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# UNLOCK RURAL COMMUNITIES POTENTIAL BY RE-FRAMING POVERTY AND APPLYING THE KIBBUTZ PRINCIPLES

"You may perceive yourself as ordinary, while you are unique, A Black Swan."

From birth, we tend to think that all other people are like us, so we never view our lifestyle as unique or exceptional.

I had all the good reasons not to suspect that there was a uniqueness about the Kibbutz lifestyle I was born into.

After all, elementary school was in the Kibbutz, High-school was regional but only for Kibbutz and Moshav children; at 18, I volunteered for a year to help a young Kibbutz; my army service in an elite unit limited to those raised in Kibbutz or Moshav or intending to be part of it. In university, I studied agriculture, where most students came from Kibbutz and Moshav, and most of the Israeli clients of Biofeed, the company I established, were Kibbutz and Moshav members.

Besides my around-the-globe trip after the army, I was always surrounded by Kibbutz and Moshav people.

Things began changing after Biofeed won the *Grand Challenges Israel* competition. When Biofeed started its activities in India and Africa, I realized that 97% of farmers are incredibly different from those I know; they are non-professional, smallholders, and most visible – they were poor.

Only 3% of global farmers are professionals, like those I knew from Israel, and the Israeli farmers are as few as 0.00002% of the worldwide population.

These numbers provide some proportion to the meaning of uniqueness.

Yet, I was born into a rural community, Kibbutz, which, only 17 years before I took my first breath in this world, was as poor as 97% of global farmers.

The Kibbutz and Moshav were no doubt unique and the exceptions to the rule, but were they a singular event, one never to repeat?

This question seems more important than ever when looking for novel approaches to fight farmers' global poverty (most poor people worldwide are farmers).

If the hundreds of Kibbutz and Moshav I know all thrived, can we share their activity essence with others so they too can do the same and succeed?

I am confident we can. The concepts learned from the Kibbutz and Moshav will bring light and happiness to millions of farmers and economic prosperity to developing economies.

Those concepts will serve to turn Africa into a global food barn.

This will happen but not easily, not without changing our way of thinking and doing things differently, and not without investments, hard work, and dedication. Are you ready and fully committed to this?

Thank you for joining me on this magnificent journey.

#### THE EUREKA MOMENT

Non-professional farmers' income is 1% to 10% versus the leading professional farmers.

Most Israeli Kibbutzs and Moshavs were established 50 to 100 years ago. They were all poor at the very start and became established and later prosperous within their second decade. The Israeli story about the Kibbutz and Moshav that most people know is that of today; a thriving and professional model of success.

Israeli agrotech companies leverage that message to increase the sales of agrotech and agrochemical products and services suitable to the 3% of the farmers, the professional ones.

However, the more exciting part is the untold story of turning non-professional impoverished rural communities into prosperous ones.

Today, 97% of farmers are non-professional smallholders, and most still live in poverty.

When UN SDG #1 is about Poverty, it becomes more critical to understand "How did they (Kibbutz and Moshav) do it?"

How did the Kibbutz and Moshav escape poverty without "advanced" technologies and chemicals?

Can smallholders do the same?

If the answer is YES, it will not be found in the present of Kibbutz and Moshav but in their history, their actions 50-100 years ago that led and enabled them to become successful.

I had to have my Eureka moment to realize that to fight smallholders' poverty; I need to study and analyze the Kibbutz and Moshav historical key success factors, not those of the present.

Then I asked myself, "What now?"

Again, it took time before the answer presented itself; No one shared the stories of the Kibbutz and Moshav in light of global poverty. If I wouldn't do it, no one else would. It is my duty to share the "not glamorous stories" of the Kibbutz and Moshav's historical days."

About two years ago, I began sharing those stories with caution, apprehension, and hesitation; primarily those I know first-hand or through my parents.

In recent months I increased and deepened the analysis and the level of sharing and exposing the Israeli Village, Kibbutz, and Moshav – structure and ways of operation.

Before sharing those columns dealing with the Israeli communities, I asked myself, "Have I not gone too far? Is this still interesting for my readers in the developing economies?"

Thank you for showing interest; far above my expectations!

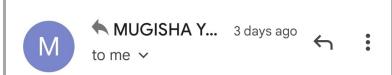
## THE WOW EFFECT

THE WOW-EFFECT happens to people who come across something so surprisingly good and shocking that all they can say is "WOW!"

There is no economic revolution without *THE WOW-EFFECT*, which is why my ear is always open in search of it.

The WOW EFFECT is the Holy Grail of innovators, entrepreneurs, business development people, etc., because when you say it yourself or hear it from others, you KNOW that you hit a golden vein.

I share this with you because after receiving your feedback on the recent columns about the Kibbutz, I realized that many of you have experienced their WOW EFFECT or the Eureka moment.



Wow , this story is amazing . I can go with the method of production line called american . Here in africa most of farmers do not have any specialization in any cultivation activities because most of them want to perform every thing in agriculture because of thinking that it is one of the method to use in order to make an additional sources of income . But that's not true this method earn small amount of revenue .so , to integrate unskilled labour and to give a high productivity it is vital to make sub tasks so that every groups should perform their own assignment in sequence . lam agree with this story . Thank you sir

Regards . Mugisha

An example of "the WOW Effect." It may appear in other formats that send the message of shocking surprise, overjoy, ecstatic, with a strong will to experience.

This is a sign that there are people in Africa and Asia who are well familiar with the challenges of smallholders.

Those people understand that an additional piece of technology (e.g., tractor) or infrastructure (e.g., warehouse), although welcome and needed, will not solve the poverty challenge (SDG #1).

As the Kibbutz and Moshav model proved a hundred years ago, tractors, irrigation systems, pesticides, fertilizers, and other technologies, are not "the foundation" for thriving rural communities.

You don't start building a house from the top floor; you begin digging deep in the ground and installing solid foundations.

We learn from the Kibbutz and Moshav stories that the foundation for thriving rural communities is the "soft" characteristics, the community structure and organization, plus cooperation within and between communities.

I assure you there is a place for technology **after** we settle the fundamental issues.

Remember the three pillar Package for a thriving agro sector:

- Ecosystems.
- Business Models.
- Technologies/Services.

Do you still think that the "lack of technologies" is what inhibits smallholders' prosperity?

#### A LEAP OF FAITH

There is a time when you read the morning paper and a time you realize that tomorrow's news should be about you - your actions and deeds.

I believe in acting and *falling forward* to achieve your goals and success.

Don't try to pass life without making mistakes. A person with no record of mistakes is one who did nothing.

There is no greater waste than doing nothing; you have wasted your life, air, food, time, and personal gifts God gave you to help others.

I believe in attempting to do the big special, unique, and some may call it "crazy things"; those things that others don't even dare to dream about.

Oh, and on the way, you will surely make mistakes, which means you will learn, improve, and have many stories to tell your grandchildren.

This is an introduction to my message; THINK BIG.

How big? It is entirely up to you.

Fly to Mars, if you will.

Be sure there are no "TOO BIG GOALS."

Challenging smallholders' Poverty is A GLOBAL (BIG) CHALLENGE.

Wouldn't you like to join a national, continental, global effort to challenge **Poverty**, the UN SDG #1, through social (non-technological) tools?

Challenge poverty by bringing a solution based on the novel approach of re-structuring and reorganizing rural communities in need.

Using the lessons learned based on the concepts and principles from the Kibbutz and Moshav model.

Remember that to challenge poverty requires a leap of faith. Trust yourself, be committed, and make *a leap of faith*.

You will undoubtedly fall; your part is to ensure you **always fall forward**, get up, keep going, and the world will change before your eyes.

You will create your legacy, leave your mark, and your children and grandchildren will thank you.

## MINOR CORRECTIONS

I appreciate and enjoy reading your comments and questions, for it enables me to hear and learn your side and understand how well the messages were understood.

Here are a few messages I received this week regarding the Kibbutz concept articles. Since those messages represent many others, I share them with you and my responses.

**A)** "**MY AMBITION** is to connect with more smallholder farmers. But in my country, most of them prefer working alone. This is why I'm trying to develop a cooperative approach. But farmers don't want to align on this working way. This is why I prefer to continue working alone..."

**Answer:** No one said it is an easy task getting farmers to cooperate. Increasing cooperation is a process that requires the intervention of experts.

B) "I OWN ABOUT 15 Ha in my village with a bore-hole and drip irrigation system on 5 ha of the surface. My question is if possible to apply the kibbutz approach on a single farm like mine."

**Answer:** Kibbutz is a concept unrelated to the size of the area or technology. **It is about** "grouping people" and making them cooperate, which you didn't mention.

**C)** "I BELIEVE OUR FARMERS' groups, Societies, Women's groups, Producer groups, and Coops can be our version of Kibbutz if managed well..."

**Answer:** Those groups are an excellent starting point for more closely organized operating communities, but they are not a Kibbutz nor a version of it.

**D)** "CAN YOU ALSO HELP FARMERS in case the local government makes its farmers' profit smaller and smaller by many steps such as raising water and electricity prices or lowering tax on imported fruit? Can farmers overcome the hard situation only by changing more efficiently?"

**Answer:** Those challenges are common to farmers in developed economies. Farmers in developed economies are already highly efficient, so efficiency is not the solution. Focus the efforts on re-organizing the ecosystems and improving business models.

**E)** "I THINK THE KIBBUTZ (MODEL) can be adjusted to our situation due to land scarcity and high population growth."

**Answer:** The Kibbutz concept and principles are unrelated to land scarcity or population growth. It is most suitable to help impoverished rural communities who desire to see rapid economic growth.

It is not easy to understand the mechanism of a Kibbutz or Moshav for someone who has yet to experience it. Allow me to be the middle man in conveying the model.

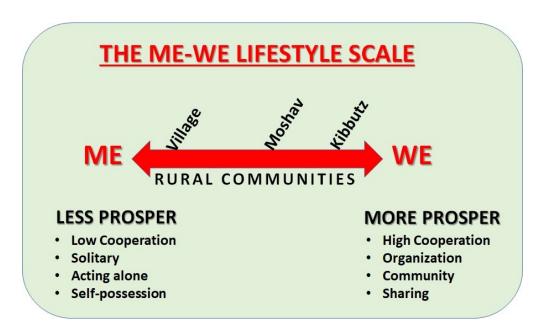
## MORE THAN THE EYE SEES

The good news about the unique Israeli rural community models, Kibbutz and Moshav – is that they are more successful than you imagine. You have my open invitation to visit and see for yourself.

The bad news is that applying the concepts and life principles that led those communities to be global leaders in the agro sector is a complex task.

In reality, developing countries don't have a solution for impoverished rural communities.

The leader tries not to get burned from this "hot potato." To that end, they provide subsidies, introduce national/continental programs (AGRA, World Bank, etc.), and bring NGOs, funds technologies, advisors, etc., yet, the farmers remain impoverished.



Smallholders can live alone in poverty (the ME attitude) or in prosperity with everybody (the WE attitude). What will you/they prefer?

Today smallholders' poverty is addressed as a technological, financial, and educational failure. Hence, governments and organizations provide technologies, funds, and education to "fix" the problem (e.g., AGRA).

Surprisingly (or not), the problem is not "fixed," nor has it subsided.

It's time to realize that more of the same is not the solution.

The solution is to re-frame smallholders' poverty challenge and address it as a discrepancy between the community's structure and potential business performance.

The Kibbutz/Moshav solutions are real-life, field-tested, and proven, with over 100 years of experience in all agricultural fields, under the most extreme conditions, starting with poor unprofessional, inexperienced people.

Although the low starting point, the members of the Kibbutz and Moshav became professionals, and their communities thrive with a nearly 99% success rate!

There is no such example in history, so learning and using some of the Kibbutz principles to fight poverty among impoverished smallholders may be the best chance for better livelihoods for over 550M people.

Smallholders' poverty is a national challenge, and the highest national level should be amongst the leading team of solution designers.

The Kibbutz/Moshav models are business-oriented concepts that can't be applied as-is to developing countries but require adaptations.

For a national or regional-level solution, you can face the challenges yourself or contact me to figure out the best way forward for you and your country.

## TAKEAWAY MESSAGE

- > **THE KIBBUTZ** has the advantage of an organizational structure that encourages cooperation and resource sharing.
- > THE KIBBUTZ CONCEPT and PRINCIPLES are not limited to the State of Israel and can be applied anywhere.
- > THE POORER THE COMMUNITY, the more the community has an advantage in strengthening cooperation.

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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, <u>What Is The Connection Between</u> Community Structure, Specialization, and Smallholders' Poverty?

Link to recent columns.

#### P.P.S.

<u>Dream Valley</u> 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. <u>Email</u>, +972-542523425 (WhatsApp/Text)

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Change Begins With A Decision

That The Existing RealityIs A Choice

# and Not A Decree of Fate