Trade and Traders. The Making of the Cattle Market in Benin
Quarles van Ufford, P.E.J.

Citation for published version (APA):

General rights
It is not permitted to download or to forward/distribute the text or part of it without the consent of the author(s) and/or copyright holder(s), other than for strictly personal, individual use, unless the work is under an open content license (like Creative Commons).

Disclaimer/Complaints regulations
If you believe that digital publication of certain material infringes any of your rights or (privacy) interests, please let the Library know, stating your reasons. In case of a legitimate complaint, the Library will make the material inaccessible and/or remove it from the website. Please Ask the Library: http://uba.uva.nl/en/contact, or a letter to: Library of the University of Amsterdam, Secretariat, Singel 425, 1012 WP Amsterdam, The Netherlands. You will be contacted as soon as possible.
Introduction

Oumarou and Sabi Ibrahim: two cattle traders

Oumarou is a Fulani cattle trader who was born in Tondi Kwaria, a village in the far north of the Republic of Benin, close to the border with Niger. Nowadays, he lives in Lomé, the capital city of Togo. Born about 1968, Oumarou was raised by his uncle and in 1986 joined his father and brothers who had migrated to Central Togo after the drought of the early 1970s. This region constituted a major influx area for cattle from Benin, Nigeria, Niger and Burkina Faso because of its relatively favourable pasture and water conditions. Upon arrival in Togo, Oumarou was given a bull by his father which he sold in order to start a small cattle trade. Following this, he started to regularly purchase cattle from Fulani livestock keepers and sold the animals in nearby towns in Togo and just across the border in Benin. Given the presence of sufficient numbers of cattle and his father's relationships with other livestock keepers, Oumarou was able to expand his business. After a while he moved to Ghana in the wake of livestock keepers who had crossed the border in search of better pastures. In Ghana, he encountered a cattle trader from Burkina Faso whom he would accompany for some time to come. He continued to buy from livestock keepers, many of whom he already knew from Togo, but now sold animals at the market in Accra where his colleague from Burkina Faso had provided him with sales contacts. At that time, economic conditions were improving in Ghana and the demand for cattle and meat was increasing. In 1989, however, the Ghanaian government expelled large numbers of foreign Fulani livestock keepers after conflicts with local farmers multiplied. Most of them moved back to Togo with their herds. Oumarou followed them and took up his trading activities in the region where he had initially started. Together with some friends he occasionally visited the cattle markets of south-western Burkina Faso as well. Here, they deliberately purchased animals that were weak as a consequence of scarce pasture and a lack of water. These animals fetched relatively low prices during the dry season. Oumarou and his friends would subsequently take the animals to better pasture areas further to the south in Togo and Benin. Having grazed the animals over a period of several months, the group would hire a truck to take them to the cattle market in Lomé. Business slowly improved for the now-experienced Oumarou and he was able to establish himself in Lomé together with his wife and children. In 1996, he learned about the growing size of the Guéné cattle market in
his northern Benin home area and with a group of Lomé-based cattle traders he started to trade cattle between Guéné and Lomé. All in all, 1996 was a very successful year and Oumarou was able to expand his capital and even plan a pilgrimage to Mecca. However, he then encountered considerable misfortune when his father fell sick and he had to cover all his medical expenses and hospital treatment. On top of this, three of his animals were stolen just before he could sell them in Lomé. These events significantly reduced his working capital since he had not been able, over the years, to build up a sufficient reserve in the form of cattle or other property.

Sabi Ibrahim is a Bariba cattle trader who lives in Sompérékou, a small village near the town of Banikoara in the heart of Benin's main cotton-producing region. Sabi Ibrahim was born in the early 1950s, into a large family of farmer-traders. His father was a reputed marabout and several of his brothers, uncles and cousins were engaged in commercial activities such as the trade in cloth, kola nuts and cattle. In the late 1950s, Sabi was sent to a Koranic school in Parakou where he would stay for 8 years. Upon his return to the village he embarked upon a variety of petty-trading activities. The revenues were predominantly invested in agriculture, and the sale of cash crops such as rice, groundnuts and cotton provided the ultimate impulse for the purchase of and concomitant trade in cattle. On the wave of the extremely favourable economic circumstances in Nigeria (of which Benin equally reaped the fruits) and thanks to his own business instinct and pioneering marketing strategies, Sabi Ibrahim was able to rapidly become a wealthy cattle trader. The diversification of his marketing strategies was exceptional and he combined the long-distance trade itineraries between northern Benin/Burkina Faso and southern Togo/Benin/Nigeria with local and regional transactions which aimed to satisfy the demand of local livestock keepers for specific cattle breeds. From the 1980s onwards, the steep increase in cotton production in his home area would equally leave its mark on Sabi's cattle trade. He competently engaged in transactions of animals for draught power use, and invested heavily in cotton production as well, at a time when the conditions for long-distance trade had somewhat deteriorated following a general macroeconomic crisis. Today, Sabi Ibrahim cultivates at least 10 hectares of cotton and 10 hectares of food crops, which makes him a large-scale farmer. He also owns a substantial number of cattle, some of which he has entrusted to Fulani herders and some of which are kept by his own family members. His position as a prestigious and respected cattle trader is further reflected in the title El Hadj which he acquired upon a pilgrimage to Mecca.

In a nutshell, these two brief life histories highlight what the present book is about. In the first place, it is about the cattle traders of Benin. Like their colleagues throughout West Africa, these traders and their predecessors have long constituted the link between the pastoral livestock producers of the rural West African drylands and the urban consumers of coastal towns, developing intense patterns of long-distance trade in cattle. This book tells the story of their modus operandi and analyses their networks, their identities, their entry into trade, their successes, their failures and their strategies of coping with and capitalising on the modifications which have continuously occurred in the trade. The broader setting of trade and the cattle trade itself is also what this book is about. It tells the story of the cattle market and the cattle trade in Benin, from the outset of the 20th century, by analysing patterns of supply and demand, trade routes and market-places as well as prices, margins, trade flows and transaction costs. In addition, it tells the story of agricultural and pastoral change in Benin and its relevance for the cattle trade and the modus operandi of the cattle
traders, as the cases of Oumarou and Sabi Ibrahim have already demonstrated. In short, the present book presents the results of a study on trade and traders who, together, account for one of the oldest and most well-established West African marketing channels.

The consistently separate presentation of the concepts of traders and trade will not only serve the purpose of organising the information but enables us to shed light on the interaction between them as well. This interplay is equally what the book is about. It analyses the way in which actors (the traders) shape structures (the trade) and, in turn, the way in which these structures influence the strategies and decisions of actors. Are traders' decisions exclusively determined by prevailing price levels at a specific place and at a particular moment? Are traders' strategies the simple outcome of coping with certain market conditions? Or do additional factors influence the modus operandi of (groups of) traders and, in turn, shape patterns of trade, prices and margins? These are only a few relevant questions of crucial importance for a better understanding of the interplay between the cattle trade and the cattle traders.

This first chapter will elaborate on the methodological issues concerned with the study of the cattle trade and cattle traders in the Republic of Benin. The practical methodology which was applied during fieldwork is outlined in Section 1.4. It was designed to gather quantitative and qualitative data on the components of the analytical framework which was constructed on the basis of the research objectives and research questions formulated in Section 1.3. The research questions sharpen the introductory remarks on the interplay between actors and structure. Both the sections on 'what to study' (Section 1.3) and 'how to study' (Section 1.4) have been inspired by various theoretical approaches to the study of trade and markets, an overview of which is given in Section 1.2. Before dealing with issues concerning the theoretical and practical methodologies of research on trade and traders, Section 1.1 will address the remaining 'why' question. In the first place, the brief elaboration on fields of relevance constitutes an attempt to answer questions such as why studying cattle trade? or why in Benin? Secondly, it is an opportunity to comment on related fields of study which remain outside the scope of the present book.

1.1 Fields of relevance

This introductory section emphasises two points which display the relevance of the present study. First, it explains its position with respect to recent studies and discussions on the cattle trade in West Africa and elaborates briefly on the rationale behind these studies. Second, it reviews some associated areas of research which have to remain outside the scope of the present book.

The recent interest in West African livestock trade

An increase in interest in the cattle trade at the end of the 1970s was no coincidence. The consequences of the 1973-1974 drought in the Sahel were being felt by the regional cattle trade. The supply towards coastal countries stagnated because herds had been decimated and were only just starting to recover. As a result, coastal countries such as Côte d'Ivoire began to revert to the world market to assure a stable meat supply. This initiated a first series of studies carried out by researchers from Michigan State University (MSU) under
the heading 'Livestock production and marketing in the Entente States of West Africa' (Shapiro 1979; Josserand & Sullivan 1979; Staatz 1980; Herman 1983). In the analysis, particular attention was paid to the potential, efficiency, and room for improvement of regional marketing channels for livestock and meat. These studies were among the first to provide detailed information about livestock marketing. Although livestock refers to cattle and small ruminants (sheep and goats), the primary focus of the MSU research and of other forthcoming studies as well, has typically been on cattle.

A similar stream of studies started to appear from the mid 1980s onwards, again following a period of severe drought (1984-1985). This time, the import of world-market beef appeared not to be exclusively the result of deficiencies in local supply. Instead, the export subsidies granted by the European Union (EU) led to the appearance of cheap frozen European beef on the West African market. Again, the phenomenon formed the starting point for a series of studies which signalled the alleged detrimental effects on West African livestock production and marketing (Josserand 1989; Sarniguet 1992; NOVIB 1993; SOLAGRAL 1993). In the wake of these alarming signals, various international donor agencies (World Bank, USAID, Club du Sahel), governments and state institutions (France, CILLS, CEBV) as well as NGOs (NOVIB, Europstep, SOLAGRAL) initiated and financed additional studies which tended to focus on the potential, efficiency and deficiencies of the regional marketing channels for livestock and meat. More specifically, these studies addressed:

1. the need to harmonise the external as well as internal trade policies of West African states. Policies would have to aim at regional protection from the import of cheap world-market meat and at the encouragement of regional trade and regional economic integration (CILLS/CEBV 1992; De Haan et al. 1995; see Coste, Ancey, Egg et al. 1993 for a summary of various studies executed in the domain of policy harmonisation);
2. the need and the opportunities to accomplish reductions in legal and illegal transaction costs, in particular transport costs, corruption and legal taxation, with the ultimate aim of improving the efficiency of regional marketing channels for livestock and livestock products (Cook 1991; Kulibaba 1991; Ancey 1992; Holtzman & Kulibaba 1992; SOLAGRAL 1993; Van Helden & Quarles van Ufford 1994; Wenner & Mooney 1995);
3. the meat consumption in coastal West African towns and general patterns in demand (Josserand 1991; Kouassi 1991; Delgado & Lent 1992) as well as the expected future deficiency of West African livestock supply to keep up with rapid demographic growth rates (CEBV/BDPA/SCETGARI 1992; Sidibé & Josserand 1993) and developments on the liberalising world meat market (Rolland 1993; Simier 1993);
4. the comparative advantages of livestock production in West Africa versus the world market, and of coastal countries versus Sahelian countries (Metzel & Cook 1993);
5. the impact of the 1994 CFA franc devaluation (CEBV 1994b; Dioné 1995; Quarles van Ufford & Klaasse Bos 1996; République du Mali 1996); and
6. the need to improve quantitative and qualitative aspects of data collection and to disseminate market information (Bedu & Royer 1995; Holtzman 1995; Bulletin Marchés bétail-viandes nrs.1-5).

The impact of policy changes based upon the recommendations prescribed by the above-mentioned studies is difficult to measure. Notwithstanding this, some concrete results have been achieved apart from the substantially increased knowledge about the functioning of regional livestock marketing channels. The realisations include a reduction in legal export tax barriers in countries such as Burkina Faso and Mali, a reduction of export subsidies on
beef by the EU, the establishment of a West and Central African livestock and meat market monitoring project and steps towards the harmonisation of regional trade policies in the light of the West African Monetary and Economic Union (UMEOA). Still, the findings of several of the above-mentioned studies indicated the necessity to further improve the functioning of regional marketing channels by focusing on illicit taxation, information and infrastructure. At the same time, it was shown that the imports of cheap subsidised beef from the EU could not be blamed for the crisis in livestock exports from Sahelian countries. In fact, the overall economic crisis and deficiencies in regional marketing channels were found equally culpable.

In the light of the controversy over subsidised beef imports, an interesting element that appeared from more informal discussions was the observation that the interests of coastal countries have not always converged with those of Sahelian countries. The former were very concerned with a stable beef supply to satisfy their urban populations, regardless of whether this would mean reliance on the world market. A country such as Côte d'Ivoire, for instance, only protected its market from cheap beef imports after considerable political pressure. Whereas European NGOs, international organisations and Sahelian states defended the interests of Sahelian livestock producers and invoked the 'unfair competition' argument, different issues were at stake for the Côte d'Ivoire authorities. First, the supply of cheap beef facilitated access to a source of protein for poorer urban consumers who could not afford to purchase expensive Sahelian beef at a time when the economic crisis had reduced their purchasing power. Second, Côte d'Ivoire authorities were not keen to protect a marketing channel dominated by Sahelian actors from top to bottom, i.e. from Fulani livestock producer to Haoussa butcher. Over the years, the Côte d'Ivoire government has made several explicit attempts to encourage commercial livestock production in northern parts of the country with the implicit aim of 'nationalising' the marketing channel for livestock and meat.

The studies mentioned above have two similarities. First, their objectives revealed less of a scientific relevance than a practical, development-oriented rationale. The importance of studying the trade in cattle was emphasised by referring to the significance of cattle sales for pastoral incomes, the significance of the cattle trade and pastoralism in view of achieving food security in West Africa, the significance of a guaranteed protein supply to consumers in general and those of coastal cities in particular as well as the significance of cattle as an export product for Sahelian countries and as a stimulant for the advancement of regional economic integration in West Africa. Second, they were more concerned with trade than with traders. This focus was reflected in the terminology employed: patterns, prices, marketing costs, supply, demand and efficiency of marketing channels were all key words. Cattle traders were dealt with in a descriptive manner only. Instead, the mode of operation of West African cattle traders and that of other actors in the marketing channel has been the subject of a much smaller body of anthropological literature. Among the studies that specifically examine the cattle traders are the works of Cohen (1965, 1971) and Hill (1966, 1970) as well as the research of Bellot (1982), Agier (1979), Baier (1980) and McCorkle (1995). In the light of a USAID-sponsored trade project, the latter studied the networks of cattle traders in Ghana, Côte d'Ivoire and Senegal and McCorkle's work fits well into the increased pattern of interest in trader networks which has characterised the 1980s and 1990s. It suffices here to mention the relative dearth of publications on cattle traders. A more general overview of the economic and anthropological approaches to the study of trade and markets will be the subject of Section 1.2.
Pastoral marketing studies and the scope of the research

A second body of pertinent literature consists of those studies which touch upon the issue of the cattle trade and cattle traders from a pastoral perspective, i.e. the pastoral community is taken as the major point of departure for research and analysis. The degree to which these so-called pastoral marketing studies are concerned with the cattle market and the role of cattle traders varies. Thorough attention to trade patterns, price fluctuations and trading actors has been paid in only a few of these studies. Among the most noticeable recent publications in this field are Kerven (1992) whose historical study assesses the market integration of pastoral groups in East and West Africa, Zaal (1998; see also Zaal & Dietz 1995) who uses the concept of caloric terms of trade to examine the fluctuating conditions on the livestock and food grain markets with which pastoral households in Kenya and Burkina Faso are confronted, and Ensminger (1996) who analyses the historical advancement of the market economy and commercial relations among a group of Kenyan pastoralists. Without exception, the research results underline the significance of market conditions and patterns of commercialisation for pastoral livelihoods and their position in the wider political economy (cf. Dietz 1993). Other studies have focused more on the general economic life of pastoral societies and inevitably touched upon the marketing of cattle. This type of study is reflected in the publications of, among others, Dupire (1962), Sutter (1982) and Swift (1986) who deal with the commercial strategies of pastoral groups in Niger. An important subject of research interest for many observers of pastoral societies in Africa and also a matter of considerable debate, has been the degree of market integration of pastoralists and their response, or alleged non-responsiveness to market incentives. In her well-documented study on pastoral marketing, Kerven (1992) convincingly demonstrates pastoralists’ responses to market incentives and their adaptive capacity to market change throughout the colonial and post-colonial era. Her view joins that of Swift (1986, 184) who argues that West African pastoralists voluntarily market their cattle according to prevailing market conditions. However, not all authors completely agree and some micro-level researchers have challenged the notion of market responsiveness. Bierschenk & Forster (1991), for instance, in an article on pastoral marketing in northern Benin, qualify local pastoralists as 'target marketers' who sell only when they are in need of cash to purchase food grains or consumer goods and to cover health expenses or taxes. In a study on pastoralists in Niger, Bourgeot (1981, 118) indicated that livestock sales are 'steered' by an economic logic to satisfy internal biological and social needs.

Notwithstanding the debate on market responsiveness, few authors would today qualify African pastoralists as 'irrational' or 'uneconomic'. To use the terms of Zaal (1998), this 'orthodoxy' has ceded its place to a 'new thinking' which focuses 'on the rationality of pastoral economic behaviour in a subsistence-oriented production system...' (ibid., 18: cf. the 'moral economy' discussion in Section 1.2).

Finally, the issue of pastoral marketing has been of concern to authors who have dealt with sustainable resource management in vulnerable African drylands in general and in the Sahel in particular (cf. Scoones 1994). Among the proponents of a new opportunistic approach to resource management are Behnke and Kerven (1994, 3) who argue that markets in pastoral areas should be capable of absorbing large numbers of livestock when a sudden and drastic drop in feed supply (pasture availability) forces pastoralists to sell. They call this

\[1\]
Marketing can be distinguished from trading. Whereas the former can be defined as selling one’s (agricultural or pastoral) produce, the second encompasses the act of buying with the intention to resell (Bohannan & Dalton 1962, 13).
'tracking' which reflects the prompt adjustment of forage demand to changes in the levels of primary production (ibid.; Scoones 1994, 8-28). The buffer capacity of livestock markets would have to shield pastoralists from the worst effects of such an adjustment. According to the authors, this requires '... low-cost techniques of meat preservation, improved transport infrastructure, access to the largest possible consumer market for meat and the elimination [of subsidised beef imports]..' (Behnke & Kerven 1994, 4).

This brief overview of pastoral marketing studies enables us to situate them with respect to the present study. The issues of market integration in the wider economy and pastoralists' attitudes towards the market will be dealt with, albeit from a cattle market perspective. This implies that some of the topics so elaborately analysed in the above-mentioned studies 'will be taken for granted'. Resource management, household economics, food security and the degree of political or economic marginalisation of pastoral societies remain outside the scope of the present research. Instead, our point of departure corresponds to the moment when the producers' decision on whether to sell or not is made. The decision on where to sell is a relevant issue of concern because it has implications for the strategies of cattle traders. The same goes for the decision on when to sell (the seasonality of cattle sales) or the decision on what type of cattle to sell. A similar limitation applies to the bottom-end of the marketing channel. To a large extent, the analysis will be restricted to the point at which cattle are sold to a butcher. Although it deals with supply-and-demand tendencies and backgrounds, the present study is not pretending to make inquiries into consumer behaviour and preferences or income-and-demand elasticity. Finally, the title and introductory paragraphs indicate that the present study will limit itself to cattle. This implies that the trade and traders of small ruminants (sheep and goats) will not be included in the analysis. This deserves some explanatory remarks since several of the above-mentioned studies have dealt with the livestock trade, i.e. both cattle and small ruminants.

The major rationale behind our decision to concentrate specifically on cattle is that in Benin, but probably also in most of West Africa, the markets for cattle and small ruminants are separate institutions. Very few traders operate at both markets at the same time. Although for some traders the trade in small ruminants constitutes a way of accumulating sufficient capital to enter cattle trade, they will cease trading sheep and goats when involved in the cattle trade. A limited number of cattle traders will trade in sheep only once a year, just before the Moslem celebration of Aid-el-Kebir (Tabaski) which traditionally involves the massive slaughter of sheep. For the rest of the year, trade in cattle is considered more lucrative. A second factor is related to the situation in Benin. Most sheep and goats destined for the Cotonou market, the main consumption centre, originate from Mali and Niger from where they are trekked to Malanville (just across the border) and then trucked to Cotonou. Another route originates in Burkina Faso and passes through Banikoara or through Djougou. Within Benin, the small ruminant trade has a predominantly local scope and the traders involved are mainly occasional traders, combining seasonal commercial activity with pastoralism or agriculture.
The Republic of Benin is a West African country characterised by a peculiar geographical shape which is a remnant of the colonial struggle for West Africa. British, French and German colonists competed for access to the region all along the West African coast resulting in further occupation towards to the interior. The French penetrated the territory of what today constitutes Benin between 1894 and 1916 when they reached the Niger river and joined other French territories in the Sahel. As a result, present-day Benin has a short coastline of no more than 100 kilometres but stretches into the interior of West Africa for about 700 kilometres until it meets the Niger river, its northernmost boundary. Benin shares administrative borders with Niger and Burkina Faso to the north, Togo to the west and Nigeria to the east. As a result of its geographical position, the influence of neighbouring countries on various aspects of everyday life has always been substantial. Benin’s economy, for instance, follows the rhythm of its giant, 120-million inhabitant, oil-producing neighbour Nigeria, the economic heart of West Africa. In 1996, Benin had approximately 5,600,000 inhabitants (World Bank 1998) spread over 112,620 square kilometres which corresponds to an average of 50 inhabitants per km². As a measure of comparison, Nigeria and Niger counted 96 and 5 inhabitants per km² respectively (ibid.). Benin’s rate of urbanisation is estimated at 37 per cent (WALTPS 1995, 27) but the southern part of the country is much more populated than the northern part. Most people live in rural areas where agriculture constitutes the main livelihood. The average annual household income in rural areas oscillates between 50,000 and 150,000 CFA francs, depending on cash crop cultivation (Gnanih 1995, 2585-2586).

The borders of the current Republic of Benin were established by French colonial authorities. The French colonised the south of Benin in 1894 but it would take them until 1916 to gain control over the northern parts, i.e. today’s Atacora and Borgou provinces. The occupied territory was called Dahomey and became part of French West Africa. Before colonial occupation, present-day Benin consisted of the well-known centralised kingdom of Dan-Homé in the south and of many more fragmented and smaller political entities to the north. The kingdom of Dan-Homé was notorious for its involvement in the traffic of slaves whom they delivered to Brazilians and Europeans established in the coastal town of Ouidah. Relations deteriorated, however, and the last king of Dan-Homé, Béhanzin, was defeated by French troops in 1894 after fierce resistance. Under colonial rule Dahomey became well-known not only for its export of palm oil but also for its high level of education and its intelligentsia (Dahomey used to be called Africa’s Quartier Latin). Many teachers and civil servants from Benin were employed all over West Africa.

Dahomey achieved independence in 1960 and after 10 years of recurrent coups, a military government headed by Mathieu Kerekou took over in 1972. For the next 18 years, Kerekou and his Marxist-Leninist party governed Benin. At the end of the 1980s, the country was on the verge of financial collapse. After considerable internal and external political pressure, Kerekou was forced to convene a national conference, and multi-party elections were organised in 1991. His newly appointed prime minister, Soglo, won and

---

2 In 1996, 100,000 CFA francs equalled 1,000 French francs or approximately 160-170 US dollars. In 1999, this corresponds to about 152 Euro. On January 12th 1994, the member states of the Communauté Financière Africaine (CFA) decided to devalue the CFA franc by 50 per cent (i.e. 100 per cent from the perspective of African countries). This implied a change in the exchange rate from 1,000 CFA francs = 20 French francs to 1,000 CFA francs = 10 French francs.
introduced five years of rigorous economic restructuring and structural adjustment according to the guidelines set down by the International Monetary Fund (IMF) and the World Bank. However, Soglo was defeated in the 1996 elections by the Kerekou. Kerekou's electoral basis has a strong regional bias and he draws most of his support from the northern provinces. In his electoral campaign, he outlined the needs of this economically backward part of the country (Raap 1998).

The ethnic composition of Benin is as diverse as that in many other African countries. The main groups in the north are the Bariba, the Dendi, the Fulani and the Ditamaré (or Somba), the home area of the latter being confined to north-western Atacora. In absolute numbers, the Bariba and Fulani populations outweigh the other ethnic groups. In the south, ethnic diversity is greater with groups such as the Fon, the Adja, the Nago and the Yoruba.

Map 1.1 shows Benin's administrative structure of six provinces (départements) which are subdivided into districts (sous-préfectures). Together, Borgou and Atacora provinces make up what is commonly referred to as northern Benin, the main area this study focuses on. The map further shows the administrative and climate structure of Borgou province. Benin's climate reflects its geographical shape. Hence, the country is covered by various zones which range from a sub-humid climate in the south to a predominantly Sahelian or Sudano-Guinean climate in the north. Consequently, the rainfall pattern is bi-modal in the south and uni-modal in the north. In the central and northern parts of the country, a dry season (from roughly October until May) alternates with a rainy season (from June until September) and rainfall increases with latitude. In Borgou province, the main area from which cattle are marketed, three 'agro-ecological' zones have been distinguished by De Haan et al. (1997a, 27-29). These zones are represented on Map 1.1b. The first agro-climatic belt (I) covers a large part of the valley of the Niger river. It is dominated by protected forests and parks which limit possible areas of cultivation. Rainfall is highly variable but typically does not exceed 900 millimetres on average. The differences between the second and third belts (II and III) are somewhat less pronounced. Rainfall, again variable, ranges between 900-1100 mm and 1100-1200 mm respectively. It will appear below that farming systems differ between the agro-ecological belts. The distinction between the first zone, and the second and third has led us to label the former as 'northern Borgou' and the latter as 'southern Borgou' (cf. Map 1.1b). The distinction between northern and southern Borgou is acknowledged by the local population and will reappear in subsequent chapters when distinctions other than climatic are identified.

The economy of Benin and its state budget strongly depend on two fields of activity, trade and agriculture. Benin has a flourishing informal economy and the country is considered an important venue for traders from all over the West African region. The state, paradoxically, plays a significant role in the informal economy through its policy of re-exportation (Igué & Soulé 1992). This policy revolves around the import of a variety of products subject to import restrictions or prohibition in Nigeria. The tariffs levied on these imports are a major source of revenue for the Beninese state, worth 33 per cent of the Gross Domestic Product (GDP) in 1996 (World Bank 1998). Instead of finding their way to consumers in Benin, products such as rice and sugar are re-exported illegally to Nigeria by informal sector 'specialists' (ibid.).

With decentralisation, a new law is envisaged which will change the current administrative divisions. At the time of publication, this had not yet been enforced.
Agriculture makes up about 40 per cent of GDP, employs some 70 per cent of the working population and accounts for 60 per cent of the foreign exchange earnings, through firstly the export of cotton fibres, followed by pineapples, cashew nuts and palm oil, which used to be the primary export product before independence (Gnanih 1995, 2582). In sharp contrast to the substantial monetary contribution of agriculture to the national economy, livestock keeping officially represents 4-6 per cent of the GDP and accounts for 40 per cent of total rural revenue (Sarniguet 1992, 26). However, due to the scarcity of reliable figures on livestock keeping, this percentage is likely to underestimate its real contribution.
Chapter 4 presents an overview of the major developments in agriculture and livestock keeping. It suffices here to introduce some basic characteristics in order to set the general framework of study and to justify the choice for Benin as a fieldwork site. The following brief outline of agriculture and livestock keeping focuses on northern Benin in general and Borgou province in particular, since these are the major livestock production areas and the starting point for the cattle trade.

Agriculture in northern Benin encompasses the cultivation of subsistence food crops as well as cash crops. Millet and sorghum are the main food crops in the northern parts of the region while yams and, to a lesser extent, maize are widely cultivated in the areas around Djougou and Parakou. Although millet and sorghum are rarely marketed, the maize and yam trade towards southern Benin as well as towards neighbouring countries is extensive (cf. Lutz 1994; Klaasse Bos & Van der Krogt 1991). In the extreme north, the proximity of the Niger river facilitates the irrigated cultivation of rice and onions, with most onions produced in the region around Malanville being transported towards the urban agglomerations of southern Benin and to neighbouring countries. A final important cash crop in the northern Borgou is the groundnut. Further to the south, cotton constitutes by far the most widely grown cash crop due to more favourable rainfall conditions. Its cultivation is especially important in the southern Borgou and the north-eastern part of Atacora province. Poor soil conditions have limited cotton production in the north-western part of the province. Cotton is the main source of foreign currency earnings for the state through the export of cotton fibres produced in a large number of ginning factories all over the country. In 1996, the export of cotton fibres accounted for some 90 per cent of total exports (Lejeal 1998) and cotton sales represent a major source of income for many farmers. The 1994 devaluation of the CFA franc by 100 per cent contributed to a considerable growth in the production and export of cotton since the modified exchange rate resulted in a rise in producer prices which, in turn, led to an increase in the area under cultivation. The sector's growth trend can be further traced back to the early 1980s. The delivery of agricultural inputs on credit and the system of cotton purchases against fixed prices, both guaranteed by the state, led cotton production to increase more than tenfold between 1982 and 1996 (Ton 1998). A major development accompanying the growth in cotton production has been the increased use of animal traction in agriculture which has allowed a rapid expansion of the area under (cotton) cultivation and has improved local transport. It is estimated that approximately 75 per cent of households in northern Benin use draught animals today.

The importance of livestock keeping in Benin is reflected in the size of the cattle herd, estimated to consist of 1,300,000 head of cattle in 1993 (République du Bénin 1994b, 8). Compared with the size of herds in other coastal West African countries, the number of cattle in Benin is relatively large if the ratios of numbers of cattle per inhabitant and the number of cattle per square kilometre are considered. In Benin these ratios approached 0.23 and 10 respectively in the early 1990s (calculated from République du Bénin 1994b). Similar ratios were substantially lower for countries such as Togo (0.09 and 5 respectively) or Ghana (0.07 and 4 respectively). In Benin, some 90 per cent of cattle are concentrated in Borgou (65 per cent) and Atacora (25 per cent) provinces (ibid.). Borgou province in particular can be considered the centre of Benin's livestock-keeping activities. In fact, pastoral activity in the south of the country is very low key, notably because these areas are infested with the tse-tse fly which transmit trypanosomiasis among cattle. Only two trypano-tolerant breeds are to be found in Benin with the relatively small lagoon breed cattle predominating in the south. The other breed, called somba cattle, are raised by
inhabitants of Atacora province. Both breeds constitute a minority of Benin’s cattle herd which is dominated by the borgou and zebu breeds, and crossings between the two in particular (pure breeds and crossbreeds represent up to 75 per cent of the total cattle population). Both breeds have a good reputation for animal traction and are reported to yield relatively more carcass meat per live animal than other breeds (République du Bénin 1994b, 71).

For 1982, the herd figure was 900,000 head of cattle from which we could derive an average annual herd growth percentage of approximately 3 per cent (ibid.). However, the figures do not reflect the natural growth of the cattle herd only. Effective natural herd growth is difficult to assess since the last livestock census dates back to the 1970s and even the results of such a census could have been obscured by the seasonal presence of transhumant cattle from Niger and Nigeria. Moreover, herd growth has been largely influenced by the arrival of immigrant pastoralists in northern Benin. Extensive movements southwards of Sahelian pastoralists occurred during and after the extreme droughts of 1973-1974 and 1984-1985. In addition, pastoralists from Niger and especially Nigeria established themselves in the northern areas of Zou province (cf. Map1.1a) by the end of the 1980s and the early 1990s (Onibon 1990). Together, these migratory movements will certainly have contributed to an increased number of cattle in Benin. According to various sources (CEBV/BDPA/SCETGARI 1992; Sarniguet 1992; République du Bénin 1994b), the annual off-take rate for the cattle herd in Benin, i.e. the percentage of animals sold, is 12 per cent. This would compare to some 135,000 animals marketed annually. However, this rate is purely theoretical and only used to estimate the total meat production. In reality, the rate is likely to be lower, if we refer to micro-level studies or estimates of the total slaughter figure and cattle exports (Cf. chapter 5). For instance, on the basis of research among several Fulani communities in northern Benin, Bierschenk (1997, 161) estimated the off-take rate to fluctuate between 6.6 per cent and 8.9 per cent during the 1980s.

Thus, Benin is a West African coastal country where the cattle herd has grown significantly since the 1970s in a pattern similar to that of other coastal countries such as Ghana and Côte d’Ivoire. In absolute terms, the cattle trade which originates in this ‘belt’ is becoming increasingly important and will be all the more so in the future (Quarles van Ufford 1998). It has, however, rarely been studied. Still, Benin has a high cattle density, and changes in agriculture and pastoralism have been particularly pronounced over the last decades. It will therefore be interesting to study the effect of the interaction between these changes and the patterns of the cattle trade and the functioning of traders. Furthermore, although agriculture and pastoralism in northern Benin are fairly well documented, the fields of trade in general and that of the cattle trade in particular are not. Apart from the occasional project document, the dearth of publication which heavily contrasts with the wealth of cattle trade documents in Sahelian countries is an additional justification for our choice of research area. Finally, the size of the country and the concentration of cattle and cattle markets in the Borgou region make it possible to produce a comprehensive picture of the market at the local, the regional, the national and the international level.
1.2 The study of trade and traders

The previous section has made it clear that the primary focus of the present study will be on the interaction between the cattle trade and cattle traders in the Republic of Benin. The relevance of studying the cattle trade and cattle traders was highlighted by referring to the significance of the trade for the economies of individual West African countries, for the sake of regional economic integration, for the pastoral economy and for the supply of beef to consumers, particularly those in the large (coastal) towns. Finally, the choice of the Republic of Benin as fieldwork site was justified in view of its large cattle population, the ongoing developments in agriculture and pastoralism, its geographical position and the relative neglect of mention of its cattle trade in recent studies.

Before continuing with the formulation of specific research objectives and research questions in Section 1.3, the following paragraphs provide a brief overview of relevant theoretical and practical approaches which have been adopted by various authors who have carried out studies on trade and traders in an African context. It will be argued that an approach which borrows from economic anthropology on the one hand and 'mainstream' economics on the other appears most appropriate for identifying the pertinent variables for our study on cattle trade and cattle traders in Benin.

The debate between 'substantivists' and 'formalists'

One of the first comprehensive volumes on the role of market and trade in Africa was published in 1962. In their introduction, Bohannan & Dalton (1962, 1-26) classified African societies according to the role of the market place and the market principle. They distinguished between societies without markets, societies with peripheral markets and societies dominated by the market principle. First, societies which lack market places are predominantly subsistence oriented. Although exchange takes place, it does not follow the market principle but the principles of reciprocity and redistribution which can only be understood in their social context or 'social embeddedness' (Schrader 1988) which '.. structures the material flows and accounts for the moral attributes [ ] of any transaction including market transactions ..' (Bohannan & Dalton 1962, 4). The occurrence of different exchange principles was reflected in anthropological literature by the use of the term 'spheres of exchange' (Bohannan & Bohannan 1968). Second, other societies have peripheral markets which means that although market places do exist, the market principle only functions to a limited extent. Market sales are not dominant, subsistence concerns tend to prevail and while market prices are determined by the forces of supply and demand, a variety of social factors impinge on them such as kinship, religion or the tendency to postpone sales because '.. the market place is a source of entertainment and social intercourse ..' (Bohannan & Dalton 1962, 8). In market economies, finally, the market principle prevails in all sectors of the economy. For most buyers and sellers, market exchange is of crucial importance for their livelihood, and, in contrast to other societies, prices influence production decisions and allocate resources such as land and labour. In these economies, the market place is not necessarily the centre of exchange because its

---

4 The market principle is defined as the formation of prices by the forces of supply and demand (Bohannan & Dalton 1962, 1). The market place is a specific site where a group of buyers and sellers meet (ibid.: cf. Section 1.4).
importance dwindles when the market principle expands. Analogous to the distinction of three types of societies, Bohannan & Dalton (1962, 12-15) identified three types of trade. The reciprocal gift trade, the state-controlled administered trade (geared towards redistribution) and the market trade. Only the latter is performed by specialised traders. According to the authors, most African societies could be characterised as subsistence economies, sometimes with and sometimes without the existence of peripheral markets. However, with the advent of colonialism and subsequent exposure to the world economy, the market principle further expanded (subordination of the social sphere by the economic sphere), an evolutionary phenomenon which Polanyi called the 'Great Transformation' (Polanyi, in Evers & Schrader 1994, 6), i.e. the shift of subsistence society into a market society and, finally, into the international market economy.

Our interest here is not so much with the characterisation of African societies according to their degree of capitalism, but with the approaches adopted to study the phenomena of trade and markets. Out of dissatisfaction with the explanatory value of neoclassical economic theory, Karl Polanyi developed the notion of a 'socially embedded' market because he thought that the motives of market actors in Africa could not be reduced to mere considerations of profit maximisation (Schrader 1988). Similar observations had already been made by Karl Marx who insisted that the laws of conventional economic theory were specific to the capitalist mode of production (Law 1992, 387). The theoretical school for the Polanyi-inspired study of economic behaviour became known as substantivism and distinguished itself from formalist (mainstream neoclassical economic) studies. From the perspective of the 'socially embedded' market, various studies on indigenous West African trade were executed during the 1960s and early 1970s, reflected in Meillassoux's collection of essays (1971), Bohannan & Dalton's volume (1962) and Bohannan & Bohannan's study on the Tiv economy (1968). These studies dealt with trade among various ethnic groups in the light of the classification of societies as proposed by Bohannan and Dalton in 1962. During this period, the more formalist mainstream economic analyses of West African trade were represented by Bauer (1954) and Hopkins (1973).

According to Schrader (1988), the 'substantivists' were criticised for their romanticism, their anti-market mentality, for their limited focus on time and space specific situations and for their oversimplification in qualifying one form of exchange as economic and another as social.\(^5\) The empirical foundation for Polanyi's assertion of the non-market character of trade, which he based on a study of the slave trade in pre-colonial Dahomey, was heavily contested by Law (1992) who demonstrated that prices \textit{did} reflect the interplay of supply and demand. According to Coquery-Vidrovitch (1976, 96), the traditional non-market subsistence sector and the market economy, the latter in the form of long-distance and transcontinental (slave) trade, existed alongside but were not connected. This challenged the notion of the gradual expansion of the market economy at the expense of the non-market sector. Coquery-Vidrovitch further demonstrated that the population of Dahomey '... was clearly ready to engage in every kind of trade and furthermore to take advantage of the resources of the country [ ] in contrast to the picture of a passive peasant mass uninterested in long-distance trading .' (1976, 99).\(^6\) In fact, the coarse distinction between a socially and

---

\(^5\) Recently, Emler (1996, cited in Harriss 1998a) noted that even in advanced quasi-market societies, most economic transactions are personalised and socialised.

\(^6\) The development of long-distance trade in West Africa will be dealt with in Chapter 2. The present remarks aim to highlight the various approaches to the study of trade and markets.
culturally embedded market as perceived by Polanyi and his scholars, and an economy dominated by the market principle, reopened the debate on the nature of the 'peasant mode of production' (Lemarchand 1989). Authors with a 'substantivist' point of view challenged those whose arguments could be qualified as 'formalist'. The normative approach of the former is reflected in the concepts of the 'moral economy' (Scott 1976) and the 'economy of affection' (Hyden 1980). Both authors argue that the logic and choices of the peasant are not defined by economic variables or economic rationality but rather by social and cultural considerations such as solidarity, reciprocity and security. Accordingly, subsistence concerns were thought to predominate. The purpose of subsistence and maintenance of social institutions would equally determine the peasant's market transactions and confer on him a certain autonomy vis-à-vis the state as well as the market (cf. the notions of market-less and peripheral market societies above). In fact, it was argued that peasants did not need markets and even rejected them, an attitude that characterised their risk-aversive behaviour and subsistence objective. Transactions and exchange were seen as a means to exclusively satisfy certain culturally defined needs. In this respect, peasants were 'target marketers'. The 'moral economy' scholars believed that the welfare of the peasantry was threatened by the advance of capitalist institutions, along the evolutionary lines described above. The encroachment of the central state, the advent of commercial agriculture and the commoditisation of land and labour would eventually lead to the breakdown of traditional institutions and increased inequality. Scholars such as Scott (1976; see also Evers & Schrader 1994) have explained the existence of 'foreign trading minorities' as resulting from the moral economy in which '.. business is confined to moral obligations, capital accumulation is restricted and a businessman who has made a surplus [ ] is expected to redistribute it among kinsfolk ..' (ibid., 34), which makes trade an 'unworkable' option for local people.

The concepts advanced by moral economists were heavily criticised by Popkin (1980) and Lemarchand (1989). Popkin (1980, 462-464) demonstrated that much celebrated traditional institutions, such as patron-client relationships, were not always beneficial to peasant security compared with their 'capitalist counterpart', i.e. contractual relations. He further argued that commercial agriculture and the growing impact of the central state, even though not entirely benevolent, had substantially improved food security through, among other things, improved communication and infrastructure. Finally, with regard to the alleged isolation of peasants from the market, Popkin (ibid., 464) stated that '.. neither decline nor decay of peasant institutions is necessary [ ] to enter markets ..'. In a critical essay, Lemarchand (1989) challenged the weakness of the 'moral economy' concept saying it is '.. so broad as to include almost everything on Africa's affective landscape. Patron-client ties, rotating credit associations [ ] kin-centred networks [or even] market and parochial forms of corruption ..' (ibid., 38). Moreover, Lemarchand provided examples to demonstrate that (moral economy) networks have long coexisted alongside and sometimes in close co-operation with the capitalist market economy. For instance, the networks provided an opportunity for colonial authorities to organise their trade economy (ibid., 53). It will be demonstrated below that notions such as patron-client ties and networks of mutual trust and personalised relations have become of crucial importance to economic-anthropological analyses of the functioning of West African trade. Despite the distinctive approaches, we will argue that most of today's observers of West African trade try to

7 The tension between 'moral economy' and 'trade' is sometimes called the trader's dilemma and will be discussed further in Section 2.1.
explain the persistence and role of traditional (moral economy) institutions in a market economy framework.

Finally, in an attempt to take the sting out of the moral economy debate, Lemarchand (1989, 36-37) cited Curtin who, in 1984, stated that '.. the best social scientists on either side recognise that both market and other forms of exchange have a role to play. The problem is to measure the influence of each in specific situations ..'.

Formalist approaches to the study of trade and markets

According to Saul (1987), economists have to a considerable extent neglected '.. evidence and arguments presented in the anthropological literature ..' on African trade (1987, 74). Instead, from what could be seen as a more 'formalist approach', they have been concerned with demonstrating the degree of effectiveness and efficiency of private marketing channels, or with the assessment of levels of market integration and price variation. In doing so, the so-called 'structure-conduct-performance' (SCP) methodology has been a popular tool of analysis.

The SCP methodology was originally designed for the analysis of markets in industrialised nations. However, it has increasingly been applied to the study of agriculture or food markets in developing countries (Harriss 1979; Klaasse Bos & Van der Krogt 1991; De Haan & Klaasse Bos 1992; Van Tilburg & Lutz 1995; for an overview see Lutz 1994). This methodology serves as a framework for the evaluation of the performance (P) of a commodity market which is seen to be affected by the market structure (S) and the conduct of traders (C). The following table provides an overview of the relevant variables which pertain to each of these 3 components.

<table>
<thead>
<tr>
<th>Market Structure</th>
<th>Conduct of Traders</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>type of actors</td>
<td>buying strategies</td>
<td>effectiveness</td>
</tr>
<tr>
<td>number of actors</td>
<td>selling strategies</td>
<td>efficiency</td>
</tr>
<tr>
<td>market infrastructure</td>
<td>transport</td>
<td>equity</td>
</tr>
<tr>
<td>entry conditions</td>
<td>information</td>
<td>prices &amp; trade flows</td>
</tr>
<tr>
<td>market regulation and organisation</td>
<td>finance</td>
<td>market integration</td>
</tr>
<tr>
<td>commercial system</td>
<td>violation of regulations</td>
<td>transaction costs</td>
</tr>
<tr>
<td>type of markets</td>
<td></td>
<td>profit margins</td>
</tr>
</tbody>
</table>

Sources: compiled from Lutz (1994, 32) and Klaasse Bos & Van der Krogt (1991, 9)

The term commercial system has been added to the model as a complementary tool to highlight the spatial connotation of a market, i.e. the notion of the marketing channel. De Haan & Klaasse Bos (1992, 8) propose the following definition: '.. [a commercial system represents] the vertical relationship between the market of origin (producers' market) down to the market of destination (consumers' market) [ ] together with other related markets which correspond to alternative trade flows ..'. Or, as Van Tilburg & Lutz put it, a marketing system '.. may include several marketing channels consisting of several actors supplying marketing services at different levels in the channel ..' (1995, 8). In fact, a marketing channel approach has specifically been employed to analyse the subsequent stages
covered by the flow of commodities from producer to consumer (cf. Dijkstra 1997). According to Magrath (1991), the value of the marketing channel approach comes down to a better understanding of the number of links in a chain, the range and type of actors and location-specific variations in market structure. Van der Laan (1997) has argued in favour of a marketing channel approach because it would be useful in assessing the strategies of traders and their organisation in networks. Together with other variables, the marketing channel or commercial system belongs to the market structure (cf. Table 1.1). In general, the market structure (S) component of SCP has proven an essential and sufficiently exhaustive analytical tool as a point of departure for the analysis of agricultural commodity markets in developing countries. With respect to the conduct of traders (C), it appears from the table that the variables focus on various forms of collusion (monopoly or oligopoly situations) as well as strategies in other domains, which all aim at profit maximisation. It thus becomes clear that 'conduct of traders' is addressed by referring to well-known marketing functions, something which reflects the functionalist nature of the SCP approach (cf. Kotler cited in Van Tilburg & Lutz 1995, 4). The objective of traders is seen as exclusively geared towards profit making in the sense of capitalising on price differentials and reducing transaction costs. In a critical assessment of the SCP methodology, Le Meur (1994, 13) argued that no such universal economic rationality exists but that we should instead consider various 'rationalities' according to the position and strategies of actors. Following Bourdieu, he continued to argue that this would mean viewing the market as a 'field', organised by the respective positions of actors and institutions, their strategies, opportunities and constraints (ibid., 14). The analysis of relations between different actors would highlight the social, cultural and economic determinants of their respective rationalities. According to Le Meur (ibid), the SCP methodology reveals shortcomings in appreciating these differences, a remark which goes towards that of the moral economists mentioned earlier. The financial performance (P) parameters in the model focus heavily on prices and margins, spatial and temporal market integration, competition as well as more abstract qualifications such as efficiency, effectiveness and equity (Magrath 1992; Lutz 1994). It appears from Table 1.1. that market performance equally comprises transaction costs, a concept subject to various definitions (cf. Van Tilburg & Lutz 1995, 5). In general, transaction costs arise when individuals exchange ownership rights. The most common and relatively straightforward to measure component are the transportation costs or direct marketing costs. In a broader sense, transaction costs have been defined as including costs of information search, bargaining, contract enforcement and risk or uncertainty (Ensminger 1996, 18).

With the SCP approach, great care needs to be taken in interpreting the performance indicators, given the complexity of influences affecting markets and traders. Harris (1979, 204-206) also questions the generally unreliable nature of price data, warning that they conceal large fluctuations as well as the tendency to relate markets which are not connected in reality. This is also mentioned by Van Tilburg & Lutz (1995) who consider it a disadvantage that product flows are commonly excluded from price-integration models. Finally, the SCP methodology is criticised for having '.. questionable relevance for policy recommendations ..' and for '.. neglecting the dynamic processes which co-ordinate production ..' (Saul 1987, 74).

Emphasis on the above-mentioned performance parameters of a market qualifies the SCP methodology for a 'formalist' label. Though useful as a tool for organising material and for the straightforward economic analysis of a market, it ignores sociological factors with regard to explaining the 'why' and 'how' of traders' strategies and decisions.
A current of theoretical thinking which emerged out of dissatisfaction with the shortcomings of the conventional neo-classical economics paradigm is the new institutional economics (NIE). The institutional economy approach criticises neo-classical theory for paying insufficient attention to institutions and for making unreasonable assumptions about human behaviour (Ensminger 1996, 17). Contrary to the 'what' questions of functionalist approaches such as SCP, it focuses on the 'who' element.

Linking up with Polanyi's substantivist approach and his thesis of the socially embedded market, Harriss argues that nowadays '... instead of the economy being embedded in social relations, social relations are embedded in the economy ...' (1998a, 53) and that exchange processes are '... constituted by, and constitute in turn, a wide set of social institutions ...' (1998b, 192). To a large extent, markets are regulated and controlled by social institutions. This is reflected in Ensminger's definition which claims that new institutional economists address '... the relationship between market forces, indigenous institutions and economic performance ...' (1996, xiii). The notion of 'institution' is broad and encompasses well-known formal institutions such as legal and political structures, marketing boards or co-operatives. Interpreted in a broader perspective, the notion includes a wider variety of formal and informal structures such as price formation mechanisms, trade networks, the rules of market functioning but, equally, ethnicity, community bonds, gender as well as ideologies and conventions (Nabli & Nugent 1989; Harriss 1998a, 53; Harriss 1999b). The NIE approach to the study of markets pays particular attention to the complex local specificity of institutions, i.e. local institutional arrangements. It is an extremely difficult task to examine them empirically, because they are non-universalistic, i.e. specific to time and place (ibid.). Still, a common feature is found in the observation that institutions are composed of individuals with their according norms and values. Or, as North has put it '... institutions are rules, enforcement characteristics of rules and norms of behaviour that structure repeated human interaction ...' (North 1989, 1321). Particular emphasis is put on the dynamic nature of institutions which are constantly changed by individuals and shaped to their goals. Hence, institutional economists typically pay more attention to the human element compared with adherents of 'conventional' economic approaches such as the above-mentioned analysis of marketing functions.

Nabli and Nugent (1989, 1335) describe the different branches which have developed within the NIE and argue that the study of institutions in their specific local settings is particularly relevant for a properly designed development policy. The analysis of transaction and information costs is identified as a prominent branch. For proponents of this branch, institutions are transaction and information costs minimising arrangements (ibid. 1336-1337; see also Williamson 1975 on transaction costs). In the context of developing countries, the poor distribution of market information is often seen as a major explanatory factor for the weak performance of agricultural markets. In addition to reducing transaction and information costs, institutional arrangements increase the cost of default as well as the benefits of co-operative solutions (Sindzingre 1998, 75). Furthermore, institutions aim at ordering the exchange process and at reducing its uncertainty, which is even further reduced in the case of consistently repeated transactions (ibid.). A trade network is considered a typical example of an arrangement which has the reduction of transaction costs as one of its prime objectives. To use a network as a specific trading strategy may well be of crucial importance in dealing with a weak institutional environment. According to Fafchamps (1998b), networks of relationships are a form of social capital and constitute a productive asset from which traders derive a return and which help them economise on transaction costs. As such, they have often been overlooked
in '.. standard economic models that emphasise the maximisation of profit through the accumulation of capital and the command of labour ..' (Fafchamps 1998a, 9).

Some NIE scholars have rejected the assumption that institutional arrangements minimise transaction costs and increase efficiency. For instance, formal institutions established by the state might have the opposite effect on transaction costs. To further illustrate the argument, Ensminger (1996, 22-23) refers to the differences in bargaining power among individual actors. Those actors with more bargaining power and diverging goals promote institutions '.. that rarely represent the most efficient outcome for society as a whole ..' (ibid, 22). Apart from transaction costs, which only represent the outcome, the focus should equally be on explaining why different institutional arrangements arise, i.e. their origin.

Although new institutional economists recognise the need to look beyond conventional economic variables to explain the functioning of a market, Sindzingre (1998, 75) argues that most maintain that the analysis of institutions such as trade networks can remain within the neo-classical paradigm. She further states that '.. la compréhension des réseaux n'oblige pas à recourir à des caractéristiques sociologiques ..' (1998, 77) (the understanding of networks does not necessitate making reference to sociological characteristics). In this respect, the approach remains fundamentally different from the economic anthropology approach to the study of trade and markets.

The actor approach in recent economic anthropology studies

In 1978, Dalton wrote that '.. most economic anthropology in print analyses the small communities in which anthropologists have done fieldwork over the last 60 years ..' and '.. its empirical focus is on village level communities ..' (1978, 23-25), although he recognised a '.. recent growth of interest in economic anthropology by anthropologists as well as persons in several social sciences ..' (ibid.). Indeed, publications which appeared during the 1980s and 1990s have proven the validity of his remarks. In retrospect, studies in the field of economic anthropology can be considered as attempts to synthesise or reconcile the substantivist and formalist perspectives. An indication for this was already given in the previous section where the NIE approach was discussed.

Equally in 1978, Geertz affirmed that the debate between formalists and substantivists had been '.. staled for all but the most persevering ..' (1978, 28). Somewhat ironically, he stated that his concept of the bazaar economy (a peasant market system) could be considered either as '.. the purely competitive market of neo-classical economics ..' or as a socially and culturally embedded institution beyond the reach of modern economic analysis altogether (ibid.). Although he rejected the utility of models of pure competition for analysis of his bazaar economy, he mentioned certain developments in the field of economic theory related to the role of information, knowledge and communication, which he considered promising because they allowed sociological factors to enter the analysis of market phenomena. In fact, in his analysis of the bazaar economy in Morocco, Geertz (1978) comes remarkably close to employing a terminology typically used in 'conventional' economics, although he did incorporate a variety of socio-cultural factors. Thus, Geertz found that bazaar participants seek maximum profit or maximum utility and that prices are dictated by supply and demand. However, he described several institutional peculiarities such as bargaining, information seeking and clientelisation in their very specific bazaar context, emphasising their cultural specificity which appeared more difficult to capture '..
than standard economic textbooks suggest ... (ibid., 29-32). In retrospect, his approach to the study of economic phenomena in their specific social and cultural setting, with emphasis on institutional arrangements, conveniently fits the new institutional economics approach. The case of Geertz' bazaar economy indicates that the initially sharp boundaries between the formalist and substantivist approaches had become mitigated. This is reflected in the following definition of economic anthropology formulated in the early 1980s. According to Couty (1984, 12), economic anthropology encompasses those studies in the field of production and exchange that incorporate non-economic perspectives in the interpretation of economic behaviour. Alongside a conventional economic inquiry, non-economic perspectives help to identify the appropriate interdisciplinary viewpoint(s) for the study of trade and markets.

Since the 1980s, a substantial number of economic anthropological studies have specifically focused on the organisation and modes of operation of specialised traders. This body of literature can be considered as a follow-up to the collection of (substantivist) studies on West African indigenous trade produced in the 1960s and early 1970s. In the meantime, the focus of research had, to some extent, shifted away from establishing the degree of encroachment of the capitalist market economy to the analysis of trade sectors in general and the behaviour of its actors, i.e. the specialised traders, in particular. A significant incentive for the wave of recent publications has been the debate on regional economic integration in West Africa, in which the strategies of traders were put forward to explain the functioning of the regional food grain market, the so-called espace céréalier (cf. Egg, Igué & Coste 1988). The results of these studies revealed the importance of putting the trader in a central position within the analysis of trade and markets. According to Grégoire & Labazée (1993, 10), the actor approach puts emphasis '... au faire, aux choix et aux pratiques dont les faits sont le résultat...' (on the doing, the choices and the practices from which the facts result). The value of a trader approach has been acknowledged by several other scholars. Lambert & Egg, for instance, emphasise its contribution to the understanding of the realities of West African trade which differ from the image presented by official statistics so central to the conventional economic analyses but of limited value for understanding what happens 'on the ground' (Lambert & Egg 1994, 231). Similarly, in a recent volume containing several essays on cross-border trade in Sub-Saharan Africa, Egg & Herrera (1998) recognise the necessity of 'reformulating' research questions to include consideration of the behaviour of traders. Some of the principal advocates of the approach are Amselle (1977), Agier (1983), Grégoire (1986), Labazée (1988), Lambert (1991) and Warms (1994) as well as the authors of several of the essays presented in editions edited by Harding & Kipré (1992), Grégoire & Labazée (1993) and Ellis & Fauré (1995).

Some authors employ a trader approach and attempt to combine elements of economics, sociology and anthropology in their analysis of the mode of organisation and operation of West African traders. So, instead of interpreting phenomena such as entry barriers, speculative operations, networks (oligopolies) and market segmentation as features of an imperfect market, they consider them as adequate responses in view of the constraints imposed by the unstable trade environment (Lambert & Egg 1994, 240). The constraints include an atomised and irregular supply, changing and inconsistent policies, uncertain commercial conditions, poor information and the weak purchasing power of consumers.

---

8 According to Van der Laan (1997), the popularity of the actor approach is reflected in the increased usage of terms such as 'stranger trader', 'trading minorities' or 'mammy traders' (1997, 2).
The logic of West African traders should therefore be interpreted as a function of this set of constraints and qualifying it as rational or irrational in terms of economic behaviour is inappropriate (ibid., 246). Among the outstanding features of the traders’ responses are their networks. The significance of investigating trade networks has been underlined by various authors. Ellis & Faure, for instance, claim that in order to comprehend the conduct of traders, research should focus on the ways in which they create, organise and expand the networks which facilitate their business activities (1995, 24). According to Lambert & Egg (1994, 252), the understanding of market functioning in West Africa depends on an appreciation of the social logic behind the rules and conventions governing the functioning of these trade networks. Labazée (1991) demonstrated that the capital invested in social, religious and political relationships can be mobilised at any moment for strictly economic purposes (see also Fauchamps 1998a; Le Meur 1994). In other words, it is crucial to comprehend the various frames of reference from which the traders draw with regard to their mode of operation and organisation. Or, as Grégoire & Labazée (1993, 12) have put it: ‘..to understand to what extent the nature of social and religious relationships determines strictly economic variables such as the rotation of capital, exchange rates or costs of credit ..’. These non-economic costs contribute in an equally important manner as economic capital to the formation of the final profit margin (ibid., 13). An economic anthropological approach could undertake such an analysis. This view is not shared by Sindzingre (1998, 73) who argues that trade networks can be better explained by referring to the imperfect nature of Sub-Saharan African markets and by labelling them as transaction costs minimising arrangements.

Still, it appears useful to examine the type of variables employed by the economic anthropological approach to the study of traders. In the introduction to their fascinating volume on West African traders (Grands commerçants de l’Afrique de l’Ouest 1993), Grégoire & Labazée provide a conceptual framework for such a venture. According to the authors, the study of trader behaviour should focus on the organisation and paths of accumulation of individual and groups of traders, the spatial setting of trade, and the ideological conditions surrounding it (1993, 9). In an earlier publication, Labazée (1991, 437-438) argued that an analysis of trader behaviour requires an historical, economic and cultural interpretation. Historical because the individual trajectories of a trader reflect changes over time in social groups, political institutions and norms and values. Economic because tendencies in (macro)economic parameters or policies determine the structure and intensity of trade activity. And cultural because the strategies and modes of organisation of traders have their origin in religious, kinship, ethnic or ‘modern’ operational frameworks. The levels of analysis proposed by Grégoire & Labazée will be employed as a conceptual tool which provides ‘guidelines’ for analysing the mode of operation of cattle traders in Benin.

THE ORGANISATION AND STRATEGIES OF ACCUMULATION:
For Grégoire & Labazée, the organisation of trade activities and the modes of accumulation of traders are central to the analysis of what they call ‘..la sphère marchande africaine ..’, i.e. the African trading sphere (1993, 11). The organisation of trade refers in the first place to the networks of traders, which form a salient feature of West African trade organisation. The analysis of trade networks should not only focus on their constituent components (the types of relations) but on the factors which hold them together as well. In the context of West African trade, accumulation refers in the first place to the accumulation of economic capital, social capital (relations & networks) as well as symbolic capital, notions we will
elaborate on in detail in Section 2.2. The authors further (ibid., 17) mention Lambert who took capital to include the practical knowledge or accumulated (trade) experiences. In other words, a trader’s knowledge capital (see also De Bruin & Van Dijk forthcoming). Furthermore, accumulation pertains to the ways in which traders enter business, the ways in which they evolve in it as well as to the factors that eventually determine their success or failure (cf. Grégoire 1986). The maturation of traders in business is narrowly associated with the functioning of trading networks since the way in which a trader organises or sometimes is forced to organise his trade activities has repercussions for the way as well as the degree to which he can progressively accumulate his wealth.

**THE SPATIAL SETTING OF TRADE:**
Grégoire & Labazée (1993, 9) define this level of analysis as ‘... l’inscription territoriale et le modelage des espaces économiques où ces réseaux interviennent ..’ (the territorial outcome and form of the economic areas in which networks operate). In the first place they refer to the spatial dispersion of network functions (cf. Section 2.2) and link up with established notions such as the (trading) diaspora communities. In addition, they elaborate on the notion of economic space which demarcates the area of operation for a particular trader by deconstructing it into two concepts: the legal versus the real exchange sphere (1993, 23). These opposing notions have been based in particular on the role of borders in existing trade patterns. Borders not only separate administrative units but more specifically separate zones characterised by distinctive currencies or distinctive economic policies. In theory, they demarcate legal exchange spheres. In reality, however, traders have tended to make use of differences in currencies, trade regulations or economic policies by establishing informal patterns of trade. The authors stress the flexibility of traders and their networks in coping with and capitalising on contrasting economic environments, thereby generating so-called 'border rents'. 9 Borders are not hampering trade but stimulating it, with traders creating their own real exchange sphere. During the 1980s, the role played by borders in West African trade occasioned considerable debate over the extent to which they allegedly hampered or stimulated regional economic integration, notably in the food grain market (cf. Egg et al. 1988).

**IDEOLOGICAL CONDITIONS SURROUNDING TRADE:**
Grégoire & Labazée (1993 23-28) strongly relate the ideological conditions which determine the way in which traders operate to religion. Religion, in the context of traditional trade sectors such as those for food grains and cattle, means Islam. Islam is often referred to as providing traders with a set of elementary trading regulations as well as binding them together into a supra-community. In addition, although somewhat less emphasised by Grégoire & Labazée, ideological conditions encompass the values, beliefs and mental models that determine people’s goals and shape their choices (Ensminger 1996, 5). In this respect, ethnicity and identity are crucial concepts which provide sets of regulations, norms and values. Together, informal institutions and values may have a significant impact on economic performance (ibid., 4).

9 Several authors have underlined the complicity between traders and state officials as a condition for generating these border rents (Lambert & Egg 1994; Grégoire & Labazée 1993). Hereby, rent refers to commercial profits based on policy loopholes or complicity. With the advent of structural adjustment programmes and the retrenchment of the state from various commercial domains, some authors have speculated on the transition from a so-called rent economy to a more transparent market economy (Lambert & Egg 1994).
The interaction between actor and structure

The preceding paragraphs have provided an overview of approaches to the study of trade and traders in Africa. Broadly speaking, the analytical focus of these approaches ranges from the macro level (i.e. the economy or the market) to the micro level (i.e. the traders or the village), and roughly represent the interests of economists and anthropologists respectively. Of course, these represent extremes and it was found that recent approaches have come to reflect the concern of synthesising both perspectives by examining the strategies and organisation of individual traders in responding to and shaping the wider structural setting represented by 'the economy' or 'the market'. The present study will focus on this interaction. Hence, in order to deepen the notion of interaction between actor and structure, we will consider some insights from sociology.

In sociological literature, considerable theorising has occurred around linkages between actor and structure. The origins of the actor-structure debate to a large extent reflect the positions initially taken in economic and anthropological studies on markets and trade. In this respect, Long distinguishes between studies that deal with aggregate structures and trends on the one hand, and studies that examine the nature of 'changes' at the level of actors (1992, 18). The so-called structuralist studies belong to the former group and typically borrow their analytical concepts from Marxist or modernisation theories. However, they were criticised for being too deterministic and based upon evolutionary or linear assumptions of development and social change. A counter-proposal was offered by the actor-oriented paradigm, emphasising the role of individual actors in mediating and transforming external interventions to fit their own goals. However, the actor-oriented studies were criticised for being too individualistic and too voluntaristic, i.e. paying insufficient attention to structurally determined constraints on decision making (Long 1992, 21). In an attempt to reconcile these 'extremes', Giddens (1984) put forward the theory of structuration which explains the complex linkages between actor and structure. Giddens represents 'structure' as an organised set of rules and resources not fixed in time or space. Individual actors repeatedly draw from these structural rules and resources to produce and reproduce so-called social systems, i.e. practices and patterns of social relations or patterns of repeated human interaction, which are fixed in time and space. Social systems are thus composed of individual human beings. It is precisely in these social systems that we find the 'macro' embedded in the 'micro'. According to Giddens, the properties of social systems are both medium and outcome of the practices and patterns they recursively organise. In other words, they dynamically link structure and actor, which undergo mutual influences. Not only do social systems shape the behaviour of individual human beings, they are permanently reshaped and reproduced by these individuals as well. In turn, this will have an impact on the structure of rules and resources. The capability of actors to induce structural change is referred to as 'agency' (1984, 8-9). Agency not only portrays actors as 'capable' but as 'knowledgeable' as well. Knowledgeability refers to everything an actor actively and passively knows or believes and which he draws upon in producing and reproducing his actions (ibid.). Giddens convincingly argues that actions are not always intentional in their outcomes. Agency therefore refers not to 'intentions' but to the capability of acting and to the unintended and contingent consequences of these actions. Structuration, then, represents the continuous interaction between social systems based upon the actions of knowledgeable and capable actors, and the structural set of rules and resources.
In contrast to the 'structuralist' idea that structural properties constrain the actions of actors, Giddens stresses that structure has both 'enabling as well as constraining' aspects (*ibid.*, 25).

Building upon the arguments of Giddens, Long has formulated the consequences for analysis, the task of which would be '.. to identify and characterise differing actor strategies and rationales, the conditions under which they arise, their viability or effectiveness for solving specific problems, and their structural outcomes ..' (Long 1992, 27), whereby the latter represent '.. the combined results of the intended and unintended consequences of social action ..' (*ibid.*, 28). At the level of research methodology, this would imply specific attention to the way actors organise themselves in social groups and networks as well as to their choices and strategies. Furthermore, it would mean examining the encounters (interface) between different groups to understand how individuals create room for manoeuvre when pursuing their goals. In this respect, it is crucial to recognise that actors do not constitute a homogeneous group. Finally, such an approach would have to take into account the structural conditions that constrain (and enable) choice and strategy (*ibid.*, 36-38). Or, as Ensminger put it, to '.. look at individual motivation [ ] and the socially determined constraints and incentives that influence what individuals strive for and how they go about realising their goals ..' (Ensminger 1996, 4).

This brief synopsis of the theoretical background to the notions of actor, structure and actor-structure interaction provides the necessary basis for understanding their use in the remaining chapters of this book. For the present study, they will be specifically applied to the subject of research focusing on the interaction between the cattle trade (structure) and the cattle traders (actors) in the Republic of Benin.

### 1.3 Objectives and research questions

The previous sections emphasised the relevance of the present research with respect to its position in the growing body of literature on the mode of operation of West African traders on the one hand, and the importance of the cattle and meat trade in West Africa on the other. The specific position of Benin as a country characterised by a substantial cattle population, crucial developments in agriculture and pastoralism, and a lack of information on the cattle trade sector was equally highlighted.

The general objective of the present study is to deepen the understanding of the cattle trade and cattle traders in the Republic of Benin. Related to this is the more specific research objective of obtaining insight into the interaction between the cattle traders and the cattle trade. To achieve this objective, the following research questions can be put forward:

1. To what extent are the strategies of cattle traders determined by factors related to the functioning of the cattle trade or to the trade setting?
2. To what extent are the strategies of cattle traders determined by factors related to their personal characteristics?
3. How do the results of these strategies determine patterns of cattle trade?
On the one hand, the strategies of cattle traders are guided by structural factors such as the trade setting and the market conditions at a given point in time. On the other, it has been unequivocally demonstrated in the literature that traders are not merely responsive actors or vectors of trade flows. Rather, they draw from their ideological, organisational and individual frames of reference in envisaging their trade strategies, the results of which are reflected in cattle trade patterns. In other words, the actual strategic decisions made by traders are shaped by opportunities and constraints at both the structural as well as the individual level. Hence, the present study aims to investigate this, while referring specifically to the trade in cattle.

It is clear that the research questions refer to two levels of investigation: a structural level represented by the cattle trade itself as well as by the setting of trade versus an actor level which represents individual or groups of traders. From the traders' point of view, the first level corresponds to their position in trade, whereas the second level reflects their role in trade. The term 'position' implies that traders' decisions are determined by the structural setting (such as market prices, policy setting or climate). Alternatively, the term 'role' has a more active connotation and reflects traders' decisions being taken on the basis of personal characteristics, or 'assets' as De Bruin & Van Dijk (forthcoming) call them, such as age, ethnic identity, networks or business intuition. Extending the argument, interaction has to be interpreted as the encounter of role and position. For instance, while prevailing market prices at a given location are equal to the trading community as a whole, individual or groups of traders may envisage distinctive strategies or make different decisions (or take no decision at all) in reaction to this information because their interpretations differ, or as a result of individual limitations. According to De Bruin & Van Dijk, decisions are made within a specific context by a decision maker with a specific history: '.. Variations in decisions therefore need not be based [exclusively] on the synchronic attributes (such as e.g. stock of assets) of the decision maker, but can also arise from life-history ..' (1998, 1). At this point, the following conceptual scheme (1.1) can be introduced which highlights the linkages to be investigated. The three 'building blocks' (the cattle trade, the setting of the cattle trade and the cattle traders) can be deconstructed so as to identify the variables on which information has to be collected. This is done in Table 1.2.
Table 1.2: Variables pertaining to the conceptual framework

<table>
<thead>
<tr>
<th>personal characteristics</th>
<th>the cattle trade</th>
<th>the trade setting</th>
</tr>
</thead>
<tbody>
<tr>
<td>organisation of trade:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>type of actor</td>
<td>market structure:</td>
<td>agriculture</td>
</tr>
<tr>
<td>network</td>
<td>commercial system</td>
<td>pastoralism</td>
</tr>
<tr>
<td></td>
<td>number of actors</td>
<td>macroeconomic conditions</td>
</tr>
<tr>
<td></td>
<td>infrastructure</td>
<td>state intervention</td>
</tr>
<tr>
<td>entry and accumulation:</td>
<td>formal &amp; informal markets</td>
<td>legal framework</td>
</tr>
<tr>
<td>economic capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>social capital</td>
<td>market parameters:</td>
<td>supply, demand, prices</td>
</tr>
<tr>
<td>knowledge capital</td>
<td></td>
<td>trade flows</td>
</tr>
<tr>
<td>symbolic capital</td>
<td></td>
<td>marketing costs</td>
</tr>
<tr>
<td>ideological factors:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ethnicity &amp; identity</td>
<td>profitability</td>
<td>efficiency, arbitrage</td>
</tr>
<tr>
<td>religion</td>
<td></td>
<td>entry barriers</td>
</tr>
<tr>
<td>individual qualities:</td>
<td>product characteristics</td>
<td></td>
</tr>
<tr>
<td>intuition, ability to endure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>hardship, talent</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The variables have to a large extent been derived from our discussion on the approaches to the study of trade and markets in Africa (Section 1.2). In this light, it appears that the building block which encloses the variables related to the cattle trade, borrows heavily from the market structure and market performance components of SCP. It has already been indicated that SCP methodology constitutes a useful tool in organising the material on the structural level of trade. This fits well into our plan of establishing the (historical) image of the cattle trade in order to investigate the changes that have occurred and how these have influenced or have been influenced by the traders. Hence, instead of performing a detailed mathematical analysis of market efficiency and effectiveness, the parameters will be dealt with descriptively and from an historical perspective. For instance, we are more interested in finding out if arbitrage activities have increased and especially by whom, than in measuring the extent of price correlation and market integration at a particular moment. According to Van Tilburg & Lutz, '... arbitrage drives the prices in different markets, apart from transport and handling costs, into equality ..' (1995, 8) and thus diminishes price differentials between markets. Furthermore, variables such as marketing costs and profitability of trade were singled out since they provide a better understanding of the mode of organisation of traders. With this objective in mind, the variables were identified (cf. Table 1.2, 2nd column). However, SCP provides few opportunities to incorporate social institutions or to focus the analysis on the trader, both of which are crucial to the present study. The variables which represent the actor block of the conceptual framework (cf. Table 1.2, 1st column) therefore borrow heavily from the analytical approach which Grégoire & Labazée (1993) presented in detail. Their framework offers the relevant tools for an economic anthropological analysis of trader behaviour: from the practical mode of trade organisation in networks and the specific forms of accumulation to ideological factors such as ethnicity, identity and religion. To this we have added individual qualities such as intuition, talent and hard work which were proposed by authors such as Warms (1994). The second level advanced by Grégoire & Labazée, the
spatial setting of trade, has been divided over the 'cattle trade' and the 'trade setting' levels of analysis. In fact, the authors do not refer to a specific trade sector but to trade activities in general. The present study, however, focuses on the trade in cattle. This implies that we can be more specific in identifying the variables for an analysis at the level of the cattle trade itself because we are principally dealing with one market, i.e. the cattle market. The macroeconomic and legal framework of trade, mentioned by Grégoire & Labazée, have been attributed to the trade setting. The spatial dispersion of network functions, their second element, has been incorporated in the network variable. The building block which represents the trade setting was completed by including (historical) developments in agriculture and pastoralism.

In short, it has become clear that the theoretical methodological approach to the present study of cattle trade and cattle traders in Benin has borrowed from a more conventional economic methodology, and from a nowadays widely used economic anthropological methodology. Combining these approaches has to be considered one of the prime challenges of the present study.

The outline of the book

The structure of Table 1.2 and the outline of Scheme 1.1 indicate the organisation of this book and the sequence of chapters reflects our approach to tackling the major research objective. In line with the building blocks of the conceptual framework, the inquiry into the trade structure comprises an analysis of the setting of trade as well as an analysis of the cattle trade itself. This is the subject of Chapters 4 and 5. Chapter 5 sets out to investigate the functioning of the cattle market through an (historical) analysis of supply, demand, prices and trade flows at various levels. This will be followed by an assessment of selected performance parameters derived from the SCP framework principally revolving around marketing costs, arbitrage and market transparency. The trade setting is elaborated on in Chapter 4 and comprises an overview of relevant developments in agriculture and pastoralism, and their respective impact on two major long-term trends in the trade structure, i.e. the increase in the number of traders and the emergence of formal cattle markets. Together, Chapters 4 and 5 establish the basis for the final part of this book which focuses on the personal characteristics of cattle traders, their mode of trade organisation and their strategies. The notions of economic, social, symbolic and knowledge capital will be reviewed when we discuss entry modes to the cattle trade (Chapter 6), the accumulation paths of cattle traders (Chapter 7) and the background to their trade strategies (Chapter 8). Throughout these chapters, linkages are established with the trade structure in order to comprehend the interaction between structure and actors. Specific attention is paid to the role of ideological factors such as ethnicity and identity which are captured under the notion of ideological capital.

A broader perspective of the analysis presented in Chapters 4 to 8 is provided in the first part of the book (Chapters 2 and 3). In Chapter 2, the variables put forward in Table 1.2 are examined from the point of view of West African (cattle) trade and the mode of organisation and (accumulation) strategies of West African (cattle) traders on the basis of a literature review. Chapter 3 is the first chapter to focus specifically on Benin and it provides an historical analysis of the cattle trade for the period up to the 1960s.
1.4 Research methodology

The present section shows the practical methodological methods that have been used throughout fieldwork. Following the conceptual framework which distinguished between trade and traders, a range of data collection techniques was used in order to quantify some of the variables related to the trade, and to qualify the strategies and mode of operation of traders. Secondary data and interviews key-informants were used to put these into perspective. The following data collection techniques were used:

1. formal sample survey
2. informal surveying and interview techniques
3. use of secondary data

The lessons learned from earlier experiences with fieldwork on cattle markets and among cattle traders (in Burkina Faso, Ghana and Côte d’Ivoire) provided the basis for the organisation of the research. Thus, a choice was made to combine three research techniques because none of them alone would be sufficient, and the nature of the information to be collected required the use of various techniques. In fact, the constraints and opportunities related to doing field research on the cattle trade and cattle traders can be captured in the three concepts so central to the present research: economic capital (the research budget), social capital (relations with traders and a variety of other contacts in the country of fieldwork) and knowledge capital (knowing what techniques to apply, where and when).

The formal sample survey

The purpose of using a formal sample survey was to obtain first-hand primary data on the functioning of the cattle trade. Information had to be collected on cattle prices (different types and qualities), supply and demand, types of transactions, types of actors and the direction of trade flows (cf. Table 1.2, 2nd column). A decision was made to carry out the survey at formal markets for which the location, dates and market hours were well known to potential participants. Fanou et al. (1991, 16) defined the general concept of a market as a complex of physical infrastructure, actors, products and various mechanisms, relations and conventions that guide the process of exchange. For a market to qualify as a formal market they propose the condition of it being managed by an ‘official organisation’, i.e. a market committee which has a control and tax-collecting function. In this respect, it contrasts with the informal market which can be held spontaneously at any site (in a pastoralist village or on a farm, for instance) where buyer(s) and seller(s) meet and which is characterised by the absence of any organisational structure or control by the authorities (ibid.). For the present research, these definitions will be retained. The choice of surveying formal markets offered the most practical solution and was considered sufficiently representative as well. Although an exact percentage is difficult to provide, the number of transactions at the informal markets was found to be substantially lower. Furthermore, some of the informally purchased cattle are resold at a formal market. Finally, the qualitative information obtained about informal market transactions convinced us of the relevance of a sample of formal market transactions to help establish a representative picture.
Before selecting the cattle markets at which the survey would be held, all formal cattle markets in Atacora and Borgou provinces were identified. Given practical and budgetary constraints, four markets were selected in Borgou province which is the area with most of Benin's cattle (65 per cent) and cattle markets. The four markets picked were the largest in the region in terms of numbers of cattle supplied. Only Kolokondé market in Atacora province is of comparable size but it had to be excluded from the survey for practical reasons. The markets selected were: Goumori, Founougo, Guéné and Karimama (cf. Map 1.2). It should be noted that all other formal cattle markets in Benin were visited at least once in order to assess the representative character of transactions at the selected markets.

With regard to the practical implementation of the survey, two research assistants each covered two markets. During the period between October 1995 and November 1996 they collected the required data on each market day (every fourth day in Goumori and Founougo, and weekly in Karimama and Guéné). To account for the lower and sometimes unreliable quality of data resulting from the unfamiliarity with the survey of both the assistants and the respondents, the data for October and November 1995 were later omitted from the final analysis. The remaining data covered a period of 12 months which enabled us to capture seasonal fluctuations in the market.

Map 1.2 Location of cattle markets included in the survey

---

Practically, it was not feasible for the two research assistants to cover more than two markets each. Budgetary restrictions limited the number of market enumerators to two.
The period in which the survey was carried out (1995-1996) can be characterised as an 'average' year in the sense that no extremely high or low patterns of rainfall occurred. Moreover, no unusual economic or political events occurred (such as a currency devaluation, elections or a coup d’état) which could have had an impact on the data set. This was confirmed by market observations throughout the period in which fieldwork was carried out (namely several visits between 1994 and 1998). Carrying out this market survey was a sensitive venture because of a general reluctance by the people to share business information as well as the fact that several traders were involved in cross-border smuggling and were therefore initially inclined to withhold real destinations. However, after informal meetings with market officials and traders, confidence was established and we found that the reliability of data and the traders' willingness to respond improved significantly after a month of intensive market visits. The strategy that was pursued consisted of approaching persons other than the real buyers and sellers for the information that was needed. These key informants included the transaction brokers (dillali), who mediate a transaction between buyer and seller, as well as the secretaries or assistants of the market committee. Both actors are approached by the seller and the buyer to ensure that the exact amount of money is paid. This task makes them a good source of information on transaction details and their willingness to co-operate was valuable. The familiarity of regular market participants with the survey was found to increase strikingly after some months and every now and then a big trader would shout some transaction details to the enumerator some 100 meters away (who, of course, would verify the information given the likely motives of prestige behind the trader's co-operative act).

Accordingly, over the 12-month period, the market survey was conducted on 225 market days: 67 and 68 market days for Founougo and Goumori respectively (which corresponds to a 72 per cent coverage of the total number of market days in that period), versus 45 market days for Guéné and Karimama (87 per cent coverage). It consisted of a transaction sample and a price sample.

The transaction sample covered 2,250 market transactions, i.e. 10 per market day. These 10 transactions represented the proportional number of bulls, bullocks, cows and heifers supplied on a particular market day, which meant that when half of the cattle supply was made up of bulls, the sample included 5 bulls. Each market day, the proportional supply of the various types of cattle was estimated. For the sampled transactions were noted the price, the type and origin of buyer, the type and origin of seller, the declared sales destination and the means of transport used. The type of buyer and type of seller variables refer to their profession (trader, farmer, pastoralist or butcher).

The price sample was taken separately and covered 1,800 price observations (8 per market day covering the 4 types of cattle mentioned above, in high and low quality categories). Each market day, 8 head of cattle were selected according to criteria established at the outset of the survey in October 1995, which meant that, for instance, a high quality bull had to fulfill certain conditions (size, weight, skin and form) to be included in the sample on a particular market day, in order to be able to compare prices throughout the year. The selection procedure for the price sample prevented it from being combined with the transaction sample which, as we saw, was drawn on the basis of the proportional supply of the 4 types of cattle.

Market days were omitted because of their inaccessibility (rainfall) and disease or absence of assistants due to 'research missions' at other cattle markets.
In addition to both samples, the total supply was enumerated for each market day. Given the difficulty of counting supply, no specification could be made as to the type and quality of cattle. Accounting for the market coverage, the total market supply at the markets surveyed was 54,410 head of cattle. Supply at all formal cattle markets in northern Benin is estimated at around 75,000 cattle for the year of survey. This count excludes the Parakou market which predominantly receives cattle from other markets such as those surveyed. The numbers give an idea of the size of the markets included in the survey. However, the figures cannot be related directly to the sample of 2,250 market transactions which concerns animals sold. Data collection on the total number of animals sold (revealed demand) appeared feasible only at the markets in Goumori and Founougo, i.e. smaller markets where all transactions were registered. At the large Guéné and Karimama markets, none of the transactions were officially registered and it appeared impossible even to achieve a rough estimate of the total number of animals sold. Still, when the figures for Goumori and Founougo (around 55 per cent of all animals supplied are sold) are applied to Guéné and Karimama, the highly tentative figure of around 30,000 cattle sold is obtained. This would imply that the sample represented 8 per cent of all formal market transactions.

Informal surveying and interview techniques

Given the limitations and restricted coverage of the sample survey in view of the type of data needed (cf. 1st and 3rd columns of Table 1.2), informal interview techniques were used to obtain information from cattle traders as well as from a range of key informants. Informal interviewing based on item lists and multiple conversations proved the most effective way of understanding trader decision making. As Magrath (1992) rightly noted, '.. where the information sought is qualitative (understanding processes or relationships), sensitive (relating to individual profit margins) or complex (relating to local institutional arrangements) then intensive small-scale methods are necessary ..' (1992, 1). Moreover, it was concluded earlier that a purely economic approach provided limited understanding of the mode of operation of traders. An informal qualitative approach also allows the required flexibility because emphasis could possibly shift to context specific or cattle trade specific arrangements of social, economic or knowledge capital. By using check lists only, the focus of discussions could easily be adapted from one set of topics to another. Finally, informal techniques were preferred because they were thought to generate more accurate and meaningful results than formal sampling techniques, given the nature of this study.

With the absence of a clear-cut sample framework, an alternative method had to be envisaged to identify the group of traders to be interviewed. The decision was made to create our own sample frame. Over a period of four months, a data base was set up of all cattle traders who regularly visited the markets of Goumori, Founougo, Guéné and Karimama. The main criterion for a trader to be included was his frequency of trading.

---

12 Whereas carrying out a market survey may appear a fairly straightforward activity, doing fieldwork among professional traders who operate at various markets, which are possibly separated by several hundreds of kilometres, can be complicated. For those who may be stimulated by this book to venture into a similar research project, the following realities will no doubt apply: 1) traders are extremely mobile, 2) they have to make money and have limited time available to answer questions and 3) appointments are therefore rescheduled on an extremely regular basis.
Only full-time traders were included because of the impracticality of dealing with the high number of occasional or seasonal traders. Besides, the type of information required (strategies, economic and social capital etc.) could better be obtained from full-time traders. At a later stage, information was collected from several occasional traders in order to comprehend their role in the cattle trade. With regard to full-time cattle traders, the aim was to set up an exhaustive sample frame. To account for eventual omissions, interviews with key informants such as market officials were held in order to verify the extent to which all traders were included. The inventory identified a total of 74 cattle traders.

The aim was to discuss a broad range of issues with cattle traders, something that would require multiple visits. Therefore, following identification, a stratified sample was designed to include (1) the main ethnic groups involved, (2) traders with an agricultural and those with a pastoralist background, and (3) traders who started their careers during different periods. It is therefore not a proportional representation of cattle traders in Benin but a cross-section which depicts particular groups of traders. The sample was stratified deliberately so as to be able to investigate the role of ethnicity and identity, and the impact of changes in agriculture and pastoralism on traders' decisions and strategies. In previous sections, these appeared to be particularly relevant for our analysis, but stratification was needed to incorporate both. The decision to include traders who started their careers at varying times was made because of the need to examine their entry into trade as well as their accumulation paths and the role of time-specific events. The stratified sample thus consisted of 51 traders. The Bariba (16) and Fulani (26) cattle traders were best represented which corresponds to their dominance numerically in the cattle trade today. The ethnic composition further included Gando (4), Djerma (2), Dendi (2) and Haoussa (1) traders. Moreover, most traders were, to varying extents, involved in agriculture or pastoralism. Finally, the sample covered 4 generations of cattle traders: 11 traders started before 1965 (usually not earlier than 1950), 15 between 1965 and 1975, 12 between 1975 and 1985 as well as 13 traders who started after 1985. All sampled traders were Moslem which reflects the near 100 per cent Moslem character of the cattle trading community in Benin. Since a broad range of issues had to be covered and it was not possible to complete the interviews with all traders, bits of information are lacking for some traders. This particularly concerns the extent of their networks and their wealth classification, the type of data which were time consuming to collect. This prevented us from including them in the analysis and explains why some tables are based upon 37 or 39 traders.

Familiarisation with traders and establishing a situation of confidence were crucial prerequisites to obtaining reliable information. Therefore, during the first two or three months of fieldwork, data collection was limited. The main objective was to introduce the research, explain our goals and make traders and other market participants familiar with the presence of the researcher. Through informal visits and short conversations at the market, small so-called rapid reconnaissance surveys were undertaken to collect rudimentary information on market organisation, categories of traders, relationships between traders, credit and information facilities and transport. The in-depth interviews to be held with cattle traders and key informants at a later stage were based on this information. It was only during the second fieldwork period that in-depth interviewing with individual traders would started. Some of the information that had to be collected was sensitive because it referred to the way in which traders organised their fraudulent

13 Few group interviews were held because traders preferred being interviewed alone, out of sight of others. Focus group interviews, for instance, were found insufficiently appropriate given the individual and sensitive nature of the information being requested.
trade with cattle markets in Nigeria and Togo. Most cattle exports go unrecorded as traders attempt to evade any unwanted expenses through contact with customs officials. However, several subjects other than illegal trade appeared to be equally sensitive, and traders tended to conceal this information. Ellis & MacGaffey (1996) extensively discuss the methodological issues related to research on 'underground' trade in Sub-Saharan Africa. According to them, the main difficulty is gaining a trader's confidence (ibid., 24). An additional strategy which has been recommended for collecting the required anthropological data on traders is the writing up of trader biographies. This has been done for almost all traders. It not only provided valuable information but it also appeared a useful way to start a series of interviews. The traders were very willing to talk about their trading careers and the histories of their families. Discussing these issues helped to overcome their initial reluctance to talk. Once trust had been gained among traders, the interviews could be extended to include issues such as motives behind decisions, responses to changing circumstances, attitudes, opinions, modes of organisation, wealth increase and decrease and networks. During the final stages of fieldwork a wealth ranking of cattle traders was drawn up, the methodological details of which are provided in chapter 7.

To investigate traders strategies, Ellis & MacGaffey (1996) further recommend the collection of data over time and space and cross-checking with key informants. During our fieldwork, traders were followed from one market to another. Even though the market survey was carried out exclusively at cattle markets in northern Benin, multiple visits to distant markets in southern Benin as well as across the border in Nigeria, Togo and Ghana facilitated comparison on various subjects. Traders were interviewed at these terminal markets as well as at specific points on their trading itineraries (transport hobs, grazing areas etc.) and issues could be discussed in their real context. Direct observation at various markets, including those in neighbouring countries, was very important in understanding how traders operate, the negotiating process during the purchase and sale of cattle, the number and type of actors appearing at the market, the quarrels which inevitably occur, the attitude of participants, the way they loiter in the market and the participants who are seen together and who are not. All these observations were discretely registered. Informal discussions, however short, could also take place unexpectedly through occasional encounters or questions slipping into a discussion about the weather. Small note pads proved particularly useful for brief notes sur place.

Key informants were of crucial importance to the process of data collection. Throughout each of the fieldwork periods, many key informants were interviewed not only to cross-check information but to cover specialised topics as well. The following list, which is not exhaustive, gives an impression of the range of persons with whom discussions were held: market officials, middlemen, landlords, butchers, retired (cattle) traders, (retired) herders, truck owners/drivers, 'leaders' or spokesmen of ethnic groups, civil servants, veterinary officers, foreign exchange dealers, abattoir personnel, researchers, NGO personnel and customs officials.

Secondary data collection

Secondary data and archival sources were used primarily for the purpose of supporting historical information provided by traders and to describe long-term trends in trade, agriculture and pastoralism. In Benin, the libraries of the FAO (in Cotonou and Parakou), the libraries of international development aid organisations, the archives of the Animal
Husbandry Department of the Ministry of Rural Development and the library of the Faculty of Agronomic Sciences of the University of Benin were consulted to trace publications and documents, mission reports or unpublished and hitherto unknown theses and PhDs. In Porto-Novo, several visits were paid to the national archives of Benin where documents and letters were 'discovered' and consulted. Furthermore, documents and mission reports on the cattle trade in West Africa were regularly obtained from the French NGO SOLAGRAL.

Unfortunately, the data obtained from the market survey could not be put in perspective by using other data sets covering different periods. Unlike some other West African countries, the authorities in Benin have not set up a system of regular and systematic data collection on prices or trade flows of cattle. The available data sets are either incomplete or unreliable.