

FINDING THE KEY TO SUCCESSFUL FARMER SETTLEMENT: DEPENDENCY VERSUS INDEPENDENCY MODELS

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ABSTRACT

The successful settlement of farmers in South Africa has once again focused the attention on the relative importance of capacity building (education) for long-term independency and technology transfer (advisory) for the immediate purpose of increased production, that does not promote independency. This paper discusses the alternatives regarding the major focus or intention of extension and their acceptability before it proceeds to analyse some reputedly successful development projects against these development principles. Preliminary findings are that production success is directly related to the dependency model of extension or development and that successful sustainable agricultural development is mainly limited to situations where highly favourable conditions pertain.

1. INTRODUCTION

The current emphasis on successful farmer settlement in South Africa has in a special way focused the attention again on the relative importance of capacity building or education for long-term independency and self-sufficiency and technology transfer for the immediate purpose of increased production. Even though this is a basic issue in any development, it is often overlooked or ignored and seldom finds expression in development policies.

Differences regarding the appropriate basic approach in development can be attributed to an unawareness of underlying principles or an ignorance of the variety of dimensions. In many cases certain proposals are advanced for specific logical reasons without necessarily appreciating the broader implications, because they are not understood against the basic development principles involved. Typical examples are the various contract farming models such as the Sartorius-Kirsten model (Sartorius, 2003; Sunday Times, 2003), which are essentially production driven models with a primary interest in efficient production rather than in the promotion of independency, self-

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sufficiency or the classical “help towards self-help” motive. In many cases a compromise between extreme alternatives may be appropriate to meet situation specific circumstances, but this often fails because of an unawareness of the variety of possible dimensions or combinations thereof. Other possible reasons for inappropriate approaches are the unawareness of underlying values regarding the choices or decisions made and ultimately, and perhaps most importantly, vague or lacking extension policies. The latter is particularly important in South Africa and other African countries, whose extension policies are unspecific or completely silent in this regard.

This paper discusses the alternatives regarding the major focus or intention of extension and their acceptability before it proceeds to analyse some reputedly successful development projects and evaluates them against the background of these development principles.

2. ALTERNATIVE CONCEPTS AND THEIR ACCEPTABILITY

An appreciation of the alternatives can best be gained from an illustration of the extremes as visualised on a continuum shown in Figure 1.

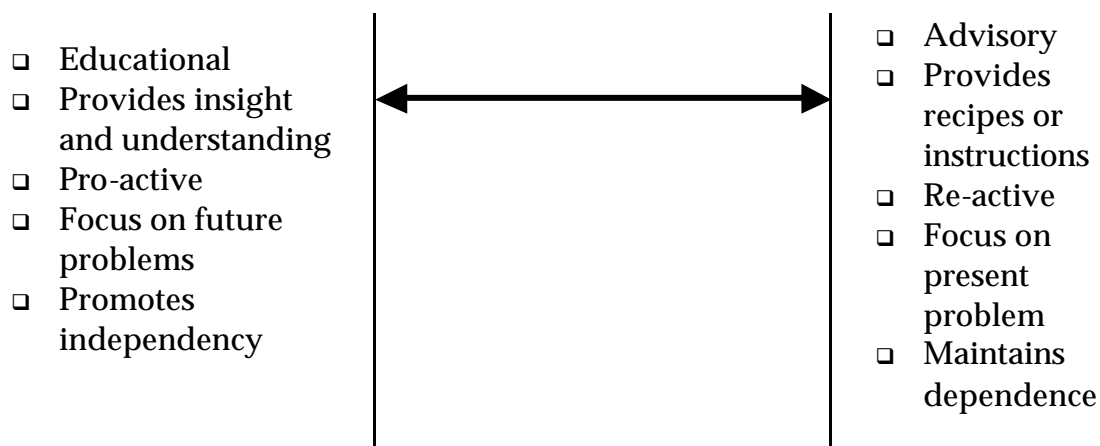


Figure 1: The alternative understandings of extension or development as illustrated by means of extremes on a continuum

According to the above continuum, the concept of agricultural extension or development extends from on the one extreme (a) extension as a form of education being primarily pro-active in nature and focusing on future problems that clients might encounter and thus promoting independency, and on the other extreme (b) an understanding of extension that is of an advice-giving nature, responsive to the clients' current problems and consequently of a re-active nature. In its extreme form only the advice requested is given and

nature while others favour an advisory approach. The majority share the view that extension should extend more or less over the entire continuum.

Some of these differences become apparent when comparing the views of the different provinces, as shown in Figure 3.

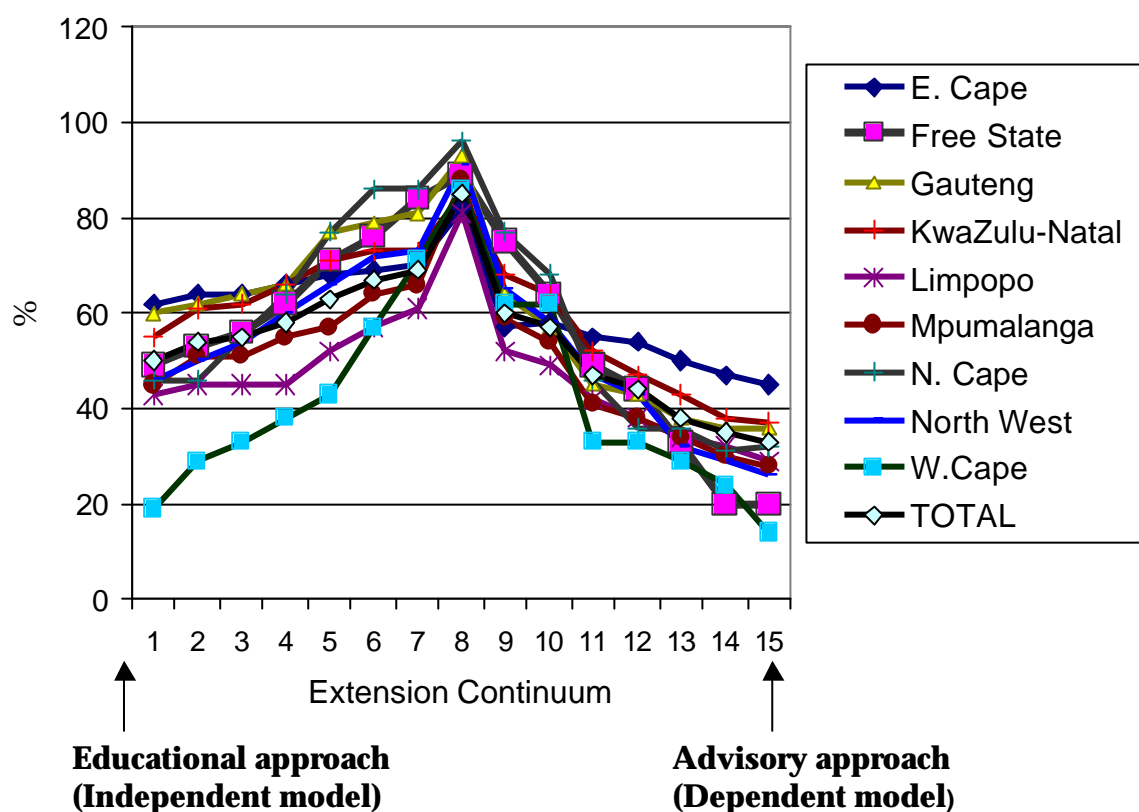


Figure 3: The recommended understanding of extension expressed by the mean percentage with which different scale points are included in respondents' concept of extension (Düvel, 2002)

Whilst most provinces show a leaning towards the educational view, the Western Cape has little support for both extremes. In other words, respondents in this province show little support for extension as being formal or non-formal education, but also not for the recipe or dependency concept. In the Eastern Cape, on the other hand, there is significant support for the extreme viewpoints. In general there is majority viewpoint that extension is a combination of the extremes, in the sense that it usually focuses on current problems but, in dealing with them, also imparts knowledge to promote understanding and insight and thus provides education and capacity building, thereby helping the client to help himself in future similar problem situations.

The above views are presumed to relate primarily to the small or resource-poor farming situation, since only three percent of the respondents devoted their extension inputs primarily to the commercial farmers, which implies that these opinions also have relevancy for farmer settlement projects. However, the tremendous divergence in opinions and a complete absence of policy in this regard, offer little in terms of guidelines. It is for this reason that an analysis of supposedly successful settlement projects is more likely to provide direction for improving the success of development projects.

3. RESEARCH PROCEDURE

As the first of a series of research projects aimed at finding guidelines for improved and more successful farmer settlement, the purpose of this study was to assess the role of some of the more basic principles involved. For this purpose projects reputed to be successful, were selected and interviews held with the project managers on the basis of a semi-structured questionnaire. The following is a brief description of the selected projects run by the respective service providers:

- (a) *National Wool Growers Association (NWGA)*. The projects are primarily focused on the improvement of infrastructure (e.g. shearing sheds and dip tanks) providing services like shearing, grading and marketing of wool and through offering training programmes. The current beneficiaries are 6 000 farmers from 200 communities and owning some 3 million sheep.
- (b) *The South African Cane Growers Association* in conjunction with SASEX (South African Sugar Association Experimental Station) and TSB (Transvaalse Suiker Beperk) have contracts with 1200 small-scale producers, farming on 7 473 ha to produce sugar cane under irrigation in the Nkomazi area of Mpumalanga. Service delivery is provided and organised in 32 projects managed by 5 TSB and 4 Government officials.
- (c) *Cotton SA*. The National Strategic Management Plan of Cotton SA provides for the involvement and training of 4500 small-scale farmers with which they have a marketing contract. The training encompasses a skills development or training programme accredited by PAETA (Primary Agricultural Education and Training Authority).
- (d) *SA Maltsters*. This project involves the production of barley in winter and maize in summer on 3 500 ha under irrigation. Currently 221 small-scale farmers are involved for whom an advisory service is

provided and with whom marketing contracts have been signed. The emphasis is on the production of high quality barley and the extension delivery is primarily through group methods. Constraints are the small farm sizes, and this is bound to become much more serious since the number of farmers has to be increased to 411.

4. FINDINGS

The selection of projects for this research was based on reputed success. A more objective measure of the success of these projects is reflected in the degree to which the current production has approached the expected or achievable Nett Farm Income (NFI).

Table 1: The percentage to which projects have attained what is regarded to be the achievable NFI

Commodity (Project)	Percentage success
Cotton	80
Sugar (SASEX)	15
Sugar (TSB)	59
Wool	10
Barley	63

The above findings indicate that, with perhaps the exception of cotton, there is still tremendous scope for improvement. However, the improved financial efficiency will not necessarily solve the sustainability problem, as this is prevented by the small and uneconomic farm sizes, which are less than 10 ha, and even less than 1.25 ha in the case of cotton.

The dependency/independency of the various projects was judged by an assessment on a scale varying from completely dependent (scale point = 1) to completely independent (scale point = 10). The mean assessments are shown in Figure 4.

The big discrepancy between the current (4.25) and the ideal (7.5) does indicate that there is a necessity for projects to be initially very dependent in order to be successful from a production and economic point of view, although it is appreciated that the ideal is a much higher degree of independency.

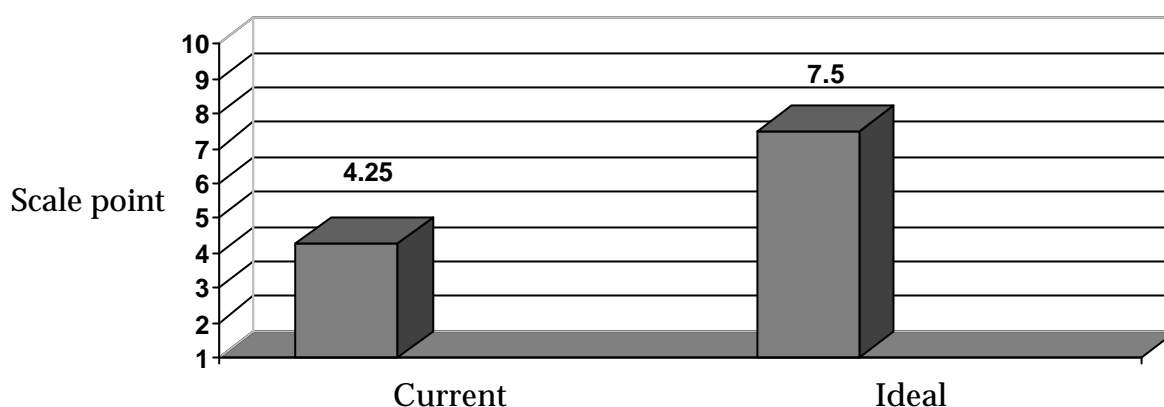


Figure 4: Mean assessments of the current and ideal degree of dependency/independency of projects as models of development

Another indication of the high degree of dependency of the current projects is apparent from the degree to which farmers make their own decision or carry out instructions on a recipe basis. Table 2 summarises the decision-making inputs made by farmers on the various projects.

Table 2: Percentage distribution of projects according to various types of decision-making under current and ideal situations

Decision making/Decision maker	Current situation	Ideal situation
Farmer makes and implements decisions	40	80
Farmer requests certain operational inputs from service provider who takes operational decisions	20	-
Farmer carries out instructions (labourer on own farm)	40	-
Project manager makes all decisions	-	20

Again it is conceded that the perceived ideal situation is far removed from what is currently happening in practice, where the participants in 60 percent of the projects are not really involved in operational decision-making. In 80 percent of the cases it is recognised that the ideal is independency in decision making to ensure sustainable development. The view on 20 percent of the projects, that the long-term solution lies in decisions being made by a project manager, reflects some degree of pessimism, but may be based on a conviction that the farm units are too small to permit sustainable development.

The pessimism is also reflected in estimates regarding the time it will take until projects have reached the stage when support can be withdrawn. These views in terms of number of years are summarised in Table 3.

Table 3: The estimated number of additional years that it will take until project support can be withdrawn without fear of collapse

Commodity (Project)	Number of years
Cotton	5
Sugar (SASEX)	50
Sugar (TSB)	20
Wool	5
Barley	(never)

Only on the cotton and wool projects is it foreseen that a level of sustainability or independency will be achieved over the next 5 years. In the case of sugar cane production this timeframe is expected to be much longer, namely 20 and 50 years as estimated by TSB and SASEX respectively. It is noteworthy that TSB, which is a milling company and primarily interested in as much sucrose production as possible for their mills and has an extension approach that is much more instructive and recipe-based than that of SASEX, is much more optimistic regarding the number of years (20) required to achieve independence. This could be attributable to different degrees of insight, but could also be an indication that the time estimates are inaccurate and mere guesswork. The pessimistic view regarding the barley projects is ostensibly based on the small and uneconomic farm sizes, which are expected to further decrease as the number of clients have to be increased from the current 221 to 411.

It is widely accepted that a precondition for successful farmer settlement is support in terms of credit and marketing. As far as credit is concerned, farmers in all projects have access to credit for production inputs, but only two of the service providers, namely Cotton S A and S A Maltsters provide credit, while only the latter provides all the credit. In the case of more than one credit provider, there does not appear to be a lack of communication between the credit providers, but a significant constraint is that the credit loans are not always made available in time, which can have serious repercussions for the producers, especially of annual crops.

For emerging commercial farmers and successful farmer settlement, marketing access is of critical importance. The situation as far as marketing of

produce is concerned, is summarised in Table 4 and indicates the current marketing options and what is regarded to be optimal.

Table 4: Percentage distribution of projects according to current and optimal marketing options

Marketing options	Current situation	Optimal situation
Farmer has choices – unlimited options	-	40
Farmer has choices – limited options	20	40
Farmer has no choice – contractually bound	80	20
Farmer has no choice – one-channel marketing	-	20

The fact that farmers on 80 percent of the projects are contractually bound as far as their marketing is concerned provides a guaranteed marketing outlet and significantly enhances the chances of financial success. This may in fact be one of the reasons for success although it represents a rather artificial situation, which is incongruent with the widely promoted free trade. However, these findings do suggest that achieving success in more normal or less favourable conditions could take much longer and prove to be much more difficult.

5. SUMMARY AND CONCLUSIONS

5.1 The differences between the dependency and independency approaches or models are in general not understood, or the implications not realised and, consequently, hardly ever feature in extension policy formulations or are considered in the planning and implementation of projects.

5.2 Preliminary indications, based on an analysis of a selection of reputedly successful projects are that

- Production success is, at least over the short term, directly related to the dependency of the extension or development model.
- The prospects for successful sustainable agricultural development are probably only limited to the relatively limited situations where highly favourable conditions, such as very remunerative commodities for which there is a guaranteed market and all necessary provisions regarding the necessary infrastructure and credit facilities.

- 5.3 This, of course raises the question as to what success is. Is it only successful production or is it the independence of the producer in this regard which can ultimately ensure sustainability and independence? This brings us back to the basic alternatives in development goals and the necessity of well considered decisions in this regard.
- 5.4 More research is essential, especially regarding the following:
- More detailed analyses of both successful and unsuccessful projects.
 - A closer investigation of the real motives of prospective new farmers, especially in the context of the various cultures and, emanating from this.
 - Improved criteria for the selection of prospective new farmers.
 - A more detailed analysis of the scope and costs of extension inputs required to successfully and sustainably settle a new farmer by means of both the dependency and independency models, in order to plan and effectively use the available extension resources.
 - Finding the most appropriate and effective ways to lead farmers from dependency towards independency without forfeiting production.
- 5.5 Especially since there is so much ignorance and confusion regarding the primary purpose and focus of extension, i.e. whether to have a dependency model or an independency model, extension policy should be clearly address these issues.

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