



THE SECRET OF WESTERN AGRO COMPANIES TO SUCCEED IN DEVELOPING ECONOMIES, AND WHY IS IT NEARLY MEANINGLESS?

"There are multiple business languages; inability to bridge between them is a serial cause of projects failure."

I had a trip with my oldest son to Italy a few years ago, just the two of us. We began by visiting the charming city of Florence. We were unsure about the direction to our next spot at a certain point, so we asked a Florence resident for guidance.

The man was kind, and once he heard the name of the place we wished to reach, he gave detailed guidance in fluent Italian.

I looked at him, surprised and puzzled, and added, "I don't speak Italian."

It was sufficient for him to understand that we have a communication problem.

What did he do?

He repeated the very same explanation, still in Italian. This time, he spoke slower and louder, as if the problem was technical rather than his inability to speak English and mine to speak Italian.

Again, I indicated with my face, hands, and broken Italian that I did not understand a word. Then I waved my smartphone, suggesting to use Google Translate.

Typing on Google Translate is slower than speaking, but finally, we perfectly understood each other. Equipped with clear instructions, we soon reached our destination.

EXPERTS ADVISE TO SUCCESSFUL AGRO PROJECTS

I recently spoke with a senior Israeli representative in a developing country.

His interest is to encourage businesses, including agro-businesses, to work in the country where he is stationed.

Wanting to protect and help me, he advised me *the following*.

Him: *Foreign companies, including Israeli ones, lead large and successful projects. The secret of success is to work with industrial-professional farmers or to have their own large-scale projects. When you see those projects, you may think you are in Europe.*

However, be careful; they all failed whenever trying to have projects with smallholders.

Me: *As I explained, Dream Valley has developed a dedicated Agricultural Package for smallholders; I want to work with smallholders.*

Him: *If you insist, consider a mixed project of (safe) professional farmers and (risky) smallholders.*

THE BILINGUAL GAP IN AGRICULTURE

Let's "translate" what the senior representative said into a more general concept.

Consider *The Agricultural Package* as a language whose compatible pillars and sub-components comprise its words and sentences, *which helps its parties communicate effectively across the value chain.*

Each Package has a particular language that is not necessarily compatible (understood) by the value chain parties of other Packages.

As in human languages, one can be fluent in one "Package language" but clueless about others. Hence, "mixing" Package languages is a recipe for business disaster.

There are two predominant Agricultural Package languages:

1. The "Western language" is predominantly used by industrial-professional-business farmers in the Global North.

2. The "Small-hold farmers' language" is commonly used by non-industrial, unprofessional smallholders in the Global South.

NOTE.

The Agricultural Package "language" is a value chain business language, not a human one. Though using the term "language," refrain from mixing the two. This also means that speaking the native language of the farmers doesn't mean anything about the ability to "speak" the Package language.

The three pillars of The Agricultural Package are Ecosystem (coherent value chain), Business model, and Technology/Services.

SAME CROP, DIFFERENT “LANGUAGES”

Farmers can grow the same crop, e.g., wheat, in India, Africa, and the US but use different Packages, each speaking a particular language among its value chain parties.

What happens when value chain parties speak different Package languages is the same as what happened between the Florence resident and I in our early communication attempts, i.e., complete misunderstanding.

Now, let's return to the senior Israeli representative's advice and inspect it by relating to The Agricultural Package as a language.

His message, assuming that if I come from Israel, I am fluent in the Western Package language, was straightforward, "Work with those who speak your language."

Even without understanding The Agricultural Package theory, the senior representative field experience urged him to suggest and match me with those who speak the same "language" as mine.

THE POWER OF BRIDGING THE GAP

Let's use this knowledge to ask a more fundamental question:

Why do agro programs, e.g., AGRA, trying to uplift smallholders by connecting them with global agrotech companies or providing them with advanced technologies/knowledge fail?

It is the "natural" outcome of miscommunication between parties of different types of Packages. It happens when the program management doesn't realize that parts of the value chain "speak" in a foreign/different language. This is why the senior representative said that such projects always fail.

But it doesn't have to be this way. Do you remember how I overcame the communication challenge with the Italian guy?

I used "a tool," Google Translate, to bridge the language gap.

Tools to bridge a gap between Agricultural Packages are called "models."

Such models are designed as "translators" or "adaptors" between different types of Packages.

IDENTIFYING THE RIGHT MODEL

At this stage, you may say, "But everyone is saying they have the best model to connect smallholders with leading companies/markets/technologies/knowledge; how will I know which is "the real thing" and effectively bridges the Package language gap?"

The short answer is - look for results.

On my trip to Florence, I reached my destination only after I properly understood the instructions provided by the Italian guy.

The same goes for the agro sector; when the farmers and the country's agro sector, e.g., exports, are stuck, it is a sign that something is not working as it should. At the same time, when

the model is adequate, we will see rapid growth in the parameters, e.g., farmers' income, national exports, and food production.

A REAL-LIFE SUCCESS STORY

For example, I developed the Dream Valley model for many years but knew it was outstanding only after the national pilot in Senegal.

Why only then?

Because the mango sector of Senegal was in stagnation for over a decade, and then, what seems to be magic, Senegal doubled its mango export to the EU, and mango growers doubled their income within as little as three months.

A drastic positive change is a sign of an effective model.

You may ask yourself, did Dream Valley Senegal happen in reality, or is it just "an example"?

It sure happened in reality, using the Dream Valley model.

THE UNIVERSALITY OF EFFECTIVE MODELS

Much like Google Translate, which works seamlessly across languages, a well-designed model can be applied in various countries. As long as the model bridges the gap between the intended "languages," it will succeed regardless of the location.

BRIDGING THE GAP IS A MUST

With all due respect and appreciation for "industrial-professional" projects, most farmers, i.e., 90% to 99%, in developing countries are smallholders.

Therefore, the impact of "industrial-professional" projects on the agro sector in developing countries is and will remain insignificant.

To create a horizontal impact on the agro sector, we must have proper models to bridge the gap between the language of smallholders' Agricultural Package and that of industrial-professional organizations.

Only when this happens will we see a rapid advance and improved livelihood of smallholders.

IN SUMMARY

For an Agricultural Package to effectively serve its value chain stakeholders, all its parties and components must speak the same value chain business language or understand each other using a dedicated model.

The inability to effectively speak the same Package language will inevitably cause its failure. It explains why once a worker for the World Bank told me that 100% of their projects with smallholders fail in the long term, and the senior representative warned me not to work with smallholders but to stick to industrial-professional farmers.

The way forward is by developing and using dedicated models to improve communication between interconnected parties in the value chain, even between parties that "speak" different languages.

Did this column resonate with reality as you know it?

What is your take-home message?

If you agree and if you don't, let me know what you think.

Want to change the rural community's development trajectory in your country or elsewhere? Are you unsatisfied with a running rural project or want to plan a new one? Message me +972-54-2523425

TAKEAWAY MESSAGE

- **EACH AGRICULTURAL PACKAGE** has its unique language.
- **EFFECTIVE COMMUNICATION** is vital among all value-chain parties.

- **EMBRACE DEDICATED MODELS** to bridge the Agricultural Package language gap, and agricultural success will follow.

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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, "[Busting The 'Simple Solution' Illusion For Smallholders' Prosperity.](#)"

P.P.S.

[Dream Valley](#) is a field-proven disruptive business model based on the successful Israeli model.

To learn more and become a Dream Valley partner, contact me at nisraely@biofeed.co.il, +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***