



Deutscher Tropentag, October 11-13, 2005, Hohenheim

“The Global Food & Product Chain—
Dynamics, Innovations, Conflicts, Strategies”

Small Scale Industrial Cash Crop Production and its Impact on Food Production and Living Standards: A Case of Kenyan Tea and Coffee Sector

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Abstract

This paper is based on an ongoing research on impact of cash crops on living standards under different farm and family conditions. Kenya relies on production of coffee and tea among other industrial cash crops to earn foreign exchange. The rural small scale coffee and tea farmers in Murang'a District do not understand much about foreign exchange but toil in their land every day, month, and year to earn some income from these crops.

For many years, coffee farmers have earned handsomely from their farms. However, in the late 1980's, due to decline in coffee prices, competition in the world and wrangles in coffee co-operative societies among other factors, coffee farmers have found themselves in a very poor state financially and emotionally. In tea farming, the conditions in the market have also changed. Increased competition in the tea industry, high demands for high quality tea and as farmers claim, too many channels in tea marketing have drastically reduced their income.

Due to early year's attractive income from the two crops, most farmers left little land for food production. The tea farmers spend all their time in their farms since tea grows through out the year. Production cost is therefore very high and with small farm sizes, both crops are not paying back. The farmers are now faced with double problem - low income from cash crops and no food from their farms.

The paper aims at assessing the impact of different farming practices and economic diversification on living standards. The paper will discuss to what extent the farmers have diversified and strategies which they have adapted to improve their living standards. The paper is motivated by the fact that despite low income from coffee and tea and little external assistance, the farmers have identified survival strategies to raise their living standards from total poverty.

Keywords: Decline in cash crops income, diversification, food production, Kenya, living standards