Supermarkets and urban value chains: rethinking the developmental mandate

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One of the most pressing research concerns in food studies is understanding how urban value chains work and making recommendations for how they could work better, with the broader aim of linking farmers to markets and making food more accessible for the urban poor. This paper aims to broaden out the idea of urban value chains beyond the vision of the supermarket as the ultimate benefactor of profitable chain linkages, as it has been cast in the development literature. I also argue, with evidence from Lusaka, Zambia that development practitioners need to broaden the focus on linking small-scale farmers to markets beyond the overly optimistic vision of supermarkets. Overlooking urban markets disregards almost 90 per cent of urban food trade in African cities through these markets. It is precisely these modes of retail that connect small-scale farmers to markets and enable accessible food provisioning for urban residents. The paper concludes with a few salient interventions for development policy research.

KEYWORDS: Supermarkets; Zambia, food systems; urban markets.

> A significant part of non-farm rural and urban employment is linked to agricultural commodity value chains, through many formal and informal enterprises engaging in activities such as agricultural input, equipment manufacturing and distribution, agricultural commodity processing, transport, trade and marketing, as well as food preparation and retailing.
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> Dioné Josné, UNECA, 2007

Over the past decade, policy researchers have paid significant attention to inclusive value chains or the integration of small-scale farmers into chains linking 'farm to fork'. The attention given to the subject is even more striking because it is adopted in the rhetoric of the international development community as a pervasive strategy toward economic development of agrarian societies. The United Nations Economic Commission for Africa, for instance, has linking farmers to retail markets as one of its core focuses. There certainly has been good cause for a swell of interest in integrating small-scale farmers into higher value market chains, as many case studies across the globe

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doi: 10.3362/2046-1887.2011.018 ISSN: 2046-1879 (print) 2046-1887 (online)

demonstrate. In India, for instance, Malcolm Harper presents a number of compelling cases in which small-scale farmers have successfully been included in high-value retail chains. Not without significant risk and cost, small-scale farmers have managed to either collectively bargain or sufficiently upgrade the quality of their products to be included in retail chains, as the contributors to Harper's book *Inclusive Value Chains* show (Harper, 2010). The research project 'Regoverning Markets' highlights similarly compelling evidence in cases on the African continent (see Hichaambwa et al., 2007; Hichaambwa and Tschirley, 2006; Louw and Emongor, 2004; Louw et al., 2007). The project looked at how small-scale farmers do and can more effectively participate in supermarket value chains. For the most part, this growing body of work and collection of cases take a 'value chain' to mean the set of linkages and operations that make it possible for foodstuffs to reach an end market. And in the majority of these cases, the end market or the 'high value' retail linkage is seen to be the supermarket. This is how the 'linking farmers to markets' debate and 'value chains' has been cast in the developmental literature.

In most cases, the 'high value' retail linkage is seen to be the supermarket

This paper aims to broaden out the idea of urban value chains beyond this particular vision of the supermarket as the ultimate benefactor of profitable chain linkages. This is not meant to be an empirical account of a particular case study, instead, the purpose of the paper is to critique the use of the conceptual framework in assessing cases. First I show briefly how the body of work linking farmers to markets that has come to be associated with value chains is an over-simplified version of early commodity chains literature. I argue that the conceptual understanding of value chains is based on an oversimplified (and dated) understanding of the economic geography conception of commodity chains. Second, I show with evidence from Lusaka, Zambia that supermarkets are only one of the markets that practitioners should focus attention on in attempting to link farmers to markets. This paper will not dwell on how the concept has evolved in the literature, as this is traced out expertly in Bair's (2004; 2009) work. Instead it will focus on broadening out, not only what we see as 'value chains', but the way we think about these linkages between small-scale farmers and agribusiness firms. In so doing the paper offers a broader vision than has been typically cast, in recent development policy literature, of what needs to be done to link farmers to productive markets, and how to make these end markets more accessible.

The power of supermarket retail and the developmental mandate

The predominant understanding of urban value chains in the development policy literature is informed by a conception of how the global economy has been restructured. The simplified conception is that global trade and buyers and retail capital increasingly control economic interaction. Capitalist restructuring in this phase of globalization means that for some theorists power resides in the hands of international private interests, essentially mirroring the structural adjustment strategies of the 1980s where control of resources and trade is taken out of the control of states. This resulted in structural changes: new private, buyer-driven chains have restructured how production, processing and exporting happens. Larger, more established producers and exporters have the capacity to integrate into global markets, and smaller producers, in a global regime of transaction, typically do not have the capital or volumes to enter into such contracts. This had massive repercussions on global commodity prices – which are now set by the global market – and the ability for producers to cope with these changes. As transnational corporations merge, consolidate and come to control or 're-regulate' trade, this account of agrifood restructuring and indeed also economic development, has become the both dominant and normative thinking about how farmers integrate into higher value markets ultimately through supermarkets or high value agribusiness firms (see Dicken, 2003; Farina, 2002; Reardon and Hopkins, 2006).

> The literature linking farmers to supermarkets is based on earlier conceptions of global commodity chains

Despite the field of global value chain (GVC) analysis having become a more nuanced field in recent years that includes a conception of quality governance and private regulatory standards, the literature on linking farmers to markets through supermarkets is based on earlier conceptions of global commodity chains – the spread of retail capital, its increasing power, and new forms of private regulation or buyer-drivenness – thereby translating this work to the domestic context. And it is this work that has come to inform analyses of food economies in Africa.

The rationale of translating this work on global value chains to domestic (or regional) supermarket/retail expansion may be explained by Pritchard and Burch's argument that

> Global agri-food restructuring needs to be understood as an intricate set of processes operating at many scales, and on many levels, rather than a unilateral shift toward a single global marketplace (Pritchard and Burch 2003: xi)

Thus, while the GVC literature continues to be a vibrant field in global studies, the 'supermarket turn', which looks at similar processes

Supermarkets are seen to govern markets through their power over supply chains

of economic restructuring and the consolidation of agribusiness firms and supermarket retail at the domestic level, evokes earlier theorizations of agrifood restructuring. This means that supermarkets are seen to control every linkage along that chain down to producers. It also means that supermarkets are seen now to represent the highest value end market to which producers aspire to tap into through value chains. Supermarkets are thus seen to govern markets through their power over supply chains.

A recent collaborative project (Regoverning Markets, funded by the International Institute for Environment and Development) concerned with how small-scale farmers are able to cope with these new systems of governance, and how policy changes need to be made, sums these three trends well:

> Rapid changes are taking place in agri-food markets in middle and low-income countries. The spread of dynamic modern retailers, wholesalers and food processing businesses is reshaping the way that food chains are governed. Small-scale agriculture, which supports the livelihoods of the majority of rural poor, is poorly prepared for these changes (see Louw and Emongor, 2004).

In the book *Inclusive Value Chains* cited earlier, the effect of supermarkets and therefore the developmental mandate is clear (Harper, 2010:7):

> How does modern retailing affect … small producers? Modern retail chains…require large quantities of standardised products, delivered at precise times and to closely specified standards…. [and] farmers are in for a 'painful shock'. … [Supermarkets] supply goods to urban people through channels, or value chains, in ways urban consumers are coming to prefer over traditional markets and vendors. They can exclude not only the small traders from whom urban consumers have traditionally bought their supplies; but also the small producers, notably small farmers as well as individual artisans.

The developmental mandate is how to support small-scale farmers to meet the demands of the supermarket

In restructuring economic interaction, the problem is that there are often severe implications for small-scale farmers and traders. In *Inclusive Value Chains*, the challenge is 'about ways in which even the smallest and most marginalized of [producers] can profitably be included in modern value chains' (Harper, 2010:18). The developmental mandate is therefore seen to be how to support small-scale farmers to meet the demands of the supermarket. The Regoverning Markets team cast this challenge firmly as a research policy one:

> Research and support to the policy process can assist producers, businesses, and policy makers to anticipate and respond to this

challenging environment, in ways that contribute to the resilience of rural economies (ibid).

Scholars note that one of the most pressing research concerns in food studies is understanding how urban value chains work and making recommendations for how they could work better, with the broader aim of linking farmers to markets and making food more accessible for the urban poor (Hichaambwa, et al., 2007; McCullough, et al., 2008; Ngugi, et al., 2006).

These are important challenges and development endeavours, but the concern here is what this way of understanding the current challenge and solutions implicitly means. First it suggests that supermarkets have elbowed out traditional modes of retail or that these are progressively diminishing in importance as an end market for small-scale farmers and urban consumers. Secondly, it suggests that supermarkets and agribusiness firms represent a panacea of sorts for agricultural development because they offer the opportunity for small-scale farmers to tap into more lucrative end markets. The next two sections unpacks these two implicit assumptions in the literature, critiques them with evidence from Lusaka, in a number of cases drawn from research on urban food supply systems in Zambia between 2007 and 2009, and ultimately making a case for broadening the idea of urban value chains.

Assumption 1: Supermarkets elbow out urban markets

Research shows that urban markets are by no means retreating in the shadow of supermarkets

On the first point, while it is of course true that there have been significant pressures on urban (traditional) markets in the face of competition from supermarkets, other research shows that urban markets are by no means retreating in the ever-growing shadow of supermarkets. The literature often cites the 'demise of the informal sector' as a defining outcome of the spread of supermarkets and agribusiness firms in urban Africa and elsewhere in the developing south (Farina, 2002; Faigenbaum, 2002; Reardon and Gulati, 2008). While this may be true in some cases, underlying this simple equation is a normative vision which places the supermarket as the end point of a vector for economic development where, for example, 'informal' or 'traditional' markets are seen to give way to 'modern/formal' modes of food provisioning and economic interaction. The traditional–modern or formal–informal dualism is thus entrenched, as is the normative ideal of how economies progress. Both this dualism, and the idea that as economies evolve from informal to formal the dominance of supermarkets is inevitable, are never more evident as they are in the supermarkets literature which argues that the spread of retail capital signals the transition of an economy and the demise of traditional forms of retailing (see Weatherspoon and Reardon 2003). One of the intentions of this paper is to challenge the work on the supermarket revolution in sub-Saharan Africa.

The work of African Studies scholars points to the fact that urban food markets are a permanent feature of African cities, and have not recently emerged in response to economic crises. Instead, they each present detailed reviews of the history of urban food marketing in African cities – some over one hundred years (Bates, 1981; Bryceson, 1987 and 1993; Guyer 1987; Porter et al., 2004; Porter et al., 2005; Porter et al., 2007). The body of work shows that urban markets have a long history in sub-Saharan Africa and they will continue to be a feature of the urban food supply system because of political economy changes and urbanization trends. Despite the importance of urban markets, Tschirley et al. note some of the major challenges to overcome if urban markets are to flourish and grow, viz., 'woefully inadequate investment', lack of physical facilities, cold chains, market information, grades and standards and frequently dysfunctional management (Tschirley, et al., 2004). In some cases, in sub-Saharan Africa and other countries in the global south, particularly Zambia, these markets are becoming a more 'permanent' feature of cities because municipal governments provide financial, infrastructural support or introduce protective planning and management regulations (see Abrahams, 2010). This has meant the modernization of infrastructure or markets, and encouragement of retail innovation for small retail outlet stores through training programmes (see also Reardon and Gulati, 2008; Tschirley, et al., 2004).

Informal urban markets are by far the most important retail outlets

They make food accessible to city residents, many of whom are poor

Urban markets make food accessible to city residents, many of whom are poor. While supermarkets and other retail outlets make food available, many people living in urban Africa do not have (nor, in fact do they need) access to these outlets. Access to food is influenced by other factors including urban poverty and vulnerability, the accessibility of urban markets, and individual consumers' access to transportation and refrigeration. For this reason, argue Tschirley et al. (2004:2), in Africa, informal markets are by far the most important retail outlet of urban residents. Furthermore, I argue elsewhere that informal retail outlets and traditional markets continue to be the choice of urban residents because they facilitate food networks for the urban poor and for culturally diverse communities in parts of urban Africa (Abrahams, 2007). A large percentage of urban consumers in Africa continue to have low disposable incomes and 'their shopping patterns are tied to low value-added goods, in small units, with minimal processing and packaging purchased from informal markets and smaller retail outlets within walking distance of their homes' (Jayne, 2008:129). In a detailed presentation report by Tschirley (2009), he presents excellent graphical evidence of sustained lower retail prices of urban markets in Zambia, and the small percentage of retailed food from supermarkets as compared to urban markets, concluding that despite almost fifteen years of supermarkets penetration in the country that 'the "traditional" sector will dominate for many years, though supermarkets are likely to grow (Tschirley, 2009:12) because the food system is not becoming increasingly homogenous as 'promoters of the supermarket revolution' initially assumed (Abrahams, 2010:115).

In Nairobi, only 10 per cent of urban residents' budget is spent at supermarkets

Indeed, the supermarket is not the only option for farmers to sell to; informal markets still cater to the majority of urban residents in African cities. In Nairobi, for instance, only 10 per cent of the urban residents' budget is spent at supermarkets, and supermarket expenditure as a whole is by the wealthiest 20 per cent of the urban population (Tschirley et al., 2004). Haantuba and De Graaf (2008:212) note similar evidence in Zambia. They confer that 'supermarkets still account for an insignificant proportion of produce sold' in Zambia. Because of this, the literature (notably articles from a FAO-funded publication) notes that while modern retail chains are growing fast, drawing in new sources of investment, and opening new reliable markets for higher value produce… For many smallholders throughout the world, and particularly in sub-Saharan Africa, the challenge of participating in modern, organized chains is eclipsed by the more fundamental challenge of participating in any market (McCullough et al., 2008:*xix*).

What this means for the literature, is that the about turn that is evident in much of the work on agrifood chains, toward an emphasis on supermarkets as the drivers of food supply in the global south, is really a smaller narrative of a transforming urban food system. It also means that the efforts to integrate small-scale farmers into supermarket value chains, while commendable, are overly optimistic or place disproportional importance on supermarket-driven value chains. Overlooking urban markets as a profitable retail outlet, disregards almost 90 per cent of urban food trade in African cities through these markets. It is precisely these modes of retail that connect small-scale farmers to markets and enable accessible food provisioning for urban residents. To have a dualized vision like this in academic and policy studies not only ignores the inherent modernist assumptions, but also is a lost opportunity for academics and practitioners alike to look at ways of upgrading the value of urban food supply chains through markets, and thereby contribute to a wider number of small-scale farmers and poorer urban residents. Such an omission is particularly striking given that a large percentage of developmental funding is made available for a small group of farmers or cooperatives to tap into a limited high value supermarket-driven supply chain.

Efforts to integrate small-scale farmers into supermarket value chains are overly optimistic

Assumption 2: The supermarkets as a new development custodian

The second assumption in this way of understanding challenges and solutions as linked primarily to supermarkets suggests that supermarkets and agribusiness firms represent a panacea of sorts for agricultural development because they offer the opportunity for small-scale farmers to tap into more lucrative end markets. In much of the international development literature, supermarkets are now seen as the transformative force in local economies, and as 'partners' in social development to increase the capacity of small-scale farmers to be included in supermarket supply chains (see Haantuba and De Graaf, 2008; Timmer, 2008). While it is indeed true that supermarkets have altered the face of urban retail in developing countries, and that inclusive supermarket value chains have a positive impact on small-scale farmers, an over-emphasis on supermarkets implies that these firms are custodians of agricultural and economic development in these countries, particularly sub-Saharan Africa.

In much development literature supermarkets are seen as 'partners' in social development

Little work has been done on the response of supermarket management to their 'developmental role'

Supermarkets are seen to be the harbinger of progress for food systems in African cities. Seen in another way, the increasing attention on integrating small-scale farmers into supermarket value chains as the solution to rural development or agricultural transformation is overwritten. Despite the fact that many cooperatives have edged into supermarket value chains, often profitably, there is little work done on the response of supermarket management to the increased insistence of their 'developmental role'.

My research in Zambia highlights two very interesting responses to 'inclusive value chains' by supermarket management of Shoprite. I quote them here at length to give a sense of the narrative from the supermarket side. In an interview more broadly on the role of South Africa in Southern Africa, the head of Africa operations at Shoprite's headquarters in Cape Town had this to say to the expectation to include small-scale farmers in supermarket operations by development practitioner intervention:

> That is part of the problem, because in Africa everybody's got agriculture so you have some noble person standing up at his church, going to Africa with a hundred packets of seeds and [after] that all the villages grow cabbages and they knock on your shop door asking us to sell the cabbage, and if we don't want to sell the cabbage we're the bad guys. I mean we simply can't. I mean how many cabbages can we sell?
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> The choice is now this: we buy the tomatoes and the cabbages that the people have grown with the help of a church in America plus all the other things that they grow and then we don't send anything there [in the Shoprite store in an outlying area, Chipata]. … That's the dilemma that we're faced with 'Shoprite

> doesn't support local farmers'. Nice to say we don't buy their local produce, and we ask how do we get the rest of the things [other fresh produce not grown in that area], they say no we must make a plan. It is very, very complicated and of course we have our side of the story to tell them, and so will the farmers. And if there are 30 people that's been entered into a planting programme and they grow tomatoes, the prices that they expect for their tomatoes is far higher than we supply it out of Lusaka, because in Lusaka we've now contracted five or ten farmers to grow tomatoes and they know that they will sell to us a certain quantity, so we obviously negotiate a very good price, and that quantity we send to 17 or 18 stores. …People look at us and want us to be the saviours of Africa in terms of small-scale farmers … we can't.. If there was one farmer in Chipata we could, but we cannot sell 20-30 farmers' tomatoes.
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> You understand what I'm saying? You thinking about the supermarket, if you went into a supermarket this week you'll only have tomatoes. The programme, a hundred people growing onions, tomatoes and beans, it's a small community, they give their tomatoes to their family and friends and they also sell in the street, whatever's left, Shoprite must buy. How do we do it? Firstly who do we sell it to, the whole community's growing tomatoes? (Interview with the head of Shoprite's operations in sub-Saharan Africa, 2007, Cape Town).

What does this mean for the idea that supermarkets are seen as a new custodian, of sorts, of agricultural development? A few things emerge from this excerpt. One, while there may be social responsibility programmes, these programmes do not necessarily include sourcing from farmers. The supply 'chain' is an inherently contractual arrangement. It is not primarily an inclusive developmental arrangement, and attempts to cast it as such are problematic. Casting inclusive supermarket supply chains as a seamless project where small-scale farmers can move from so-called risky and ad hoc supply chains through traders to assumedly profitable and risk free supply chains just through upgrading quality or cooperatives has serious risks attached to whether in fact supermarkets will include small-scale farmers in supply chains. As the above excerpt suggests, it is as risky for supermarkets as it is for small-scale farmers to overhaul production processes. And supermarket managers do not seem overly keen to fulfil the quasi-developmental role.

Supermarket managers do not seem overly keen to fulfil this role

There is another contradiction inherent when supermarkets are cast as developmental custodians. It is the assumption that inclusive value chains are a moral project. The 'chain', i.e., the contractual arrangement between supermarkets/buyers/retailers and their downward suppliers may not be the best construct to use in this case. The 'chain' as an isolated set of transactions is assumed to exist in a depoliticized vacuum, where the only concern is to upgrade small-scale farmers' operations in terms of quality or economies of scale. (This is also a problem with terminology, one that I briefly pick up on later.)

In the case of Shoprite in Zambia, the supermarket does not see its role as particularly developmental – beyond its corporate social responsibility projects. There is in fact a great deal of worry at the assumption of development practitioners that supermarkets will be the harbinger of change in agricultural communities. Even though it is a significant opportunity for publicity, as the recent takeover of Walmart of South African Massmart stores demonstrates, there are obvious logistical issues that supermarkets have to consider when including small-scale farmers into supply chains. Simply put, it is not a seamless exercise. This is central to the Walmart deal in 2011 having cleared South Africa's Competition Commission in its 'commitment' to include South African suppliers and small-scale farmers in its operations where possible (Abrahams, forthcoming).

Behind the supermarket value chain veil

Aside from the two assumptions mentioned, there is yet another more overt implication of casting the developmental challenge as including small-scale farmers into supermarket-driven value chains. This way of casting the problem does not allow us to see other ways that small-scale farmers might profitably integrate into supply 'systems'. To demonstrate this, I briefly provide a case of one of many instances where small-scale farmers connect to lucrative agribusiness companies in ways that are not typified in the supermarket narrative.

Agents of Development: The National Milling Corporation (NMC) and Ross Poultry Breeders

The NMC was a parastatal entity until 1996, and is one of the two larger stock feed companies in Zambia. More recently, it has been taken over by a multinational corporation (Seaboard Kansas) that invests in agribusinesses in emerging markets with the potential for high consumption growth. NMC buys maize from commercial and small-scale farmers and processes it into maize meal for human consumption, and maize grain stock feeds for livestock production. The main Lusaka plant has a daily turnover of, on average, 30 tons. Lusaka is often the most accessible point for farmers and intermediary traders. This is not a linear input-output 'chain', however. Small-scale farmers are offered a preferential rate for the smaller quantities they bring in, and this encourages them to expand production and keep the quality consistent. The company also gives incentives to medium scale maize producers – credit, packaging and transport provision – so that the company has efficient, quality downstream supply chains for the grain feed.

Maize meal and grain feed are generally sold directly to other processing companies, maize wholesalers, and poultry farmers. The downstream supply chain occurs through 'agents' that have firm orders to buy a certain quantity, and then privately resell. Besides being customers of the NMC, they are not contracted to the company. They are however, given a substantial discount if they are reliable customers. These agents (or intermediaries) often are also targeted by suppliers of chicks and other inputs, so that those suppliers can piggyback on the networks of intermediaries to sell their products widely. NMC often makes transportation available to intermediaries, as do other chick suppliers. This benefits the company so that it has a captive, well-supported market, while still maintaining a 'development ethic':

The company has a captive, well-supported market, while still maintaining a 'development ethic'

> We have developed arrangements with hatcheries that distribute day old chicks. One of our strategies is to transport both the feed and the chicks. The main reason for this is to add or to encourage development to the area. They are like our agents of development so we take care of the needs of the area (Interview, Managing Director of the National Milling Corporation, Lusaka, July 2007).

Despite the fact that the NMC is a business, it has a strong commitment to developing the local economy. In part, this is because the Zambian managing director is a 'stalwart' of Zambia's agri-industry and was involved in national agricultural union development long before the Seaboard takeover of the NMC, and has been involved for over thirty years in Zambia's food economy in nutrition, policy development, and agriculture-industry publication. The MD opposes the image of corporate social responsibility, and asserts that the company is interested in building the national economy and investing in development locally to build capacity, networks and infrastructure. 'Because of the small volumes that are sometimes bought or sold by us, there is the potential of it being commercially feasible. I see this as a future investment. We've had, over the past five years, a minimum of 50 per cent growth in sales, and most of the growth has been seen in just the last three years' (ibid).

NMC changed its supply and support policy to meet challenges that small farmers face

> One particular farmer, who has recently begun to expand his smallholder poultry business, affirms the supportive role NMC plays in agribusiness. He notes that the NMC has recently changed its supply and support policy to meet some of the challenges that

> small farmers face, in particular the provision of credit and the accessibility of agricultural extension services that extends to coupling supply inputs for farmers (personal communication, Proprietor of Tasheni Poultry Farm, Lusaka, November 2007).

Ross Poultry Breeders is another case which shows instances when a highly industrialized agribusiness firm centres its business model on informal marketing through agents or traders. Ross also runs training workshops for small-scale poultry farmers providing support to the fledgling industry while growing its customer base. As such it adapts to the Zambian context in unexpected ways.

Of the 800 000 day old chicks Ross produces per month, more than half go to small-scale producers and the rest to commercial broiler production firms. The supply chain is therefore pivotal to Ross's enterprise, and while there are a few large lorries that arrive from large firms, thousands of day old chicks make their way from production plants to small-scale farmers through intermediary traders or 'agents' as they are called by Ross's Director. One such agent is a local veterinarian who receives around a hundred boxes of day-old chicks (ten per box) at the agricultural showgrounds. From here, small-scale farmers from the Lusaka area fetch as many boxes as they have purchased and transport them home.

Ross will ensure success of small-scale farmers so that it contributes to development

Ross hosts a number of roadshows or on-site training days to provide a service to small-scale farmers and agents. At these events, poultry industry suppliers or upstream processors provide guidance, samples and show-and-tell advice centres to emerging farmers to access the inputs and information for markets. The Ross event, hosted in August 2007 at the parent breeding facility 60 kilometres from Lusaka, attracted a large number of emerging farmers and included a day-long series of workshops where farm experiments were used to teach broiler growers the intricacies of poultry farming. Ross Breeders' motivation for providing this type of service was to establish a ready market that would be profitable and would grow with the company by cultivating supportive relationships with loyal agents and customers. The rationale is that if farmers are provided with inputs without experience in how to rear chicks, Ross will always have a future market and at the same time it will enhance capacity and ensure success of small-scale farmers so that Ross remains competitive and continues to contribute to development: 'We have a formal side, and large economies of scale, but at the same time it's a growth economy'.

What does the case of NMC and Ross Breeders allow us to see? First, it allows us to broaden our concept of urban value chains. The phrase food supply 'systems', drawn from the work of scholars in the 1970s and 1980s, may be a more useful construct because 'value chains' as cast in developmental circles as a concept is less limiting in seeing complex sorts of interactions beyond the apparent linear farm-to-fork chain of interactions.

In the literature, the control of retailers and buyers along supply chains and the imperative for small-scale farmers to upgrade to meet demands of retailers is based on an earlier conception of 'commodity chains' (see Gereffi, 1996). The field of global value chain analysis has since moved on significantly, having becoming a nuanced body of work in recent years. (For example see Gibbon and Ponte, 2005; Gibbon and Ponte, 2008; Ponte, 2009). The (global) value chains approach lends an understanding of the 'interactions between public forms of governance (international and domestic regulation), private forms of governance (global business strategies, internal dynamics of coordination in value chains), and what falls in between (standard setting networks, label and certification initiatives, public-private partnerships) [because]… it is aimed at going beyond state-centric approaches to economic development' (Gibbon and Ponte, 2005:xi)). The reason for mentioning it here is that the original commodity chains literature, while a simple way of explaining transactions from farm to fork as driven by buyers, is based in work on commodity systems, where the 'chain' was only the simple way of mapping the linkages between producers and retailers. Those linkages, in turn are not just the transactions along the chain, but rather the result of a complex set of political economy interactions that produce such chains. Ross's model of business is influenced by priorities in political economy to such a degree that its projected growth follows patterns of local consumption and urbanization closely. Its dual concern with economic success of the firm is indivisible from activities that may be considered 'developmental'. The Ross case is a good example of where a firm has a concerted developmental rationalization while at the same time recognizes that growing the business relies very much on informal supply chains. In the NMC case, the messy set of interactions between traders, agents, producers and the agribusiness cannot be captured in the value chains idea espoused in the development literature. These interactions are the result of support by Zambia's agricultural union, strong developmental intervention by the state, and an increasingly integrated agricultural sector. Again in the NMC case, we see small-scale farmers and traders integrated in the 'chain' informally, without contractual arrangements, and more importantly with an understanding of how the agrifood trade functions in many African cities. Finally, it shows us that supermarkets are not the only profitable agrifood players in urban economies and they do not necessarily represent the future of food supply in urban Africa.

The economic success of the firm is indivisible from activities that may be considered 'developmental'

To recap, in the international development literature, supermarkets are cast as the most important players in urban economies, elbowing out urban markets and as custodians of sorts of the development

> The overwhelming attention to integrating small-scale farmers into supermarket supply chains needs to be broadened

agenda as it pertains to small-scale farmers and their role in the economy. However, as I showed in this paper, integrating small-scale farmers into supermarkets is by no means a seamless narrative, nor is it a primary concern for supermarket management. I also showed how looking beyond the narrative of supermarkets as the most important players in the urban economy, particularly in sub-Saharan Africa, we can envision broader possibilities for small-scale farmers to integrate into profitable urban food supply systems.

Conclusion: Implications for development policy

From the research presented in this paper, there are a number of implications for development policy research, all of which are based on expanding the current 'value chains' idea. First, the overwhelming attention on integrating small-scale farmers into supermarket-driven supply chains needs to be broadened out to include the food system: who the other players may be; what the domestic political economy challenges are; and how domestic players including the state and unions may already be involved in development of this nature. As the paper argued, it is deeply problematic for supermarkets to be seen as custodians of agricultural development. Strategic approaches to agricultural development must include producer unions, urban market managers and the state. These bodies create the legislation, and formulate regulation that will facilitate the kind of profitable networks envisioned in development policy research. But in the current framework that places such an emphasis of supermarket-driven value chains, all these other actors and institutions are disregarded.

> The current framework disregards other actors and institutions

Second, in addition to integrating small-scale farmers into supermarket value chains, there needs to be an equally important focus on integrating small-scale farmers into *any* urban supply chain. The best way to do that is to invest in ways to allow small-scale farmers and traders benefit from trade to urban markets, and to in turn invest in urban markets by making them profitable. Supermarkets do not cater to a large proportion of the urban population and its percentage in food provisioning is even smaller. Instead it is the urban market, which should not be seen as comparatively archaic or traditional, that will most profitably link farmers to markets and allow for efficient food supply to urban residents.

Finally, meaningful interventions in agricultural communities and urban food markets will be limited and piecemeal unless the informing concept of 'value chains' is broadened out. In turn this will widen the vision of development associated with the work of agricultural policy makers, and it will enable meaningful interventions in food supply in African cities.

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