



WHERE WOULD YOU INVEST IN DEVELOPING ECONOMIES; MEGA-PROJECTS, TECHNOLOGIES, OR HUMAN AND ORGANIZATIONAL INFRASTRUCTURE?

"Don't consider any solution before you're sure what the problem is."

On a multitude of levels, the situation of developing countries is complex and complicated.

Therefore, I would not want to be in the shoes of the head of such a country.

No matter how talented and filled with good intentions a Leader is, he can't know or do everything alone.

As a professional person in agriculture, I view my task, hopefully, side by side with you, to help Leaders, i.e., decision-makers, with advice and actions that will benefit the agro sector and the general public.

There are two types of Leaders, one that doesn't care about their people and one that cares and genuinely would like to improve things.

It is never a good idea to try and help someone who doesn't seek help. So here we discuss how we can advise a positive Leader, one wishing to do good but unsure about the path.

To do this, we will wear the Leader's glasses and look at things from their point of view.

The first step would be asking the Leader to share their thoughts.

Once we understand the current situation, challenges, and the desired goal from the Leader's point of view, we can advise him.

Remember, **this is not about solving our problems** but those of the Leaders as they see it.

THE LEADER'S REQUEST

The Leader:

"I see the suffering of millions of farmers. It is unjust for them and our nation. Our nation will benefit by elevating farmers' conditions and shifting them from poverty to prosperity.

I want to impact our agro sector and national economy and increase people's pride.

I want to know that I did something significant for our people and nation, which will be remembered, leave a mark and establish my legacy for generations to come.

My predecessors failed, which is why things are so challenging now. Hence, I want to avoid repeating their mistakes or doing more of the same.

Furthermore, I have limited resources, and with those limited resources, I must achieve my goals by deciding what and how to do and act during my relatively short tenure.

My experts present many proposals for solving our most pressing problems before me.

I can categorize those into three main categories.

* **Mega-Projects** – to invest in establishing large professional-industrial agricultural farms to provide food to the country's residents and reduce dependence on imports. The most common are projects for staple crops.

* **Agrotech** – to invest in introducing and assimilation of advanced agricultural technologies and services.

* **Humans & Organizational Capital (Huminvest)** – to invest directly into rural communities to support local leadership and improved organization level.

All options seem professional and attractive, which confuses me, for I am not an expert in those topics.

Hence, my question is, where should I put my efforts and support to achieve the most significant impact according to my goal?"

THE PROBLEM AND GOAL

In the above call for help, the Leader asked which solution he should choose, failing to mention and define the *Root Problem* that "the chosen approach" is expected to solve.

Too often, a discussion begins with a proposal for solutions, even before we have defined and agreed on the problem and its causes.

Therefore, first, we ask, what is the Root Problem the Leader seems to cope with and fix?

Of course, as you know, many problems exist in developing economies.

However, most of the problems stem from **the Root Problem; an unbalanced economic structure in which the livelihood of 50% to 80% of the population depends on agriculture, and many of those are living in persistent poverty.**

It means that if, for example, only 5% of the population's livelihood depended on agriculture and farmers would not live in poverty, then we solved the Root Problem.

In such a case, the country would no longer be considered "developing," and the Leader would get his wish.

Accordingly, **Our Goal is - to reduce the number of people involved in agriculture and overall poverty. All this while maintaining and improving the national food production capabilities and economy.**

Agree?

Think. What would happen if the construction/infrastructure/automotive/medical/public sector comprised 50% to 80% of the national TOTAL workforce? Wouldn't they suffer poverty?

THE ANSWER

Thank you, Sir, for sharing and trusting this challenging question.

There are several approaches to answer your question - financial, social, long/short term, political, business, etc.

But since you came up with defined suggested "solutions," I will address the compatibilities and incompatibilities between the proposed "solution" and "problem," as I understand from you, assuming a fixed investment amount.

* **MEGA-PROJECTS** – Such projects are designed to **maximize the efficiency of using resources and inputs**, such as water, land, mechanization, labor, and knowledge.

Mega Projects has few business beneficiaries and is professionally managed by a small team of national and international experts, backed and supported by big organizations and nations.

Impact - even if the project area is large and the income from it in taxes is high, the effect on the entire population and the percolation of knowledge, technologies, and success to other farmers (especially smallholders) is minimal.

Ripple effect - there is no ability to copy the characteristics of such projects (even if successful) to the rest of the country's farmers.

* **AGROTECH** - a technology designed to **optimize processes and make them more efficient**.

Characteristics - Most agrotech solutions were created and intended for professional farmers working in an "industrial" manner.

Therefore we must ask:

Can farmers (mostly smallholders) in our country purchase and effectively use such innovative products?

Is the structure of our smallholders' farms suitable for "advanced agrotech solutions?"

Do farmers have the knowledge and abilities to maximize the benefits of such products?

Will the expected revenues from the incorporation of the technology enable its financing?

* **HUMINVEST** – an approach to challenge fundamental problems by first addressing problems at the human and organizational levels.

Here we apply dedicated tools and methods to directly treat farmers' and rural communities' poverty Root Problems to achieve the desired results.

By its nature, those solutions are tailor-made and dedicated to the target "users," i.e., poor farmers and rural communities.

This approach emphasizes the individual and the community as the agents of change.

Sir, to summarize, let me describe again the three pillars of a thriving agro sector, which, when combined, we call *The Agricultural Package*:

* **Ecosystems.**

* **Business models.**

* **Technologies/Services.**

We now analyze the three suggested solutions in light of *The Agricultural Package* demands -

MEGA-PROJECTS – such projects use a dedicated Package with an ecosystem, business models, technologies, and services unfit for use by 99% of your country's farmers and will not help them. I do not recommend this option.

AGROTECH – Technologies and services are one of *The Agricultural Package* pillars. Although "advanced technologies" are "attractive" and "sexy," they are also the most common investment mistake made by those looking for "Quick Wins." Technologies without the other parts of the Package are an illusion of ability, a waste of time and money, and a source of frustration. I do not recommend this option.

Sir, if you want to achieve your goals, "leave a mark," and create a legacy, then the fastest and most cost-effective direction of achieving it, with the immense impact that you want, is by investing in Huminvest-oriented projects that view the individual and the community as the cornerstone of change.

Accordingly, we view technology as a "helping tool" to do better and more efficiently the things we already excel in doing. But technologies can't save a failed organization or personal incompetence.

Hence, we must begin getting our agro sector on the right track through Huminvest, improving the personal and organizational infrastructure.

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? Unsatisfied with a running rural project or want to plan a new one? Message me +972-54-2523425

TAKEAWAY MESSAGE

- **MEGA-PROJECTS** do not address poverty issues as they are made to maximize the efficiency of using resources and inputs.
- **AGROTECH** solutions do not address poverty issues as they are designed to optimize processes and make them more efficient.
- **THE THREE PILLARS** of thriving agro sector are the ecosystem, business models, and technology/services.
- **HUMINVEST** (investing in human resources and organizations) – is the only approach that addresses poverty by enabling the implementation of a dedicated Agricultural Package.

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

See you soon,

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P.S.

If you missed it, here is a link to last week's blog, "[Does Lifespan Hold The Secret To Rural Communities Poverty and Prosperity?](#)"

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***