



WHY FARMERS WITHOUT CERTAINTY ARE POOR FARMERS, AND HOW TO OVERCOME THIS?

"No one, including farmers, can excel without the support of others".

Let's turn the "Happy New Year" greeting from a casual blessing into a commitment to act to ensure 2024 will be better.

It takes a village to raise a child and a nation to lift farmers to prosperity.

LOW ADDED-VALUE CHAIN

Many African mango growers I met told me that they grow their orchards without anyone else's help. When harvest time arrives, they say, someone comes, picks the fruits, and sells them in the next village on one of those stands by the roadside.

This tells the story of a two-person operation value and supply chain.

Smallholders' value and supply chains in developing economies commonly comprise 1 (only the farmer) to 4 people.

The agro-business characteristics of the value and supply chains of mango growers depicted above often would look like this:

Yield – 5,000 kg/ha, from which only 1,500 kg is marketable.

Primary targeted market – low-quality local market.

Price - 0.05\$ to 0.25\$/Kg.

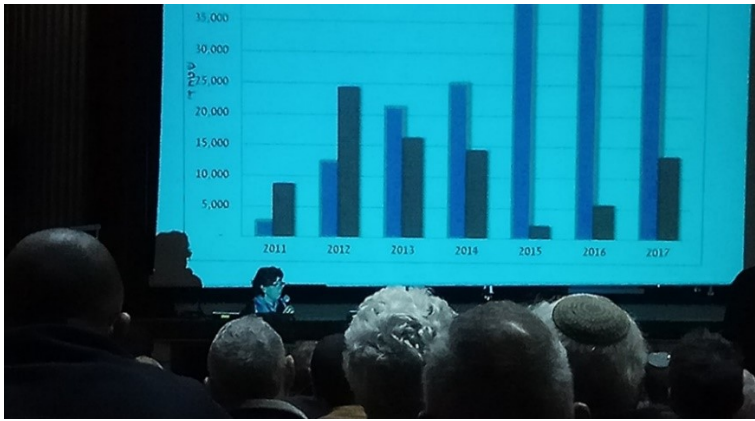
Income - around 500\$ per hectare.

HIGH ADDED-VALUE CHAIN

When we examine Israeli mango growers, we see a mirror picture of that of the smallholders.

An Israeli mango grower collaborates with a network of tens and sometimes hundreds of people; without them, he is lost.

A typical Israeli mango grower value and supply chain would include **experts** in the following fields - R&D (extensive!), growers' organization (national and local), agrotech and agrochemical companies, numerous service suppliers, private and government training and education, harvesting companies, logistics, packaging, marketing, distribution, etc.



Israeli farmers at a professional training day of a private growers' organization.

As a result of the extensive coherent ecosystem support, the agro-business characteristics of the value and supply chains depicted above look like this for Israeli mango growers:

Yield –50,000 kg/ha, of which 75% is export quality, 25% is local quality, 5% is not marketable.

Primary market – high-quality export and local markets.

Price - over 1.0\$/Kg.

Income - around 50,000\$ per hectare.

GETTING THE JOB DONE / JOB TO BE DONE

"Getting the job done" means that when we get up in the morning, we have many jobs to do, like preparing breakfast, getting the children to school, going to work, performing our work tasks on the best side, etc.

While the tasks remain the same, e.g., eating, education, transportation, and livelihood, the **"how** we get them done" continuously changes.

To practice the "how" better, we need the support of others so we can do our tasks better.

For example, transportation to work once was by foot, then by animals, and now by cars, trains, and airplanes. The task of getting to work remains the same, but we practice it differently thanks to technological and service advancement. We wouldn't be able to drive a car without the technologies provided by the automobile industries and the mechanics and gas station services, and we wouldn't be able to use an airplane without airline service.

To do a job better, we must rely on others to provide improved technologies and services.

Farmers, like other professions, have one task, one job to be done – to provide their families with a decent livelihood that will assure their present and future.

How farmers "get the job done" continuously changes, but the job remains the same – **livelihood**.

Those who change slowly get the job done less effectively, resulting in decreased income and livelihood.

It is imperative to understand, though, that the result of a farmer's job is "feeding the world"; a farmer doesn't get up in the morning thinking, "I need to feed the world." No, not at all! A farmer gets up in the morning thinking, "I need to take care of my family by providing them with a decent livelihood".

To get the "livelihood" job done, it doesn't matter to farmers if they grow wheat, coffee, apples, mangos, or tomatoes; the only thing that matters is how much profit they get annually to support their families.

RELYING ON OTHERS

I described above two distinctive value and supply chains -

The short, low cost involves few to no experts and a small number of participants. In such a value chain, the farmer can do all or nearly all activities alone, with little need for cooperation.

Since copying such a value chain is easy, many practice it (low entry barriers), resulting in low income per hectare.

On a *Job To Be Done* scale, such farmers would score around 1 to 3.

In contrast, the lengthy and costly Israeli agroecosystem, with its many experts/specialists participants, where farmers **must** rely on others to help them get the job done, is highly complex and challenging to copy, resulting in high income per hectare.

On a *Job To Be Done* scale, such farmers would score around 7 to 9.

For too many years, people concluded that some farmers get the job done better because they have more money and, hence, more technologies.

However, as we will soon see, getting the job done (i.e., improving livelihood) begins with something other than money or technology.

Note: the group of farmers that got the higher score in getting the job done appropriately **heavily relied on others** to help them get the job done effectively (improving their livelihood).

NO ONE TO RELY ON

Do you think Israeli farmers began farming when they were “economically established”, or was it the other way around?

What if I told you that the Israeli farming trajectory to success began 153 years ago, decades before the establishment of the State of Israel?

153 years ago, the Ottoman Empire (Turkish) ruled the land that we now call Israel. You could trust the Ottoman bureaucrats and experts in agriculture with one thing only: asking for bribery, nothing more.

In those days, there were few Israeli-Jewish farmers. Those few farmers were working in village-like communities (i.e., Moshava), where each acted **separately** from the others, relying primarily on himself and his workers.

In summary, 153 years ago, those farmers couldn't expect support or rely on the central empire's governance or their friends or others (strangers) to support them in getting the job done.

They had no alternative other than counting on themselves. So they did, and they remained impoverished.

Does that sound familiar?

Those were the days before "AgTech" and "AgroTech" were keywords, before everyone believed technology was the ultimate solution to human problems and suffering.

153 years ago, the farmers were poorer than most smallholders today and had access to zero advanced technology or piles of government/World Bank/NGOs/Gates Foundation/... money.

Already 153 years ago, farmers realized that unless they wished to remain poor, they must have a reliable system to support them so they could perform their job to be done, i.e., improve their livelihood, better.

But how can you practice your Job To Be Done better if you can't rely on and trust the central Ottoman Empire's governance, for they were either corrupted, lacked the required knowledge and skills, didn't care about farmers, or all combined?

1917, when the British Empire stepped in, replacing the fading-out Ottoman Empire, things improved but not significantly.

So, what changed the walk of history and the Israeli agro sector trajectory?

BUILDING A PATH TO GET THE JOB DONE

In the late 19th century (still under the Ottoman Empire), Jewish-Israeli farmers realized the following truths:

- Farmers must be part of a supportive, reliable, and trusted **ecosystem**.
- Only the Ottoman establishment had the potential to provide farmers with the professional and business support needed, but they failed to deliver it.
- There was no alternative ecosystem to replace the non-functional Ottoman Empire ecosystem.
- Without an improved alternative support ecosystem, farmers would remain impoverished.
- An alternative ecosystem must be a **coherent value network**, i.e., include the entire value and supply chains.

Understanding the above began the golden age of the Israeli agro sector, which happened before the establishment of the State of Israel.

First came the education and science revolution to ensure farmers could have access to the best and up-to-date knowledge, particularly the knowledge relevant to the local challenges and conditions.

153 years ago, still under the Ottoman Empire, the first Israeli agricultural school - Mikveh Israel- was established.

Finally, farmers would have **certainty** about where they can reach for knowledge and local professional support. Furthermore, the school provided the young agro-industry with trained workers.

I feel proud talking about Mikveh Israel, for one of its students and later a worker in Israel's young agro-industry was Ilan Israely, whom I call 'my father.'



Ilan Israely and his classmates at Mikva Israel, 1949.

Decades after the establishment of Mikveh Israel, David Ben Gurion, Israel's first Prime Minister, stated:

"If Mikveh Israel had not been established - it is doubtful whether the State of Israel would have been established". He added: "Everything started since then [Mikveh Israel], and we only came to complete the act from a political and national point of view."

Only a leader who cares about agriculture and understands how a small institute can change history can say something like this.



David Ben-Gurion is visiting Mikveh Israel.

The next revolution came at the beginning of the 20th century when the Kibbutz and Moshav lifestyles were developed and widely accepted.

Farmers who were part of the Kibbutz or Moshav had **100% certainty** that they could get the professional and business support they needed.

To this day, no rural community provides the level of certainty to its members as the Kibbutz does. The Kibbutz became a huge success!

Later came TNUVA, a cooperative of farmers that gave **100% certainty** to farmers that someone would be with them during the growing season, help them improve their production, and then purchase it to sell in premium markets.

All this happened before 1948 before the State of Israel was established.

More certainty was added, which enabled farmers to prosper further, with the foundation of AGREXCO (Agro Export Company), a company that enabled all Israeli farmers **to export to premium markets**.

Agrexco supported farmers during the growing season and provided **100% certainty** to farmers that they would export when they reached “Export Quality”.

Again, Agrexco helped farmers reach export quality and enabled them to export through its international platform. To this day, any Israeli farmer who wishes can easily export.



As you see, the transformation of the Israeli agro sector resulted from **increasing certainty** in the agro-industry.

The Israeli ecosystem assures farmers they can access the best varieties, technologies, services, professional support (governmental and private), logistics, marketing, premium markets, etc.

In my career as a farmer, it never happened to me that I hadn't got an expert to provide me with professional support service when I wanted to improve the quality of my fruits.

Thanks to producing high-quality fruits, I always had many buyers ready to buy my produce for a reasonable price.

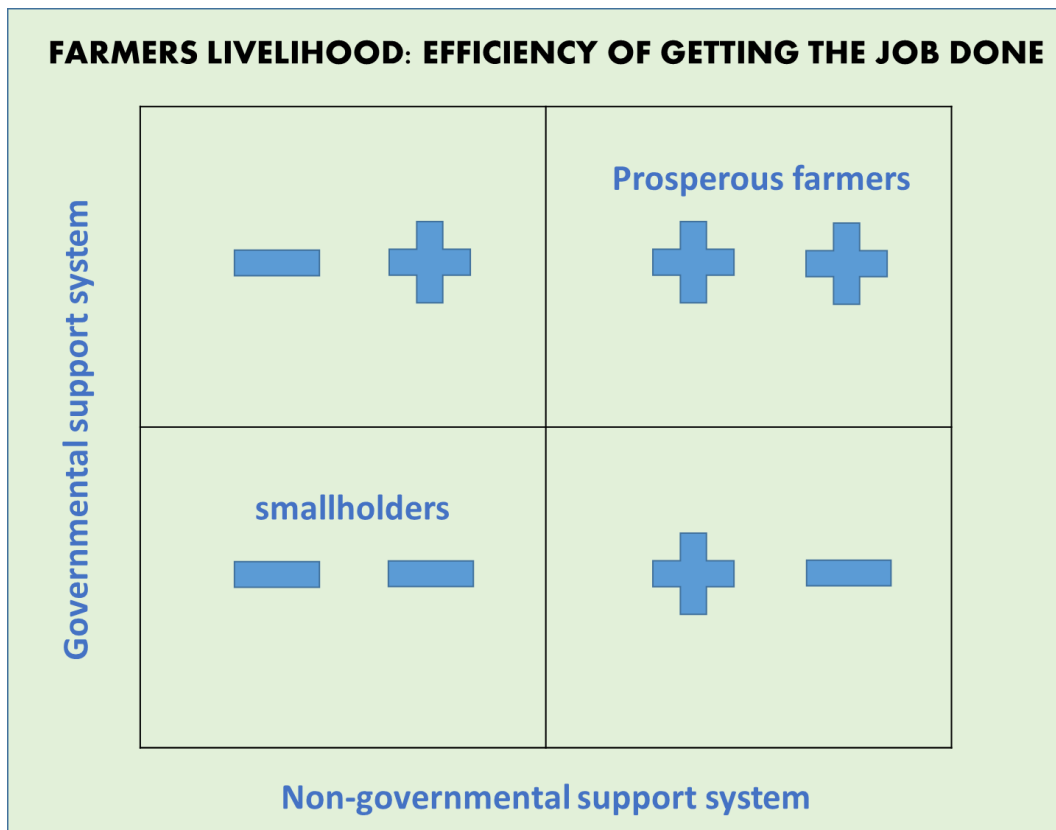
Note that when I say "support service", I mean charged service.

Farming is a complex and risky business; without a coherent value network ecosystem that provides certainty for every step of the long and complicated way, farmers can't succeed.

This ecosystem can be developed and provided as a service by the government, as it is done in many Western countries, by the farmers alone (as done in Israel before the establishment of the state), or by the farmers and the government, as currently done in Israel.

One way or another, **certainty** in getting professional, technological, and business support is a must for any farmer, regardless of where they are, what they grow, and the number of years of study and experience they have.

Interestingly, the most successful supporting ecosystems are those based on sustainable **business models**, not on charity or 100% subsidies.



PRINCIPLES

Farmers must have access to a supportive, coherent network ecosystem to excel in getting the “increasing livelihood” job done.

In countries where the government is strong and assisting processes are well organized, the farmers can trust the government and the system to provide them with professional, technological, and business help to get the job done – farmers can and will succeed and will not suffer poverty.

However, this differs in countries where the government is less strong, organized, and functional, i.e., developing economies. In such countries, farmers need a non-governmental support system.

Unfortunately, the most common cause of poverty among smallholders is ineffective central government and the lack of a coherent network ecosystem to support farmers properly.

As a result, farmers are left unable to develop professionally and commercially, leading to persistent poverty and even hunger.

On the other side of the scale are "the lucky farmers," those fortunate to receive "a double support ecosystem": a supportive ecosystem provided by a highly organized government they can trust and a non-governmental coherent network support system.

Farmers with "a double support system" are characterized by year-to-year stability and high income.

FROM THEORIES TO PRACTICE

Learning the lessons of the Israeli agro sector and how it shifted from poverty to prosperity, I designed the *Dream Valley National Export Program* (Dream Valley) model, which resembles that of Agrexco, with required adjustments to current developing countries' needs.

I grew up as a proud farmer, not expecting the mercy or charity of others. It is the reason why the activities I lead today are all business-oriented, including the IBMA conference.

Thinking of how I can bring the principles that helped Israel become what it is today, I have researched that topic for years.

Finally, the success story of the Israeli agricultural sector has transitioned from grandiose titles and statements to simple and practical principles that are accessible and easy to comprehend, providing everyone with the opportunity to follow in its footsteps.

Today, we count three distinctive "Generations" of agro-business development -

G1) Self-sufficient Agriculture = Technologies.

G2) Agro-business = Technologies + Business models.

G3) Agro-industry-business = Technologies + Business Models + Coherent Network Ecosystems.

While most farmers and decision-makers still believe technology alone is the solution, successful farmers enjoy and practice a far more advanced attitude to the challenges ahead.

You can practice the required changes by yourself or use available support that suits your goals and strategic ambitions:

* **Consultancy** on rural communities and the agro-sector **lifestyle and operation** (tailor-made).

* **Local/national programs related to export** use the [Dream Valley's](#) operational concepts of a global vertical value and supply chain connecting input suppliers with farmers in developing economies and farmers with consumers in premium markets.

* **Crop protection: Biofeed**, an eco-friendly **zero-spray solution** development, production, and protocols.

* **IBMA Conference - To learn, share, and practice** novel business models:

Attend the [IBMA 2024 conference](#). The 2024 conference theme is "Reshaping Agribusiness Models for Building Prosperous Rural Communities."

Contact: +972-542523425 / nisraely@biofeed.co.il and be part of this transformative journey!

TAKEAWAY MESSAGES

- **INDIVIDUAL FARMERS** are doomed to poverty, while Collaboration and the integration of the parts of the ecosystem drive prosperity.
- **CERTAINTY IN ACCESS** to support and markets impacts farmers' income and livelihood.
- **ECOSYSTEMS**, not just technology: thriving agro-business integrates tech, business models, and supportive coherent ecosystems for success.

More on the October 7th genocide in South Israel:

[Humanity is one organism](#)

[Videos - The October 7th genocide](#)

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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, "[A real-life example of How Farmers' Survival Depends On Values, Brotherhood, and Cooperation.](#)"

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***