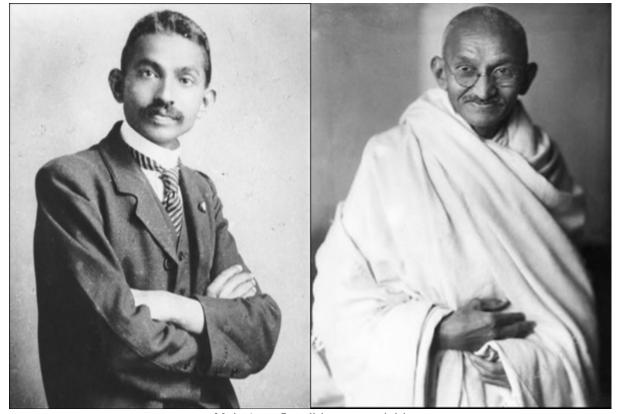


Press here to watch on the web



Mahatma Gandhi – young/old

## BE BRAVE, BE A LEADER, AND CHANGE AGRICULTURE

The challenge the emerging economies are facing is defining the transformation needed and then the execution plan of the transition from an agriculture-based economy to a modern one.

In a previous article, I related thoroughly to the issue Economic Revolutions the humankind has gone through, as well as to the main types of agriculture. It is advised to re-read it [>><<].

The change required in the agri-sector is of a national-historical magnitude and is expected to include and influence directly over 50% of the nation's population.

Such a historical change requires vision, focus, adherence to the goal, ability to stand up to difficulties and objections, and an unwavering desire to improve the state of the people.

Such a change requires strong leadership, and a person to lead it safely to its destination. Such a person would be engraved in national memory as a leader of historical stature.

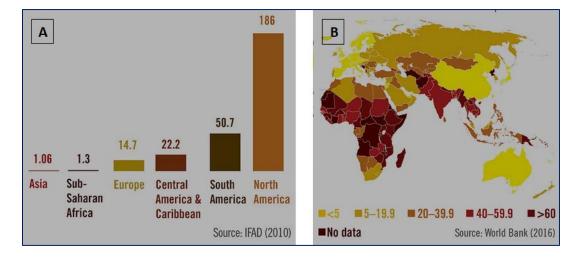
This article is a brief guide for leaders who want to understand the long-term deterministic historical processes that significantly affect agriculture and influences the global and local economy.

As we get a better understanding of where we are, and the deterministic fate of economic revolutions, including the *Agriculture Revolution*, we gain a strategic advantage that enables us to better lead such historical challenging changes.

### STARTING POINT

In large parts of Africa and Asia, over 50% of the population makes their living from agriculture, working small-size plots, whose average size is 1 to 1.3 hectares.

Their daily income is less than \$ 5 a day, and often less than \$ 1.9 a day. Meaning, they live in poverty. [>><<]



Average farm size in hectare (A), and the rate of employment in agriculture (B).

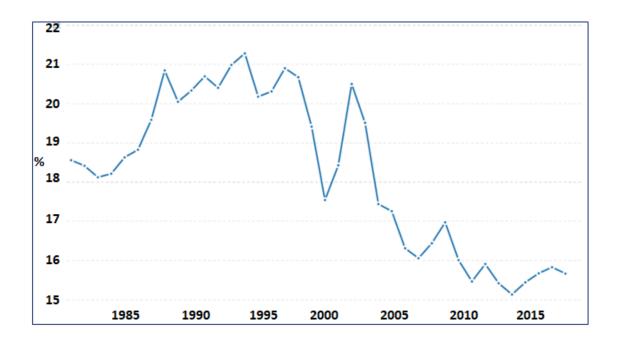
## THE GOAL AND TARGET

The goal is to improve all aspects of the LIVELIHOOD, and above all, HAPPINESS.

The target is to increase the rate of GDP growth.

Emerging economies, as they rapidly develop, wish to see their GDP soar high and fast.

To achieve the above "simple" goal and target they need to involve the agri-sector, which accounts for over 50% of the labor force BUT only 15% of Sub-Sahara Africa GDP.



Sub-Saharan Africa - agriculture, forestry, and fishing % of GDP [>><<]

Unfortunately, in reality, in many countries, the agri-sector does not support much economic development. On the contrary, practically it is heavily supported by the state.

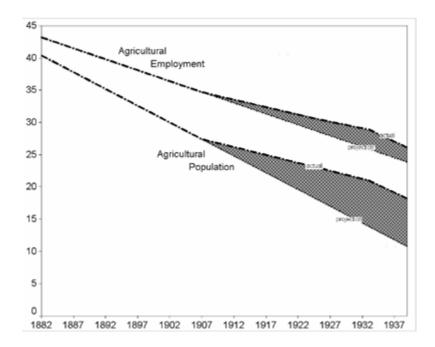
It slows economic development and makes it difficult to achieve the national economic goals and targets and to realize the nation's development and progress vision.

Based on the above, no wonder if political leaders and decision-makers are asking themselves if it is even possible to make such a change in today's reality.

#### YES, it is possible!

Others have done it not so long ago and you can do it even better now. You can use their experience, tools, methods, knowledge, and above all their **economic model**, after adjusted, to your country's unique conditions.

But nothing will work, nor move or change, without a dedicated, committed, passionate and loving leader.



Germany Agriculture Employment went down from nearly 45% in 1882 to 1.4% today. In Israel Agriculture Employment in 2020 is about 0.1%. The result in both countries is a much stronger economy.

# NOT ALL COUNTRIES SUPPORT THE AGRI-SECTOR

Is it correct to use the same terminology and measurements for a farmer whose income is \$ 10 per hectare, to a farmer whose income is \$ 10,000, or even \$ 100,000 per hectare?

Are they all 'Farmers'?

Do they all practice the same kind of 'Agriculture'?

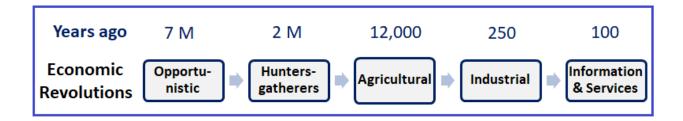
It may be the same if you could consider driving a carriage or a car and an airplane as being similar.

They are not the same – not in shape, usage, and cost - and therefore we use different names to describe each type of 'Driver'.

Similarly, we need an appropriate glossary to describe different types of agriculture and farmers. Let's start with defining types of agriculture.

### THE TYPES OF AGRICULTURE

12,000 years ago, followed by the disappearance of hunter-gatherers, the agricultural revolution conquered the world by storm.



Since then, agriculture has undergone several evolutions and mainly revolutions that have changed its face unprecedented.

Some of the changes are so dramatic that one may wonder and ask himself - "is it still agriculture?"

Here are three types of farming that are compatible with the economic revolutions the world has experienced since the *Agriculture Revolution* (12,000 years ago).

**1.** *Traditional Agriculture* - Beginning about 12,000 years ago. Today, most of the low-income farmers still practice *Traditional Agriculture*.

Its purpose is to feed the family, to enable them to survive at the current standard of living. Most of the world's poor farmers practice this type of agriculture.

Its economy offers very low added-value and sometimes is based on food barter with a typical income per hectare ranging from \$ 1 to \$ 100.

**2.** *Industrial Agriculture* - Beginning with the *Industrial Revolution* - the use of mass production methods started some 250 years ago. Most of the food purchased in markets and supermarkets around the world are manufactured under *Industrial Agriculture* processes.

It creates medium added-value with typical income per hectare ranging from \$100 to \$10,000.

**3.** Lifestyle luxury products - its roots are old, but it has received a significant boost in the last 100 years, with the leap of living standards and the demand for specialty products, such as exotic fruits, seafood, medical cannabis, herbs, etc.

Agriculture of this kind creates high added-value. The typical income per hectare would range from \$10,000 to \$100,000.

<u>A G R I C U L T U R E</u>			
STAGE	Traditional (self-use)	<u>Industrial</u> (commodity)	<u>Lifestyle</u> luxury products
Years ago	12 K	250	100
ADDED VALUE	LOW	MIDUIM	HIGH
TYPICAL INCOME	1\$-100\$	100\$-10,000\$	10,000\$-100,000\$

For more reading [>><<].

## SITUATION IN EMERGING ECONOMIES

In emerging economies, a large proportion of farmers are **still** in the phase of *Traditional Agriculture*, which ultimately doesn't enable them to economically develop and change their living standards.

As presented above, *Traditional Agriculture* has very different characteristics and outcomes from those of *Industrial Agriculture* or those of *Lifestyle Agriculture*.

Therefore, if we want to advance the economy of emerging countries then we need to focus on nurturing the *Agri-industry* and *Lifestyle Agriculture* types.

Some think that supporting by subsidizing the *Traditional Farmers*, i.e. giving money to farmers, will help to improve the agri-sector and turn into a self-sufficient, growing, and vibrant sector contributing to grow the country's economy and achieve its goals.

But that never happened before in big scales, and there is a small chance it will ever happen in the future.

By subsidizing, in the best scenario, those farmers will become less poor, but they will continue to request (more and more) of the state support.

Under a more realistic scenario, the opposite will happen and farmers will become poorer. Subsidize will sentence these farmers to many more years of poverty.

Farmers will increase their income and will join the middle-class ONLY when they will begin to practice the more advanced types of Agriculture.

The subsidized budget can, therefore, be used in a different way to transfer the agrisector into a far more advanced type of Agriculture.

That will result in rapid income increase of hundreds of percent, and a decreased need for state support. A win-win situation.

For this to take place, a country needs to lay the proper foundations to enable the Agriindustry revolution.

To do so a country needs first to have a BRAVE LEADER.

## THE ECONOMIC LEAPFROG

The structured transition from *Traditional Agriculture* to a more advanced type of agriculture will lead to long term, unprecedented, economic, and demographic changes.

China and its past 40 years history, is such an example; it changed its economy from Traditional to Industrial and with it much of its Agri-sector, which is now much more effectively supporting the life of 1.4B people and even became a strong food exporter.

Such a change does not happen by itself. Strong and courageous leadership is needed to lead such a process.

A fearless leader having a long-term vision is what agrarian countries should hope and look for.

## **SUMMARY**

To change the agri-sector in emerging economies one needs to:

- a) Understand the long-term history and economic revolutions and evolution process.
- b) Have a deep understanding of the current situation in the target country (wishing to change).
- c) Have a local leader having their genuine dreams of the future of their country with a clear vision, goals, and targets.
- d) Have a plan of how to carry on the change to reach his goals, and targets within a defined time frame.
- e) Professional support to integrate the relevant factors, as described above, and design a proper work plan according to a well-defined model.

Biofeed team and I are well familiar with the different types of agriculture. We are fully committed to supporting Leaders who have had enough of doing *more-of-the-same* and are ready to take that gigantic economic leapfrog with their nation and move From *Traditional Agriculture* to *Agri-industry* and beyond!

<u>The Agricultural Gap</u> is a video series consisting of 43 chapters, each 2 to 10 minutes, in which you get introduced to the long term history story that led to the Agricultural Gap existing today between the emerging economies and the developed ones. The video series includes deep discussion and suggested model to close that gap [>><<].

Forward this article to someone who needs to see it. Use this link - press here.

And one more thing... share with me your thought about this topic, it means the world to me. E-mail me to nisraely@biofeed.co.il or text +972-5423425 (WhatsApp).

For a greener world Free of sprays Full of joy

See you soon, Nimrod



#### P.S.

The greater the threat/danger is, the greater is the change to come.

Hence, opportunities also become greater.

The COVID-19 crisis brings great changes.

Changes always create opportunities for those who think and act fast.

#### P.P.S.

Biofeed exists for many years; our experience brought us to understand that *a full solution* must include a state-of-the-art technology combined with a suitable protocol. Therefore, we tailor-made a solution to a situation, where there will always be the usage of the Technology plus Protocol, i.e. the know-how supported by qualified and experienced Management.

#### The Key Stages (elements) are:

- 1 -FreeDome to ensure effective fruit fly control.
- 2 Fruit Fly Certified Trade Zone to enable regulators, exporters, importers, and farmers alike to gain mutual trust, confidence, and peace of mind in their present and future.
- 3 *Green Valley National Export Project* made to enable participants in the Value Chain to extract higher financial benefit from the value they have created.

#### P.P.P.S.

On-line additional information –

- \* Join me on LinkedIn for many more posts and updates [>><<].
- \* Previous articles [>><<].
- \* The unfinished historical series <u>The Agricultural Gap</u>. Discussing the 12,000 years history of agriculture, starting with *The Agricultural Revolution, moving* to nowadays and the Agri-industry Revolution [>><<].

# Change Begins With A Decision That The Existing Reality Is A Choice And Not A Decree Of Fate