THE CASE FOR SUPPORTING MARGINAL FARMERS

A CONCERN WORLDWIDE UK DISCUSSION PAPER
OCTOBER 2007
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ABBREVIATIONS AND ACRONYMS

CAADP Comprehensive Africa Agriculture Development Programme
DDS Deccan Development Society
DFID Department for International Development (UK)
FAO Food and Agriculture Organization of the United Nations
IFAD International Fund for Agricultural Development of the United Nations
IFPRI International Food Policy Research Institute
MDGs Millennium Development Goals
NEPAD New Partnership for Africa’s Development
NGOs Non-governmental organisations
SWAp Sector-wide approach
EXECUTIVE SUMMARY

Half of the world’s undernourished people, three-quarters of Africa’s malnourished children and the majority of people living in absolute poverty, live on small farms. Most of them farm between 0.2 of a hectare and two hectares of land, producing food mainly for their own families. Living on the margins of society, often without links to markets and struggling to make ends meet, these farming families are at the heart of the world’s poverty and hunger problems.

In a good year, those farmers with access to local markets may have a surplus to sell or barter. But in a bad year their food runs out long before the next harvest, and options for alternative employment are usually limited and often non-existent. In theory, these marginal farmers should be at the centre of efforts to defeat poverty and reach the Millennium Development Goals (MDGs).

In practice, however, marginal farmers are accorded low priority by governments of both developed and developing countries. With no voice or platform, their marginalisation is compounded by the fact that nobody listens to them. National agricultural policies often fail to recognise them, while donors fail to reach them and in some cases exclude them. Donors tend to prioritise growth over tackling hunger, and support better-off smallholder farmers who have the potential to produce for markets and boost growth. Overall aid to agriculture has also declined dramatically over the last 25 years in favour of more market-led approaches. For the world’s marginal farmers, this has meant less support for the readily available technologies and practices they need to increase their food output.

The UK Department for International Development’s (DFID) 2005 agriculture policy does not specifically address the special circumstances and needs of marginal farmers, focusing instead on agriculture for growth, investing in people that it considers to have the most potential. Despite this policy approach, taken by donor and national governments, poorer farmers have shown that when they receive support they can do much to raise output and overcome hunger and malnutrition. With sensitive assistance, impoverished farmers have the potential to produce more and escape from poverty. Women farmers in Andhra Pradesh, India, for example, have increased crop production on their lands by over 300 per cent using various low cost, simple methods. Marginal farmers also have the potential to generate strong linkages with the non-farm economy, and traditional farming methods can help preserve biodiversity and indigenous knowledge. Producing food in a low-intensive manner can also benefit the environment.

Recommendations

Marginal farmers face physical, policy and economic constraints, at local, national, regional and international levels, many of which are inter-linked. Addressing the myriad needs of these farmers is clearly complex and investment in agriculture alone is not the only answer. Other measures that address their marginalisation in a broader context, including social protection and increased investment in rural infrastructure and basic services, are vital. However, acknowledging the unique circumstances of these farmers and including them in both national and donor agricultural policy is crucial.

We acknowledge that some marginal farmers may choose to get out of agriculture and they need to be supported in this transition. However, for those that do not have that option, efforts must be made to strengthen their livelihoods.
Donors, policy makers and national governments should acknowledge the unique and complex circumstances of marginal farmers and that a ‘one-size-fits-all’ approach to agriculture is not appropriate.

Targeted investment is needed to provide marginal farmers with appropriate services and assistance, such as low cost technology, social protection and agricultural research relevant to their circumstances.

Policy makers must also include marginal farmers when developing policies that affect them and build their capacity to participate in the decision making process. Their voices need to be heard.

Donors (including DFID) should ensure they reach the poorest farmers through more and better aid. DFID in particular should ensure that its 2008 agriculture policy review takes a more nuanced approach to agriculture.

It should ensure that marginal farmers, for whom agriculture is a way of life and their only option, receive increased support in order to become food secure and more resilient to livelihood shocks.
CHAPTER 1:
CONSTRAINTS AND CHALLENGES
FOR MARGINAL FARMERS

More than 75 per cent of the world’s hungry and malnourished people live in rural areas. Most of them depend on farming; more than two thirds are women. In bad years, when their food runs out, marginal farmers may have to sell vital assets such as animals or find work as daily labourers. In good years they are often disadvantaged in the market place: they trade in small volumes; their produce is of varying and often poor quality and they have limited contact with traders and market channels. Policymakers frequently overlook these conditions.

The first Millennium Development Goal (MDG) includes halving the proportion of people who suffer from hunger by 2015. But this will not be achieved unless the needs of the people who live in hunger are recognised and they receive the right kind of support. A new, comprehensive approach is needed to combat poverty and hunger, which includes subsistence agriculture.

If more food is made available in areas where there is currently a food deficit, it could help towards the achievement of other MDGs. Increased production usually leads to higher domestic consumption, which brings with it direct benefits to health – particularly among women and children – and education, as children are able to attend school regularly and concentrate better.

Academic studies and donor policies towards small-scale farmers often fail to differentiate between marginal farmers and those who produce regularly for the market. Yet these are two groups of people with very different lives, circumstances and needs. A one-size-fits-all policy for small-scale farmers marginalises the poorest. Understanding the vulnerabilities and constraints faced by marginal farmers will help better address their needs.

The constraints and challenges faced by marginal farmers fall into two categories – physical (mostly local) and economic or policy constraints (at national, regional and international levels). There is some overlap between the two, and many of the constraints are inter-related.

Physical constraints
Insufficient and erratic rainfall/climate change: The crops and livestock of marginal farmers are mostly dependent on rainfall. Anything that reduces rainfall, or makes it more erratic, can be life-threatening.

According to a recent Food and Agriculture Organisation (FAO) report, ‘Croplands, pastures and forests… are progressively being exposed to threats from increased climatic variability… Those least able to cope will likely bear additional adverse impacts.’ To help cope with climate change, the report suggests a strategy which includes the development of capacities in plant breeding, that emphasises ‘conserving diversity; adapting varieties to diverse and marginal conditions; broadening the genetic base of crops; promoting locally adapted crops and underutilized species’.2

Lack of moisture: Without adequate water sources, marginal farmers will be reluctant to plant crops such as maize, which have a higher yield but also need more water. They will continue to grow low-yielding crops – such as cassava, millet and sorghum – that can survive in drought conditions.

Poor soil and loss of soil: Marginal farmers often farm in fragile areas with poor soils, limiting the number of crops they can grow. In hilly areas, soil may be washed away by heavy rain. On the fringes of deserts – along Africa’s Sahel belt, for example – the desertification process has rendered the soil infertile on many small farms. Nevertheless, there are proven ways of protecting land under threat from sand – for example, using shelter belts around villages.

Size of landholding: In many countries, such as Ethiopia, there is not enough land for the growing population and plot sizes have reduced to a point that they can no longer sustain a family.

Remoteness: Many marginal farmers also face constraints in the form of access to inputs, markets, credit and other services. Living as they often do in remote areas with poor infrastructure, they are unable to take advantage of new market opportunities.

HIV and AIDS: Because HIV prevalence is highest within productive age groups, HIV and AIDS seriously undermine the efforts of the poorest farmers, especially those with limited labour. Good land can go unfarmed,
reducing the food available for family needs. HIV has a cumulative effect on households, ‘cutting incomes, depriving them of assets, undermining coping mechanisms and leaving them ever more vulnerable.’

Wider economic and policy constraints

Although the physical constraints described here have a more obvious direct impact on marginal farmers, wider changes in the policy environment – at national, regional or international levels – can sometimes have even more bearing on farmers.

National policy

Even though many African governments espouse the belief that agriculture is the backbone of their national economy, they have not been forthcoming with money to support the sector. Moreover, government policy is often biased in favour of large farms and export markets, to the detriment of marginal farmers. In many countries agriculture is seen chiefly in terms of its contribution to economic growth, and not necessarily in terms of its potential to generate employment, ensure food security and preserve the environment.

Furthermore, expenditure by most agriculture ministries tends to be directed towards financing administrative costs (salaries and overheads), institutional support and subsidies, often at the expense of activities such as research, extension and marketing, which have high investment returns and are more sustainable. For example, DFID found that some 75 per cent of Kenya’s public spending on agriculture is absorbed by parastatals to perform functions which have been designated as ‘non-core’ functions.

International development factors

The role of the state in fostering agricultural development has been curbed in many countries. According to the International Food Policy Research Institute (IFPRI), current policy preferences – together with economic and political conditionalities – prevent developing country governments from taking as active a role as they did in the past. As private market actors take the place of the state in providing inputs, services, credit and marketing, poor farmers have been increasingly marginalised, with many smallholders facing higher transaction costs than larger operators.

Globalisation and trade liberalisation has led to an increase in international trade and a fall in agricultural prices. Competition from imports – through commercial channels and dumping – is increasingly putting farmers in developing countries out of business. A study in Ghana found that cheap food imports have demoralised small-scale farmers, who cannot compete against imported produce and no longer get a fair price for their products, even in local markets. The result has been lower incomes for smallholders and an increased incidence of malnutrition among the rural poor.

Shifts in the agricultural research agenda have also worked against poorer smallholder farmers. Over the last few years, there has been a dramatic shift in funding from public to privately supported research – particularly in the area of biotechnology – where there is greater potential for major advances. Private research firms lack incentives to address small farmers’ concerns and instead focus on the needs of and opportunities for larger farmers.

A more rounded approach

Agricultural policy needs to sit within national poverty reduction plans and be closely aligned with rural development plans. Although the focus of this report is agricultural policy and its contribution towards providing solutions for poor farmers, addressing the needs of marginal farmers will require a multi-pronged approach including greater investment in rural infrastructure and basic services including health and education.

Case study: Agriculture spending in Zambia

Agriculture remains the key priority in Zambia’s growth and poverty reduction strategy. ‘Over 60 percent of the population derives its livelihood from agriculture and reside in rural areas. However, in the last decade, including in the PRSP period, agricultural development did not receive resources commensurate with its status.’ The budget allocation to agriculture has declined from 26 percent in 1991 to 4.4 per cent by 1999.

This low spend on agriculture led to agricultural support infrastructure being run down, extension services operating at only 40 per cent capacity, and high recurrence of livestock disease. This has resulted in low agricultural productively and increased poverty in rural areas. Even when the budget increased to 5.8 per cent in 2005 most of the spend was directed towards personnel costs and the Fertiliser Support Programme to increase maize production, at the expense of broader agricultural development.
CHAPTER 2: AID TO AGRICULTURE

Virtually no country in history—be it China, India, the US or Britain—has achieved economic progress and improved the welfare of its people without first achieving gains in agriculture. The path to agricultural and economic growth is long and hard, but the UK is committed to doubling our spending for agriculture, fisheries and forestry research in poor countries to £80 million a year by 2010.” Gareth Thomas, DFID, June 2007

Around 1.25 billion people in the world live with the constant threat of hunger. Some 75 per cent of these live and work in rural areas. The UN Millennium Project’s Hunger Task Force classifies the number of hungry people in the world into the following four categories:

• 400 million people living in farm households
• 176 million rural landless household members
• 160 million urban household members
• 64 million herders, fishers and forest-dependent people.12

While most of the world’s poor depend directly or indirectly on agriculture and the natural resources in their vicinity, aid to agriculture has fallen sharply over the last 25 years. Although bilateral and multilateral assistance to agriculture increased during the 1970s and 1980s, it has since declined significantly. In 1982, 17 per cent of all aid went to agriculture. By 2002, this had fallen to 3.7 per cent. The World Bank—traditionally the largest donor of aid to agriculture—reports that its aid to the sector fell from 31 per cent of total aid in 1979/81 to about 10 per cent in 2000 and 2001.13

Moreover, external assistance to agriculture does not tend to reach the countries with the highest prevalence of undernourishment. Indeed, external assistance per agricultural worker is higher in countries which have the lowest prevalence of undernourished people in the population.14

The decline in aid levels and the way that aid to agriculture has been allocated means that marginal farmers do not get the support they need for the low-cost and readily available technologies and practices that would help them increase their food output.

International commitments to agriculture and food security

Governments attending the World Food Summit in 1996 agreed a plan of action to halve the number of chronically malnourished people by 2015, pledging to ‘promote optimal allocation and use of public and private investments to foster human resources, sustainable food, agriculture, fisheries and forestry systems, and rural development, in high and low potential areas.’15 It is clear, eleven years later, that this pledge has not been honoured. Resources for agriculture are anything but optimal, and much of the aid to the sector has been funneled to areas considered to be of high potential to better-off farmers.

The International Fund for Agricultural Development (IFAD) has the most significant mandate and displays probably the most awareness of any donor about meeting the needs of marginal farmers. IFAD’s focus is on ‘strengthening the capacities of subsistence farmers and poor rural people, as well as their organizations.’16 However, IFAD is under-funded, with donors providing barely a quarter of the money they provided thirty years ago in real terms.

Why the decline in aid to agriculture?

DFID’s view is that ‘there appears to be no single cause to explain these declines but contributory factors include:

• changes in definitions in aid statistics;
• the loss of donor confidence in agriculture;
• changes in development policy and approaches in favour of more market-led approaches;
• perceived high transaction costs and complexity of investments in agriculture;
• weaker demand for assistance to agriculture from many developing country governments;
• shifting emphasis in development assistance towards health and education sectors;
• changes in aid modalities.’17
DFID also claims that the decrease in spending on agriculture is mostly related to the significant increase in the share of aid spent on social infrastructure and services. It is doubtful, however, that the most marginalised farmers have gained from increased government spending on health, education and infrastructure.

DFID’s policy analysis is partial and hides important realities. Donors’ lack of commitment to agriculture is a factor in lower aid for the sector. World Bank/International Monetary Fund structural adjustment programmes, supported by the UK and other donors, have caused governments to spend less on subsistence agriculture, and request less aid for marginal farmers. The UK government’s own policies – which favour more market-led approaches – are partly responsible for this decline in aid and weaker demand for assistance to agriculture from developing country governments. The emphasis has clearly shifted from pro-poor development policies to economic growth policies, and farmers who can contribute to the latter are prioritised.

Donors speak about supporting viable farmers but not about making marginal farmers viable. And viability, for the poorest farmers includes producing enough to eat. Marginal farmers have lost out because donors support agriculture in high-potential areas and encourage export crops.

Quality of aid is important

Simply increasing levels of funding to agriculture is not enough. The quality of aid is equally important. Great care is needed in designing support to an agricultural project or programme – particularly to ensure that intended participants are involved from the beginning.

An Oxford Policy Management analysis concludes that mechanisms are needed to ensure wider debate among sector stakeholders on the role of agriculture in growth and poverty reduction and how spending should be prioritised to achieve these objectives. It is also important to improve the quality and availability of data on the impact of spending.18

Donors and developing country governments finally seem to be showing some interest in supporting agricultural performance. The World Bank’s World Development Report 2008 is focussed on agricultural development, donors (both DFID and European Commission) have pledged support to the Comprehensive Africa Agriculture Development Programme and new private donors are showing interest in agriculture. Whether the priority extends to marginal farmers and not simply those described as ‘viable’ remains to be seen.
What is the best way for donors to support agriculture?

Donors continue to provide the majority of agricultural development spending. An Oxford Policy Management briefing claims that this is a high risk given the erratic nature of donor funding commitments and low levels of actual disbursements.19

Since the 2005 Paris Declaration on Aid Effectiveness, donors have made concerted efforts to harmonise and align their aid to agriculture. There is an increasing trend toward pooling resources through basket fund arrangements and direct budget support. There are, however, some concerns with this approach, which was meant to empower recipient governments. A Water Aid discussion paper sums up some of these concerns:

‘There is a zero sum game in the capacity of recipient governments to be held to account. The continuing upward pull of accountability towards donors comes at the expense of systems of domestic accountability. The findings of recent evaluations of Budget Support aid delivery systems20 suggest that far from enhancing wider country ownership of the design of reform agendas, there is a deepening of the influence of small groups of donor officials. Indeed the fiduciary risks associated with Budget Support have probably deepened the donor requirement for tighter supervision of recipient policy. The donor demand for greater accountability through a deepened dialogue with recipient government officials blurs the principal-agent distinction and limits the capacity of recipient officials to account to domestic stakeholders. The basic problem is that the shift to budget support has not been followed through with the devolution by donors of the ‘checks and balances’ to recipient systems of domestic accountability.’21

Poverty reduction budget support also tends to result in a shift in decision-making processes and resource allocations that work against investments in agriculture, so the sector is often neglected. In Tanzania, for example, budget support made it relatively easier to channel funds to other well-defined sectors such as health and education. In many countries agriculture is often weaker than other ministries, with officials unable to make a convincing case to the Ministry of Finance for the allocation of scarce budgetary resources to agriculture.22

There is thus a view that sector-wide approaches (SWAp) are not appropriate for agriculture. Arguments against it include:

• It is difficult to quantify the total percentage that recipient governments allocate to agriculture under general poverty reduction budget support.
• It is hard to argue the case for agriculture over other sectors – for example, a DFID evaluation found that ‘SWAp in agriculture are no joke – it’s hard to agree what needs funding. Water – ‘taps and toilets’ – is a much easier sell [than agriculture]. There is no consensus about what constitutes the public good element in agriculture.’23
• There is no consensus about the parts of the agriculture sector that lend themselves to public sector investment.
• The diffuseness of agriculture, the plurality of interests and the multiplicity of potential interlocutors make it difficult to apply the SWAp concept in practice.24

It is clear that greater domestic scrutiny of national budget-making processes is required. National government planning processes need to be opened up beyond the finance ministries to include civil society and poor farmers’ organisations in particular.

DFID and aid to agriculture

In its 2005 agriculture policy, DFID states that it aims to enhance the role of agriculture and natural resources in achieving faster growth and poverty reduction. As DFID’s bilateral programme spending has grown over the last two years, spending has increased in all sectors but four, one of which is rural livelihoods, including agriculture.

Support to agriculture as a percentage of total aid to Africa declined from 4.72 per cent in 2003/04 to 1.37 per cent in 2005/06.25

A mid-term evaluation of DFID’s policy identifies the development and dissemination of agricultural research – particularly in Africa – as an area of weakness. The review examines the constraints on implementing the policy, which include:

• the low priority given to agriculture in government budgets of country clients;
• the downward trend in spending on agriculture;
• erosion of staff advisory capacity;
• tension between DFID’s top-down and country-driven mandates;
• the adverse impact of change in the predominant type of aid instrument.

The evaluation states that low spending levels constrain institutional capacity building and
the delivery of public goods vital to the agricultural sector, and that increasing the agriculture content of DFID’s budget support operations could ease this constraint. It recommends pursuing ‘traditional projects targeted towards agriculture’ and points to ‘compelling evidence that public investment in the development and dissemination of agricultural technology is one of the most effective ways of combating poverty.’

The evaluation also highlights the importance of tackling gender-based constraints to agricultural development, and emphasises the value of basic staple foods (often grown by women) over cash crops (often grown by men). DFID’s agriculture policy will be reviewed in 2008.

**Investing in Research**

DFID is a key funder of agricultural research putting in £20bn a year to the Consultative Group for International Agriculture Research (CGIAR). It also supports a £37.5 million programme Research Into Use Programme (RIUP) that aims to put the best agricultural and natural research into widespread use across Africa and South Asia.

However, the internal mid term review of DFID’s agriculture policy identifies the development and dissemination of agricultural research - particularly in Africa – as an area of weakness. As part of its agricultural research remit, DFID monitors progress of CAADP. The review states that as yet there is no evidence that the CAADP initiative has led to an increased uptake of improved technologies by African farmers.

**The Comprehensive Africa Agriculture Development Programme (CAADP)**

Supported by the Food and Agriculture Organization (FAO) and a number of developed countries, CAADP was adopted by the African Union in 2003 under the banner of the New Partnership for Africa’s Development (NEPAD). Some components of its policy are apparently influenced by DFID and FAO. DFID is CAADP’s largest financial backer, with a commitment of some £6 million.

CAADP is ‘a framework for agricultural development for economic growth, food security and the elimination of poverty’ and has four key pillars:

1. Extending the area under sustainable land management and reliable water control systems.
2. Improving rural infrastructure and trade-related capacities for market accesses.
3. Increasing food supply, reducing hunger and improving responses to food emergency crises.
4. Improving agriculture research and the dissemination and adoption of technology.

Pillar 3 refers to expanding local demand and stimulating production by smallholder farmers, while Pillar 4 mentions improving the ‘capacity of farmer organisations to participate more actively in the generation and dissemination of agricultural technologies, in particular through more proactive partnering with the research and extension systems.’

Unfortunately, CAADP and NEPAD have not sufficiently engaged in consultation with African civil society stakeholders during the formulation of the programme. The short duration of the process clearly excluded the input of African institutions. Moreover, as the programme was largely formulated in collaboration with the FAO, it is not in keeping with NEPAD’s proposed focus on African-driven development policies and strategies.

CAADP includes a commitment by African governments to allocate 10 per cent of state spending to agriculture by 2008. Most countries will fall short of this commitment. There have been no measurable benefits to marginal farmers to date; DFID’s evaluation found no evidence that the initiative had led to ‘increased uptake of improved technologies by African farmers.’

CAADP is now making an attempt to engage with non-governmental organisations (NGOs) to improve its legitimacy and credibility. It is now purportedly ‘engaging in the capacity building of grassroots farmers’ organisations in an effort to enhance their links with markets and their ability to influence policy direction.’

Findings from a joint UK NGO study on aid to agriculture in Africa showed that in the 2000-2005 period, most countries were far below CAADP’s target of 10 per cent of national budgets allocated to agriculture, with almost all national budgets allocating only 3-5 per cent. The research also demonstrates little progress towards the 10 per cent target. In most cases, allocations are higher than actual expenditures.
According to a Centre for Tropical Agriculture report, ‘Subsistence orientation is usually seen as synonymous with backwardness and inefficiency, holding down economic growth and economic performance.’ They suggest that it is therefore no surprise that governments have tried to change or eliminate subsistence agriculture.

Despite the fact that many policymakers agree with this view, there are many examples of marginal farmers successfully raising their productivity. They may be poor but they have a great deal of potential. In this section we examine various projects that show the potential of marginal farmers.

Farmers’ organisations

India

The Deccan Development Society (DDS) is a voluntary rural development organisation operating in 75 villages in the Medak district of Andhra Pradesh, India. It works with dalit women and very poor women from other social groups, who have formed themselves into voluntary associations called sanghams to run all DDS’s activities.

The 4,000 or so DDS members are primarily agricultural labourers and marginal farmers who own one or two acres of land, most of which have degraded soils and produce only 30–50 kg of grain per acre. The women earn enough from their land and through their labour to feed their families for six to seven months of the year, leaving a gap in their food security of four–to-five months a year. Bridging this gap was a challenge both for the women and for DDS.

A decade-long DDS programme (1987-97) addressed dalits’ household food security by encouraging them to work collectively on their marginalised lands. Using techniques such as bunding, trenching and topsoil addition, the women have improved about 10,000 acres of their own patches of degraded lands, enhancing their crop production by more than 300 per cent. Lands which hardly produced 20–30 kg of sorghum per acre are now yielding 150–200 kgs, and food grain availability has increased for each family by four to six times.

DDS also set up a Community Gene Fund, under which women have re-established their control over seeds – the most critical link in the food chain. This has transformed dalit women’s status in the community: instead of going begging to upper caste homes for seeds, the other villagers now approach them to ask for seeds.

Zambia

In a presentation to Concern in 2006, the Chair of Mongu District Farmers’ Association (MDFA), Mahlati Mooyo, outlined a number of constraints their members are facing: floods, sandy soils, drought, access to information and markets, storage facilities, poor extension services, and HIV/AIDS.

MDFA, a Concern Zambia partner, is working with communities to address some of these problems by:

• teaching farmers about crop management, conservation farming, storage, intercropping etc;
• promoting crop diversification as well diversification of income sources;
• creating marketing opportunities to remote based farmers;
• sensitization of farming communities on dangers of HIV/AIDS – also working with HIV/AIDS networks to reduce stigma in communities;
• lobbying government and donors for appropriate programming, such as irrigation to allow crops all year round.

MDFA believes that to achieve food security in Zambia, the following measures are necessary:

• good agricultural policies appropriate to the specific geographical areas;
• long term approaches to natural disasters like floods and droughts such as appropriate basic irrigation technology and proper drainage systems;
• control of livestock diseases to enable farmers to have animal draught power and diversified livelihood options;
• improved road infrastructure, especially feeder roads for easy access to markets;
• improved storage facilities;
• strengthened agricultural information for farmers to help them to adequately prepare for any eventualities e.g. drought or floods;
• motivation and deployment of extension staff.

Sustainable farming methods

Researchers from Essex University have undertaken the largest ever study of environmentally and socially responsible farming, covering projects involving 12.6 million farmers in 57 countries. It explores how the poor can increase output using low-cost, locally-available technologies. The University’s Centre for Environment and Society has evaluated how farmers in 286 sustainable agriculture projects have improved food crop productivity since the early-to-mid 1990s. The average crop yield increase is 79 per cent, with the highest improvement in rain-fed crops.

The evaluation also found that relative yield increases are greater at lower yields, indicating greater benefits for poorer farmers. Maize, millet and sorghum, potatoes and other legumes (beans, pigeon peas, cowpea, and chickpea) all showed yield increases of around 100 per cent.38

Paulina Saka, a widow with seven children, grows maize and groundnuts on a hectare of land in Njirmambbo village in Malawi’s Dowa district. During the ‘lean’ period before harvest when food stocks are low, Paulina used to do piece work on other farmers’ land to earn enough to buy food, leaving her own fields mostly untended. In 2005 limited rains meant a reduced yield, but selling household goods to raise money was not an option - Paulina had nothing to sell.

Concern Worldwide’s Dowa Emergency Cash Transfer programme is designed to help marginal farmers during the most difficult months of the year. Under this programme, Paulina received regular monthly cash payments of, on average, $18 in the four months leading up to harvest in 2006. As well as being able to buy food, Paulina could spend the money on soap and exercise books for her children, and vitally, continue to farm her own land. The regular payments took into account the fluctuating price of maize, and were calculated to guarantee the ability to buy enough food.

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Malawi: cash transfers

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Fatima Muher Nur joined an enclosure group, supported by Concern, in South Wollo and has planted eucalyptus as a future investment. Enclosing the land has encouraged grasses to grow on the previously degraded land, which is prone to erosion. Fatima, who used to struggle to get enough food for her animals, now feeds them the grass. On her lowland farm of 1.5 hectares, Fatima plants sorghum, but the harvest has depleted in recent years because of erratic rainfall and crop pests, and she doesn’t produce enough food from this farm to feed her family for the whole year. However, she now has an excess of grass from the enclosure that she sells within the community.

On her membership of the enclosure, Fatima says: ‘Because of the grass and trees, an asset for the future, and the environmental protection, it makes me happy to be a member of the enclosure group. I feel confidence in my future.’ She also mentioned the land lease certificate, given to each member of the enclosure association: ‘The certificate has given me ownership. If someone comes and tries to cut some trees I can say, “Don’t take anything from this plot because it is mine” and my neighbours can be a witness to that. At first, people were afraid to join us in the enclosure. Now they have seen with their eyes, we have trees and grass to sell, and they are begging us to be members.’

Ethiopia: natural resource management

Polyculture is yielding results throughout the developing world. It involves farmers growing a number of crops in the same space and avoiding large stands of single crops. They use various methods including crop rotation, multi-cropping, intercropping, companion planting, beneficial weeds and alley cropping. The diversity of crops spreads risks and avoids the susceptibility that monocultures have to disease. In China, for example, a study showed that planting several varieties of rice in the same field increased yields by 89 per cent, largely because of a dramatic (94 per cent) decrease in the incidence of disease, which also made pesticides redundant within two years.

Irrigation

A Concern supported project in South Wollo, Ethiopia, that irrigates land by diverting river water has had a significant impact on the agricultural production of poor farmers who normally rely on rainfall to produce sorghum and teff. Benefits include a wider variety of crops and therefore diet, the ability to sell cash crops, involvement in a government programme to produce locally grown seeds (they guarantee to buy back seeds produced on the irrigated land). The sale of produce leads to asset acquisition, for example, building a house or buying livestock. In the case of South Wollo, most farmers had been reliant on food aid each year until the irrigation programme was introduced.
Academic literature and donor strategies list plenty of arguments for supporting smallholder farmers in general. The key reasons, which are widely recognised, are listed here.

1. **Agriculture is central to the livelihoods of the rural poor**
   Around 70 per cent of the world’s poor depend on small farming to feed their families and earn a living. More than two-thirds of them are women. According to FAO, earnings from agriculture continue to be a fundamental source of livelihood for 90 per cent of rural households, particularly poor ones.41 In sub-Saharan Africa the agriculture sector employs 67 per cent of the total labour force and accounts for 20 per cent of GDP.

2. **Small farms are key to reducing poverty and hunger**
   According to a recent IFPRI paper, ‘Agricultural growth has proven to be powerfully pro-poor when based on small farms and the products they grow, especially food staples.’42 The same report points to ‘small farms’ significant potential for reducing poverty and inequity’, with recent comparisons made across countries showing that increases in agricultural productivity are closely related to poverty reduction. The paper also says that despite ‘recurring predictions that small farms will soon disappear, they have proved remarkably persistent. Indeed, the area operated in small farms in the developing world appears to be rising rather than falling.’43

3. **Small farms are more efficient and productive**
   More than a century of research by agricultural economists around the world has found that small farmers are generally more efficient than large farmers. Rogier van den Brink of the World Bank says, this ‘often comes as a shock to those who equate efficiency with the visible signs of modernized, highly mechanized farms which achieve very high crop yields.’44
   IFPRI analysis also suggests that spending on agricultural research and extension in Uganda has substantially improved agricultural productivity. Each marginal shilling invested returned 12 shillings. These investments have had the largest impact on poverty reduction, followed by investments in feeder roads (7sh) and education (3 shs).45

4. **They help local economies thrive**
   Smallholder farmers have the potential to generate strong linkages with the non-farm economy, which in turn will help others in the community. Poor farmers are more likely to spend any earnings locally, boosting the local economy. If their production increases they may also hire additional labour, creating job opportunities, as well as buying tools and other services locally.

5. **It is sustainable**
   Some traditional farming methods used by smallholder farmers help preserve biodiversity and traditional knowledge of food and plants, both of which are vital for future food supplies. However, poverty often leaves farmers with little choice but to clear trees to grow crops. Supporting smallholder farmers will help reduce deforestation and thus carbon dioxide emissions.

**Reasons to support marginal farmers in particular**

‘Sustaining and indeed enhancing the ability of poor households to meet their food needs through own production, and the maintenance and protection of the natural resources they manage, requires intensification supported by public investment, just as in higher potential areas. Of course, the nature of the intensification will be different (for example, with greater emphasis on soil and water conservation, less on purchased inputs), as will the role of public support services (for example, greater emphasis on supporting common property resource management and different emphases within livestock support services). However, the basic case for continuing investment in the agricultural sector is the same, as are many of
the fundamental market access and coordination problems and solutions, although the challenges, and costs, in these areas are likely to be much greater.\textsuperscript{46}

The above arguments, from an article in ODI’s Development Policy Review, show that smallholder farmers are considered viable and to have the potential to contribute to pro-poor economic growth. It is widely accepted that it makes both economic and social sense to support smallholder farmers. As a result, both donors and governments are currently focusing their support on smallholder-led growth.

While we agree with this, Concern believes, that there are social and economic reasons to specifically target support towards marginal farmers. They are the ones who have the fewest choices; they are most neglected and therefore most in need of support. This is particularly important for farmers who have the potential to contribute to pro-poor economic growth, for those who would like to stay in farming and for those who have no other option than to farm.

Due to a number of constraints already discussed in Chapter 1, marginal farmers are often unable to produce enough for their own consumption. However, Concern’s experience on the ground has shown that with a little assistance they can become more productive and grow their way out of poverty and hunger. These are some of the many reasons to support marginal farmers.

1. So many poor and hungry people depend on marginal farming
Half of the world’s hungry, four hundred million people, live on smallholder farms. In many developing countries marginal farmers make up the majority of farm holdings. In India, for example, 62% of all farms are less than one hectare in size.\textsuperscript{47}

2. Marginal farmers are key to reducing poverty and hunger
Releasing the potential of the marginal farm sector offers a unique opportunity to reduce poverty and advance food security. Investing in small farming yields the most benefits for the poor; it increases the amount of food available while also fostering economic growth.

3. It provides a safety net
Marginal farming performs important welfare and food security roles in rural areas. Failing to support it will have huge social and economic costs.

4. Poor people often have no other option
Support for marginal farmers is vital because few non-farm opportunities exist in many areas of developing countries, especially when conditions are difficult. Alternatives to agricultural based growth are particularly difficult to find in Africa: manufactured products from Asia flood the markets, and the service sector does not offer huge growth potential. An IFPRI discussion paper concluded that ‘to ignore the agricultural sector in the absence of other opportunities is to condemn the rural majority to poverty. The result may then be heavy expenditure on welfare programs.’\textsuperscript{48}

5. It can help ease conflict
Where hunger and poverty prevail, there can be tension and potential unrest. Unless the social, economic and political exclusion of marginalised farmers are addressed, there is little chance of reducing poverty and hunger.

6. It is culturally and environmentally important
Agriculture is a way of life for millions of people. In many communities, land, seeds, biodiversity and food have a deep cultural significance, and daily life is often linked with agricultural seasons.

7. Women’s role in producing food and ensuring food security is critical
A large proportion of poor farmers are women. In Africa women produce 80 to 90 per cent of all food consumed by their families and comprise 60 per cent of the agricultural labour force, yet they receive less than 1 per cent of the total credit available to agriculture. Women in many cultures are also responsible for providing food for their families. They have also played a significant role in seed and biodiversity preservation for generations.

8. We can help give a voice to the excluded
Policymakers have neglected marginal farmers for too long. Agricultural policy that excludes poor farmers does not lead to sound development or social stability. It is time to listen to and act upon the needs of poor farmers.
To address hunger, there is an urgent need to increase food production on the farms where hungry people live. However, this alone isn’t enough. The sources of their vulnerability also need to be addressed and their livelihoods and environments made secure. Distress drives many poor farmers away from agriculture – often into other precarious livelihoods. By strengthening the livelihoods of those who can farm, we are helping put marginal farmers in a position where they can decide whether to stay in farming or get out of it. We are giving them the power to make a real choice.

Governments of both developed and developing countries need to recognise the centrality of subsistence agriculture to the livelihoods of the poorest, and the vital role that marginal farmers play in food production. Officials need to better understand the constraints faced by marginal farmers and spend more time addressing these needs. In Africa, where most of the rural labour force is female, policy should help women overcome the constraints that hold back food production.

Governments can mobilise the support that marginal farmers need. DFID states that one of its values is ‘the desire to listen, learn and be creative.’ It claims to be ‘committed to supporting agriculture as a means of reducing poverty and achieving the MDGs’, but also admits that ‘we need to do more, and be more effective.’ Its reference to ‘productive subsistence agricultural systems’ recognises that subsistence systems can be productive, while its increase in funds for IFAD could signal an intention to channel more aid to marginal farmers.

Ranked fifth among leading donors to agriculture, forestry and fishing in 2005 and the largest bilateral donor to CAADP, DFID is in a powerful position and has a great deal of responsibility for the future trajectory of agricultural development in Africa. New agricultural development initiatives, such as CAADP, will depend on the long-term and consistent support of donors and national governments to achieve their aims.

DFID’s commitment to research and development through its support of RIUP may bring significant and sustainable benefits, provided that it listens to the voice of those on the ground, builds on indigenous knowledge and tailors solutions to specific and varying contexts in a beneficial manner.

Despite all the rhetoric, DFID’s support to agriculture and livelihoods in Africa has been steadily declining over the past five years (2000/01-2005/06) and the level of financial support it gives to the sector has been low compared to education and health.

Hunger is not inevitable, and supporting marginal farmers is an essential foundation for overcoming it. The right type of support will increase their output and lead to growth – in terms of better nourished people. Over the long term, this will add to the country’s statistical economic growth.

There are acute dangers in overlooking marginal farmers. In the words of Hazel et al: ‘Unless key policymakers adopt a more assertive agenda toward small-farm agriculture, there is a growing risk that rural poverty will rise dramatically and that waves of migrants to urban areas will overwhelm available job opportunities, urban infrastructure, and support services.’

Marginal farmers need to be central to agricultural policy. Their voices need to be heard and allowed to make a difference. The gains of listening to, and acting on, the needs of these farmers will be anything but marginal.
RECOMMENDATIONS

**National governments** need to address the varying needs of marginal farmers. To do this they must ensure that marginal farmers who want to get out of agriculture are supported in making that transition. For those who want to stay in farming or have no other option they should:

- allocate sufficient resources to agriculture within national poverty reduction strategies, ensuring that marginal farmers are included;
- provide poor farmers with the means to organise themselves to participate in policy development by creating a legal framework and supporting farmers’ associations;
- increase investment to link farmers, researchers and extension workers, ensuring that marginal farmers are involved in research that affects their livelihoods;
- ensure access to productive resources such as seeds, tools, water, extension, credit and secure access to land. In providing these resources governments should ensure that the support provided is appropriate, and will make their livelihoods more resilient.

**African governments** should fulfil commitments made under the Comprehensive Africa Agriculture Development Programme (CAADP).

- In fulfilling the CAADP agenda, African governments should increase their support to agriculture and deliver on their commitment to allocate at least 10% of their GDP to the agricultural sector by the end of 2008, as stated in the Maputo Declaration (2003).
- African governments must also ensure that increased resources being channelled to agriculture reach the poorest farmers.

**Donors** must ensure they reach the poorest farmers through more and better aid.

**In particular they should:**

- increase their support to agriculture and rural livelihoods, and ensuring that it is effective;
- improve the quality of aid by giving appropriate and specific help to marginal farmers;
- examine the most effective mechanisms of delivering aid to marginal farmers.

**DFID** must ensure its agriculture policy review in 2008 takes a more nuanced approach to agricultural development. In particular it should:

- ensure that those marginal farmers for whom agriculture is a way of life or their only option receive increased support in order to become food secure and more resilient to livelihood shocks;
- continue to help economically active poor farmers move from subsistence agriculture to semi-commercial agriculture through increased yields, alternative crops and improved access to markets;
- assist those for whom agriculture is no longer a viable option to make an easy transition through savings and credit, skills development, social protection and access to alternative employment.

DFID should also commission research into the viability of marginal farmers including the economic and social implications of poor farmers staying on the land or getting out of agriculture.

**Above all, donors, governments and NGOs need to work hard to address the exclusion of marginal farmers and ensure the voices of marginal farmers are finally heard.**
FOOTNOTES

2. FAO, Adaptation to Climate Change in Agriculture, Forestry and Fisheries: Perspective, framework and priorities, Rome, 2007, pp 1, 10.
12. UN Millennium Project, Halving Hunger: It can be done, New York: Columbia University, 2005.
20. ActionAid International and Care International, Where to now? Implications of Changing Relations between DFID, Recipient Governments and NGOs in Malawi, Tanzania and Uganda, London, 2006. See also DFID, The Performance of Programme Aid Partners in Mozambique, London, 2004, p 34, which reports that sector officials ‘see its positive sides, but they do not trust the management system to the extent of feeling comfortable with limited and reducing options to negotiate with donors at sectoral level’.
24. Ibid.
28. Though CAADP was established in 2003, implementation has been delayed, despite several rounds of talks.
30. NEPAD, CAADP Summary, Johannesburg, South Africa, 2005, pp 4-5.
37. Interview with Concern Worldwide, Dowa, Malawi, March 2007.
43. Ibid, p 2.