

WHAT IS AGRICULTURE : NEED FOR A NEW PARADIGM?

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With a different emphasis in developing and industrialized countries, the main target of agricultural policy is the small farmer. Although he has hardly been exactly defined, he is supposed to be poor — he is, invariably — and, with the help of a great variety of instruments extending from strengthening supporting services to price subsidies, governments have been trying to improve the lot of the smallholder in agriculture. For some countries, this may be lip service, but in many others, it really is the goal of governments to improve the situation of this target group.

While this policy has been pursued with different instruments and intensity for more than 30 years, over the same period, we have experienced that, in spite of official declarations, it is not the smallholder but the big farmer who reaps most of the benefit from all measures. The latter's prosperity increased while the small farmer still is a poor man, and not a few peasants had to give up and lost their means of existence, if not during their lifetime, at the time of change of generation.

This long-lasting experience in many countries leads to the question: Is the theory, which is guiding our policy, correct? Or do we have a wrong theory of agriculture?

1. What Is Agriculture?

Agriculture is the cultivation of the soil to produce food and raw material useful for human beings. It is the sector of the economy using land for primary production.

This production takes place in technical-organizational units we call farms or agricultural holdings. These farms exist in a great variety of forms, but the most widespread in non-socialistic countries is the family farm. It is the target of most agricultural policy measures and,

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so to speak, the prototype of agriculture. Characteristic of such a family farm is that the family members apply all their labour on the farm—(sometimes with the help of some additional, hired labour) and that the family members live off the produce of the farm. Most of the family farms are ‘small farms’, whatever that means under local circumstances.

This farm is the center of common interest of all family members, the basis of their existence and their life security. The farm family’s expectations are homogenous and farm-centered. Farms of different sizes are the main reason for differences in the standard of living at the local level. The farmer aims at securing a net income to assure survival—not always and only in monetary terms—and increasing it as a way of improving the family’s living.

II. Emerging New Types of Agriculture

In recent times, important changes have taken place and caused a great variety with respect to production, the family members’ involvement and interest in agriculture and the families’ dependence on the produce of the farm for living. The increase in population, the increase in non-agricultural opportunities for existence, the technological changes in agriculture and the different ways of transferring the farm to the next generation have caused the emergence of new types of farms. Mainly two types of farms have emerged or increased in number and importance :

- farms whose household members have adopted multiple employment,
- ‘holdings belonging to aged people’, whose children have migrated or separated from the parents’ family.

1. Farm Households with Multiple Employment

Increasing population and the custom of dividing the farm among the children with the change of generation have resulted in an ever-increasing reduction of farm sizes. Many farms have become so small that they do not suffice as the family’s basis of livelihood. On the other hand, in many countries, the number of job opportunities outside agriculture or even outside the country have increased. Both factors have caused the spread of multiple employment among smallholder household members, which, to a limited extent, always existed. Differences in family and farm structure, in resource endowment in the region and at the level of general economic development have led to different types of multiple employment :

Individual Income Combination

Here, the cultivator himself takes up a non-agricultural main or side-occupation or works as agricultural labourer on other farms. This always is necessary if no children of working age are available. It is often difficult to combine both activities because the animals need daily care and because of the seasonality of labour demand in agriculture. As daily presence on the farm is necessary, the second job can be taken up locally, where job opportunities are usually limited, except near cities.

Household Income Combination

Here, one or more sons (in some societies, daughters as well) take up non-agricultural employment or work as agricultural labourers and give at least part of their salary to their family. The job can be taken up locally or in distant places, even abroad, because the children are not tied to the farm. It can be permanent or assumed whenever employment is offered.

In other cases, working life is divided into two sections. Up till about 45 years of age, the men work outside the village, often in distant places, and the father operates the farm. When he becomes too old and weak, the son takes over the cultivation, but at that time usually, his children are of working age.

Extended Family Economy

Nuclear families maintain close social and economic ties even after migration. A network of cooperating families of various types is emerging with the farm as center. The urban branches of the extended family receive foodstuffs from their parents' farm as support or for sentimental reasons, sometimes let their preschool children live on the farm to save rent in the city, and have the right to return, which is an important security. Inversely, services are offered the other way round in the form of help during harvest time or remittances. These do not have to be regular, but are effected whenever needed for investments or repairs.

Household Production

An effect similar to that of gainful employment outside the farm can be achieved if production and repairs are effected within the household. Production and processing bring income, and if the farmers do the maintenance and repair work themselves instead of letting others do it against payment, this saves expenditure and thus increases the standard of living. While in former times this was widespread and constituted an important way of improving the level of living, with increasing development and specialization of activities, its importance is shrinking. However, situations vary, and in more remote regions or times of de-

pression, this may be the only possibility to improve the standard of living beyond the proceeds of the farm. Here, in any case, the contribution made by women is the largest.

Consequences of Multiple Employment

In all the cases described, the notion of a farm, the prototype of agriculture, which absorbs all family labour and provides the living for the family members is not applicable. Neither is all the labour used on the farm, since part of it is employed in other activities, nor is the standard of living dependent on the farm income but to a lesser or greater extent on non-farm income as well.

Instead of farms, we have households which resulted from various types of families and several economic activities. Their source of income can vary from time to time, from person to person, and can be earned in different localities.

Under such conditions, the goals of the family members may vary. In the past, the interest of all family members was centered on the farm. Now, the aim is to improve the basis of existence and the standard of living regardless of the means by which this can be achieved. If a large share of income is obtained from non-agricultural sources, the interest in agriculture may decrease.

The attitude of the youth, especially, has changed. While former generations wanted a share of landed property (land-to-the-tiller), now the wish is for income opportunities, wherever they come from. We have to forget the notion that every small farmer's son is happy if he can continue farming. He might be, if the farm is large enough for modern farming. But he probably is not happy if the farm is too small or if for other reasons he has to continue traditional farming, especially if other options are available. For the fathers' generation, it was predetermined that the son would take over cultivation; for the young boy of today, this often is one option among several. In many cases, experience shows that great expenses and difficulties are involved in finding a non-agricultural job. However, many of these young people are successful and, in this case, a higher standard of living is achieved more rapidly than by hard work in agriculture. Therefore, relatives usually support young men in their hard, long and not always successful search for jobs.

Changing the clamour for access to land into that of access to income has turned the agrarian question into a problem of the overall society and can be solved only within this broader framework.

Implications for Agricultural Policy

Households with multiple employment and income have different goals concerning the cultivation of their land and other needs with respect to

support by public services. Consequently, the policy instruments for reaching them cannot be the same as those used for full-time family farms.

The household members may not be interested in achieving the highest yield and income because they have other means of earning their livelihood. A minimal work requirement may be of greater interest so that much time is left for non-farm activities. Or it may be of interest to concentrate the labour requirements on a few days of planting and harvesting, for instance, for which relatives from the city are called for help. This has consequences for the work of the extension service and determines whether they are interested in advice at all, influences the time during which they are available for consultation and may have consequences for the person making decisions and the decision-making process. Household members working in the city bring information from other sources than the extension staff and may influence the decision process because they often pay the expenses involved. This applies especially to all decisions concerning investments. The question of need for credit and security has to be assessed by taking the total income and not only the agricultural income into consideration. Alternatives to credit such as salary advances have to be considered.

Marketing usually plays a small role as most products are for home consumption or used for barter trade, and, therefore, neither cooperatives nor price policy measures are very important. The same usually holds true for subsidies to inputs because their use is often limited.

In many cases where holdings are in the hands of families with multiple employment, the whole range of instruments of agricultural policy does not reach these people because they aim at other targets. One can add the question as to whether agricultural policy support should reach these households in the first place, since many of them will hardly cultivate land in another 15 years. Under this assumption, other policy measures, especially those listed under regional development, might be more appropriate and helpful.

In addition to the households with multiple employment, there are those which only have a too small marginal farm, but could not find off-farm gainful employment and are limited to increasing their purchasing power by avoiding expenses and other farm household production. They, as well, draw little benefit from the agricultural policy measures because they hardly sell or buy products or inputs, do not use the extension service, the cooperatives and similar services.

2. 'Holdings of the Aged'

Cultural and economic considerations determine the method by which farms are transferred from father to the next generation. The common

But in many other cases, the father hands over the land gradually, beginning at the wedding time of the first son to enable him to start an independent life. His piece of land is likely to be enlarged by land his wife inherits from her parents (in societies in which daughters are entitled to inherit land) and some rented in-land. As his strength decreases, the father will transfer more and more land to other children as well, but he will always retain some fields in order to be independent of his children. Here, two or more separate farms emerge out of one.

In other cases still, all sons migrate to cities while the father continues farming as long as he can. With increasing age, he rents land out to relatives or other villagers, and the children receive the rent as inheritance. Usually, they keep ownership for speculation, as security or as home for their old days. Again, the father will retain some land as long as possible for subsistence and independence.

Consequences of 'Holdings of the Aged'

Again, the notion of a farm where the family applies its labour and lives from the proceeds is not correct. We have no family, but an old couple (sometimes a widow with children) whose work capacity is limited. The basis of subsistence for this couple may vary widely from farm proceeds only, via charity, to remittances from its children.

The work capacity is limited and is continuously shrinking, and with it, the intensity of cultivation. No new technologies are applied, and often a considerable disinvestment takes place. The old couple's interest is not productive farming but more and more rural life in familiar surroundings and some staple food for subsistence. They continue cultivation as long as possible in the absence of any other means of security for their old days.

Implications for Agricultural Policy

'Holdings of the Aged' are hardly affected by measures of agricultural policy. Neither are the measures geared to their needs, nor do these people accept the offers made to them. Often, they are not even aware of these offers.

III. What Is Agriculture?

The elaborations have shown that the 'prototype' of agriculture, a holding using all family labour and providing all the family living, does not always apply. In a few cases, it depicts the situation, but in many others, not. Agricultural policy usually is directed to this form of agriculture and bypasses — more or less — the numerous other forms.

method in the past — and today still — is that father and son work on the same farm, and the son takes over after his marriage or later, when the father becomes too old. In this case, no change in farm size is necessary, perhaps only in intensity or in the number of animals in order to adjust to the changing work capacity. Problems may arise if more children expect a share of the land.

In reality, we have a wide variety of farms with widely differing goals and support requirements. Other farms of numerically lesser importance (commercial farms, plantations, landlords' farms, etc.) being left out of consideration, the main types differing from each other are

Economic Holdings

For this group, the notion of the farm absorbing all the labour of the cultivating family and providing their living applies. This group is the target of agricultural policy, justified as long as only production considerations play a role. It benefits from price and market policy, from subsidies, extension service, credit programmes, cooperatives, etc. However, in many societies, only 15 or 20% of all holdings counted in the statistics belong to this group.

Households with Multiple Employment

It has been explained already that agricultural policy hardly meets their needs, and, in view of the insecure future of this group, these measures may not be advisable at all. Regional development (including some aspects of agricultural policy) comprising training for non-agricultural activities, development of small-scale industries, commerce, handicrafts is more in the interest of this group. Its share in the total number of holdings varies between countries and regions, but often exceeds one-third.

'Holdings of the Aged'

They are on the fringe of the agricultural sector. Land, in this case, is a kind of social security, often the only means of avoiding poverty in old age. Agricultural policy has no place, here. With the upcoming social policy, their instruments will improve the lot of the people concerned. Their mere existence is of a transitional character: in traditional agricultural societies, they hardly play a role, then come up with beginning industrialization and migration, while later on an established social security system makes them superfluous. In the meantime, they can be widespread. In some regions of Turkey, more than 30% of all holdings belong to this group.

Marginal Farms

Their marginality results usually from a too small farm size without

possibilities of increasing their income by means of off-farm employment. Many of them are tenant farms. The low acreage provides a meagre subsistence only, while there is little to sell and little money to buy inputs. Therefore, neither market and price policy nor subsidies reach this group. It would be necessary for marginal farmers to take up non-agricultural jobs or be trained to a greater extent. Their number varies; it is usually smaller when multiple employment is widespread, but larger, if it is difficult to find work.

No policy is optimal for all these cases, and agricultural policy has no meaningful place in some of the cases. Looking at it from the opposite angle, while all types are more or less engaged in land cultivation, not all of them can be perceived as 'agriculture' understood in terms of farms employing the labour of the cultivating family and providing the living for these people.

It is perhaps necessary to come to a different paradigm to explain the different types of households cultivating land.

Instead of farms, it might be better to speak of households, which use all the resources available to them (land, labour and perhaps some capital) to secure survival and to raise the standard of living.

Depending on the resource endowment, this may take place in different ways.

If land is sufficient, the household might concentrate on farming, and agriculture is the sole activity. In this case, agricultural policy is the proper means to assist these people.

But if there is a shortage of land, people have to make other arrangements for their living. Either they try to find non-farm additional jobs and thus increase their total income, or they engage in household production and avoid expenditures in order to survive, or only an old couple instead of a family lives on the land. In each of these cases, it is not so much agricultural policy as other policies that can help these people who are often the most needy.

Dividing the land-cultivating population according to these groups and designing policies according to the different target groups is the way to improve the effectiveness of policy efforts and help those for whom the support is intended.

What is Agriculture? The development in the course of the last 40 years has led to the emergence or spread of existence patterns which, in former times, hardly played a role. Development policy has to take note of this differentiation. Agriculture in the 90s is not the same as in the 50s. Especially the underlying theoretical assumptions have to be reconsidered.