**Some remarks on the ‘Small farmers, big deal’ campaign**

After attending the Agriterra day in Ede (16 December 2015) and reading the ‘Small farmers, big deal’ manifest and the paper ‘Beyond fair trade. Smallholders as business partners’ I would like to make a few remarks. My name is Toon van Eijk, tropical agronomist, working since 1979 with African smallholders, and as Agri-pooler I have been active in Zambia, Nepal, Lesotho and Tanzania (mainly MyCoop trainings). I am really pleased with the ‘Small farmers, big deal’ campaign since small farmers ARE -literally and figuratively- a big deal. The emphasis on cooperative development is fully justified as smallholders inevitably need to cultivate economic and political power. In these days of market-driven, neoliberal policy, strong cooperatives with robust positions in value chains are indispensable. In my view the build-up of social capital (as done in cooperatives) is primary, which will result into political capital and subsequently into economic/financial capital. However, the (theoretically logical) sequence of ‘social capital → political capital → economic capital’ seems distorted by the fact that today’s large multinational companies have so much economic capital that they simply ‘buy in’ political capital. And that might be a crucial issue to consider in the ‘Small farmers, big deal’ campaign.

For example, the ‘Beyond fair trade’ paper says: “A company looking for raw materials will not automatically opt for a situation where processing and marketing activities are carried out by the supplying farmers (who, in so doing, could improve their position in the chain) … Businesses are mostly guided by their sourcing strategy and CSR goals while, based on the business case as described for IFC, we are entitled to expect that businesses pay more attention to existing forms of farmers’ organisations /cooperatives, and also to upgrading class C and B organisations, as well as the paying attention to ecological sustainability and the socio-economic position of farmers … These smallholder farmers must work their way up the chain. This may not be in the short-term commercial interest of the purchasing companies, but is essential from a development perspective”.

I am pleased to see that Agriterra recognizes the inherently contradictory interests of smallholder cooperatives versus large multinationals. It is easy to speak of ‘win/win’ situations or even triple ‘win/win/win’ situations (farmer cooperatives, multinational companies, and governments) but in actual practice such mutually re-enforcing constellations might be the exception rather than the rule. How will the ‘Small farmers, big deal’ campaign handle such differing interests? The CSR goals of companies can be mere window-dressing, as recent events with for example Rabobank and the Volkswagen company show. From the point of view of companies it is logical that profit-making is their main concern, but since there is no level playing field between large agri-companies (that have the financial muscle to hire large numbers of lobbyists and lawyers) and farmer cooperatives, the room to maneuver for cooperatives might be rather limited.

Agriterra says on its website that it wants to reach at least 1 million (unique) farmers through promoting their interests via the FACT tool (Farmers Advocacy Consultation Tool). That is a huge number of farmers considering the fact that attempts to upscaling often get bogged down in all kinds of practical implementation problems (that do not surface as long as one focuses on a smaller number of beneficiaries). In this context it is also useful to distinguish between ‘output’ and ‘impact’. A high number of training courses or high number of farmers trained in for example advocacy (an output) do not necessarily result into higher farm-household incomes (impact). It would be good to give concrete examples on the website of impact (underpinned with as much hard data as possible).

As an example; at the moment I am involved as consultant in WB-financed/FAO-supported large-scale irrigation schemes in Northern Nigeria. Here Water User Associations (WUAs) function as cooperatives, which in addition to water management also are involved in input supply and marketing of the main crop rice. It is impossible to draw an accurate and reliable rice value chain because of ‘disconnects’ in this value chain; for example, politicians who ‘legally-illegally’ import rice from abroad and sell this rice on the Nigerian market. Nigeria is world-wide the biggest importer of rice while rice import bans have been tried before. In this context the WB can invest some 500 million USD in rehabilitating irrigation infrastructure and the FAO can assist in training WUAs and higher level cooperatives and in establishing farmer-owned Farmer Service Centers, but politically instigated ‘disconnects’ in the rice value chain might make it impossible for farmers to get a higher income. That is a practical example of how in the chain of ‘social capital → political capital → economic capital’ political capital precedes economic capital. Can the FACT tool deal with politically powerful, large multinational companies and corrupt politicians? Again, I appreciate the ‘Small farmers, big deal’ campaign and the advocacy program of Agriterra, but at the same time we need to recognize that politics can be a dirty game.

In the above mentioned Nigerian irrigation schemes many local and international experts emphasize the importance of improved rice varieties; while seeds/planting materials have also been selected as a priority theme in the ‘Small farmers, big deal’ campaign. In this context one needs to realize that the term ‘improved’ or ‘high yielding varieties’ is a misnomer: these varieties only tend to produce better than local varieties when all kinds of agronomic conditions are optimal, such as soil moisture, soil fertility, plant population, absence of weeds and pest & diseases. Instead of ‘high yielding’ varieties it would be better to use the label ‘high-responsive’ varieties. Almost all projects start with the introduction of new varieties because it seems a logical thing to do and it is a relatively easy introduction. However, most countries in SSA have quite a number of ‘improved’ varieties of most crops already for decades, but unfortunately only a small percentage of farmers have adopted these varieties. So why focus on the introduction of new varieties again? What are the reasons for earlier non-adoption and are these reasons today no longer valid? If the main reason for non-adoption is marketing problems (why cultivate something that you cannot sell profitably?), then new seeds/planting materials are not a priority but solving marketing problems is. And if you go for improved seeds, then the agronomic aspect is at least as important as the seed as such. Only the interactions between better seed and optimum agronomic practices result into higher yields and household incomes (farm-level C/B analyses, based on reliable hard data, are crucial here), but inadequate agronomic practices are much more difficult to change than just introducing a new variety. Which extension methodology do you use to convince farmers to adjust their agronomic practices? The farmer-led, hands-on Farmer Field School (FFS) approach is useful here and fits in with the cooperative principles. But do we have sufficient competent FFS facilitators to reach large numbers of farmers?

The ‘Beyond fair trade’ paper says: “Developing countries are expected to go through the structural transformation which Western economies have enjoyed, whereby the proportion of the working population employed in agriculture falls significantly. This transformation could be either ‘disruptive’ (with serious food shortages, unemployment, environmental pollution and the associated social unrest) or more gradual – the latter is more likely if the agricultural stakeholders play a role in structural transformation and the policies developed for it”.

Here you hit the biggest ‘problem’ that I face during my work in SSA and for which I do not have readily available solutions. The structural transformation of agriculture in SSA or its ‘modernization’ will inevitably result into a ‘push out’ of millions of smallholders. Will these ‘redundancies’ find alternative employment opportunities? At the moment far too little alternative employment opportunities or alternative income-earning opportunities are available in SSA. The structural transformation of smallholder agriculture in my home area (South-Eastern Brabant) was no problem, because my father and all my uncles could find alternative employment. But in SSA no large industrial sector is available and it is not obvious in which labor-intensive, low-skill requiring industries SSA could compete with other emerging economies in, for example, Asia. The services sector demands higher level skills than most farmers have. And the agro-processing industry will not be large enough to absorb all the farmers who will have to quit farming. So how do we avoid ‘disruptive’ social unrest in the process of structural transformation? China (hitherto?) managed to avoid social unrest through massive industrialization, but SSA enters the world market too late to be able to be competitive.

Related to the above issue, is your second theme of youth. What are the enormous numbers of young people going to do when a modernized agricultural sector cannot provide sufficient employment opportunities? Moreover, most youth are not interested in the manual labor demanding smallholder sector. Manual farm labor definitely is not cool. Appropriate mechanization can partly alleviate the disinterest in -and aversion towards- manual labor, but lowers the number of people that can be employed in the agricultural sector. The uptake of ‘intermediate technology’ in SSA has not been impressive in the past decades nor has been animal traction. Some farming systems, such as the ecologically sustainable ‘shade tree-banana-coffee-dairy cattle’ farming system on the steep slopes of Mount Kilimanjaro can never be mechanized; the coffee picking, pruning and weeding will always remain manual labor. Over the last 25 years I see that beautiful farming system deteriorating, because the young people are leaving and not willing to invest labor in the banana-coffee fields. Whether for example organic coffee cultivation with (much) higher farm-gate prices can alleviate this situation, remains to be seen.

Although I do not have solutions for the problems mentioned above, I do think that cooperatives are essential in the gradual development of social, political and economic capital for entrepreneurial smallholders. In that context the ‘Small farmers, big deal’ campaign is most appropriate.

Best regards,

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