

HOW BLACK SWANS, KIBBUTZ, AND SMALLHOLDERS' PROSPERITY ARE INTERCONNECTED - PART 2

“Even after a remarkable performance, it's important to acknowledge when a chapter has ended. Thanks, Agricultural Revolution”

BUSINESS MODELS

This is why smallholders are not, and should not be, treated as small business owners, even though they are technically "small businesses." Many smallholders are subsistence farmers operating within the framework of the Agricultural Revolution era. They practice a form of agriculture where crops and livestock are primarily grown to sustain their families. In contrast, SMEs (small and medium enterprises) are firmly rooted in the Ltd-era, focusing on producing goods and services for the market. These two approaches represent fundamentally different business models that do not align. Hence, an essential step in smallholders' transition to prosperity is the shifting to a Ltd-era-oriented business model.

Throughout this journey, it became clear that smallholders require business models tailored specifically to their needs rather than those designed for industrial, Ltd-era farmers. Applying the standard Ltd-era business models (i.e., Immediate exchange of money in exchange for product/services) to smallholders often results in poor outcomes, exacerbating an already challenging situation. I devised a three-legged approach to tackle this challenge: two dedicated business models and knowledge sharing.

One more thing, you might think, “If farmers shift to a Ltd-era business model, they will use much more chemicals.” Linking Ltd-era agricultural practices with inherently harmful, dangerous, and poisonous practices is inaccurate and a misconception. While, unfortunately, it is common among industrial farmers to overuse agrochemicals, it is also widespread among smallholders. We must realize that how we practice agriculture is unrelated to our business model but depends on knowledge and intentions. Agriculture can be sustainable and eco-friendly, using advanced methods such as regenerative, agroforestry, and permaculture, whether practiced by smallholders or industrial farmers. Dream Valley exemplifies this by promoting innovative, environmentally and human-friendly agro-practices, such as zero-spray techniques, which have more than doubled the income of smallholders compared to conventional methods.

Selected farmers: The Dream Valley model I created and applied was explicitly crafted to fit the needs of smallholders in developing economies. Since exporting fresh fruits from developing economies to premium markets presents significant challenges for smallholders, Dream Valley chose to focus on that as its initial focus. If you are unsure why it is most helpful to focus on the hard things, think of the words of J.F. Kennedy in his "We Choose to Go to the Moon" speech (1962): "We choose to go to the Moon in this decade and do the other things, not because they are easy, but because they are hard; because that goal will serve to organize and measure the best of our energies and skills, because that challenge is one that we are willing to accept, one we are unwilling to postpone, and one we intend to win...". I invite you to join the Dream Valley initiative.

Communities: While Dream Valley relates to one sector at a time, there remains an urgent need to uplift entire villages and communities, encompassing hundreds of millions of rural farmers, from poverty to prosperity. This requires an additional dedicated business model, preferably field-proven. The Kibbutz model meets these fundamental criteria perfectly, validated through the Prosperity Formula. With nearly 100 years of field-proven success, the Kibbutz model offers versatility, resilience, and high profitability. Let us remember that it was initially designed for impoverished farmers. I work to promote and implement the Kibbutz concept in developing economies under the name Nova-Kibbutz. If you are interested in participating or supporting the implementation of Nova-Kibbutz in your country, please get in touch with me.

Knowledge sharing: In 2021, when I was asked to propose a new conference focused on helping smallholders, I suggested the International Conference on Business Models in Agriculture (IBMA). This conference is a significant step in emphasizing the necessity of dedicated business models for smallholders and sharing valuable knowledge and insights. Other efforts, such as social media, my weekly column, this book, and various other methods of information dissemination, are equally critical in spreading the message.

THE END OF ONE ERA IS THE BEGINNING OF ANOTHER

Would you approach life differently if you knew the exact date of your death? In The Last Lecture, Prof. Randy Pausch describes how his doctors, using predictive modeling, informed him of his terminal illness and estimated time left. While neither the doctors nor Prof. Pausch could change the inevitable outcome, this knowledge allowed him to realign his priorities and focus his resources on achieving new goals. He recognized that the predictive model didn't cause his illness but offered a valuable tool for managing his time and resources effectively.

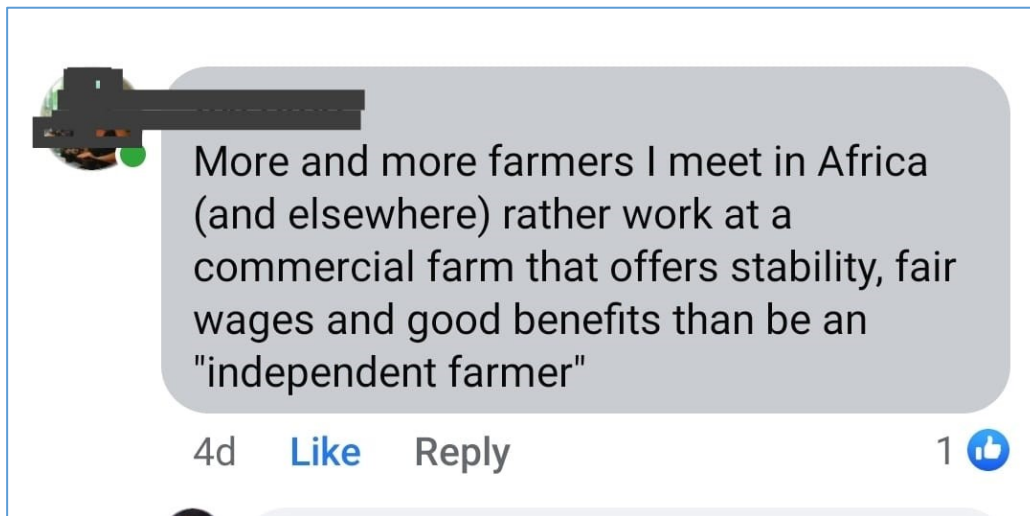
Similarly, the Prosperity Formula and supporting data reveal that the Agricultural Revolution era, which began 12,000 years ago, is nearing its end. This transition is an inevitable part of human social evolution, just as the shift from hunter-gatherers to farmers was. The move towards the Ltd-era is already underway, evidenced by the decline in traditional farmers from 98% at the peak of the Agricultural Revolution to less than 50% today. This shift occurred not because traditional farming practices became ineffective but because the organizational structures and business models of the Agricultural era could no longer compete with those of the modern Ltd-era.

This transition is neither inherently good nor bad; it results from long-term transformations that dramatically accelerated with the Industrial Revolution and the development of Ltd company structures. To navigate this shift wisely, as Prof. Pausch did with his life, we must adapt our behavior and realign our resources to meet new goals.

Small-hold farmers today face three choices:

1. Persist with current practices and face ongoing poverty;
2. Work for a Ltd-era company (agro or non-agro); or
3. Establish a Ltd-era enterprise as an individual owner, i.e., like in developed countries, or through a cooperative model like the Ltd-oriented Kibbutz model.

In practice, many farmers either stay on the farm or work for one sort or another of a Ltd-era company, often leading to accelerated urbanization or employment with local agro-companies. As traditional subsistence farming continues diminishing, decision-makers, stakeholders, leaders, and governments must reconsider their strategies for achieving UN SDG #1 - No Poverty. To achieve this, it is mandatory to explore and develop path #3, creating Kibbutz-like communities.



THE KIBBUTZ

I encountered many surprises throughout my search for the root cause of poverty and its solution. Yet, nothing prepared me for the profound realization that I had overlooked, a crucial element that always was there, silently staring at me – the Kibbutz model. I grew up in a Kibbutz, an organization that I hadn't fully appreciated until recently. Perhaps because it seems so simple, easy life, and unsophisticated, or perhaps because of my intense familiarity with it; after all, my grandparents (my father's) joined in 1925, one of the first Kibbutzim; my parents established a Kibbutz in 1948, and in 1983, I helped establish another Kibbutz.

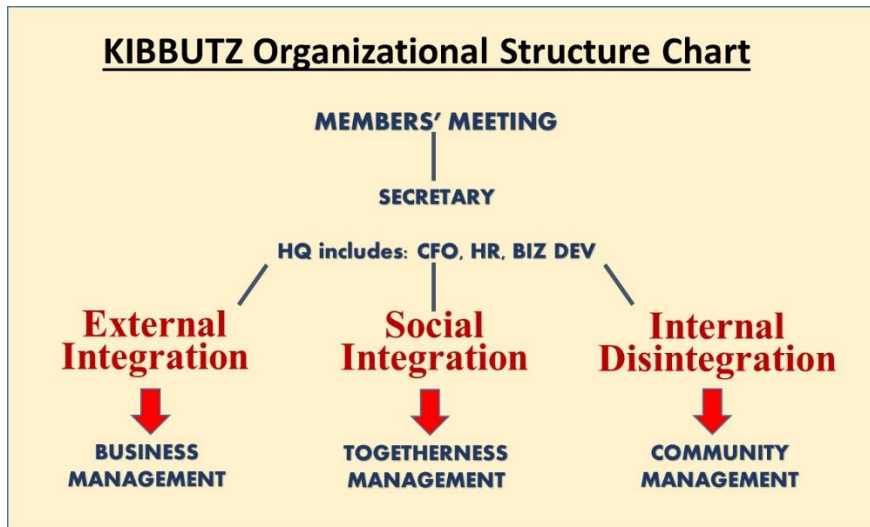
Nothing was more trivial to me than Kibbutz life; no more than an igloo is for an Eskimo. Like many children, I didn't fully respect the accomplishments of my parents and grandparents. However, my quest has revealed the immense value and global potential of the Kibbutz, a model I was born into, raised in, and was part of as a member until I was 35. To all past, present, and future members of the Kibbutz, know that you are part of something far greater than yourselves. The essence of the Kibbutz, the meaning of its Hebrew name - togetherness, reflects the idea that being and acting together yields better results than when doing the same but separated or alone.

When first developed in the early 20th century, the founders of the Kibbutz envisioned an international Kibbutz movement that would extend its reach across the Promised Land and beyond. For the sake of impoverished smallholders worldwide, this vision will soon bring them prosperity and happiness. We must advance action plans for importing and localizing the Kibbutz model and its operational concept to achieve this.

An Updated Kibbutz Organizational Structure. It is time to share an updated Kibbutz organizational structure chart. The previously shared chart emphasized the operational aspects of the Kibbutz, which reflects Dr. Adizes' Success Formula (reread it to refresh your memory about the External Integration and Internal Disintegration components). However, following the

introduction of the Prosperity Formula, I realized the need to revise the Kibbutz structure to incorporate Social Integration.

Like reverse engineering, examining the practice and operation of Social Integration within the Kibbutz took some time. While the Kibbutz business manager oversees External Integration and the Kibbutz secretary handles Internal Disintegration, no single role is dedicated solely to Social Integration. Hence, I examined how Social Integration is practiced in a Kibbutz instead of seeking a specific person.



An updated Kibbutz tree structure chart, adding the Social Integration component according to the Prosperity Model. Note that most of the Social Integration activity is integrated into the Kibbutz lifestyle and operates in the background, like an operating system in a computer.

Reminding: the Social Integration force unites people, counteracting the opposite force of Internal Disintegration.

In the Kibbutz, this unity is fostered through numerous opportunities for interaction and bonding, including working together, communal meals, community committees, recreational activities, volunteering, and communal events like holidays and weddings. Furthermore, even the Kibbutz building setup is designed to increase and facilitate Social Integration. In short, Social Integration has been seamlessly integrated into the Kibbutz's routine and dedicated activities.

THE ROLE OF ADVANCED TECHNOLOGIES AND SERVICES

We can't finish without addressing the critical role of technology and services, particularly advanced ones, in alleviating poverty among smallholders. As the CEO of an agrotech company, I know the criticality of understanding this issue.

While technologies are essential for any activity in any industry, including agriculture, their benefits can only be fully realized when farmers are equipped to use and integrate these innovations effectively. Smallholders operating within traditional village structures and business models of the Agricultural Revolution era struggle to leverage the Ltd-era's advanced technologies and services due to an “eras’ gap”.

Advanced technologies are unlikely to substantially improve smallholders' livelihoods without a dedicated business model tailored to bridge that gap. This explains why, regardless of the excellent pest control technology Biofeed made available to smallholders, their benefit was limited until the development of a complimentary tool, the Dream Valley dedicated business model.

The “eras’ gap” phenomenon explains why programs and projects focused on providing better technologies or making such technologies and services more accessible, e.g., AGRA, have repeatedly failed. The eras’ gap means that agrotech companies will continue to struggle to achieve meaningful and profitable engagements with smallholders practicing subsistence farming.

Hence, to avoid such failures, before initiating any activity with smallholders in developing economies, it is crucial to thoroughly discuss the implemented measures and the business model intended for use, ensuring they can effectively bridge the eras’ gap. A word of caution: simply belonging to the same nation, speaking the same language, or working in the same sector does not mean you are equipped to bridge the eras’ gap.

On a positive note, a significant economic boost for developing economies and agrotech companies is anticipated when a large-scale transition of smallholders to the Ltd-era begins. This will initiate wide adoption of advanced technologies and services, akin to the technological leap seen in China during the 1990s and early 2000s.

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Sign up to be part of [the Nova Kibbutz Stewardship Community](#).

If you enjoyed this column, please share it with a friend who will enjoy it too.

[Dream Valley Fruit Export Program 2025](#) is now officially open for new exporters from developing economies who wish to export to Europe. Text me.

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TAKEAWAY MESSAGES

- **The Agricultural Revolution** era is over. Clinging on to it results in poverty.
- **Tailored organizational structure** and business models are essential for smallholders' prosperity.
- **Agro technologies** and services can create prosperity only when supported by a proper and aligned organizational structure and business models.
- **Kibbutz offers** a proven, adaptable model for rural prosperity.

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More on the October 7th genocide in South Israel:

[Humanity is one organism](#)

[Videos - The October 7 genocide](#)

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Here are ways you can work with me to help your rural communities step forward to shift from poverty into ongoing prosperity:

* **Nova Kibbutz and consultancy** on rural communities' models.

* **Local & National programs related to agro-produce export models - [Dream Valley](#)** global vertical value and supply chain business model and concept connects (a) input suppliers with farmers in developing economies and (b) those farmers with consumers in premium markets.

* **Crop protection: [Biofeed](#)**, an eco-friendly zero-spray control technology and protocol.

If you got to here, read this column, and enjoyed it, please be nice to your friends, share it with them, or help them [Subscribe](#).

"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 Black Swans, Kibbutz, and Smallholders' Prosperity Are Interconnected - Part 1](#)"

P.P.S.

OPEN BUSINESS OPPORTUNITIES:

- 1) Exporting fresh fruits from Africa to the EU under the Dream Valley regenerative protocol brand for the 2024 season.
- 2) Joining the Nova-Kibbutz concept project or establishing a similar initiative in your region.

Kindly provide your background and credentials to receive tailored next-step instructions.

P.P.P.S.

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

You can follow me on [LinkedIn](#), [YouTube](#), and [Facebook](#).

*This article addresses general phenomena. The mention of a country/continent is used for illustration purposes only.