lasts for three years. It can be revised at the request of one of the partners following a major event questioning its foundations.

Contract Plan determines, for each partner, the technical, financial and institutional commitments as well as the principles and mechanisms to achieve the Government's objectives.

An evaluation of each Contract Plan provides judgements on the results of economic production and helps determine whether the institutional reforms, intended to reinforce the relationship between the State, the ON and the farmers, were really implemented.

## 5.2 Decree of Management

The Decree of Management is the 'the engine' of the Contract Plan. Both statutory texts have a relationship which recalls the relation between the Rulebook and the Internal Regulations of an organisation. The Decree of Management contains 4 chapters. The first chapter tackles the general clauses about land allocation in the ON by the Government (Study of the Master development plan for the Zone of the Office du Niger or *Schéma Directeur*, 1999).

### 5.2.1 Management of water and maintenance of the hydraulic network

The second chapter of the Decree of Management is about the management of the hydraulic network, which is divided into 3 categories: primary, secondary and tertiary networks. The Office du Niger manages, on behalf of the State, the dam at Markala and its annex networks (channel of navigation, lock of the Thio), the feeder channel and primary channels (the channel of Sahel and the fala (artificial pond) of Molodo, the channel of Macina and the fala of Boky wèrè, the regulating works of points A, B and C, the section of the principal drains located out of the limits of the rehabilitated zones). The Office du Niger manages for its own account the secondary network. It assumes the financial responsibility for the maintenance of the secondary network and for the collection of taxes on farmer production.

The farmers, under the supervision of the Office du Niger, are in charge of the maintenance and management of the tertiary hydraulic networks.<sup>18</sup> In the event of non-maintenance, the ON carries out the maintenance in place of the farmers, but the farmers must still pay for the maintenance work undertaken by the ON. The tertiary hydraulic networks include:

- the sprinklers and the related irrigating system,
- the sub-sprinklers and the related irrigating system,
- the drains of sprinklers and sub-sprinklers,
- the dykes,
- the field and lot tracks.

Chapter four of the Decree of Management is about the Joint Committees: CPGT (Joint Committee for Land Management) and GPGFERS (Joint Committee for the Management of the Secondary Hydraulic Network Maintenance Fund). The institutionalisation of the joint committees intended to answer two concerns expressed in the letter of Development Policy of the National Rice Production Policy: land security for the farmers (Joint Committee for Land Management) and participation of the farmers in the management of the rehabilitation works (Joint Committee of Management of the Secondary Hydraulic Network Maintenance Fund).

### 5.2.2 Water license

According to the ON managers, 'the best guarantee of security for the farmers is the payment of the water license'. Indeed, the non-payment of the license is the most frequent reason for contract cancellation.

The water license rate is fixed annually by the decree of the Ministry in charge of the farmers involved in the following land tenure regimes: Annual Farming Contract or CAE (*Contrat Annuel d'Exploitation*), Farming License or PEA (*Permis d'Exploitation Agricole*) and the Temporary Farming License (temporary PEA). The rate is informed by the ON services. Every year the ON collates information and prepares a file to determine the level of water license on the basis of the following elements:

- The hydraulic management charges of all the primary and secondary networks,
- the costs of the ongoing and periodic maintenance of the secondary network,
- the provisions for potential major repairs of the secondary network,
- the fair share of the structure expenses corresponding to these activities,
- the provisions for the collective defence of cultivated land.

The water license rate also takes into account the different types of lands: developed lands, newly developed lands, rehabilitated lands and non-rehabilitated lands.

The ON prepares a file regarding the determination of the license rate which is then checked by the GPGFERS (Joint Committee for the Management of the Secondary Hydraulic Network Maintenance Fund), which calls a General Assembly for the occasion. At the end of this consultation, the CEO, having

18. In addition, the Office du Niger executes or executes by SUKALA, a limited company, the maintenance of the system Costes-Ongoïba. The management of water and the maintenance of the channel Costes-Ongoïba are the object of an agreement between the Office du Niger and SUKALA limited company.

submitted the results to the ON Board of directors, passes it to the Minister in charge of determining the license rate by Decree. The License must be paid on 31 March of each year at the latest.

### 5.2.3 Types of land tenure

Chapter three of the Decree of Management defines five types of land tenure: Annual Farming Contract or CAE (*Contrat Annuel d'Exploitation*), Farming Licence or PEA (*Permis d'Exploitation Agricole*), housing lease, long lease (50 years) and common lease (30 years).

- The Annual Farming Contract or CAE (*Contrat Annuel d'Exploitation*) is limited to two years (two agricultural campaigns). It is contracted by the farmers recently settled in the developed or rehabilitated lands. The CAE is contracted with the farm manager, without any gender distinction.<sup>19</sup> It can be signed with a Farmer Organisation or Grouping. In this case, the contractual document will be signed by the representative duly appointed by the organisation. The organisation must be a legal entity governed by regular legal documents. The CAE can be tacitly renewed; the farmers holding an annual farming contract can, at the end of the second year, request a Farming license (PEA). The criteria taken into account are as follows:

- o the correct maintenance by the farmer of the hydraulic network of irrigation and drainage serving his parcels of land,
- o respect for the farmer's turn to get water,
- o the level of cultivation, evaluated by its output and by the quality of the execution of the planned tasks,
- o the regular payment of the license.

- The Farming Licence or PEA (*Permis d'Exploitation Agricole*) granted on developed or rehabilitated lands gives to the beneficiary an indefinite right to exploit land which is transferable to the spouse, a descendant or a recognised collateral.

- The housing lease is granted, in villages or towns situated in the ON, to the holders of a farming permit 'whatever regime it is' and to 'all those who undertake activities useful to the promotion of the farming of lands, or activities useful to cover the economic and social needs of the inhabitants of the zone'. It confers an indefinite right of land exploitation, which is transferable with the ON's agreement.

- The common lease, with duration of 30 years renewable infinitely, grants non-developed lands to physical persons and legal entities for the purposes of establishing companies of production, transformation, commercialisation, services related to the production of rice or to any other activity related to agriculture, forestry or breeding.

- The long lease confers to the beneficiary the right to have land in a non developed zone to install production, transformation, business or service companies. The beneficiary has the responsibility to develop the land according to the lease contract and the specifications. The long lease is agreed through an annual payment fixed by Decree of the Ministers Council and has duration of 50 years, renewable by agreement of all the parties.

According to ON staff, the lease policy aims to:

- reduce the strong pressure on land,
- compensate the incapacity of the State to develop all the available lands (i.e. provide a solution to the deficit of developed lands, the system of turnkey development could not satisfy the farmer needs any more),
- increase the pace of land development,
- assure food self-sufficiency,
- promote the production of rice to cover national need and generate a surplus to export,
- develop private initiative: the possibility is given to every farmer or group of farmers to have a lease according to their capacity.

It is important to note that all these land tenure regimes, with the exception of the Annual Farming Contract, confer an indefinite exploitation right, transferable to the spouse, a descendant or a recognised collateral. It is necessary, however, to underline that these contracts can be terminated in case of non compliance with certain conditions.

### 5.2.4 Causes of contract termination and evictions

The main causes of contract termination are:

- non exploitation of lands,
- non payment of taxes and licenses after formal notice,
- non maintenance of the hydraulic network serving the lands (cleaning of the sprinklers, drains of sprinklers, channels and drains of the lands),

19. Before the 1994 reform, women did not have access to these land regimes

- sub-letting or transfer of parcels,<sup>20</sup>
- systematic non compliance with the other contractual commitments and with the measures of the Decree of Management and Specifications.

One of the objectives of the IPPG report is to answer the following question: to what extent and under what conditions can formal institutional change bring a sustained decline in poverty? At the ON, farmer participation in certain legal institutions can be considered an institutional change intended to drive improvement of the farmers' living conditions. It is important to note that since 1994, the farmers participate (to a greater or lesser extent) in the Joint committees and in the Rural council.

## 6. FARMER REPRESENTATION IN THE LEGAL INSTITUTIONS

One of the institutional innovations of the 1994 Reform is the active participation of the farmers (via their General Deputy) in the debates and in the preparation of the Contract Plan, which establishes the relation between the ON, the farmers and the State concerning the management of irrigated lands (see section 1) and in the Decree of Management. The farmer participation in these activities allowed for redefinition of the Joint Committees and of the respective roles of the different parties (ON, State, FOs) and of the Rural Council. In accordance with the policy of decentralisation, the ON adopted a principle of revision of the Decree of Management according to evolution by the Joint Committees. But what are the responsibilities of the two Joint Committees and of the other legal institutions (Rural Council, Municipalities and General Deputy)?

### 6.1. Joint Committee for the management of land

The necessity of revitalising the various entities of the ON, of improving the farmers' participation and of introducing more transparency in the centralised management of the licensing funds led, from 1990 onwards, to the creation of the Joint Committees.

Articles 5 and 7 of the specifications promulgated in 1996 stipulate that a Joint Committee for Land Management (CPGT) must be established in each zone of the ON. This Joint Committee is in charge of:

- Receiving and examining the allocation or reallocation of lands with agricultural or building purposes,
- Examining eviction proposals for farmers failing to fulfil their responsibilities;
- Examining the farmers' complaints about the Office du Niger and its services;
- The CPGT of the zone also serves as mediator in the disputes between the ON and the farmers.

The CPGT in each zone is in charge of the following issues:

- Allocation of land for new installations, except for the long and the common leases;
- Adjustment of farmer's quantity of land;
- Keeping the farmers' register up-to-date when someone dies.
- Division of farms previously belonging to the same family.

### 6.2. Joint Committee for the management of the network maintenance fund

The Decree of Management stipulates the establishment of a Joint Committee for the Management of the Secondary Hydraulic Network Maintenance Fund (CPGFERS) at a zone level. The CPGFERS is in charge of:

- Approval of the annual budget for network maintenance;
- Elaboration, adoption and execution of the maintenance programme of development (including the market share allocation to private companies);
- Control of the use of funds and the acceptance of works;
- Improvement of the collection of license payments, particularly by greater sensitisation of the farmers;
- Examination of farmer applications for tax reductions.
- The CPGFERS is also used as a mediating authority in the case of any disagreements between the farmers and the Office du Niger regarding licenses and the maintenance of the networks.

The Joint Committees are composed of an equal number of farmers, ON representatives and development partners. These Committees consist of:

On the ON zone side:

20. Apart from the sub-letting and the transfer, the Decree of Management forbids the creation of a 'land-market' in which property titles could be exchanged. However, this legal-blocking based on the decree has not prevented the development of multiple, irregular land transactions. This situation, mentioned in numerous reports, seems to be known by everybody and introduces an increasing gap between reality and law in the ON (see the 'Study of the Master development plan for the Zone of the Office du Niger, 2004' [Etude de Schéma Directeur d'Aménagement de l'ON])

- The zone's director, who chairs the Committee
- the Head of the Department of Water Management or SGE (*Service de gestion de l'eau*)
- the Head of the Administrative and Financial Service or SAF (*Service Administratif et Financier*)
- the Head of the Rural Council Department,
- the personnel in charge of the projects financed by external sponsors.

On the farmers' side:

- A farmer representative is elected for each family farm and for each casier.

### 6.3. Rural Council

The role of the Rural Council is as follows:

- Diffusion of technical topics (via network of contacts in the villages)
- Credit management support (assessment of the AVs (Village Associations) and TVs (Village Tons)
- Liaison with research and development initiatives (in collaboration with the Institute of Rural Economy)
- Land management (installation, eviction, regrouping)

The ON has liberalised these activities: if a Non-Governmental Organisation (NGO) wants to be responsible for them, it can do so with the agreement of the ON. Some representatives affirm that NGOs intervene only in those villages that are well organised by the ON, that is in the pilot villages.

### 6.4. Farmer Deputy General

The Farmer Deputy General represents the farmers at the ON Board of Directors. On behalf of the farmers he signs the Contract Plan. However, all the farmers say that once elected, he becomes a man of the ON. They characterise his power thus: 'the power of the General Deputy is the ability to speak out, otherwise, he cannot solve anything in the farmers interest.'

### 6.5. Municipalities

The creation and recent full establishment of local authorities, and in particular rural municipalities, constitute a major change in the institutional landscape. Article 3 of the Decree N0 96 of the Ministry for Rural development and the Environment stipulates that within the framework of decentralisation, the ON will be able to entrust by convention some functions of land management to the rural Municipalities.

The rural municipalities could notably be entrusted with functions of:

- Definition of the spaces to be allocated to collective or specific needs such as breeding spaces
- Land allocation for housing
- Land allocation for traditional cultivation in the hors-casiers zones (See, Law N0 96 MDRE-SG including specifications, 1996)

A convention between the ON and each municipality stipulates in detail the conditions and modalities of delegation of management activities. It is clear that the text does not entrust ownership of the land to the municipalities – only management of the land.

### 6.6. Creation of legal institutions and the farmer's involvement

The Reform was the most spectacular restructuring of the ON since its creation in 1932. Since implementation, farmers have been worried about two key institutions of the Office du Niger: one related to land security and the other related to the water license; in other words, the Decree of Management and the Contract Plan. The farmers were not involved in the preparation of the Reform legal texts. They were simply given an explanation of the contents of the various regulatory texts during a meeting, held in Niono on 25 October 1994. The minutes of the meeting show that M. Djibril Aw, General Deputy of the Government for the ON Reform, explained to the farmers the contents of the agricultural policy letter and of the law 1994-004 reforming the ON (See the 'Minutes of the Consultation Meeting with the ON Development Stakeholder, 25–28 October 1994').

Our discussions with the farmers made clear that these laws came from the top. Apart from some of the leaders, most individual farmers do not clearly understand how the ON formal institutions work. This situation exacerbates the conflicts between the ON and the farmers. Some of the key questions that need to be addressed are:

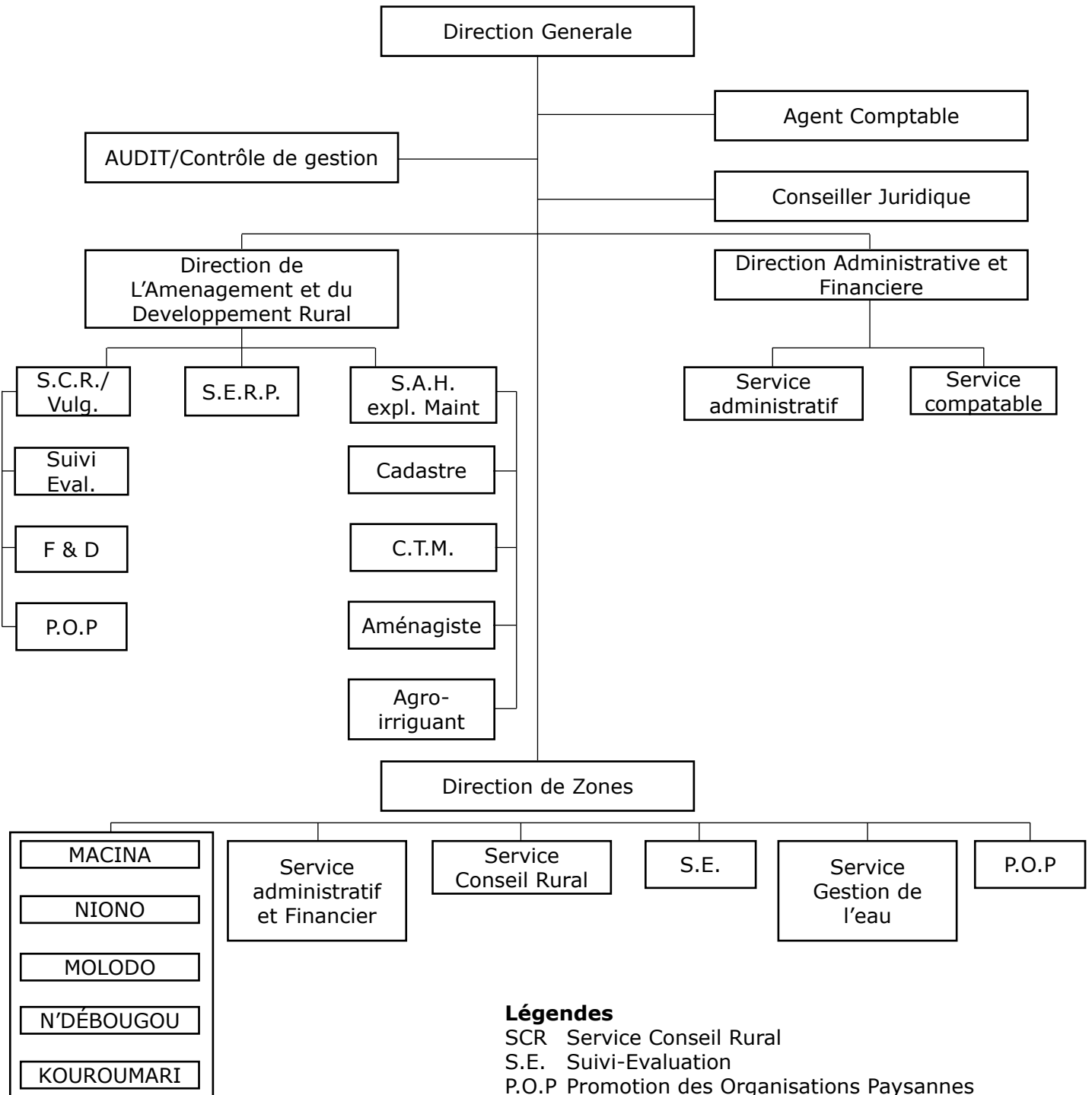
- What is the level of understanding that the farmers have of the management of the water license?
- Given that half of the license funds are allocated to the ON administration and the other half to the maintenance of the secondary network, do the farmers understand the objective of this allocation?
- Are the farmers involved in the management of the funding allocated to the maintenance of the secondary network? How do the Joint Committees work? Is it possible for the farmers to control the

management of the funds allocated to the maintenance of the secondary network?

- How do the three stakeholders (ON, Joint Committees and individual farmers) organise their engagement?

We will describe the farmers' responses to these questions in the section about constraints in the transfer of activities. But before that, let's have a look at the FOs history. How have they been created? Was their role clearly defined? How were they affected by the inheritance of previously centrally managed tasks? What kind of social and cultural forces have determined their character and their action? What kind of relationship do they have with the legal institutions?

### 6.7. Organigram of the Office du Niger after the 1994 Reform



**Légendes**

- SCR Service Conseil Rural
- S.E. Suivi-Evaluation
- P.O.P Promotion des Organisations Paysannes
- F & D Femmes at Développement
- S.A.H. Service des Aménagements Hydrauliques
- C.T.M. Cellule Travaux et Marché
- S.E.R.P. Service d'Exploitation du Réseau Primaire
- S.G.E. Service Gestion Eau
- S.A. Service Administratif
- S.C. Service Comptable

## 7. FARMER ORGANISATIONS (FOs)

Since their creation in 1932, the Farmer Organisations tried to organise the farmers in co-operative associations (see 'The dynamics of the farmers' empowerment in the ON' - *La dynamique de la responsabilisation paysanne à l'ON*, 1987). We examined the following FOs:<sup>21</sup>

### 7.1 Autochtone Agricultural Association (AAI)

Created by decree on 26 July 1931 by the General Governor in Dakar, the Autochtone Agricultural Association or AAI (*Association Agricole Indigène*) was an organisation which each farmer and family was obliged to join. The objective was to improve living conditions and production methods and to provide some equipment to its members. Subsequently, in 1942, the Federation of AAIs of the Irrigated Lands in the Valley of Niger (FAAITIVN) was also created.

### 7.2 Agricultural Co-operative Association (ACA) from 1958 to 1963

The Agricultural Co-operative Association or ACA (*Association Coopérative Agricole*) give support to the AAIs that have failed. The ACAs have a role in the following economic functions:

- agricultural techniques,
- harvests and mechanical threshing,
- collection, conditioning and commercialisation,
- selection of seeds,
- use of transport equipment,
- use of the cattle jointly owned,
- credit and savings action,
- provisioning or supply action.

### 7.3. Co-operative Units (UC) from 1963 to 1984

The Co-operative Units or UC (*Unités Coopératives*) were created in application of the law number 63-21 AN-RM of 25 January 1963, under the general statute of Co-operation in the Republic of Mali. There were 35 UCs for 35 Production units in the ON.

The UCs had the same functions as the ACAs. In 1979, the funds of the UCs federation were transferred to an account in the Mali Bank for Development (BDM) in Niono. It was the beginning of the self-management by the farmers' general deputies.

Following a recommendation by the ON Board of Directors in October 1986, the UCs assets were transferred to the Village Associations. We believe that these FOs failed because of the tight control exerted by the ON.

### 7.4. Village Associations (AVs) and the farmers' empowerment

During its constituting Congress of March 1979, the Democratic Union of the People of Mali or UDPM (*Union Démocratique du Peuple Malien*), a single dictatorial party, based its policy of co-operation in rural environment on the AVs (Village Associations) and the TVs (Village Tons) in order to induce endogenous, participative and integrated development. On 27 February 1982, the Government published decree number 53 on the statute of the Village Tons (see *The Dynamics of the Farmers Empowerment in the ON - La dynamique de la responsabilisation paysanne à l'ON*, 1987). The AV was presented as a pre-co-operative transitory organisation that will become a TV. At the ON, the Government created 140 AVs in two years: 66 AVs in 1984 and 74 in 1985. This acceleration followed the farmers' complaints about the economic police's exactions and the abusive behaviour of certain supervisors.

21. Besides these, there are other social and professional farmer associations such as the Chamber of Agriculture and the permanent Assembly of Chambers of Agriculture, all of which operate in the ON. The law N93-044 which created the regional chambers of Agriculture and the permanent Assembly of the Chambers of Agriculture, defines them as Public Establishments with professional character, endowed with legal personality and financial autonomy. The regional Chamber of Agriculture have jurisdiction in the administrative regions of the country. The Permanent Assembly of the regional Chambers of Agriculture of Mali was created at a national level. The regional Chambers of Agriculture and the Permanent Assembly of regional Chambers of Agriculture are consultative professional organizations of agricultural interest. They are interlocutors of the Public Authorities in all aspects regarding:

- policies of price, income, credit and commercialization of farm products;
- legislation relative to the agricultural, breeding, forest, fish, fiscal and customs activities;
- legislation relative to the labour law of the agricultural, breeding, forest activities as well as those activities relating to the land license tax in rural areas;
- agricultural training;
- means to develop agricultural activity.

## 7.5. Training and transfer of activities to the farmers

According to the *International Elimination of Illiteracy Report* (September 1986), in order to transfer some activities from the ON to the farmer organisations, a significant number of farmers received special training, resulting in:

- 405 threshing-machines drivers,
- 112 primary harvest agents,
- 90 seed managers,
- 280 managers of the sack trade,
- 132 treasurers of the AVs/TVs,
- 15 agents for the soap manufacture,
- 19 agents of veterinary pharmacies,
- 256 agents of village health.

The transferred activities are:

- Mechanical threshing. It is the economic base of the farmer organisations thanks to the small threshing-machines or the large threshing-machines, commonly called the 'Votex' of the Farmers empowerment,
- Sack management,
- Seed management,
- Primary harvesting (thanks to the acquisition of the weighing machines),
- Combating desertification,
- Improving shelters,

## 7.6. Unions: SEXAGON and SYNADEC

Two farmer unions exist in the ON. The Union of Farmers of the ON or SEXAGON (*Syndicat des Exploitants Agricoles de l'ON*) was created in 1997 and remained the sole Union for just one year until the Union of Farmers, Breeders and Cereal Producers or SYNADEC (*Syndicat des Agriculteurs, Eleveurs et Céréaliéristes*) was created in 1998 following a split from SEXAGON. In addition to the Farmers of the ON, the SYNADEC has members of other professions outside the ON irrigated zone.

The unions' objective is to defend the interests of the family farms, in particular regarding the land. Union existence is more legitimate than ever but they recognise that farmers must prove that they can make progress in technical and economical fields without the help of the agribusiness. SEXAGON therefore created a programme based on three points:

- strengthening the unions in the ON;
- creating commercialisation co-operatives;
- implementing a research centre of technical innovation and farming expertise.

## 7.7. Institutional reforms and the Farmer Organisation's boom at the Office du Niger

At the end of the 1980s, the improvement of agricultural production and rural promotion were the priority activities for the ON, around which it organised and accelerated the process of transfer of activities to the farmer organisations (See Mission of Support to the Reform of the ON – *Mission d'Appui à la Réorganisation de l'ON*, GERSAR, July 1988).

After their creation, under the impetus of the ARPON programme (Improvement of the Production of Rice in the Office du Niger), the AVs received training in organisation and management which empowered them to take over several economic activities previously carried out by the Office du Niger: mechanical threshing, commercialisation, agricultural credit, provisioning of production material. In addition to these activities, the AVs undertake social activities (health, elimination of illiteracy) and carry out, for the benefit of their members, several collective investments (schools, stores, threshing-machines, hulling-machines). However, this economic performance did not last, as we mentioned above.

Despite the training of the farmers in key fields, the institutional reforms did not create a solid base for a true policy of empowerment of the farmers. It was within this chaotic organisational situation that the State pulled out during the Reform. The proliferation of AVs and the creation of the Groupings of Economic Interest or GIEs<sup>22</sup> (*Groupements d'Intérêt Économique*) at the beginning of 1991 resulted in the creation of a large number of farmer organisations and micro-finance institutions across the entire zone of the Office du Niger.

Today, there are four types of farmer organisations in the ON:

- AVs (Village associations) and TVs (Village Tons), 156 in 2002;
- GIE (Groupings of economic interest), 456 in 2002;

22. The Groupings of Economic Interest (GIEs) are ruled by the trade code. Besides rice, the GIEs are also organized around specific activities (intensive agriculture for commercialization, breeding forestry) and are formed by men or women.

- Co-operatives, 17 in 2006;
- 2 Trade unions (SEXAGON and SYNADEC).

After only three years of operation (1987–1990), the Village Associations sank into a major crisis marked by strong social tensions. Bad management of income and credit and the fact that the internal rules were not respected (assessments, members renewal, accounts control) were the principal causes.<sup>23</sup> This situation prompted the creation of parallel organisations – the GIEs. In 1997 there were more than 450 GIEs in the ON region: 246 Groupings of Economic Interest for Men or GIEH (*Groupements d'Intérêt Economique Hommes*), 210 Groupings of Economic Interest for Women or GIEF (*Groupements d'Intérêt Economique Femmes*) and 91 credit and savings institutions (Caisses) (See, Study of the Master development plan for the Zone of the Office du Niger – *Etude Schéma Directeur*, 2004). It is important to note that a farmer cannot be member of both an AV and a GIE. Despite their poor operation, the AVs continue to exist along with the GIEs, mainly because each village is supposed to have an AV. The AVs still manage the village social amenities (school, health centre, etc).

Why did the FOs fall so quickly into a financial crisis? What are the economic and social constraints that held back the transfer of activities?

## 8. CONSTRAINTS RELATED TO THE TRANSFER OF ACTIVITIES TO THE FARMER ORGANISATIONS

The following table illustrates the different types of constraints the ON farmers are facing:

Legal Constraints	Economic Constraints	Social Constraints
Absence of a legal framework	Over-indebtedness and proliferation of the AVs	Social cohesion crisis
Limited power for the farmer members of the joint committees	Corruption and bad management	Erosion of the work ethic
	Commercialisation difficulties	
	Difficulties of access to fertiliser	
	Under-equipment and shortage of land parcels	
	Too expensive man-power	

From 1990 onwards a number of constraints – legal, economic and social – gradually prevented the farmer organisations from exploiting their potential. The economic constraints are the most damaging to rice productivity. However, legal constraints are at the root of the problem. Therefore we will start our analysis with the legal constraints.

### 8.1 Legal Constraints

The main legal constraints are the absence of legal framework for the AVs and the limited power of the farmer delegates in the joint committees.

#### 8.1.1 Absence of a legal framework

M. Guirou of the village Bagadaji explains how, because of the lack of legal framework, the AVs were a source of enrichment for a few farmer leaders. In 1992–93, the Jokoromins tradesmen stole more than 200 million CFA Francs (£211,500 GBP) from the farmers. Here is what he says in substance:

'The Village Associations did not have any legal frame. The managers diverted the money and there is no legal way to sue them. Thus, a manager, after having diverted the money of a Village Association, resigned and, quietly, created a Grouping of Economic Interest to get credit from another financial institution.'

Regarding the depletion of the Village Associations funds, M. Ongoïba from Dogofry agrees with M. Guirou when he says:

'The Village Associations were created without laws. All the villages were organised in Village Associations without preparation. The leaders of Village Associations were influential, without morals. They were former chiefs of the co-operatives of the old Office du Niger. They were used to diverting funds and manipulating the farmers. This was the main handicap of Village Associations. The sponsors

23. Solidarity groups and women's groups appeared following the BNDA (National Bank for Agricultural Development) decision to suspend the loans to the AVs. In many villages, solidarity groups were created around the credit issue. The activities of those groupings were diverse: intensive agriculture for commercialization, nut production, ovine production improvement, small trade and elimination of illiteracy.

gave 20 million dollars to the Village Associations. From there, certain farm managers understood that this was interesting business. They tried to get rid of the first persons in charge. They didn't manage it. Thus was born a conflict of interest. The BNDA (National Agricultural Development Bank) worsened the conflicts by creating the Groupings of Economic Interest. It failed to explain to the farmers that the money it lent needed to be paid back. Within the same family, different members can belong to different groupings. The core problem of all these farmer organisations is that they are managed by a sole person who is not accountable to anybody. The farmers have been victims of the new private organisations.'

Additionally, the focus of the AVs and criteria which they should adhere to were never specified. This deficiency restricts the relations of the AVs with the other partners (ON, suppliers, credit organisations, administration, party and traditional organisation) and limits the AVs' power over the ON concerning the farmers' duties, land attribution, eviction and credit deposit for the non-residents<sup>24</sup> and newly installed people. According to the chief of the village Yangassadiou Kana, before the creation of the Joint Committees, the chiefs of the AVs were invited to the ON to dialogue, but since the Committees appeared, no chief of an AV is consulted on any matter anymore. He thinks that the reason is that the egoistic chiefs of the AVs divert the farmers' money with the complicity of the ON.

### **8.1.2 Limited powers of the farmer members of the Joint Committees**

According to the farmers, before the creation of the Joint Committees, they were not involved in the management of the funds from the water license and did not even know what they were paying the license for.

The creation of the Joint Committees marks a considerable improvement in the farmers' participation, in their direct involvement in the management of the stocks bought with the license money they paid, and in the transparency in the management of these resources.

The programmes of maintenance are initiated by the villages and implemented by the Joint Committees. The Joint Committees determine the priorities according to the money available, determine the programme of maintenance and engage in consultation with the workers and entrepreneurs. Control and reception of works are the Joint Committees' responsibility. A follow-up of the budget's implementation is made at each meeting of the Joint Committees. Apart from the signature of the cheques, the farmers are deeply involved in the management and in the control of the license funds.

In the village of Bagadadji, the farmers assert that the real problem of the farmers' representation in the institutions of the ON lies in the choice of the representatives. Unfortunately, people vote according to the family ties and not according to the skills and the seriousness of the candidates. It is also believed that the deputies are corrupted by the ON and cease to speak out. For example the sprinklers of the non-resident are never well maintained. The Joint Committees keep quiet because they are often the 'friends' of the ON Management team. According to Yaya Diarra, in charge of the Rural Council, what the farmers call 'corruption' relates to the 5,000 CFA Francs (£5.30 GBP) per day paid to the farmer deputies for the duration of the ON work meetings.

Many think that it is indeed the payment of the compensatory allowance (5,000 CFA Francs per day), as a contribution to the travelling expenses of the farmer members at the end of each meeting, which makes them act in a way that contradicts their mission. This moderate sum created a tendency in some of them to behave like privileged people (farmer-civil servants), thus deviating from their mission of information link for the farmers and from their role of counter-balancing the administration.

According to a farmer from Diabali, the farmer deputies are quickly convinced by the ON managers who have more education. But they also expect that the ON managers will return the favour by providing them better access to the land. 'When the farmer deputies sit at the Joint Committee, their first concern is how to increase their own land' he said. According to him, the farmers must elect wealthy farmers, difficult to corrupt.

Because of these social problems, the Joint Committees experience serious delays in the collection of license payments, which damage the relationship between the farmer organisations and the Office du Niger. For the farmers, the fact that the Joint Committee takes delivery of defective or badly made material is proof of its inefficiency or its corrupted character.

What about the farmers' involvement and the possibility for the Joint Committees to control 50% of the license payments to maintain the secondary network?

Because they are generally illiterate, the farmer deputies in the two Joint Committees have almost no influence on the decisions of the ON. They are unaware of their rights and duties, which are written in French, a language which they can neither read nor write. Another problem is the lack of accountability. If the ON implements a decision against the will of the farmers who then request an explanation from their representatives, they will say, *fama-u-de-y-a-kè*, literally, 'the chiefs made the decision.'

24. The non-residents are the farmers who own land in a village and live in another. They can be members of the village where they have their land. Among them, many are living in the cities and use the local workforce. This workforce does not take care of the network as their employer is not around.

## 8.2 Economic constraints

The economic constraints are mainly linked to the AVs' overwhelming debts which caused their collapse and the multiplication of GIEs, as well as problems of corruption and bad management, difficulties of commercialisation and access to fertiliser and under-equipment and land shortage.

### 8.2.1 High debt and collapse of the Village Associations (AVs)

'Today there are no more AVs, they disappeared because of their debts, except in some mono-ethnic villages', said one of our interviewees from Kouroumari.

The economy of the Village Associations came from the threshing-machines<sup>25</sup> and once the AVs lost these machines, they were unable to offer services to the farmers; this is a source of their financial problems. According to certain managers, before 1991, each AV had an account at the National Bank of Agricultural Development. But following the emergence of democracy, the chiefs of the AVs emptied their accounts to avoid control.

According to M. Traoré, the farmers think that it is acceptable to take on debts and not to pay them back. They are used to seeing the State cancelling or freezing the debts. This is why they don't care about their debts. M. Dama finds that the ON farmers' relation to agricultural credit is irrational. He explains:

'The ON's farmer's relation to debt is rather odd. He does not invest all these debts in the fields. For example if he takes 50,000 CFA Francs (£53 GBP) he would have to invest 35,000 CFA Francs (£37 GBP) in the fields to be able to pay it back. Very often he does not do it. Here is the destroying effect of the debt. The problem is that if someone does not pay back one year and nothing happens to him, all the others will refuse to pay the next time. The AV is created to give and recover the debts. If it cannot provide this function it should disappear. Our AV was a pilot. The private threshing-machines didn't go to Fobougou. But these two last years the AV found fertiliser only two months after the transplanting which is too late to ensure a good productivity. It is because of the non payment of the debt that fertiliser does not arrive on time. The farmers join the AV for the fertiliser. If the AV does not provide them with fertiliser, the farmers leave it.'

M. Guirou, a wealthy farmer said that he gave 2 million CFA Francs (£2,115 GBP) in credit to his co-villagers. When he asked them to pay back, they pretended not to remember the deal. Some claimed to have already paid. According to him, such behaviour breaks solidarity between the wealthy and the poor farmers.

The bad management of the income generated by the threshing-machines was the primary cause of failure of the AVs which then led to multiplication of the GIEs and thus the dispersion of the collective efforts for development. This led to deeper inequality between a small minority of rich farmers and a large majority of poor ones. All the AVs have huge debts. The AVs sometimes pay the Bank back but the farmers don't pay their debts back to the AVs. According to M. Fatogomon Dembéle, controller of his village's AV, this debt prevents the realisation of infrastructure developments (schools, dispensaries and others). He thinks that there are two reasons for the farmers not to pay their debts back: a decrease in production but also their unwillingness to pay. Some farmers quite simply refuse to pay their debts.<sup>26</sup> The AV excludes them, they then create their Groupings. According to some managers in the village of Nionbougou, the intervention of the Government is necessary to discipline the bad debtors. It is the only solution to remedy the disorders of the ON.

Micro-finance institutions use bailiffs to get their money back. It would also be necessary for the micro-finance institutions to organise to detect the migrating debtors who go from one credit and savings bank to another (for example, some people disqualified by the ON go to the BMS, Malian Bank of Solidarity).

The farmers proposed a reduction in the interest rates charged by the micro-finance institutions and by the Banks and a delay to the reimbursement deadline. During the official visits (of the President of

25. The threshing machines known as 'Votex for the farmers' empowerment' were given by the ARPON project to the AVs to allow them to produce and stock their members' rice. Unfortunately, bad management of the funds generated by these threshing machines accelerated their disappearance. They were replaced by the machines of the private investors and by losing their machines, the AVs lost their main source of income.

26. Some people we interviewed think that the real cause of the AVs' and GIEs' failure is non-payment of the debts. According to them, the farmers want to get richer by not paying their debts; the farmers were condemned to fail because of their 'race to luxury'. Some of our interviewees think that the non-payment is related to a problem of ethics – the deported populations do not have the same values about credit and its repayment. Some farmers believe that not to pay the debt back is a sign of courage, it means 'being a man'. Other interviewees explain that the ON farmers got too much assistance and now think that they should get everything they want. Some agents accuse the State of not having explained the idea of 'credit' to the farmers properly. Many farmers believed that the credit they were allocated was the 'money of the dead'; they had heard that some rich Europeans had died and had bequeathed their money to the poor of Africa. They were told that this was the inheritance that was shared with them. As a consequence, the BNDA (National Bank for Agricultural Development) was short of 2 billion FCFA in unpaid debts in 1995.

The meaning of the moral guarantee was another problem: if in a village someone does not manage to repay their credit, the whole village must contribute to its recovery; the debt is not individual, but collective. Since many farmers did not understand the moral guarantee system they have refused to pay back for others, the consequence being that this prevented the whole village accessing further credit. The habit of freezing credit also contributed to reinforce the culture of non-payment: an agent explained that the farmers believe that they can contract a debt and not pay it, because whatever they do the State will eventually freeze it.

the Permanent Assembly of the Agriculture Chambers of Mali or APCAM<sup>27</sup> (*Assemblée Permanente des Chambres d'Agriculture du Mali*), and the chairman of the ON or of the Minister for Agriculture), SEXAGON made these two requests. The officials answered 'we will inform the appropriate authority', and nothing ever happened.

### 8.2.2 Corruption and bad management<sup>28</sup>

The ON transferred some of its competences to the badly organised FOs. Several farmers underline the fact that the Government did not recognise the destructive effect of corruption and misadministration of the FOs and in the administrative hierarchy of the ON.

At the AV level, the resources generated by the threshing machines were, unfortunately, badly managed. Consequently, machines were not repaired when they fell out of order. The farmers were then obliged to use private machines (of wealthy farmers or ON employees), which soon appeared in the villages. This was the beginning of the disintegration of the AVs and the GIEs emerged. The biggest problem of the AVs was the choice of staff. In some villages, the board of the AV is only constituted of old farmers. They were not recording any financial information after the agricultural campaigns. The village's AV rented machines but could not afford to pay the rent. The AVs' real problem was always the choice of staff. 'The motto the man required in the place required was never implemented in the AVs. Each one does what he wants and none what he is supposed to do' said a farmer of Niono.

### 8.2.3 Difficulties in trading the rice

According to the managers of the Grouping of Economic Interest Danaya N01, the AV of their village (Médina) was doing well before 1992. The catastrophe arrived during the 1992–93 campaign. The traders, known as *Jokoramain* (ethnic group of traders from Mali) took the rice to Bamako, saying that they would make payment after the sale. The village of Médina gave 15,000 tons of rice to these traders representing a sum of 45 millions CFA Francs (£48,000 GBP). The traders never came back. Overwhelmed by its debt, the AV collapsed, and so did the families. In the village of Médina the number of families has increased by 75%. According to these families, almost all the AVs of the ON have been swindled by the traders. Nowadays, the traders sabotage the rice market by selling at a lower price than the one offered by the farmers.

The farmers undertook commercialisation training but according to some observers, they don't respect their own decisions on the prices. Commercialisation was liberalised in 1984, but it does not work because everyone brings its rice to the market at the same time. The intervention of more and more intermediaries also disorients the farmers. 'All the young people are now traders', say the old farmers.

Contrary to the poor and disorganised farmers, the traders are organised and wealthier. The farmers sell them their rice at a price under the production cost. The traders are aware that the farmers do not have any other sources of income. The farmers have no choice.

The Government invited some European farmers who proposed that the ON farmers create a Co-operative, directed by a Board of directors of which one third is renewed each year. Nevertheless, the Director must be a full-time employee. Each member would know what is in the credit and savings account.

The NGO Green Africa initiated the Co-operative '*djè ka féré*' which carries out a collective commercialisation involving 20 villages. It organises the cereal exchange in Niono. There is also the Project of Support to the Commercialisation of Cereals or PACCEM (*Projet d'Appui à la Commercialisation des Céréales*), which is financed by the Canadian government. These structures pay for the farmers' rice before they sell it. Then they take it and bulk sell it. If they make profit, the profit goes to the farmers. In addition to commercial activity, they also help the farmers improve the quality and quantity of their production.

### 8.2.4 Difficulties of access to fertiliser

Lasina Lamine Traoré, chief of the Rural Council of the Kouroumari zone, argues that the fertiliser price is what strangles the farmers:

'In 1984, the ON transferred the rice threshing, the commercialisation and the purchase of materials to the farmers. Unfortunately, they could not take these activities over. Thus, since 1994, the micro finance institutions control the farmers because they hold the agricultural credit. The farmers present their needs to the microfinance credit and savings institutions which decide according to their own criteria which one they will finance and which one they won't. The major bottleneck is the fertiliser. It is the major part of the production cost, representing 17%, against 15% for the license and 16% for

27. Facing (in the context of democracy in Mali) an increasing number of farmer organizations, the State decided to create the Permanent Assembly of the Agriculture Chambers of Mali or APCAM (*Assemblée Permanente des Chambres d'Agriculture du Mali*) as a unique umbrella organization for farmer organizations. However, the rural populations mounted vigorous protests against this State-imposed structure.

28. A few ON managers, including the CEO, were sued and consequently jailed in Bamako a few months ago, being accused of diverting billions of CFA Francs. This made it difficult to pursue our investigation of the institutions and the fight against poverty. Nevertheless, we managed to continue our investigation through our knowledge of the zone. Many farmers and supervisors were scared. Some say that the ON will be privatized along with the Malian Company for Textile Development.

labour.'

Several AV managers think that the suppliers are stronger than the farmers. These suppliers work in complicity with the micro-finance institutions, the Banks and the sponsors. The AV talks to the suppliers who convey the AV's requests to the Bank. But after the campaign, the AV has to pay the Bank back. 'The call for tender is opaque', say the farmers. The fertiliser quality is not checked. The micro-finance institutions take advantage of the disorganisation of the farmers to force them accept their credit terms (12% interest rate and 10% deposit). Micro-finance is responsible for the fertiliser's bad quality and for the fact that the suppliers do not respect the delivery schedule.

There are also too many traders in fertiliser business. The deals go to the cheapest trader who often cannot honour his engagements. And the farmers suffer from that because they are obliged to buy elsewhere where it is more expensive. The farmers think that there is too much corruption in the fertiliser business. All the farmer leaders agree that since the withdrawal of the ON from production, the fertiliser problem arises, with increased acuteness, each year. And the fertiliser price keeps on increasing.

The farmers complain about the too high price of the fertiliser and the problems of supply. They wish to get some support to be able to order it directly from the fertiliser factories. During the campaign 2006–07, the price of fertiliser reached a record high of 15,000– 20,000 CFA Francs/bag (£16–£21 GBP/bag), for the urea and the phosphate respectively.

### 8.2.5 Under-equipment and land shortage

It is not rare to see hundreds of farmers with neither a pair of oxen nor a harrow. They are totally dependant on the private investors which make them pay a rent heavier than their production income. This slows down the farmers' productivity and consequently worsens their poverty, because the water license and the other taxes are mandatory and independent from productivity of the farmer. The farmers without equipment rent an ox against 10 bags or 60,000 CFA Francs (£63 GBP).

According to Moussa Kane, president of the Project Centre for Provision of Services, the greatest difficulty is land insufficiency. A parcel of land which sustained four people ten years ago, must sustain 20 people today.

### 8.2.6 High cost of labour and illegal land market

According to M. Traoré from Diabaly, from 1991 onwards, the fall of the farmers' rice productivity is connected to a massive use of labour. In every family there are, at least, 2 or 3 labourers, which are expensive for the family farm. They are required for the complex operations (transplanting and harvesting). The farm family employer has to feed them and accommodate them. How can a farmer fight against poverty while he only has three hectares and he employs two labourers at the price of 60,000 CFA Francs (63 GBP) per season (from June till January)? 'The solution to decrease the labour cost is to put the young people back to work even if they only like to drink tea or speak about Chinese motorcycles. They have to learn to value the land, the water and the sun' says Traoré.

The high labour cost also forces the farmers to sell their livestock to meet other costs such as the water license, or even to get married. Several farmers even sell their lands. Every year a farmer sells ½ hectare. It is easy to do. He goes to the ON and says: 'I have my nephew or a cousin who arrived in the village, I want to share my land with him' while in reality he makes a deal with someone else. Some families which had 5 or 6 ha stay with only 2 or 3 ha. The real cause of the lands' sale is debt. The families' problems can also be largely due to the laziness of some members of the family farm. The hard-worker and the lazy one cannot run the same parcel of land and fairly divide the production, even if they are brothers.

Currently, the labourers are in the best position to fight poverty while the farmers-employers are sinking in poverty. Some migrants like the Bella (an ancient population from the sixth and seventh regions of Mali) are making rather good money out of the farms. The women and the young people follow their steps.

Farmers also incur debt for basics such as firewood and the bricks for building. They behave as employees in big cities. 'We have allowed farmers to think they know more than the managers', said Mister Ongoïba. According to him, there is an important stock of technological tools which is not used by the farmers. This leads to a negative impact on productivity which has decreased from 6 tons/ha to 4 tons/ha. And to fight against poverty at least 4,800 tons/ha is necessary. Most farmers do not exceed 3,750–4,800 tons/ha (50 to 65 bags/ha).

## 8.3. Social constraints

There are two main types of social constraints: the social cohesion crisis in the ON villages and erosion of the work ethic.

### 8.3.1 Social cohesion crisis

Farmers consider that the real problem which blocks rural co-operation for pro-poor growth is the crisis of social cohesion. Villages made up of several ethnic groups are dislocated because not all of these ethnic

29. For more details see Dougnon (2007) *Travail de Blanc, travail de Noir la migration des paysans dogon vers l'Office du Niger et au Ghana (1910–1980)*. Karthala-Sephis. Especially 'Les problèmes de l'exploitation des terres irriguées.' Pp. 83.

groups have representation within the FOs (Dougnon, 2007<sup>29</sup>). Ethnic tensions have been accentuated since the transfer of responsibilities from the ON to the FOs. Very often a group monopolises both power and land, which pushes the other groups to leave the AV and create their own Grouping of Economic Interest.

In many villages, the rich farmers have essentially replaced the AVs. Their machines thresh the rice of the village and they provide credit to the poor farmers. However, these rich farmers do not want to work with the poor towards a common objective. How is possible to create harmony in the village under such conditions?

In addition to the problem of power sharing, the farmers are confronted with problems of different interests and mentalities: between the old men and the young people, the old families and the new ones, the rice producers and the stockbreeders, the farmers equipped without debt and those who are not equipped and have huge debts.

According to a farmer from Nionbougou, there is no alternative: the villages must work together to tackle the production problem in the ON, because if they don't, more and more powerful people (agri-businessmen) will come and absorb everyone (rich and poor farmers).

### 8.3.2 Erosion of the work ethic

Before the institutional Reform, the farmers believed that they worked for the ON. After the Reform, the young people stopped working. Directives (particularly those regarding the agricultural calendar and the network's maintenance) are no longer respected by farmers. Previously, these instructions obliged them to stay in the fields. The young farmers used to work in the fields from May to November. Nowadays, if their requests are not satisfied, they feel discouraged and stop working.

The controversy about the farmers' reticence to work in the fields 'with their own hands' is currently very apparent in the ON. Recently, during a meeting on the decline of production in the ON zone, M. Togola, president of the APCAM (Permanent Assembly of the Agricultural Chambers of Mali), asserted that the real cause of the decrease in rice production lies in the farmers' laziness. He told them the following:

'Let's be honest: your problem is that you refuse to work! You have water and land and you say you are poor? Look at those farmers depending on the rain in the dry areas, what would they say?'

His speech was broadcast on all the regional radios.<sup>30</sup> It spread as a shock wave in the ON villages. An ON employee in Niono also gave his point of view about this issue:

'Just go at about 10am to the villages: we can see the young farmers around a cup of tea. The participation of the young family members in the production process is almost non-existent. You just have to listen to regional radios to realise the farmers' laziness. They spend their whole day chatting on the radio.'

During our interviews, several farmer leaders said that making the younger generation work is one of their main challenges. They said that they are unable to force the young people to go back to work. 'The force does not work any more in the villages', they added. On the other hand, a group of young people of the village of Dogofry Ba said the following: 'In this village, there is not a single farmer leader who can offer something to his son after the harvest. How can a father force his son to work under these conditions?' The debate on this unwillingness to work is very relevant. According to Agounon Ongoïba, former ON manager converted into a rice farmer, the lack of equipment can be explained by the fact that the farmers gave up physical work. If farmers agreed to make composting (organic manure), they would reduce by 70 % their fertiliser need.

Some of our interviewees think that the erosion of the work ethic is a result of the campaign 'against children's labour' by the NGO Malian Association for Progress or AMAPROS (*Association Maliennne pour le Progrès*).<sup>31</sup> This NGO says that it is forbidden 'to exploit children'; since then, young people think that they do not have to work. Previously, there were groups of young people to undertake collective tasks (15 to 20 persons), but this kind of work ethic does not exist any more.

Several of our interviewees, employees working at the ON and at the private research organisations in the region<sup>32</sup>, think that the farmers refuse to work. According to these interviewees, the labour cost is higher than the fertiliser cost, mainly because young people demand very high salaries to work. As a result, most young males in the villages are 'unemployed', women do almost all the work. In the fields, the lazy people steal the rice. It is the problem of a lack of planning in the management of work. The question is: how to manage the workforce?

30. We arrived in the ON one week after the APCAM President. The farmers were shocked by his words; the discussion about work was very vivid. The farmers thought that the ON managers told the president to focus his speech on the work issues in order to avoid sensitive issues such as the diversion of the water license money and the arrests that followed.

31. In Mali's rural areas, both boys and girls work from the age of seven. At the ON, children are in charge of protecting the fields from birds and feeding the labour-animals. Contrary to what NGOs think, this inclusion of children in the domestic and field work is not exploitation, but a form of training for future generations to work on family farms.

32. Related to this point, we have had very interesting interviews with Sekou Ba, in charge of the professionalization of workers, and Mamady Keita, in charge of the diversification of activities. They are both employees of Nieta-Council, a private research organization which inherited rich documentation from URDOC (Research Unit for Development Change Observatory), which was, at one time, financed by the French Agency for Development.

The AV's managers in the village of Bagadadji think that the lack of work exists at two levels: at the level of the ON and at that of the farmers.

- the ON does not do its job,
- the farmers do not maintain the irrigation system,
- the immigrant workers are bad at transplanting crops.

According to them, if the ON did its job, the farmers would necessarily do theirs. According to a farmer of N'Débougou, all the problems are due to the non rehabilitation of lands and the high price of water. He thinks that the ON employees want to hide these fundamental problems and instead centre the issue on the farmers' laziness. Since 2003, the productivity of 6 tons/ha has turned into a myth. Production is considerably below this. According to him, if the ON reduces the price of water, the farmers will improve their living conditions.

M. Dama, of the village of Fobugu thinks that the end of collective work aggravated erosion of the work ethic. Today, collective work only exists in the intensive agriculture for commercial purposes, where men and women work together.

The constraints previously mentioned undermine the farmers' endeavours to escape from poverty. It is necessary to carefully think about how the legal institutions and the farmer organisations can work together to overcome these constraints. It is thus important to analyse the following points:

- the social relationships in the villages;
- the nature of the market laws introduced in the ON;
- the characteristics of the activities undertaken by the FOs.

## 9. CONFLICTS BETWEEN THE FARMER ORGANISATIONS AND THE OFFICE DU NIGER REGARDING THE WATER AND THE LAND

The conflicts between the FOs and the ON about the water and the land should theoretically be amicably managed when the Contract Plan is revised every three years. This Contract allows any of the contractors to request a contract revision even before the end of the term. Thus, according to the ON managers, it is not clear why the farmers are always in conflict with the ON about the price of the water license and the land allocation. As explained in the introduction, one of the weaknesses of this Contract is the ON's almost absolute power over water and land management (see the land tenure system and the licenses). Regarding other issues, like participative development and decentralisation, the conflicts are less marked because they do not directly affect the production of rice, unlike the price of water and the shortage of land.

The conflicts between the ON and the FOs are mainly related to the payment of the water license. This can be seen from the message of the ON's CEO broadcast on the national television for more than two months. He says the following:

'To pay the water license is compulsory in the ON, the deadline for this payment is fixed on 31 March.. This deadline is not negotiable, anyone who does not pay, at the latest on 31 March, will be evicted from the ON.'

This message is representative of the conflicts between the ON and the FOs. But how will the FOs succeed when they face so many constraints? As well as these various constraints, the land regime also undermines the farmers' fight. Therefore, in current circumstances, the farmer's are unlikely to succeed. The failure of the farmers' empowerment and poor economic performance of the 1990s have weakened the farmers' position in the conflict over water and land. A certain number of farmer leaders think that the true cause of this conflict is the general failure of the 1990s institutional Reform. The birth of the Trade unions (SEXAGON, 1997) is a new weapon with international connexions.

As we saw, the new ON's structure generated a conflict situation which is only worsening year on year. This conflict is essentially around the management of water and land. The disagreements are the following:

### 9.1 Price of water and eviction of farmers from the land

For the 1994-95 campaign (the first year of the Reform), the water license payment increase was discussed with the farmers. They refused the increase. The Ministry of Rural Development and Environment had to intervene. The farmers wanted the increase to be discussed in a proper way with them with their concerns taken into account.

'All the conflicts turn around the water license and the payment deadline', said M. Kane from Kourouma. The farmers propose new forms of eviction such as 'proportional eviction' i.e., if a farmer has to pay the license for six hectares, while he only has money for four, the ON should take only the two non paid hectares from him and not six as it currently does. The farmers also disagree with the fact that when a farmer is evicted, the ON takes the right to install whoever it wants (civil servants, traders). Another crucial issue the farmers want to understand is why the ON gives land title to private investors but refuses it to farmers.

The PEA (Farming Licence) has no legal value because even if a part of the fee is missing, the lands will be removed from the farmer. The existing land regime allows the ON to behave as a State within the State and take advantage of the dominating ideology (introduction of the agribusiness and implementation of the NEPAD<sup>33</sup> policy) to practise financially interested management of the land. For ten years the ON has been an important economic player. Several African heads of State and high political personalities, during stays in Mali, have visited the ON to view the agricultural potentialities of Mali. The positive foreign image of the ON makes Mali's wealthiest individuals and bureaucrats try to get a piece of land at the ON before it is too late. The lands of the small farmers dispossessed for non compliance of various directives are allocated to the newly arrived. This is why the farmers demand a change in the rules of the game. The farmers do not want the ON to be the sole owner and have requested that the AVs' president and the leaders of the villages become co-owners.

They request co-management of the land allocation process and more transparency concerning the rights and obligations related to land, particularly the rules of eviction and inheritance law. They want land allocation rules to take women and children into account.

The farmers challenge the CEO's double vote in all the decisions regarding land management by the Joint Committee. No legal text gives any power to the farmers over land management.

Seydou Diallo, member of the Joint Committee for land management of Kouroumari, said that the farmers requested legal authorisation to rent the land, but the ON has not given its agreement so far. According to him, farmers are opposed to the fact that the ON gives equal treatment to those who have been settled on the irrigated lands for 40 years and those who just arrived one year ago.

## 9.2 Redistribution of new land parcels

The farmers say that they can express their opinion on the land allocation and reallocation procedure, but their opinions are never taken into account. The adoption of transplanting generated a reduction in land parcel size and consequently increased the number of farmers left without lands in the zone, creating grave social repercussions.

## 9.3 Management of the funds allocated to the maintenance of the secondary network

The allocation of 50% of the license income to the functions of the ON and 50% to the maintenance of networks is fair, but the farmers say that the part allocated to the network's maintenance is not enough in the most degraded zones. Farmers are opposed to the reallocation of the license income from one zone to another.

Farmers request the ability to control the part of the license income allocated for maintenance. Currently farmers receive the works but do not manage the money. They want to be kept informed about the payments made and what remains after the works.

Concerning the commitment of the three stakeholders (ON, Joint Committees and individual farmers) for the network's maintenance, the farmers say that there are serious deficiencies in the most degraded zones. Each stakeholder denies responsibility and accuses the others.

## 9.4 Statistical profitability of rice

This point generates conflict because the ON and the State accept or reject any reduction in the license payment on the basis of statistical data. Farmers are unhappy with the fact that the ON has a monopoly on this matter.

The farmers do not understand how an ON agent can enter their field, mark a square off, usually where the rice is excellent, and use this to determine the productivity of the whole field. And because of this, keep the price of water the same because the rice is believed to do well. The farmers consider that productivity should be assessed after threshing and packaging. In 2004–2005 production was very bad. The farmers requested a reduction in the licence price but the ON refused because of the cost of maintenance and rehabilitation of land. For the farmers, it is an abuse of power. They request a reduction in the price of water, which keeps increasing every year. It currently costs 67,000 CFA Francs/ha (£71 GBP/ha) for rice cultivation and 56,700 CFA Francs/ha (£60 GBP/ha) for intensive agriculture for commercial purposes.

## 9.5 Participative development

At the beginning of the Reform, the farmers did not agree to participate in the financing of the additional costs of change. According to them, the price of the water license, of some fertilisers and of the workforce is too high for that. But things changed with the introduction of agribusiness. The success of this form of farmers' participation in the M' Bèwani zone convinced the other villages to try it. But it was soon hard for

33. NEPAD: New Partnership for Africa's Development.

them to cope with their commitments.

In the village of Sokolo, 5,850 hectares were developed by the Chinese company COVEC funded by the World Bank's International Development Association (IDA) with 56.8 million dollars (£27.8 million GBP).<sup>34</sup> The company was supposed to build the water distributors and the farmers were supposed to maintain the sprinklers, drains and parcels of land. Instead of doing their job, the farmers signed an agreement with the ON for COVEC to do all the work and for the farmers to pay back the costs of their participation at the rate of 65,000 CFA Francs/ha (£69 GBP/ha) during ten years. The farmers have harvested for three campaigns, but have not yet paid anything back. The conflict is latent, because the ON will do everything to recover the credit. The farmers of Sokolo propose to extend the term for 15 years. Another example is the casier of Ké-Macina, (financed by the Inter-American Development Bank) where the farmers have not paid anything so far. These two examples show that the conditions of this participative development are still difficult for the farmers to meet.

The conflicts around the farmers' participation in the rehabilitation works are worsened by the new ON context, dominated by people of the city wanting to get leases on the ON's lands.

Despite these conflicts, the reforms undertaken at the end of the 1980s generated some hope. Devaluation gave renewed competitiveness to the Malian rice and it gave the farmers the opportunity to intensify their production thanks to transplanting and the use of new production materials. It showed the capacity of the farming sector to react when it has a secure market. Today, the ON zone produces about 50% of the national production of rice (See IIE Programmeme Triennal du Syndicat des Exploitants Agricoles de l'ON, 2005–2008).

This success has attracted many agricultural migrants. The population of the zone increases at a rate of 5% per annum. But the developed land surfaces increase at a much slower pace. Under these conditions there is no overall improvement. The increase in productivity is offset by the decrease of the surface per active worker. It has created disparities of income between families, unevenly equipped in land. We consider that one third of the farmers' families is in a difficult situation and does not get enough food. They are obliged to rent their land to pay the water license and to sell their ploughing oxen to buy fertilisers. There is a land market (illegal) for the benefit of civil servants, traders and agents of the development structures in the zone. Approximately 25% of the land is owned by non-residents, which leads to a corresponding increase in the number of farmers without lands.

It is obvious that in the future conflicts will become more and more complex because of the increasing number of people who want for make profits out of the ON.

## 9.6 Decentralisation

Municipalities increasingly demand that areas of land be reserved for them according to the law on the land. Moreover, there are institutional conflicts between municipalities and the ON and sometimes between the municipality and the local chieftainship. Taking advantage of this chaotic situation, Municipality leaders twisted the directives' interpretation in their favour. For example, the mayor of the village of Sokolo gave a parcel of land to a farmer. The leader of the same village questioned the legality of the grant and the affair was carried forward at the level of the ON Management team. On top of this, the ON represents an important electoral stake. The political parties make the ON the centre of their campaigns and make all sort of promises (abolition of the water license and of agribusiness, decrease the price of the fertiliser etc).

## 10. FAILURE OF THE PRO-POOR GROWTH REFORM

The question which appears at the conclusion of this study is: why were the FOs unable to successfully take on responsibility in the management of the ON zone? There are several factors that contributed to failure. Firstly, the way in which economic responsibilities in the ON were reorganised and the relations between the ON and the FOs which arise from that reorganisation. Their relations were not complementary, as anticipated by the spirit of the Reform. That is why satisfactory economic performance from the farmers had such a short duration.

The rehabilitation programmes, started in the early 1980s, allowed the farmers to increase their production from 60,000 tons in 1980 to more than 350,000 tons in 2002, with a productivity of 6 tons/ha. The farmers also diversified production by intensifying agriculture for commercial purposes

Paradoxically, through the same period, we notice a degradation of the FO's economic and social environment with significant outstanding debts: two billion CFA Francs (£2.1 million GBP) outstanding payments with the BNDA (*Banque Nationale de Développement Agricole*, or National Agricultural Development Bank) and 800 million CFA Francs (£846,000 GBP) with the micro-finance institutions. This

34. For more details see the agreement protocol for the management of the farmer's participation in the rehabilitation works of the Sokolo zone, signed by the ON and the Pilot committee president, formed by all the villages' representatives involved in the rehabilitation works. It was agreed between the ON and the farmers that all the works on the tertiary network and the parcels would be done by the company and paid by the beneficiaries. The works costs represents a loan from the Malian State to the farmers involved. Those costs represent 430,000 CFA Francs for the 5,850ha to be rehabilitated (cf. Protocole d'Accord, 2002).

resulted from some managers' bad administration and the diversion of funds from the rice sale by the traders. The financial institutions had to stop financing some 80% of the FOs in the ON. The AVs sank, as early as the beginning of the 1990s, into a deep crisis marked also by strong social tensions in the villages. This economic failure by the FO's generated a social climate which damaged farmer relations (collapse of AVs and proliferation of GIEs).

Following the Reform, the farmer's status positively changed: from colonist at the colonial period, he became in the 1990s a free farmer with the status of private economic operator. However, the relationship between legal institutions and the FOs was a one-way or a competition relationship. There are three reasons for that:

- The Office du Niger did not reform itself. In 1984–85, the FOs were introduced by the sole, dictatorial political party in power between 1968–1991. Every farmer had to be a member of an FO. Membership was a mandatory condition to have access to agricultural credit. In this respect there is no difference between the FOs before and after the institutional reform. In 1994, the ON was restructured by the General Delegation of the Government in charge of the Reform of the ON, an independent structure based in Bamako. The General Delegation worked with the money and under the pressure of sponsors (see the study of GERSAR-BRL, 1993). Expensive rehabilitation works, generally financed by external sponsors, were often implemented by foreign companies. This situation severely damaged the ON's credibility with the farmers, and created a situation whereby the ON became dependant on external institutions in terms of funds, competences and implementation means.
- The Reform was essentially inspired by financial considerations; the new missions were determined by financial balance considerations (number of posts to be kept and resources to be allocated). The Office du Niger simply had to accept the missions and decisions imposed by the General Delegation of the Government.
- During the process of each institutional reform, the key considerations were: financial constraints, disengagement, privatisation and cost reduction. Following the Reform, farmers' well-being ceased to be a consideration within the role of the ON. Its role is now limited to essential services: water management and the Rural Council. All other tasks (beating, commercialisation, production materials, agricultural credit etc.) were transferred to the FOs and to the other private specialised services; the latter began operations in the zone covering land rehabilitation and development, the forge, rural infrastructures etc.

In these reforms social aspects (relations between the ON and the FOs) were neglected. They are however crucial to the good functioning of the FOs and other institutions. The farmers recognise that as long as the relationship lacks trust and responsibility, there will be no solution to the farmers' condition.

The Reform was explained to the farmers as being their liberation from the supervisors' control. The transfer of activities was intended to mean economic, social and cultural independence from the former bosses. The farmers were told that their future success depended solely on their agricultural production and not on the decisions of the agents, who were drastically reduced. Moreover, the Rural Council was expected to wind down once the farmers knew how to use new technological innovations.

Faulty interpretation of the Reform directives put farmers and supervisors in a position of conflict. The Reform coincided with the beginnings of democracy in the country when the State executives in Mali lost their authority. Directives and rules hastily voted into being were not understood by the farmers, accustomed to a clearer system and a stricter application of law. This situation created confusion inside the zone. In a village of Kouroumari, we were told that the wastefulness of the AVs was encouraged by the ON agents. According to the farmers, the ON uses the method 'divide to reign'. They regroup all the farmers tired of the AVs or GIEs to divide and create confusion in the village. It is the non-repayment of credits that led to the collapse of the AVs and created social tensions in the village. The State is responsible because it encouraged the creation of GIEs without verifying the ethics of their members.

The weaknesses in the management of the ON (supervisors' bad performance, lack of resources, promises made to farmers which were not respected, arbitrary land allocation, financial arrears) diminished respect for the supervisors, a lack of respect that turned into distrust.

As shown by the 1993 CBI/AGS studies issues arising from the implementation of the Reform are the main factor of distrust between farmers and supervisors. For many farmers, the ON contributed to the failure of their AVs. Some ON managers even said to the AVs' leaders that if they (the managers) wanted to divert the AV's money there was no legal framework under which to sue them. According to the experts of the local NGO Nieta-Conseil, despite the privatisation of the production units (which was perceived as dismantling the possessions of the State), the ON management team was unable to adapt to their new role as advisors. Instead they closed ranks, leading to chaos in the villages. Suspicions of scheming and favouritism spread over the ON, especially concerning land allocation or re-allocation and the management of the agriculture credits.

The lack of complementarity between the interests of the ON managers and those of the farmers is clear to see. ON managers are currently not supported as they were before the Reform. They complain about the lack of promotion, the slow increase in wages and an insecure future. These managers therefore tend to grasp advantage in their own way (gaining for themselves parcels of rice land and other compensations). These actions give rise to questions about their credibility with the farmers and lead to a competition between the managers and the farmers whose land parcels were reduced or those who were

dispossessed of their land. Instead of a complementarity of interests, this phenomenon has created a conflict of interests. The farmers accuse the managers of non-distribution of the water license monies and of the increase in the required license fee to fill the financial hole they have created in the ON's budget.

### The impact of the Micro-finance Institutions

According to Marcel Sawadogo, president of the AV of Ratenga, the farmers' empowerment did not work because the AVs authorised unfair competition from the private sector which destroyed the farmers' interests. He said:

'If the AVs had worked well, we should not have seen all these private structures which are currently invading the ON: the micro-finance institutions, the Project of Support to the Commercialisation of Cereals or PACCEM (Projet d'Appui à la Commercialisation des Céréales), the Service Centre or CPS (Centre de Prestation de Services), the GIEs and many other financial organisations which are only interested in their own profit. Even the license, the AVs should go and pay it themselves rather than leaving each farmer to go and queue in front of the zone administrative direction. We knew since 1984-85 that the AVs gradually had to be turned into co-operatives. They were not able to transform themselves. If today this transformation is imposed from outside it will fail again because it is a problem of responsibility and management, not a problem of structure.'<sup>35</sup>

According to Sawadogo, there is a problem of negative attitude towards the public sector. When the AVs let the private sector get into the ON, they ceased to function. The problem is that the ON managers inherited threshing machines from the old Office du Niger. Use of those machines entered into competition with the AVs' threshing machines. From there, the AVs lost the monopoly on rice threshing. Individual farmers (mostly former presidents of AVs) also bought threshing machines. Another factor of failure of the AV is the fact that the ON managers were not happy that the reforms were coming from the State.

Even the farmers who were able to take advantage of the institutional reforms adopted unrealistic economic attitudes. For example, rather than managing in an intensive way the land they have, they were trying instead to expand production by renting other fields. They are also often victims of community expectations: after the harvest they often receive too many visitors asking for free rice, and most of these people are not locals.

According to Yacouba Touré, President of SEXAGON, the reforms did not fulfil farmers' expectations. The farmers were expecting a better future, but unfortunately they were badly prepared for a transfer that anyway never fully happened. The ON's management team disappeared. This created an empty space and the farmers were not able to adapt to the changes. It created a climate of public or latent tension with people accusing each other of being responsible for their own problems.

Touré underlined that the farmers' poverty and their conflicts with the ON have various origins, of which the most important are the role of the micro-finance institutions and a lack of respect for the agricultural calendar. According to him, before the arrival of the micro-finance institutions the farmers' life was easier:

'They were living off their work, They were selling their rice to have money. Since the micro-finance was brought into the ON, the farmers became poorer. The debt to the micro-finance institutions must be paid at the same time as the water license. Thus, the farmers are obliged to sell their rice for nothing. The farmers work for the micro-finance. Before the farmers were more united. Today they are divided by the micro-finance institutions.'

Adding 'productivity is negatively affected by the lack of adherence to the agricultural calendar. Each one does as he wants; there is no follow-up by the supervisors; the farmers think: *I have some water, I don't need to wait for any date*; it proves that the supervision is nonexistent. The new CEO wants to restore the former calendar used between 1968 and 1994' – and concluding:

'All this mess was provoked by the New Office du Niger. Before, the contract was clear. Now we see many vagabonds in the ON. As soon as we give them some land, they sell it or rent it. The real farmers, on the other hand, do their job normally. The ON has to check who it gives the land to. There are many top managers who own parcels of land and do not even come to the ON. They employ labourers under the farmers' supervision to farm their fields.'

Faliry Boly, General Secretary of the Farmer Professional Organisations' Association or AOPP (*Association des Organisations Professionnelles Paysannes*) recognises that the various reforms in the ON have weakened the farmers. There is too much poverty. But there has also been a 'mind opening' process. He thinks this is more important than poverty. He believes that the institutional reforms are globally positive. It has been hard but some farmers gained from it. The AVs managed to create community schools, Health centres and introduced electricity. The agricultural system changed. Small companies were created. According to him the AOPP met in 1998 in Sokolo to discuss the Contract Plan. Farmers

35. We also talked to Sekou Traore (12/02/2007), AV secretary, and Baba Berthe, village chief. Marcel Sawadogo pointed out the micro-finance institutions' responsibility in the farmers' divisions and in the government's decision to impose unilaterally the co-operatives. He said that he just received the official letter requesting each farmer to be affiliated to a co-operative.

even came from Paris. He thinks that the private investors (agribusiness) must be relocated away from the zones of expansion of the family farms.

As explained above, the new ON architecture has been imposed from the outside. The farmers and the supervisors somehow tried to fit in. They were neither the initiators, nor the implementers of the Reform. The FOs' results are pitiful. They were successful for only three out of twenty years of their existence. This failure has created a climate of distrust between the FOs and the ON (See study CBI/AGS) 1993.

The Reform was badly understood. For example, the privatisation of some units was considered by farmers and by some agents as the selling-off of State possessions. It generated suspicions of scam, favouritism and corruption within the ON. At the level of the farmers' villages, the Reform exacerbated latent social tensions when power was transferred to the FOs. These are mainly associated with fights between various ethnic groups and divergent interests: old men against young people, local families against newly settled ones, equipped and debt-free farmers against farmers with debt and without equipment.

We previously pointed out that the Reform was hastily implemented in a zone formerly managed like a military garrison. But the lack of respect for rules and legal directives created conditions leading to the disorganisation of the FOs and the fall in the levels of production. We can mention among others:

- The impunity of the AVs managers who diverted large sums of money
- The behaviour of ON employees who monopolise land for themselves
- The financial institutions who badly explained the conditions of taking on debt
- The increase of non-resident farmers

From the study 'The social stake for a Restructured Office du Niger' (*L'enjeu social pour un Office du Niger Restructuré*) (1993), we can quote the following, which characterises the real situation after the Reform: 'The Office du Niger does not exist any more, therefore each one need to protect its own interests'.

Given this situation of uncertainty, some farmers started to act without taking into account irrigation rules: they diverted the water, modified the works and refused to maintain the tertiary networks and to pay the license and the agricultural credits. Breeders let their animals graze in other farmers' fields. The ON authorities did not pay attention to these problems. The lack of trust in the ON authorities meant that farmers ignored decisions on eviction made by the ON.

During our fieldwork, an ON senior official said that only three AVs out of 160 (Fobougou, Yangassadiou Kana and Seriwala) are more or less able to fulfil the tasks they were entrusted with by the reform.

## 11. CONCLUSION

The Improving Institutions For Pro-Poor Growth report (see IPPG website<sup>36</sup>) may present the FOs' malfunctioning in terms of the quality of the legal institutions and of the economic and social organisations. However, when we listen to the farmers, they emphasise the human interrelations. In other words, the social relationship between farmers and the State supervisors on the one hand, and between the farmers themselves on the other hand, in the management of institutions and farmer organisations.

The consideration of the social and cultural aspects presented in this pilot study is relevant. It gives a better understanding of the farmers' judgments on the legal institutions and their managers. The farmers assess the institutions in terms of the behaviour and personality of their managers. Their attitude towards the institutions depends on their understanding of the social relations in these institutions.

The new ON's institutional architecture should have led to complementary relations between the legal institutions and the FOs. These relations were supposed to be an equal negotiated partnership with an exchange of paid services: on one side, the ON, supplier of water and technical advice, and on the other the farmers, payers of the water license. However, for a vast majority of farmers, the Reform has meant that the ON has abandoned them.<sup>36</sup> This feeling of abandonment and of economic and social failure gave birth to a social climate which was unfavourable to a partnership between the FOs and the ON for a pro-poor growth, which led to the contesting of the legal institutions, the exacerbation of conflicts and a generalisation in corruption in the FOs and the ON.

A positive transition towards a pro-poor growth requires a relation of complementarity between the

35. [www.ippg.org.uk](http://www.ippg.org.uk)

36. The nostalgia of the farmers for the former planned economy concerns a very precise period in the history of the ON: the period of Issa Ongoïba (1968-1980). During this period, farmer started - in their own words - to appreciate work again after a long period of economic stagnation and emigration of farmers. It is Issa himself who galvanised them in the production of rice. Ongoïba frequently went to the fields of the farmers to encourage them to double their efforts; the farmers responded by saying they were willing to be sacrificed for the cause of the ON. Still recently - within the last twelve months - we heard the old peasants saying that they were ready to return to the fields or the workshops if Issa Ongoïba came back as Director of the ON. In the post-colonial history of the Office du Niger, Issa Ongoïba is the sole reference in terms of motivating people to work; all the comments of the farmers and former workers regarding the Office du Niger after 1960, mention his name; according to the farmers he is the Director who imposed a change of labour practices in the administration, in the rice fields and in the workshops. (Dougnon, 2007) Here we can relate to the conceptualization of leadership as institution proposed by the IPPG Bangladesh project and their paper presented at the IPPG Manchester conference (May 2007) 'The role of institutions in the growth of the rural non-farm sector in Bangladesh' (see <http://www.ippg.org.uk/PDF/Non-farm%20Sector%20Bangladesh%2011.pdf>).

various entities of the reform (FOs, legal and financial institutions and private investors). Instead, the Reform created conditions that generated wild competition between these entities, where the strongest always wins. Who won then? 'The traders of Bamako, the micro-finance institutions, the ON managers and the other bureaucrats of big cities' answer the farmers.

According to the farmers, the General Delegation did not think of creating the social conditions for a complementary relationship between the ON and its farmers. This is certainly due to the haste with which the reforms were undertaken in the Office du Niger, formerly considered as a 'State within the State'.

The results of our anthropological approach to the relations between the FOs and the ON diverge with those of Jamin and Coulibaly in their 1995 report '*Des paysans sahéliens engagés dans la révolution verte, les riziculteurs de l'Office du Niger*' (Sahelian farmers enrolled in the green revolution, the rice farmers of the Office du Niger), which emphasise the successes of intensification of rice cultivation and of sponsors' participation.

The fact that the farmers are the losers in the new institutional architecture means that the Reform has created a social climate not only unfavourable for good collaboration between farmers but also unfavourable for a partnership between the FOs and the ON. The financial considerations of the Reform created competition where only a minority controlled the rules of the game. To understand this situation we require a deeper analysis of the definition of roles of the FOs and the ON. Have the farmers' roles and competencies been well defined?

### 11.1 What have we learnt?

In 1984–85, the State created the AVs to promote growth in a stagnating economy. The results are mixed: initially productivity quickly increased and the farmers were freed, but they then fell into a tiring poverty trap. At this point, with degenerating AVs, the Government launched the Reform in 1994: this was the AVs' death. Other farmer groupings were created instead, but their life was even shorter than that of the AVs. The ON population quadrupled and there is not enough land. More than a third of the ON families are obliged to get into debt every year to get some food during the off-season months. Production has fallen everywhere (between 3 and 2 tons/ha) and the number of evicted farmers increases every year.

Rather than lifting the constraints to the development of the zone, the Government decided, in 2000, to introduce agribusiness and attract private investors through a system of leases as a solution to the lack of rehabilitated lands. How will this new option respond to the needs of the poor farmers?

The idea of a lease governed by the law is favourably appreciated by the ON's technical and managerial staff, provided that the lease holders (mostly agribusiness) respect the measures of application and the specifications of the lease.

For the interviewed farmers the story is different. The system of leases disadvantages the family farms. Consequently, they are against the lease. The reasons are varied. Many people consider that the lease holders are incapable of rehabilitating the land in a way that may be beneficial for the farmers. For them, these lease holders are only land speculators who resell the land to the farmers, do not honour their engagements (lack of respect for specified rules, non payment of the water license) and are never threatened with eviction. The lease holders exploit the lands allocated to them in a capitalist way without any consideration for poor farmers. With this in mind, some of our interviewees believe almost all the leases deserve to be cancelled. In response to these comments, certain lease holders admit that they are the 'black sheep' in this story by not respecting all the clauses of the lease. But they add that a response to this should not go as far as cancelling the leases. On the contrary, they say, the initiatives of the leases should be encouraged by the farmers, because the success of the policy requires the collaboration of all stakeholders.

For the ON, the lease remains the means by which to take up the challenge of developing all the usable lands and promoting agro-industry. But this requires the professionalisation of the farmers.

Within the framework of the USA Millennium Challenge Account (MCA), 16,000 hectares are being developed in the ON. The farmers will receive parcels of 3, 5, 10, 15, 20 or 30 hectares. But they first have to pay 3 million CFA Francs/ha (£3,200 GBP/ha). If this sum is paid, the buyer can get his land title immediately. But how can a farmer, who cannot even afford food or pay his current charges (water license, fertiliser and workforce), pay 3 million CFA Francs?

Thanks to the private sector, Mali expects to be able to increase land usage from the current 85,000 hectares to 800,000 hectares. From 2002, the CEO of the ON has leased land to individual farmers or groups of farmers, but they have not managed to rehabilitate those lands. USAID distributed funds to farmers. Some farmers took the money but have not used it in the development of lands.

The conditions of a capitalist production system are not yet satisfied. It is likely that the new private agricultural investors will face other types of constraints which will prevent them from rehabilitating the land they have been allocated. They will thus request the poor farmers or the farmers without land to do the job, as in the case of the Chinese farm of Me béwani. At least the farmers, with knowledge of the previous two reforms, are not expecting a miracle; the uncertainties are bigger than ever.

A farmer of Diabaly said that there are two categories of farmers: the old ones (1945–94), who are aware of the reform, have huge debts and are not proud of the ON; and the new generation (1994–onwards) who is only looking for money. The former are worried for their future in the ON. Are they going

to become the workforce of the big investors? It is likely anyway that, if these private investors come in large numbers to the ON, the young farmers will not hesitate to sell them their family land.

## 11.2 Reinforcement of the Farmer Organisations

In order to take the concerns of the farmers into account, the FOs need to be assisted in their functioning and duties. According to our interviewees, this assistance should consist of multiform support aiming at correcting the weak performance of the FOs. To achieve this, the most often proposed measures for improvement are:

- provide training to the FOs leaders to eliminate illiteracy. Appropriate training in project management and literacy should strengthen the farmers' leadership;
- develop the FOs capacity to manage their economic activities in order to reduce their financial dependence;
- organise the FOs in a practical way to allow them to better execute the transferred activities: supply of production materials and equipment, commercialisation of production, facilitation of access to agricultural credit;
- strengthen the structure of the FOs to allow the best organised AVs to become cooperative companies, and allow them regroup in local, regional and national chapters;
- provide regular advice to the FOs to support their initiatives;
- organise the FOs for a better implementation of the transferred tasks: supplying, equipment, trading, credit;
- assure transparent functioning of the FOs by paying particular attention to the social composition of the leader authorities and to the quality of their members;
- assure a regular follow-up of the FOs activities.

Any assistance should follow the priorities of the farmers and must allow the FOs' leaders to acquire the necessary skills. An information and sensitisation programme must be a cornerstone of any programme of assistance.

## 11.3 Should co-operatives replace the Village Associations?

A solution to the constraints suffered by the FO's and to the farmers' poverty is the creation of co-operatives to replace the AVs. The introduction of co-operatives in the ON is not a taboo any more. The law to implement the co-operatives has been in place since 2001.<sup>37</sup> According to some ON managers, the implementation of co-operatives is a Government decision and the ON is not directly associated with this decision. The new co-operatives are considered to have more transparent management. Contrary to the opaque management of the AVs, the co-operative managers are financially accountable to a Board of Directors with the power to punish anyone who diverts money. The criteria on the number of members are simplified: ten farmers can get together and create a co-operative. Some people think that the AVs need to exist along with and independently from the co-operatives. They want the State to make a critical assessment of the AVs and TVs before imposing the co-operatives to the farmers. SEXAGON is happy to circulate the co-operative legal texts on the internet. Its European partners can then analyse them and send their comments and suggestions. The APCAM (Permanent Assembly of the Agriculture Chambers of Mali) plans to resolve the commercialisation problem with the creation of co-operatives. However, according to Ongoïba, 'it is not a matter of co-operative or AV, the real problem is that the farmers get into debt and refuse to pay it back. They want to be rich, to have luxury things without reimbursing their loan; that is why they fail.'

How can the objective specified in the Contract Plan between the State, the ON and the farmers be reached under these conditions? Namely: national self-sufficiency in rice and the export of surpluses to neighbour countries? (see Proposition of Contract Plan, 1995)

The study *Evaluation de la Pauvreté en Zone Office du Niger* (Evaluation of Poverty in the Office du Niger Zone, 2005) shows that if the ON wants to fight against poverty, it is necessary to put in place a strategy to extend the rehabilitated land surface, to provide land security and to give access to the rehabilitated lands to the family farms. 'If the development of agribusiness in the Office du Niger zone is to be promoted, the fight against poverty has to provide the small family farms with rehabilitated lands and the farmers' representatives have to be strongly involved at all levels in the management of the

37. We obtained a copy of this law from the Ministry for Social Development and Solidarity with Elderly People (Law N01 076, 18 July 2001). A presentation note about the co-operative law illustrates the main motivations behind the adoption of this new law, including:

- the hybrid nature of the AVs and TVs and their unclear division of functions with the villages' functions;
- the lack of legal status for the AVs;
- the economic and social context of the country;
- the non-democratic management of the former co-operatives;

After having analysed the co-operatives created in 1981 and AVs created in 1985, the National Direction for the Co-operative Action proposed this new law regarding the co-operatives

hydro-agricultural development. The securities planned for the private investors must be applied to the farms as well.' (Kébé, Demba et al., 2005:144)

In parallel to the rehabilitation of the land and to the enlargement of the family parcels, the Government must also elaborate a programme to strengthen the FOs.

While waiting for the implementation of these measures recommended by researchers and FOs managers, the farmers wonder how they will escape poverty when the rice remaining after the harvest and after having paid production costs is only enough to feed them for one or two months: 'unless the production costs are cut, the fight against poverty will be vain in the ON'.

## ABBREVIATIONS

AAI :	Association Indigène Autochtone Agricultural Association
ACA :	Association Coopération Agricole Agricultural Co-operative Association
ADRAO :	Association pour le Développement de la Riziculture en Afrique de l'Ouest Association for the Development of the Production of Rice in West Africa
AMAPROS :	Association Malienne pour le Progrès Malian Association for Progress
ARPON :	Projet d'Amélioration de la Riziculture Paysanne à l'Office du Niger Improvement of the Production of Rice in the Office du Niger
APCAM :	Assemblée Permanente des Chambres d'Agriculture Permanent Assembly of the Agriculture Chambers of Mali
AV :	Association Villageoise Village Association
BDM :	Banque de Développement du Mali Mali Development Bank
BNDA :	Banque Nationale de Développement Agricole National Agricultural Development Bank
CAE :	Contrat Annuel d'Exploitation Annual Farming Contract
CPGFE :	Comité Paritaire de Gestion des Fonds d'Entretien du Réseau Hydraulique Joint Committee for the Management of the secondary hydraulic network maintenance fund
CPGT :	Comité Paritaire de Gestion des Terres Joint Committee for Land Management
CPS :	Centre de Prestation des Services Service Centre
FDV :	Fonds de Développement Villageois Fund for the Village Development
GIE :	Groupement d'Intérêt Economique Groupings of Economic Interest
GIEF :	Groupement d'Intérêt Economique des Femmes Groupings of Economic Interest for Women
GIEM :	Groupement d'Intérêt Economique des Hommes Groupings of Economic Interest for Men
IPPG :	Improving Institutions For Pro – Poor Growth
ON :	Office du Niger
OP :	Organisation Paysanne
FO :	Farmer Organisation
ONG :	Organisation Non Gouvernementale
NGO :	Non Governmental Organisation

NEPAD :	Nouveau Partenariat pour le Développement de l'Afrique New Partnership for Africa's Development
PACCEM :	Projet d'Appui à la Commercialisation des Céréales Project of Support to the Commercialisation of Cereals
PEA :	Permis d'Exploitation Annuelle Farming License
SEXAGON :	Syndicat des Exploitants Agricoles de l'Office du Niger Union of the Farmers of the ON
SYNADEC :	Syndicat des Agriculteurs, Eleveurs et Céréaliers Union of Farmers, Breeders and Cereal Producers
TV :	Tons Villageois Village Tons
UDPM :	Union Démocratique du Peuple Malien Democratic Union of the People of Mali
UC :	Unités Coopératives Co-operative Units

## BIBLIOGRAPHY

- Chambers, Robert (1988) *Managing Canal Irrigation*. Oxford.
- Coulibaly, Chéibane (1997) *Politiques Agricoles et Stratégies paysannes au Mali, 1910–1985, le règne des mythes à l'Office du Niger*. Le Cauris d'Or.
- Dougnon, Isaïe (2005) 'L'Office du Niger dans le panier du NEPAD: l'agrobusiness versus l'exploitation familiale.' Draft, IPPG Exploratory Country Case Study.
- Dougnon, Isaïe (2007) *Travail de Blanc, travail de Noir la migration des paysans dogon vers l'Office du Niger et au Ghana (1910-1980)*. Karthala- Sephis.
- Dougnon, Isaïe (2003) 'Migration paysanne, redéfinition du concept du travail et relations sociales entre 'colons' et 'travailleurs' à l'Office du Niger, 1930-1980' in Hélène D'Almeida Tapor, Monique Lakroum and Gerd Spitller, eds., *Le travail en Afrique Subsaharienne représentation et pratique à l'époque contemporaine*. Paris:KARTHALA, pp. 166–176.
- Dougnon, Isaïe (2002) 'Migration et introduction du maraîchage du Plateau Dogon à l'Office du Niger: du rejet à la reconnaissance, le cas de Diabaly' in Mamadou Diawara, ed., *L'interface entre les Savoirs paysans et le Savoir Universel*. Bamako:Le Figuier, Présence Africaine pp. 162–178.
- Kebé, Demba et al. (2005) 'Evaluation de la Pauvreté en Zone Office du Niger.' Rapport non publié.
- Lipton, Michael (2004) 'Crop science, Poverty and the family farm in a globalising world.' [http://www.cropscience.org.au/ics2004/plenary/1673\\_lipton.htm](http://www.cropscience.org.au/ics2004/plenary/1673_lipton.htm), plenary paper, 4th International Crop Science Congress, Brisbane, Australia.
- Toulmin, Camilla & Bara Guèye (2003) 'Transformation de l'agriculture ouest-africaine et rôle des exploitations familiales.' <http://www.iied.org/pubs/pdf/full/9316FIIED.pdf>
- Viguié, Pierre (1950) 'Note sur la mise en valeur par la colonisation africaine des terres irriguées du Delta Central Nigérien.' Centre de documentation de l'Office du Niger, Ségou.
- Yamin, J.Y. and Y. Coulibaly (1995) 'Des paysans Sahéliens Engagés dans la Révolution Verte: Les Riziculteurs de l'Office du Niger (Mali).' URDOC Retail Niono Mali.

## Reports

- Arrêté N0 96 – MDRE-S.G portant cahier de charge
- Contrat Plan, Etat-Office du Niger- Producteurs
- Contrat Constituant le Cahier de Charges, Clauses et Conditions Applicables aux Régimes Culturels de l'Office du Niger en paysannat
- Compte Rendu de la réunion de Concertation avec les partenaires au développement de l'Office du Niger (du 25 au 28 octobre 1994)
- Deuxième Programme Triennal du Syndicat des Exploitants Agricoles de l'ON, 2005-2008
- Etude du Schéma Directeur d'Aménagement de l'ON, 2004
- Evaluation de la Pauvreté en Zone Office du Niger (2005)
- Ile Programme Triennal du Syndicat des Exploitants Agricoles de l'OM, 2005–2008.
- International Elimination of Illiteracy Report (September 1986)
- IPPG Mali Research Briefs (2005). Available at [www.ippg.org.uk](http://www.ippg.org.uk)
- Journée Internationale de l'Alphabétisation (septembre 1986)
- L'enjeu social pour un Office du Niger Restructuré (1993),

La Dynamique de la Responsabilisation Paysanne à l'ON, 1987

Loi N0 04 — 038 — du 5 Août 2004, relative aux associations

Loi N0 1 — 076 — du 18 juillet 2001 régissant les sociétés coopératives en république du Mali

Minutes of the Consultation Meeting with the ON Development Stakeholder, 25–28 October 1994.

Mission d'Appui à la Réorganisation de l'ON, GERSAR, juillet 1988

Proposition de Contrat plan, 1995

Protocole d'Accord de gestion du Crédit pour le Financement de la participation Paysanne dans les travaux de Réhabilitation du Casier de Sokolo, Ségou, 2002

Restructuration de l'Office du Niger, Aide-mémoire de la mission conjointe des Bailleurs de fonds, Bamako le 11 Novembre 1994