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## **TOBACCO FARMING IN KENYA: THE PROFITS DECEPTION**

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#### ABSTRACT

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TOBACCO growing has grown by, so to say, leaps and bounds, over the last two decades and a half.

Started on a seriously commercial basis in the early 1970s, today, tobacco's significance and earnings, in an economy where coffee, tea and horticulture, have reigned supreme, has risen into the top ten.

Last year, for instance, the main tobacco trans-national corporation operational in this East Africa country, BAT-Kenya Ltd had a KSh 10.6 billion (about US\$ 200 million) turn-over, and paid the government over US\$ 110 million in taxes and revenue.

The number of farmers has risen sharply from about 5,000 at the beginning of the last decade of 20th century, to reach over 20,000 for BAT-Kenya alone. A small, but vibrant competitor, Mastermind Tobacco Kenya Ltd says it has over 5,000 contracted farmers, barely five years since it commenced operations.

This scenario is frequently interpreted by BAT and other tobacco interests and partners, particularly government officials, to show an industry that is highly profitable to farmers, the primary interest group, and the economy.

It is however our humble submission that profit and personal enrichment and contentment -- key factors in any venture -- are elusive in the multi-billion shilling industry, which, President Daniel arap Moi, once in an ominous manner, said he would not take any threats to it (tobacco industry).

This paper is based on the analyses of the presenter, based on field reports by Messrs ELISHA OONGO OWUOCHA and JOE ASILA, both born and raised in the tobacco growing areas of Kenya's lake-side (Victoria) districts.

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#### (A) SOCIO-ECONOMIC IMPLICATIONS

Tobacco farming and related activities is highly labour intensive. Land preparation starts in October through January to July of the subsequent year dried tobacco leaves are ready for marketing.

Major activities include constructing curing barns, preparation of nursery, seedbed followed by sowing seeds and transplanting seedlings. Tobacco demands weeding and constant tender care involving removal of suckers and spraying with insecticides. The tobacco leaves are ready for curing (drying process in May.

"To get something out of this crop one has to dedicate all his time for the proper management of the crop, otherwise you will get nothing," says Mr Ogaya Bade, a veteran tobacco farmer for more than 10 years.

The exercise is so involving that most tobacco farmers do not get time to pursue production of food crops. The result is perpetual famine in the area. Traditional crops like cassava, millet and sweet potatoes are scarce.

Commenting on the labour demands, elderly Roselida Nyowuor, in her 80s, says tobacco has killed the foods that used to keep famine at the bay. "Where is cassava and sweet potatoes?" poses, Nyowuor, whose son is a prominent tobacco farmer.

The old folks complain of beach of cultural practices where tobacco is planted as a season-opener (golo kodhi) and engagement of young women in tobacco farming.

Traditionally tobacco was left for the old men and women. Young men and women were not supposed to touch 'ndawa' (Luo name for tobacco), according Mr Owuocha Goga, a small scale farmer.

Most farmers rely on labour from family members, with women and the girl-child particularly taxed, yet they do not benefit directly from the proceeds of crop sold. It is not uncommon to find the children deliberately withdrawn from schools to assist in the farms.

"Our children have to assist in the farm activities. That is how they can get soap and books," argues Mrs Anjelina Akinyi, a mother of seven whose family has been in tobacco farming for the last to years.

(B) BUT WHERE IS THE CASH???

Returns from tobacco is not commensurate with the effort the farmer puts in the production. Averagely a farmer takes home KSh 15,000 ie after the tobacco firm has taken relevant deductions in respect of inputs provided on loan.

Taking into consideration that the money has been earned over 10 months by 3-5 people (family members provide labour) annual income per person from tobacco is a miserable KSh 3,000 - 5,000! for a tobacco farmer's family.

A number of non contracted farmers are deliberately not reflected by tobacco firms in their reports. Available information reveals that for every farmer there are 2-5 non-contracted farmers referred to as a "agok".

In 1996 BAT paid the 2,000 contracted farmers in Rangwe over KSh 17 million. The total amounts earned look impressive but put to rigorous calculation, they cannot stand "viability test". No wonder most farmers cannot make ends meet.

One of the beneficiaries is Mr Aloyce Otieno. While he is expected and said to be swimming in BAT money, Otieno has forced his only son to repeat the Primary Standard Eight (the pre-secondary school year) twice, hoping to get enough tobacco cash to send him to a secondary school.

He finally gave up in 1996, having had the bitter realisation of tobacco's big money dream. Otieno is one of the many

tobacco farmers who have not benefit much from tobacco farming.

"The loan the tobacco firms provides is really weighing down on us. Actually after the deduction you get nothing. Year in year out of the company ensures that you have an outstanding loan," Otieno declined to reveal the amount of outstanding loan he still has. A number of farmers interviewed feel the inputs provided by the tobacco firms are grossly overpriced.

Most farmers who go for tobacco farming have low formal education. When introduced in 1976, most "prominent" farmers registered but many have since dropped after realizing that the returns were not worth the efforts.

Mr Okech Charles was contracted by BAT in 1990-1993 but switched to horticulture after only two seasons of loss.

"At least I am able pay school fees for my 2 children in secondary school, feed my big family and buy the school requirements for the kids in Primary school from the sales of vegetables and maize," says Okech.

Of the twenty tobacco farmers interviewed none has children in secondary school. Most are in primary schools the rest have dropped from school after standard eight and got married at very early ages.

#### (C) REAPING OFF -- EXORBITANTLY PRICED INPUTS

Why should a 200 litre empty metal drum be charged KSh 1,200 while it cost between KSh 400 - 600 in the hardware shops? (The drums are used for storing water for transplanting seedlings which is in Jan/Feb where they are no rains).

#### GRASS THATCHED HOUSES -- THE MARK OF SUCCESS?!

Then there are the grass thatched tobacco barns and houses, which dot the tobacco growing lands. While fire breaks out often, not infrequently because of tobacco-related activities, there is no scheme for compensation when a farmer's dried tobacco is destroyed by fire in the barn.

Most of the farmers affected by this calamity end up hopeless to the point thinking of taking their lives - taking into account the intensive labour injected into tobacco farming-related activities.

"I promised myself never to engage in tobacco farming when my tobacco worth about KSh 20,000 went in a sudden fire barn in 1985," says Mr Isaac Aloo, who since has switched to growing of conventional crops like maize groundnuts and cassava.

Mr Ariyo Yala of Gem West who was voted the best farmer in 1996 in Homa Bay District, hotly contests the facts and figures attributed to him by BAT.

According to BAT, Yala earned over KSh 200,000 (about US\$ 4,000) from tobacco in 1996; a permanent house; owns several heads of cattle, and; children in school, courtesy of tobacco.

"If I had KSh 200,000 I would not be leading such a miserable live," says Yala of his four year flirting with tobacco. "I have gained very little," he adds.

The farmer has two wives, all his children are still in primary school and only recently built a small semi-permanent house.

#### (D) ON FARM POLLUTION -- A HARDLY DISCUSSED AREA

Things are not any better for Yala's elder brother, who

started earlier -- he faces a myriad health problems. "I believe the smoke we inhale from tobacco and different shrubs have harmful effects," claims Yala.

Meanwhile, whole villages are enveloped in smog during the two or so months, June/July, when the curing of tobacco -- the drying process in crude oven-like structures -- goes.

Fire normally has to be kept at a given intensity to ensure a "perfect crop"... So women, particularly, are held in near bondage rekindling the flame that "bakes" the "golden leaf".

Many of the women are seen with children strung on their backs, coughing as they work for one of the world's most brutal and profitable industries.

Complaints of "congested" chests, particularly during the curing process abound.

The barns are poorly ventilated, and farmers have no safety gears provided to the farmers, the result is passive smoking and high risk of chemical poisoning.

Barns, which would have preferably been located away from homesteads, are part and parcel of a tobacco household. One of the underlying reasons why this must be so, argues a BAT official, is because the process, particularly flue (hot air cured crop), goes on for days.

The smell of tobacco under cure, not a pleasant one, however harmless, spreads hundreds of metres from the barns.

The cured crop, which is now the subject of theft and smuggling across the border to better paying, cost-cuts free markets, must also be stored in the residential houses, a big fire and rodent hazard.

The farmer and family are equally forced to inhale dust, which gathers in tobacco, worsening their lung health. as a result, children, particularly, complain of nasal irritation, coughs and eye irritation.

Local medical practitioners report increased number of cases of respiratory diseases during the curing season, particularly from tobacco farmers.

"Unfortunately, most farmers cannot correlate their health problems with tobacco smoke," says the local proprietor of the Rangwe Medical Centre. The problem, he explains, is tied to biomass-based kitchens. "If they were not using wood fuel for cooking, they would probably understand tobacco is the cause of their respiratory health problems," he says.

#### (E) PESTICIDES PROBLEMS

Most farmers are unaware of safe handling of the chemicals provided by the tobacco firms. Some farmers even use the chemicals in spraying vegetable. Furadin, for instance, has active ingredients that are banned in the West.

Deliberate or accidental poisoning of people and even animals have been reported in the area.

Tobacco growing regulations require farmers be provided with safety gears namely safety chemical goggles, chemical respirator masks, hand gloves, sprayer coat with hood and gum boots.

"I started growing tobacco in 1976 and over the years I have been given any safety gears save for 1994/95 when I was given a pair of low quality boots and a hopeless dust coat," says Mr Michael Anyona, who is one of the pioneer farmers. Apparently, BAT withdrew Furadin, faced with ecologists criticism, but the

harmful substance was reintroduced by a competing firm in 1996.

Other harmful substances known to be in use on tobacco farms and nurseries include Aldrin, and Dieldrin, both of them blacklisted by Consumers International (formerly IOCU) and branded as part of the "Dirty Dozen". The soil fumigant Methyl Bromide, at the centre of the Ozone depletion debate, and whose production has been frozen and is being phased out in the West, remains in use.

(F) YOU MUST BE HAPPY: TOBACCO SUPPRESSING RIGHT OF EXPRESSION

"The local provincial administrators are working in cohorts with tobacco firms to suppress the tobacco farmers", explains Ariyo Yala.

Farmers are not freely left to express their grievances. Most farmers know that there is something amiss but they lack communication avenues.

Opinion leaders from the area appeal for assistance from the tobacco firms.

"Tobacco occasionally supports the construction of schools, health facilities and other social amenities where they operate and it is a felt need that the tobacco company should strive to assist us," asserts Mr Adeny Rachillo, former councillor (local government representative) of the area.

"So far the company has not initiated any development in the area," adds the former civil leader.

(G) NO ALTERNATIVES, NO COMPENSATION FOR KING CROP

Even as they struggle in debt and little or no profits, many tobacco farmers are deliberately prevented from trying out alternatives or even knowing that such alternatives do exist.

Mr Johnson Sek aged 32 years, temporarily left his electrical artisan job in Nairobi to try his hands in tobacco farming in 1995/96 season.

He cultivated 0.5 hectares of tobacco which estimated to produce 600 kg of dried tobacco targeted to net KSh 50 per kilo. Sek was expecting a cool KSh 30,000.

On the 11th of April 1996, virtually the whole crop was shredded by hailstone. BAT field experts estimated the loss at 80 percent. After the sales of tobacco leaves to the firm he got a paltry of KSh 5,000! Johnson was terribly disappointed considering the effort he had put in the crop production.

He failed to clear the outstanding loan he was given by the firm. Consequently he was served with a notice to clear the outstanding loan of KSh 7,960 or face legal action.

"All my strength went into tending the crop and constructing the barn for almost a year, and they want to "auction me", let them go ahead. What else did they want me to sell to them while the crop was destroyed by hailstone", exclaims an angry Sek, who contemplates leaving systems.

(H) A GRADING SCANDAL: ENSURING PROFITABILITY FOR TNC?

Tobacco field in the area has been dominated by BAT since 1976. However, another company is currently making inroads into the area. That is Mastermind Tobacco Company (K) Ltd. Most farmers have welcomed its entry oppression by the former in grading and pricing systems.

"BAT has so many grades (13). Passing for better grade (s) depends on how well you 'talk' to the field technicians. Tobacco farming is sharply in contrast with religious beliefs of most residents of the area who are deeply Christian.

"This devil (tobacco) is to blame for recurrent famine in our locality," laments Pastor Awuor of Nyandiwa Seventh Day Adventist (SDA) Church. Why should Christian grow this weed?" asks Awuor.

In a radical response to the calamity, the Church is excommunicating tobacco growing families. "There is little difference between growing and smoking tobacco -- a vice that makes smokers, especially the young addicted, to spoil the health and moral values", argues Rev Joe Asila of New Covenant Church. "The evils and peril caused by tobacco consumption and the Christian faith are not compatible," he adds.

#### (I) NO BANK ACCOUNTS, NO SAVINGS

Tobacco firm operating in the area has been pressing farmers to open bank accounts that they do not have enough capital to operate bank accounts. All 50 farmers interviewed do not have bank accounts.

The result is that the cash earned sometimes is put into unintended use. A few farmers point at livestock and constructions resold for purchase mud-walled houses as positive results of tobacco farming. Proceeds normally go to the purchase of livestock, which is then resold soon after to purchase food.

The case-flow is short-lived because the farmer is faced with myriad financial obligations. Most farmers hope that they will be one day settle. This is like chasing mirage!

#### (J) ENVIRONMENTAL DEGRADATION

The type of tobacco grown in the area is fire-cured. The curing process demands a lot of wood-fuel. Consequently the curing process a lot of indigenous trees are felled for use. Notable endangered indigenous trees are "keyo", "adugo", "ober" and "siala", which are almost extinct. These trees, which otherwise provide good hardwood, are felled by the tobacco farmers who use the logs for drying the tobacco leaves.

"My son cut all the euphorbia trees I used in fencing my compound, the result is exposure of my houses and granaries to recurrent strong winds," laments Mzee Awiti Jacob, whose son is a tobacco farmer.

Trees that provided shades are no more and shrubs are not spared. The shrubs are cleared and used in curing. The exposed soil is prone to erosion.

The local tobacco firms talk of initiating afforestation programme. This is cosmetic -- it is not given proper attention. The farmers are required to have about 500 seedlings from the tree nurseries do not reach the seedbed.

After all the seedlings provided are eucalyptus ssp, which on maturity is not used for curing. This type of tree puts a lot of demand on water and nutrients, the result is loss of soil fertility.

#### (K) DUBIOUS ARITHMETICS

BAT (K) Ltd contests the deforestation aspect, claiming to have initiated plantations of 41 millions of surviving trees in the tobacco growing area. At best, these figures are highly inflated, leave alone the absence of a mechanism to ensure trees are used for the intended purposes.

In a recent analysis of the data, Prof Simon Chapman, a respected authority in this area reveals, among others that (1) the number of trees claimed cannot be sustained on the average 0.6 ha Kenyan small-scale holding; that (2) Even on a day-to-day basis, there was little doubt the farmers could actually plant and sustain over 9,000 trees each.

The tree statistics are probably the worst public deception BAT has engaged in, and in Kenya, some interest groups are preparing to sue over the matter.

Mr Agala Otieno, of the award winning Green Belt Movement insists that is not true that BAT has initiated plantation of significant number of trees in the area.

"It is women, with support from several non-governmental organisations (NGOs), who have planted most of the trees BAT lays stakes on. BAT is but a small contributor," asserts Agala.

(L) IN CONCLUSION ...

While Kenya has immense potential to raise foreign income and revenue, say from horticultural crops (food-based and flowers), there is relatively too much support for the tobacco industry. Horticulture earned about KSh 13 billion last year, while under-developed tourism, the number one income earner with over US\$ 300 million, has even better potential.

Equally under-developed in the film industry.

It would appear that throughout most of developing countries where tobacco is grown, the sometimes so called "tobacco mafia" of ruthless merchants of death whose survival hangs on peddling nicotine hoping to cash on lifelong addiction, has prevented tangible alternative crops from being developed.

Meanwhile, I am informed by Zimbabwe's Minister for Health, Dr Timothy Stamps, that the UN Food and Agricultural Organisation (FAO), has failed to support his country's UN-mandated request to study the potential of alternative crops.

While the situation remains sad, the least the nicotine peddlers could do is address the concerns raised in this paper. Governments, including the Kenya's, need to exercise their moral obligations to bring tobacco production in line with basic socio-ecological and economic demands and standards.

Tobacco's culture of flouting laid down regulations must be broken once and for all, if the industry is to retain any semblance of legal existence.

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