



## HOW "THE WESTERN SYSTEM" MAINTAINS SMALLHOLDERS' POVERTY AND HOW WE CAN BEAT IT

*"The way to beat the system is by developing a better one.."*

The *Freedom* technology (by Biofeed) was developed to help fruit growers reduce 100% of fruit fly sprays while reducing 99% of infestation.

In 2017-2018 we reached that goal and became the first to have a solution for some of the global "top" fruit fly pests; *Ceratitis capitata*, *C. cosyra*, *Bactrocera dorsalis*, *B. zonata*, and *B. oleae*.

Then Biofeed's Board of Directors (BOD) expected me (the founder and CEO) to take the technology and sell it in Europe, the US, LATAM, or Australia.

Working and selling in developing economies, e.g., Africa or Asia, was not an option.

If you are the CEO of an AgroTech company, then in 99% of the cases, you develop and sell to professional farmers. This makes sense, for they can afford to buy the labor of your hard work.

Then, as soon as the technology is ready to market, the manager and his sales team get on a plane to Europe, the US, Japan, Australia, and other developed economies and do their best to sell as many as possible.

Oh, and one more thing, those agrotech companies are often backed by Western investors, which makes the management decision even easier when choosing the target markets.

As you see, agrotech companies always prioritize professional farmers, for they (i.e., professional farmers) can pay for advanced technological development.

Professional farmers comprise about 3% of global farmers, most of whom are in the Global North.

Is it a coincidence, sheer luck?

## “SYSTEMIZING” POVERTY

Suppose you live in the early 20th Century, and you want to rule global food production. How will you do it?

One way is to send an army to conquer and control every piece of land where agriculture is practiced. That is not practical, although some conquerors have already tried this.

The other option is to develop **a system** with the same or even better results without the army, wars, and messy bloodshed.

Here is a guide on how to control the world of food production in three (simple) steps –

**(1)** We start by developing a proprietary agro-technology (no need to be novel or breaking through, but it must be protected).

**(2)** Then, we develop a *business model* and an *ecosystem* that works in the framework of that technology.

**(3)** Finally, we teach people how to make money by selling this technology.

Now we have a **system** consisting of many people all over the world making money from selling that three parts compatible agro-package we had created, (1) proprietary technology in the framework of a dedicated (2) business model, and (3) ecosystem.

But what if I don't want to use this technology?

Because the system works well (or wouldn't be "a system"), it gets to many people, and before you know it, most of your colleagues are using it.

Just like you can't use a computer operating system if you are the only user and everybody uses a different one, so it is here; sooner or later, all farmers become "hostages" and can't stop using *That System* even if they are unhappy with what they get (for example, though there is free PC operating system everybody buys the Windows of Microsoft or IOS of Apple).

To ensure their technological supremacy and the continued dependency of farmers on their proprietary technologies, companies and countries will lay a layer over layer of protection -

- **Law** – patents and state laws protect technology and innovation.
- **Expensive** – development is complex and costly.
- **Dependency** – one way or another, you always remain dependent on the tech company.
- **Professionals** – farmers need specific training and knowledge to use the technology adequately (even then, there is no assurance of success).
- **Dedicated Solutions** are designed for crops, climate, and pests of the global north.
- **Infrastructures** – many technologies require electricity, running water, communication, and roads, all under the central government's responsibility.
- **Control of use** – IP protects technology and requires local and global certification and licenses.
- **Price** – the cost of regulation, third-party approvals, technology, etc., is high and is to be paid in hard currency in advance.

Could those intended barriers be a problem for some potential users?

SURE - 97% of global farmers are smallholders living in developing economies, many in poverty.

However, the "ecosystem" and "business models" used to sell agro technologies favor those with the following characterization –

- Have large fields
- Grow crops common in the global north
- Work with a team of professionals
- Can pay in cash with hard currency for costly inputs, and
- Can sell their produce in premium markets for premium prices

That method and business structure are perfect for typical American or European professional and large-scale farmers. Simultaneously, it has a big "**Not for you!**" sign for all smallholders in developing economies.

How can an African smallholder growing 0.3 hectares of maize and selling it to the poor farmers of his village compete with an American grower having 3,000 hectares and selling his yield in the US premium markets?

***The system* that keeps the global north farmers prosperous is the same that suppresses the global south farmers and keeps them poor. It is not suitable for 97% of global farmers, not for most inhabitants of the planet, not for equality, not for our health, and not for the environment. It is obsolete and must be replaced.**

## **“SYSTEMIZING” PROSPERITY**

Now we jump 100 years, from the early 20th Century to the early 21st Century.

This time we want to create prosperity among smallholders in developing economies, fight global warming, and ensure there is enough food for all inhabitants of the world and that this food is of high quality and healthy to eat and to the environment.

WOW, that seems like a long “*never going to happen list*” taken from the wish list of a dreamer.

Indeed it is.

How will we turn this list into reality?

One option is to pump a lot of money, say \$1M, into each family of farmers. Assuming the money passes the government officials and gets to the farmers.

Most likely, the farmers will use it until it runs off, and then most will return to poverty. Unfortunately, charity doesn't tend to create long-term, lasting, sustainable prosperity.

The other option is **creating an adaptable system in the framework of compatible ecosystems, business models, and technologies/services dedicated and tailor-made for smallholders in developing economies.**

Next, we show many people how they can benefit from this business-oriented **system**.

Once people see and enjoy the reality and benefits of the new system, they will believe and trust it. Once the system is trusted, farmers will use it more, and it will accelerate its scope like a flywheel. After that, the change will spread out.

### **Important note.**

While the existing “poverty generating systems” are designed around “technologies,” the “prosperity systems” are designed and organized around business models.

# ONLY DREAMERS DREAMS!?

At this stage, you must say, "*Sure, but there is no technology better than sprays or synthetic fertilizers and no business models and ecosystems than those developed by the multi-national, multi-billion \$ companies.*"

It is easy to succumb to the thought that everything is impossible; therefore, it is easier to give up before trying.

So in case this thought crossed your mind, here are three examples to show how fantastic the alternative future can be.

## FERTILIZERS - REGENERATIVE AGRICULTURE

Regenerative agriculture is a novel agro-regime attitude, resulting from many "conventional" farmers becoming disappointed with the results they get.

It is so successful that the Syngenta Group tries to make itself a regenerative leader.

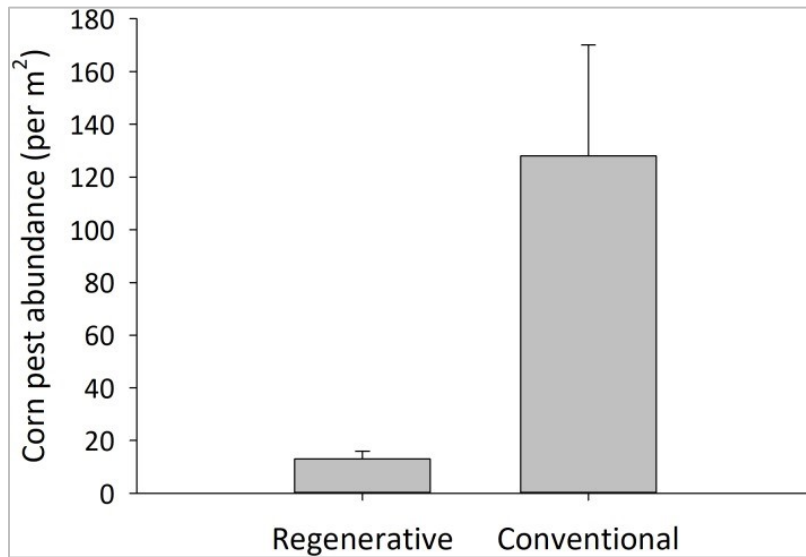
Of course, Syngenta and other agrochemical companies can't be "regenerative," as their business model is based on selling (more) chemicals. This contradicts the overall attitude of regenerative agriculture – to **quit** using sprays and chemical fertilizers.

Regenerative agriculture has succeeded in **increasing** land productivity without using chemical fertilizers.

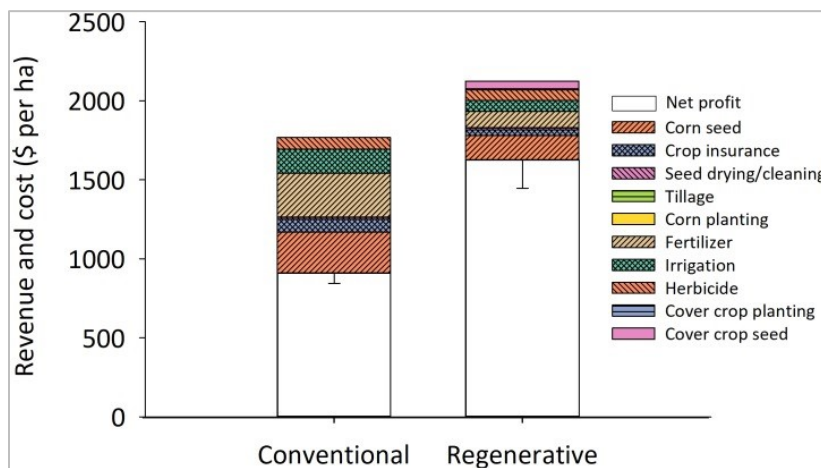
This shouldn't surprise those who remember that for millions of years, plants grew without fertilizers, including the rainforests.

*"Regenerative farms fundamentally challenge the current food production paradigm that maximizes gross profits at the expense of net gains for the farmer." [source](#)*

No fertilizers/chemicals, better and healthier results.



Insecticide-treated cornfields had higher pest abundance than untreated, regenerative cornfields. [source](#)



Despite having lower grain yields, the regenerative system was nearly **twice as profitable** as conventional corn farms. [source](#)

### CROP PROTECTION - FREEDOME

We view "sprays" as the ultimate crop protection solution. The sad truth is that agrochemical companies have a limited portfolio of pesticides with which they try to kill all pests.

Yes, they manage to kill some pests while, at the same time, killing non-target and beneficial organisms, damaging our health and the environment.

There are 4,000 species of fruit flies, of which 100 are economically significant. Pesticide sprays do a dissent job for the control of the Mediterranean fruit fly (*Ceratitis capitata*). But what about the others?

\* **European** olive growers suffer a 30%-50% yield loss due to the Olive fly (*Bactrocera oleae*).

\* **Australian** fruit growers abandon growing areas because they can't effectively control the Queensland fruit fly (*B. tryoni*).

\* **In Africa and Asia** Mango, growers lose 50% to 80% of the yield to fruit flies, so they harvest when fruits are immature and still can't export!

Is that the best we could hope for!?

NO.

**Biofeed developed the *Freedome* zero-spray field-proven solution (based on the GCFR technology) that reduces 99% of fruit flies' infestation versus best commercial practice, i.e., sprays.**

No sprays, better and healthier results.



## ECOSYSTEMS AND BUSINESS MODELS - KIBBUTZ

The most common business model today is the one in which we act based on financial incentives.

Smallholders act as individuals and suffer poverty even when supported by subsidies or projects, e.g., AGRA.

Yet, decades ago, **the Kibbutz model** demonstrated that poor farmers could rapidly achieve thriving agriculture (and later industry), a flourishing economy, and high living standards when operating in the framework of an organized community.

The Kibbutz model also showed how farmers could reach prosperity before the “technological age” and how powerful non-monetary incentives are.

With over 75 years of successful experience, the Kibbutz and the Israeli agro-models can be used as the foundation to transfer smallholders’ poverty to prosperity.

**Based on years of experience and used models, the *Dream Valley* company developed a dedicated complete value chain model (inputs to shelf), which harnessed Israel's models, knowledge, and positive experience to benefit smallholders in developing economies.**

The Dream Valley model is **tailor-made for smallholders** and provides farmers with a complete **Package**, enabling farmers’ rapid income increase by reaching premium markets.





In 2021, the mango growers of Senegal, working in the frame of the Dream Valley model, **doubled their income within one season**, while Senegal doubled its mango export to the EU.

This is the power of a dedicated business model for smallholders in developing economies.

How can we replicate Dream Valley's success?

One way is to launch many more such projects (which I intend to do), and the other is by teaching and transferring the knowledge and experience to others.

To this end, we founded the [International Conference On Business Models In Agriculture](#) (IBMA).

The IBMA is a statement to the leadership of developing economies and those who care about smallholders that –

- **Technology** is not a stand-alone solution. We need more technologies and always will, but that is **not** what stops Africa's agro-sector development.
- **Africa** is no longer waiting for others to solve its problems and shouldn't wait. Africa and developing economies should develop the business models they need.
- **Africa** and other developing economies understand that the current business models will keep their farmers (and national economies) impoverished.
- **Africa** and other developing economies are ready and willing to face the challenging task of developing the business models and ecosystems they need. These business models are dedicated to smallholders and tailor-made to specific tasks.

The dawn of a new day rises on smallholders' fields.

(Contact me at [nisraely@biofeed.co.il](mailto:nisraely@biofeed.co.il) to join the IBMA team. State how you'd like to contribute)

Much more work is needed to see a massive change in the agro sector in developing economies. But the foundation is laid, and the dirt road awaits you.

This is the time and opportunity for leaders to lead, act, create a legacy, and be remembered by millions.

If this resonates with your personal or professional needs and goals, contact/message me at +972-542523425 WhatsApp, [nisraely@biofeed.co.il](mailto:nisraely@biofeed.co.il).

# TAKEAWAY

- **THE WESTERN AGRO “SYSTEM”** is biased and prioritizes professional and large-scale farmers in developed economies. Smallholders in developing economies are underserved, leading to perpetuated poverty.
- **SHIFTING SMALLHOLDERS** to prosperity requires the development of a system that prioritizes smallholders.
- **A THRIVING “SYSTEM”** contains – ecosystems, business models, technologies/services.
- **DON'T ATTEMPT** to be like the Western System, be better!

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*\*\*\* Mental and Economic Freedom Are Interconnected \*\*\**

See you soon,

Nimrod



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**P.S.**

If you missed it, here is a link to last week's blog, *How The Israelis Solved The Agro-Poverty Challenge Without The Need For Innovative Technologies?*

Link to [recent columns](#).

**P.P.S.**

[Dream Valley](#) is a field-proven disruptive business model based on the successful Israeli model. Contact me if you view yourself as a potential investor, business partner, or client. [Email](#), +972-542523425 (WhatsApp/Text)

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***Change Begins With A Decision  
That The Existing Reality Is A Choice  
and Not A Decree of Fate***