

## Farmer Agency for Rural Economies

# 1. Introductions and getting started

## 1.1. Introducing FARE: from dependency to farmer agency

FARE stands for 'Farmer Agency for Rural Economies'. Fare also means food or sustenance, such as the Ethiopian 'injera' or the Malian 'tô'. Obviously and intentionally, FARE refers to 'fair' development. In French, FARE can be pronounced as Phare' (light) or as 'Faire' (to do), which explains the Analysis for Action perspective that characterises the approach.

### FARE backgrounds

The FARE approach is an approach that was developed from practice and is intended to be used by development professionals. During three decades of working in the daily realities of rural development programmes, the conviction grew that we can do much better to achieve more sustainable and inclusive agro-economic development. Two fundamental questions are at the origin of the FARE approach:

1. Why are small-scale farmers generally not perceived and treated as entrepreneurs?
2. Why do development projects so often fail?

### Family farms: small enterprises that feed the world

Ninety percent of the world's 600 million farms are family farms. These family farms, mostly smallholders, represent close to one third of the world population and provide 80% of the world's food. Family farms are at the heart of food systems. They are and will continue to be crucial for food availability and for food and nutrition security. They are key actors for agri-food system transformation, for local economic development and for feeding the population of growing cities. But we need to change the way we look at them and work with them differently.

### Farming is business, farms are enterprises and farmers are entrepreneurs.

There are no reasons for not considering farmers as entrepreneurs. Considering that farmers operate in several markets (input, output, labour and financial markets) and take significant risks (both at the production and market side), it is fair to state that farming is business, that farms are enterprises and that farmers are entrepreneurs. Family farms constitute the majority of the world's small and medium enterprises (SME's) and make up the largest part of the private sector.

### Framing of farmers and the need for farmers as framers

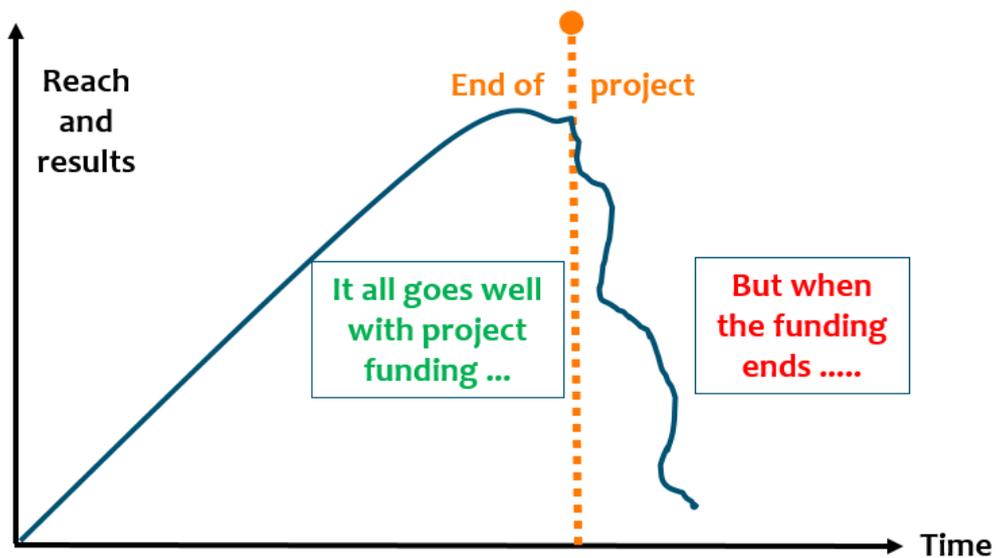
Framing means that by the choice of words or perspectives steer in a certain direction. In development projects farmers are most often depicted as target groups or beneficiaries and the number of farmers reached is often among the key indicators of project success. These words and perspectives steer us in the direction of perceiving farmers as dependent, poor people that need to be helped out of their current situation. There is a need of reframing and perceiving farmers as food producers and entrepreneurs. And there is a need to give the space to farmers to be agenda setters and to be part of the solution of problems and the redesign of food systems. In other words, farmers should be framers.

**Farming is business, Farms are enterprises and smallholder farmers are entrepreneurs**



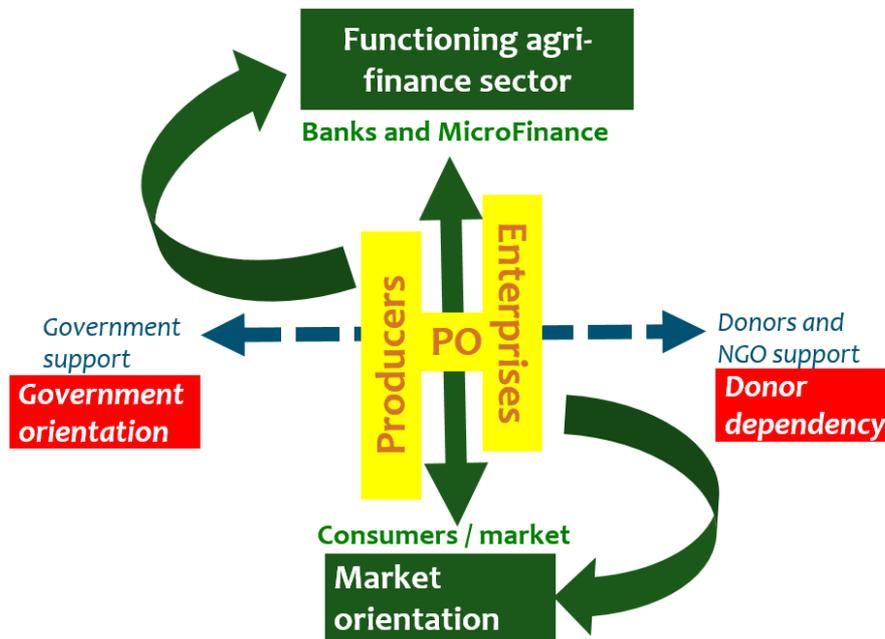
**Agro-economic development programmes need to be better designed**

Although projects may give a temporary boost to agricultural development, the continuity of development activities and results is often not ensured. Agricultural development programmes are using public funds to support farmers. In many situations this has led to the dependency of agricultural producers on government and donor funds, which hampers farmer entrepreneurship and sustainable development. The currently predominant development support modalities need to change to support farmer agency for the sake of sustainable and inclusive agro-economic development.



*The fate of many, if not most agricultural development projects*

The figure below suggests that a 180-degree change is needed: the agri-finance sector and market sales can be the drivers of change and the sources of sustainable funding. In other words, there is a need to move away from dependence on government support and external funding and to turn towards farmer agency. To accompany and facilitate change, a practical approach is needed to approach agricultural development and food system transformation differently. Farmers can then become more autonomous, which would lead to more sustainable results.



## Farmers' Agency for Rural Economies

### Farmers deserve better

The efforts of governments, businesses and financial partners to listen to farmers are remarkably limited. Most often, farmers are hardly involved in the design and implementation of programmes that affect them. And the habit of treating farmers as target groups or beneficiaries of development programmes persists. Farmers deserve better; we need a practical approach to approach agro-economic development and food system transformation differently.

FARE offers a farmer-inclusive approach and a set of practical tools to design change with farmers. Farmer inclusion starts with the farmers themselves. FARE puts farmers at the forefront and takes their realities, conditions, initiatives, suggestions, needs and priorities as a starting point. This 'first mile' perspective (starting with producers as actors) is fundamentally different from the predominant 'last mile' perspective (ending with producers as 'beneficiaries' or 'target groups').

### Farmer Agency ....

Agency is the capacity to act independently and to make own free choices. Both individual farmer agency and collective farmer agency are important, respectively for developing farmer entrepreneurship and for developing farmers' organisations and collective action. Fundamentally, FARE stands for the conviction that the transformation of agrifood systems cannot be realized and cannot last without farmers and their organisations.

### .... for Rural Economies

In the FARE approach, an entrepreneurial and business perspective is applied to the situation of smallholder farmers, even if their room for manoeuvre is limited because of their limited resources, high risks and vulnerable livelihoods. Starting with practical cases and the ideas and objectives of farmers themselves, FARE seeks to arrive at rural economic development, sector transformation

and farmer-inclusive business models, with involvement of actors from the private and public sector. The conviction is that the transition towards more resilient food systems and sustainable agro-economic development cannot be done and cannot last without farmers and their collective action.

### Farmer Agency

'Agency' is the capacity to act independently and to make their own free choices. Martin Hewson (2010) distinguishes three types of agency:

**Individual agency:** a person acting on his/her own behalf.

- This is important for developing farmer entrepreneurship.

**Collective agency:** people acting together, such as a social movement.

- This is important for farmers' organisations and collective action.

**Proxy agency:** an individual acting on behalf of someone else (such as an employer).

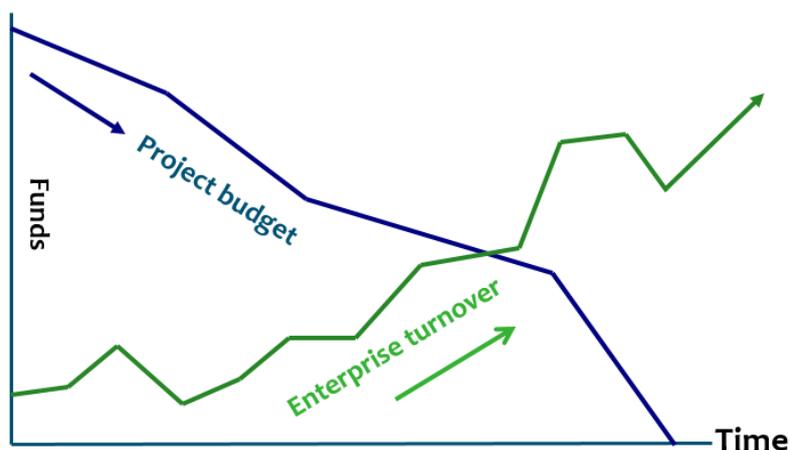
- This is relevant for government employees or company staff (bringing in farmers' perspectives in their organisation) and for staff of farmers' organisations, acting on behalf of the Board and members.

Sources: [https://en.wikipedia.org/wiki/Agency\\_\(sociology\)](https://en.wikipedia.org/wiki/Agency_(sociology)) and Hewson, M. (2010). Agency. In Mills, Durepos, & Wiebe (Eds.), Encyclopedia of case study research (pp. 13-17). Thousand Oaks: SAGE.

## A different approach to agro-economic development and food systems transformation

### Projects and enterprises are fundamentally different

Development projects start with a large initial budget, which decreases over time, as it is spent during the project implementation period. Enterprises start with small capital investments and can grow over time when benefits are reinvested, new markets and partners are found and/or bank loans are obtained.



Projects and enterprises are fundamentally different

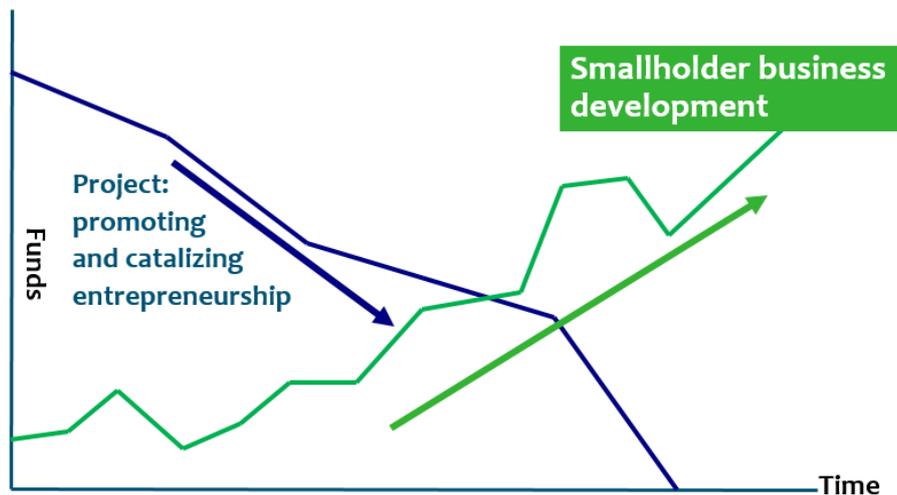
### Using public investments to promote farmer entrepreneurship

There is a strong need for programmes and projects that modestly support local farmer entrepreneurs to establish and develop their (small) businesses. For that to happen, these programmes and projects need to adapt themselves to the realities of farmers and other local entrepreneurs and take local initiatives and own investments as the starting point.

Like it is done for the grafting of trees, we need programmes that graft public funds on business development initiatives of producers and their organisations (who are the mother tree with the roots in the soil). Unfortunately, this is hardly happening in the current development practice. On

the contrary, it is generally the other way round: farmers and other local entrepreneurs adapt themselves to governments and donors.

The limited success of agricultural development interventions, the challenges and opportunities of smallholder farmers and the need for the transformation of food systems, call for a reconsideration of current approaches and newly defined roles for farmers and other actors, including agrifood companies, financial institutions, governments, research and extension services and external supporters.



*Grafting public funds to smallholder business development initiatives*

### Strengthening farmer agency

As farming is business and farms are (small) enterprises, farmers are entrepreneurs by default. However, many do not necessarily have an entrepreneurial attitude. Farmers' professionalism and market orientation are often weak. In case of problems and challenges, farmers often first look to government and donors for solutions and support. Because of high production and market risks, many farmers show a risk averse behaviour, which is understandable when standards of living are low and food and social security are not ensured. Due to limited capital and inadequate farm management, farmers have hard times to access credit from financial institutions. In the context of these smallholder farmer realities, it is important to strengthen farmer agency.

#### Three ways to support Farmer Agency

Hewson identifies three properties of human beings that give rise to agency; these are important for supporting farmer agency:

**Intentionality:** human beings act with intention and are goal-oriented.

- The FARE approach seeks to understand and act on farmers' intentions and goals, taking the realities and conditions of family farms into account

**Power:** people have differing amounts of abilities and resources, resulting in some having greater agency (power) than others.

- The purpose of the FARE approach is the empowerment of farmers by improving their abilities and resources.

**Rationality:** human beings use their intellect to guide their actions and predict the consequences of their actions.

- The FARE approach aims to improve farmers' capacities to analyze current realities and to (better) prepare for action.

Sources: [https://en.wikipedia.org/wiki/Agency\\_\(sociology\)](https://en.wikipedia.org/wiki/Agency_(sociology)) and Hewson, M. (2010). Agency. In Mills, Durepos, & Wiebe (Eds.), Encyclopedia of case study research (pp. 13-17). Thousand Oaks: SAGE.

## Core questions

How can agricultural producers, through the collective action of their organisations and in collaboration with partners, gain :

- have better access to production factors, agro-inputs and credit?
- improve their production and yields in a sustainable way?
- manage the costs and quality of their products?  
create added value through post-harvest operations?
- access more remunerative markets?
- strengthen their voice to influence their policy and business environment?

## Ten FARE principles

To achieve effective and inclusive agro-economic development, a different approach is needed. FARE is built on 10 important principles which focus on working with, listening to and learning from farmers, involving them in the design and implementation of agro-economic development programmes.

1. **Treat farmers as entrepreneurs.** Do not perceive and treat farmers as 'beneficiaries' or 'target groups', as this will keep them in a dependent position.
2. **Build on farmers' own ideas, initiatives, priorities, organisations and resources.** Ensure ownership of change processes right from the start. Know farmers' own ideas and initiatives, follow their priorities, strengthen their own organisations and build on their own resources.
3. **Walk the talk.** Work on clearly defined practical cases. Preferably, these cases are significant in terms of: the number of farmers involved, production volume and sales and the possible contribution to food and nutrition security and farmer income and livelihood improvement.
4. **Understand the challenges and opportunities from different perspectives.** Apply complementary tools which allow to analyse cases from different angles and stakeholder viewpoints.
5. **Strengthen farmers' organisations and promote farmers' collective action.** Collective action of farmers' organisations can significantly support family farms to improve their socio-economic position. Organized farmers can develop business initiatives and can be partners in agribusiness.
6. **Organise agro-economic development as a team sport.** Promote genuine collaboration between farmers and stakeholders from the private and public sector (traders, processors, banks and micro-finance institutions, policy makers, governmental organisations like research and extension and others).
7. **Act in complementary intervention areas.** Look at opportunities for value chain development, both at the production and market side ('production-push' and 'market-pull'). For the transformation of agrifood systems, complementary action is generally required in several intervention areas. FARE suggests six intervention areas (cf. second part of the introduction to FARE).



8. **Transform business models and stakeholder collaboration modalities.** Organized farmers can work together with other stakeholders as partners for sustainable development and inclusive agribusiness. Specific attention is given to mobilisation of farmers' own resources and the involvement of financial institutions.
9. **Align external support to farmers' and stakeholders' own plans and own resources.** Ensure that development programmes and projects complement farmers' and other stakeholders' own plans and resources. Cautious use of external funding is important to fight the dependency syndrome and is key for improving ownership and achieving sustainable results.
10. **Continuously learn and adapt.** Change processes are never going as planned. New insights and developments need to be taken into account. Monitoring and evaluation are important for learning to adapt planning and implementation. Learning and insights are also essential to successfully lobby and advocate for a more enabling environment for smallholder farmers.

## A comprehensive approach for any agricultural sector

### The FARE approach to farmer empowerment can be applied anywhere

The 10 principles guide the FARE approach, which can be applied to any agricultural sub-sector (field crops, horticulture, forestry, fruits, livestock, fisheries and aquaculture), in any part of the world where farmer empowerment is a challenge and an opportunity.

### FARE is a broad and systemic approach

These principles guide the FARE approach, which can be applied to any agricultural sub-sector (field crops, horticulture, forestry and fruits, livestock, fisheries and aquaculture), in any part of the world where farmer empowerment is a challenge and opportunity.

It is important to underline that although the FARE approach concentrates on improving the performance of farmers and their organisations, it stresses the need to see realities from different perspectives, it recognizes the complementary roles of other stakeholders and the need to develop private-public partnerships.

Starting off with a practical case, the strategy is to bring farmers' experiences and views to higher policy and decision-making levels with the aim to leverage fundamental changes towards farmer-inclusive business models, sector transformation and a more enabling environment for smallholder farmers.