

Successful farmer collective action to integrate food production into value chains

DENIS HERBEL and NORA OURABAH HADDAD

In the past decade, a broad variety of producer organizational innovations has emerged which contributed to reducing small producers' barriers to market entry while improving policy-making. This paper seeks to identify the factors that are responsible for this successful collective action by small-scale producers. Analysing empirical worldwide cases, this study further suggests that effective collective action results from the building of two interdependent types of relationships: first, bonding or intra-group relationships among small producers within local organizations. Bonding relations empower small-scale producers, enhancing their individual and group capacities to make purposive choices and to transform these choices into desired outcomes (autonomous capacity of action). The second type of relationship is bridging or inter-group relations between small-scale producer organizations to create apex organizations. Bridging relations improve their ability to exert influence on policy-making and on markets to improve the condition of market transactions (bargaining power). With close bonding and strong bridging relations, small-scale producers who were once excluded from markets and social choice have gained the ability to link with powerful market actors and policy-makers thereby playing a greater role in meeting the growing world food demand.

Keywords: bonding, bridging, linking relationships, social capital, small-scale producer organizations, organizational performance, collective action

CONTINUED POPULATION GROWTH, URBANIZATION, and rising incomes are all likely to continue to put pressure on food demand. International prices for most agricultural commodities are set to remain at 2010 levels or higher, at least for the next decade (OECD-FAO, 2011). About half of all rural household income in Latin America and Asia comes from agriculture, and the figure is even higher, about three-quarters, in sub-Saharan Africa (Ghanem, 2010); thus higher prices should

Denis Herbel (denis.herbel@fao.org) is coordinator of the FAO Interdepartmental working group on Institution Capacity Building for agriculture and rural development. Nora Ourabah Haddad is Rural Institution and People Empowerment team leader in the Gender, Equity and Rural Employment Division of the FAO. This article is based on a FAO-IFAD publication: 'Good practices in building innovative rural institutions to increase food security' by Denis Herbel, Eve Crowley, Nora Ourabah Haddad, Maria Lee, with additional input by Charlotte Goemans, Mauro Bottaro, and Carina Hirsh from ESW FAO division.

© Practical Action Publishing, 2012, www.practicalaction.org
doi: 10.3362/2046-1887.2012.015 ISSN: 2046-1879 (print) 2046-1887 (online)

represent an opportunity for small-scale farmers. However, this has not happened.

Prospects for small-scale farmers from developing countries to play a greater role in meeting the growing food demand in national, regional, and international markets depend on their capacity to access affordable inputs, information, and competence and to deliver their output to the market. Significant supply response requires a market system in which small-scale farmers are actively involved. Since the 1970s, agricultural development policy in developing countries has gone through two broad phases: first, state-led development policy and, second, the market-led model (Kirsten et al., 2009). The first phase focused on addressing the problems created by market failure and promoted state intervention. The second recognized state failure and supported the positive role of the private sector and market. Neither model allowed less developed countries to achieve full food security. There are a number of lessons that can be drawn from the past four decades, both in terms of successes and failures. One lesson is that market/government dichotomy is an oversimplification (Stiglitz, 2004). Currently, the debate over the respective roles of the government and the market has broadened (Martinez Nogueira, 2008). Martinez Nogueira claims that there is a new emphasis on collaboration and a more sophisticated understanding of the development process. The public sector has shifted to become more open towards civil society (for profit and non-profit private organizations) and the market is now more reliant on the quality of institutions. Stiglitz (2007: 27) adds: 'While markets are at the center of any successful economy, government has to create a climate that allows business to thrive. It has to construct physical and institutional infrastructure ... in which investors can have confidence that they are not cheated.' In line with these authors, we suggest that there is a need to go beyond mere market- and/or government-led economies. To correct market inefficiencies and government failures, it is necessary to combine both development approaches and complement them with the recognition of the critical role of collective action (Marshall, 1998) and its inclusion as a necessary condition. 'Efficient market organization not only involves more but also better linkages between different economic players' (Poole and de Frece, 2010: 3).

In the past decades, collective action within farmer groups, producer organizations and cooperatives has experienced organizational failures. During the period of state-led development policy in the 1960s to 1980s, cooperatives were largely government controlled and staffed. As a result, farmers considered them as an extended arm of the public sector, not as institutions that they owned (World Bank, 2008: 154). In some cases, cooperatives were required to have a government appointee on their board (Poole and de Frece, 2010: 72).

The debate has broadened over the roles of government and the market in agricultural development

To correct market inefficiencies and government failures, collective action should complement development approaches

The very widely shared concept of one cooperative by village, one village by cooperative, in which every villager had to be a member of a cooperative and the cooperative held a monopoly on services supplied to the village is another example of this approach. Small-scale farmers were expected to follow development actors passively; they did not need to choose or express their opinions, and even less to make decisions. This resulted in high rates of organizational failure and member exit. In fact, solutions imposed from the outside were often grudgingly accepted on a superficial basis but rarely implemented as intended (Stiglitz, 1998). Decades of experience in developing countries has shown that producer organizations, including crop farmers, fisherfolk, livestock keepers, and forest-user organizations, must be able to act and make autonomous decisions. They fail when governments, donors or NGOs impose an organizational model as an instrument for their own development policies and values (Develtere, 1994).

In the past decade, a broad variety of producer institutional innovations has emerged (World Bank, 2008; Develtere et al., 2009) which contributed to reducing small producers' barriers to enter markets while improving policy-making. Figure 1 provides an overview of the organizations and institutional arrangements that enable small producers to overcome different constraints:

- enhancing their access and management of natural resources;
- overcoming market constraints by improving their bargaining power and reducing risk and transaction costs;
- building their skills, competences, and improving their access to information and technologies, allowing them to participate more competitively in local, national, and international markets;
- engaging in policy-making and partnerships on a more equal footing with the government and private sector.

Various examples from a FAO-IFAD publication, *Innovative Rural Institutions to Increase Food Security* (Herbel et al., 2012), suggest that these recent successes in developing countries result from a radical shift in organizational development approaches. The earlier directive top-down model begins to be replaced by a new organizational approach in which small-scale producers define their needs, preferences, and agenda. This way, they can develop autonomy by building three types of relationship that form the basis of their social capital:

- close bonding relations among small-scale producers at the local level to develop a collective capacity to act (intra-group relations);
- strong bridging relations within unions and federations to provide market power and voice (inter-group relations);

A variety of institutional innovations has reduced small producers' barriers to markets while improving policy-making

The earlier top-down model is replaced by small-scale producers defining their needs, preferences, and agenda

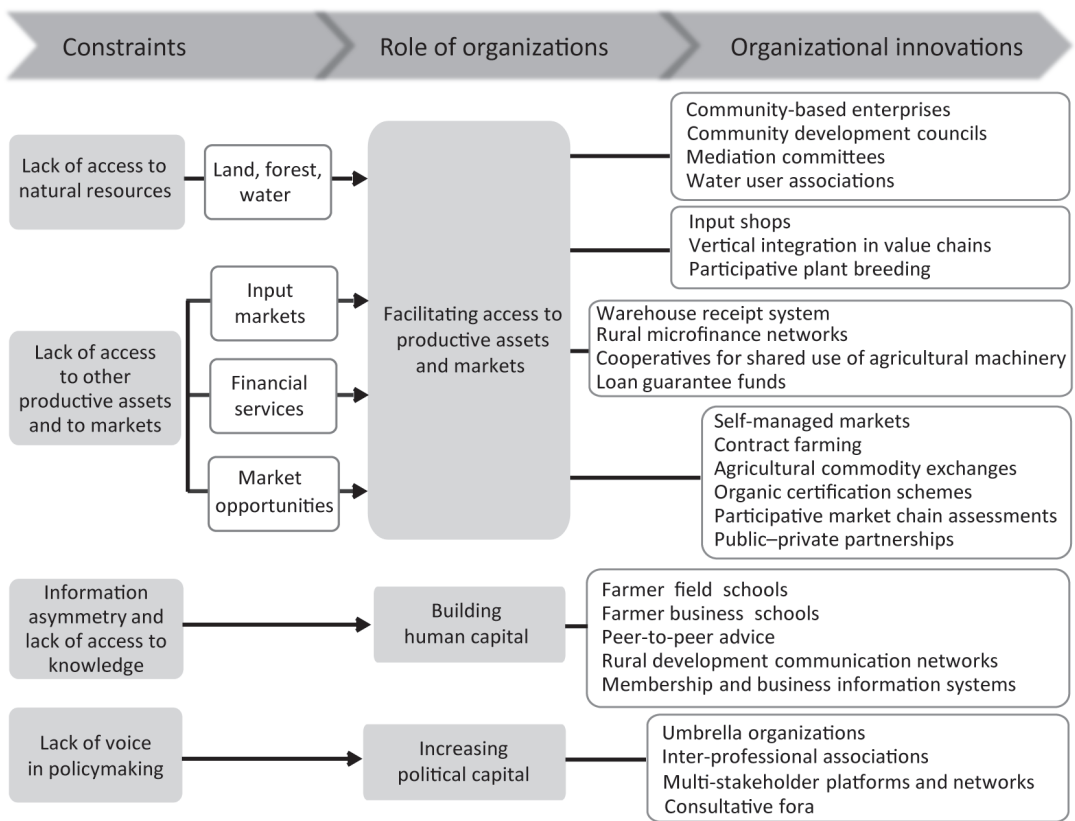


Figure 1. A broad array of producer organizational innovations
Source: Herbel et al., 2012

- linking relations with powerful traders and policy-makers at local and national levels to allow them to be active players on the market and in policy-making processes (extra-group relations).

Bonding: a critical step towards successful collective action – building autonomous capacity

Bonding relationships group together small-scale producers within formal or informal local organizations

A group's capacity to act collectively by collaborating in pursuit of a common goal is a critical element for an efficient collective action. In many of the cases presented by Herbel et al. (2012), small-scale producers established voluntary, close relationships based on ties of solidarity (intra-group relations among individuals). These bonding relations among like-minded people are based on affinity between trusted friends or neighbours with a similar status. This type of relationship groups together small-scale producers within formal or

informal local organizations such as grassroots and self-help groups, associations, and cooperatives.

Often committed leaders play a crucial role in mobilizing small-producer support to address immediate practical or survival needs or shared interests and concerns. Leaders can indeed help identify and translate producers' needs into ideas, and inspire collective action around a common vision and strategy. In turn, peers recognize the leader for his/her trustworthiness, personal skills, ability, and commitment to respond to their evolving collective needs. For example, in India, the Self Employed Women's Association (SEWA) helps women farmers organize themselves. SEWA's grassroots women leaders (Aagewans) of self-help groups are instrumental in organizing supporters from local communities, winning confidence, and guiding self-help groups in taking collective decisions. In other cases, good practices in organizational development have emerged, at least in part, with the assistance of governments, local, national, and/or international NGOs and development agencies. These external actors usually first started by providing information, raising awareness, and mobilizing small producers to form groups in order to overcome practical obstacles to livelihoods and food security (Herbel and Nanavaty, 2011; Herbel et al., 2012).

Figure 2 provides an overview of the process leading to strong bonding relations among small producers within their organizations. It shows its different stages, the increasing small-producer role to gain ownership of the process and the decreasing external partner involvement.

Through a common vision, shared rules, and values, bonding relations firmly fasten together small-scale producers in pursuit of a common goal. A strong shared identity can motivate small producers

Through common vision, shared rules, and values, bonding relations give small-scale producers a common goal

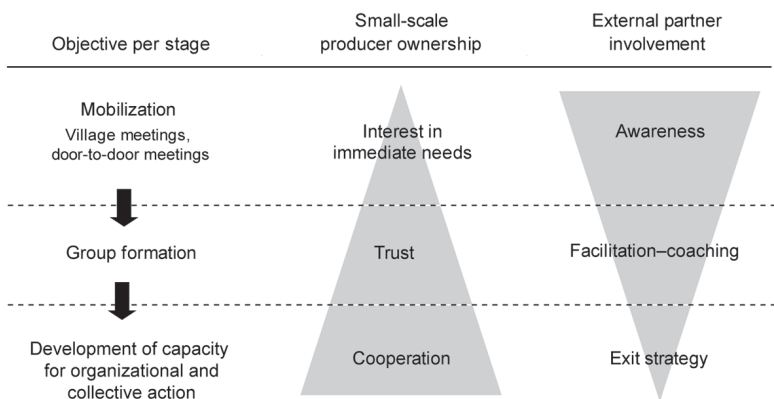


Figure 2. Building bonding relationships among small-scale producers
Source: Herbel et al., 2012

to cooperate with members of the group (Ton et al., 2007). Group identity is often based on common values, shared behaviours, and adherence to agreed rules that often derive from a shared history and geographical space. In India, SEWA's goal of enabling women to be autonomous and self-reliant, both individually and collectively, as well as economically and in terms of their decision-making ability, embodies a set of Gandhian values as a guiding force for social change (SEWA, 2010). Members follow the principles of *Satya* (truth), *Ahimsa* (non-violence), *Sarvadharm*a (integrating all faiths, all people), and *Khadi* (propagation of local employment). These values are reaffirmed several times a day, before and after every group meeting, through a singing ritual, thereby reinforcing leader and member commitments to their common cause.

Beyond a shared mission and common values, members' financial contributions are another critical success factor in institutional innovations as they help stimulate their commitment. Small-scale producers who invest their own resources into an organization or contractual arrangement tend to be more motivated to manage and monitor these investments carefully (as well as external funding), and to engage in activities consistent with their own aspirations (Stringfellow et al., 1997; Crowley et al., 2007). In Benin, members' financial contributions were one of the main reasons for strong cohesion in equipment-sharing cooperatives. Members contributed between 20 and 40 per cent of the capital needed by purchasing shares at the time of creation of the cooperative (Herbel et al., 2012). Organizations of small-scale producers that use their own financing are more likely to be carefully managed and monitored, to build on past experience, and to recognize members' aspirations (Stringfellow et al., 1997). Financial participation reinforces the implicit contract among members and encourages greater participation and responsibility in the organization. It gives members a sense of involvement and ownership and a reason to hold their leaders accountable. The pursuit of self-interest through shared profits and individual investments cements small producers' bonding relations. Finally, most of the cases suggest that grassroots organizations that bind small producers together effectively do so because they incorporate a set of tried and true elements: a shared mission with mutual benefits; a common identity with shared rules; and values and individual commitments. These elements reinforce bonding relations among small producers and enable members to collectively make and transform purposeful choices into actions.

Through bonding relations, small-scale producers shape and create their own capacity to design and implement solutions. Farmer field schools (FFS) in West Africa are a good illustration of how close bonding relations among farmers helped improve their capacities to

Producer organizations that use their own financing are likely to be carefully managed and monitored

Bonding relations allow producers to shape and create their capacity to design and implement solutions

Organizations
identify
income-generating
opportunities and
develop members'
entrepreneurial
skills

make informed choices and to act on them. Farmers chose to form local groups to control pests more effectively, thereby obtaining higher yields. Through FFS, farmers work together in small groups to collect data from the field, generate analysis through discussion, present results, conduct experiments, and make group decisions for field management related to integrated pest management activities (Dilts, 2001: 18). These activities helped farmers gain the self-confidence and knowledge needed to carry out their own problem analysis, make their own informed decisions, and organize their own field activities (Herbel et al., 2012). In some contexts, such group competences evolve over time, enabling them to solve problems in new areas. In Colombia, Ethiopia, and Malawi, for example, the FFS, which were initially created to solve agronomic problems, evolved into farmer business schools, capable of overcoming marketing bottlenecks (Herbel et al., 2012). The processes used for analysing social reality are in essence the same as those employed in 'discovering' ecological realities in the fields (Dilts, 2001: 18). Together, farmers begin by collecting data, then they analyse the information, and finally, they take individual and collective decisions. By identifying income-generating opportunities and developing members' entrepreneurial skills, FFS and similar organizations help develop a culture of learning-by-doing through experimentation and local adaptation. Groups help farmers to improve their understanding of 'how things work' through trial-and-error experimentation. They enable farmers to recognize solutions and build strategies to cope with changes. The pursuit of a common goal using a problem-solving approach enables groups of small-scale producers to develop a greater sense of competence and control over their future, thus increasing their self-confidence.

In India, the development of the self-help group (SHG) movement in the framework of a programme supported by IFAD, the SHG-Bank Linkage Programme, illustrates a similar approach. Myrada, an Indian NGO, focused activities on small, homogeneous watershed management groups that had started as self-help credit management groups. Myrada used credit management as an entry point and training tool. Credit is an appropriate training tool because it is familiar and meets a felt need. Being able to successfully manage their common fund gives a group the confidence that they can achieve their objectives, provided they are willing to observe certain rules and create a culture that motivates people to support each other. Self-help group members acquire management experience while conducting the affairs of their organization. They learn to set priorities, to take decisions and risks, to draw up rules of behaviour, to resolve conflicts, and to apply sanctions effectively for non-compliance (Fernandez, 1998: 2). In such an approach, small-scale producers acquire the skills required to institutionalize and manage cooperation. Ultimately, this

The most obvious change is that field staff become facilitators rather than implementers

problem-solving approach, which determines how well small-scale producers capitalize on opportunities, is the first milestone in building small-scale producers' self-confidence and autonomous capacity to drive their own development.

The FFS and SHG approaches represent a shift in roles, responsibilities, and mindsets between rural actors. The most obvious change is that field staff become facilitators rather than implementers. Rather than solving problems on behalf of small-scale producers by supplying them with solutions through templates or recipes, field staff support group dynamics. They coach small-scale producers, facilitate consensus-building, guide their reflection, and enable experience-sharing. This approach emphasizes how small-scale producers themselves can improve their capacity for organizational and collective action.

In summary, local group formation is key to successful collective problem-solving. Small-scale producers develop a broader capacity to collaborate voluntarily in pursuit of a common group goal, and thus take collective action. Bonding relations are the foundation and the prerequisite for most producer collective action to be able to succeed. They also generate new relationships among small-scale producers, based on their own capacity to make independent and informed individual and group decisions. In this way, bonding relations enable small-scale producers to become decision-makers and implementers of those decisions in their own right.

Bridging: building relations of cooperation among producer organizations

In many developing countries, several types of constraints limit small-scale producer participation in the market (World Bank, 2008; Lothoré and Delmas, 2009). Strong bonding relations, social solidarity, and cooperation among small-scale producers are a necessary, but not sufficient, condition to ensure that they have effective market access or can improve food security. Small-scale producers and their local organizations are generally highly fragmented and spatially dispersed in small firms, and otherwise lack the internal capacity and resources to seize market opportunities and to influence policy processes and decisions at the national level. Thus they face high risks and transaction costs, and so often do not invest to increase production of marketable crops, livestock, and fisheries (Losh et al., 2010). By building inter-group relations among local producer organizations (self-help groups, grassroots associations, and cooperatives), bridging relations are an important complement to bonding relations. These cooperative connections between relatively homogeneous groups of people (Woolcock, 1998; Woolcock and Narayan, 2000; Uphoff,

Bridging relations are an important complement to bonding relations

Table 1. Overcoming small-scale producer market constraints through bridging relations

<i>Small-scale producer issues</i>	<i>Apex organization role</i>
Low supply capacity: – weak technical capacity to produce; low and irregular supply – difficulty meeting quality standards	Partnership with private sector, e.g. in contract farming Pooling resources and production Training members
Risk exposure	Mutualization of the risks among producers
Asymmetry of information	Collective collecting and processing information
Asymmetry of power	Improved bargaining power to secure contracts that share risk equally among parties

2000; Beugelsdijk and Smulders, 2003) are formed across unions of local self-help groups, grassroots associations, and cooperatives and federations of unions known as apex organizations. These organizations enable small-scale producers to gain negotiation and bargaining power needed to access new markets and have a greater voice. Bridging relations typically connect different small-producer organizations at the local, national, and regional levels within unions and federations of producer organizations (POs).

As shown in Table 1, small-scale producer groups overcome their constraints by cooperating to minimize costs and share risks. This cooperation takes the shape of bridging relations among small-scale producer grassroots groups, self-help groups, local associations, and cooperatives within:

- networks of interlaced relationships in which control and power are diffused and centres of decision are widely decentralized;
- apex organizations grouping together organizations within unions and federations of POs.

Apex organizations
can communicate
producers' needs
and priorities and
offer a broader
range of services

By creating bridges between similar organizations, within unions of local groups or federations of unions, small-producer apex organizations are better able to accomplish their mission, overcome constraints, communicate small-scale producers' needs and priorities, and offer a broader range of services than they would as individual smaller-scale organizations. The National Smallholder Farmers' Association of Malawi (NASFAM) is an example of this gradual and cumulative process, which can take more than a decade. In the early 1990s, several grassroots groups came together to form secondary-level farmers' associations (farmers' unions). These associations provided

inputs, credit, information, and other services to their members. By 1998, constituent groups understood the benefits of collective action, and 14 associations joined forces to form an apex organization (federation of farmers' unions), the NASFAM. Today, NASFAM is an integrated system with an innovative multifunctional structure providing market, credit, training, and technological innovation services to 100,000 Malawian small-scale farmers. The association has also played a valuable advocacy role in policy-making, defending and promoting the interests of its producers in key arenas (Poole and de Frece, 2010).

In Kenya, the experience of producer groups of African leafy vegetables (ALVs) shows that bridging relations can enable small producers to take up the challenges of modern food-procurement systems and respond to supermarket requirements (Herbel et al., 2012). Small producers had to meet great challenges to ensure compliance with quality standards, quantities, and timing. Between 2001 and 2006, Nairobi's demand for ALVs increased by approximately 200 per cent (Irungu, 2007). To seize this market opportunity, small-scale farmers with the support of Farm Concern International (FCI), a regional NGO, organized themselves in a network of local groups and established a contract farming arrangement with the Uchumi supermarket chain. To fit specifications and ensure a steady supply of ALVs to Uchumi supermarket outlets in Nairobi, the farmer groups controlled phytosanitary conditions, staggered planting to ensure a continuous supply, and ensured proper and timely harvesting, grading, bulking, and delivery times. Traditionally, ALVs were transported in passenger vans as either luggage in the boot and on the roof carrier or inside the van. This mode of transport is no longer adopted. To meet high quality standards, farmer group leaders, with the support of FCI, identified reliable and affordable transport providers who would pick up the vegetables from the groups' collection points and deliver them to Uchumi's central stores from where they would be distributed to all supermarkets. Bridging relations among grassroots organizations allow farmers to mutualize the risks and to strengthen their competence by pooling resources. The POs' integration within an apex organization results in better coherence of decisions and economies of resources in comparison with independent POs. The integration within a union and a federation of producer organization unions allows for improved coordination and a regular supply.

According to the transaction-cost economics perspective, individuals within a firm are assumed to be 'boundedly rational' (Simon, 1991). In spite of their best efforts to deal with the complexity and unpredictability of their environment, producers and their local organizations are limited in their ability to plan for the future and to accurately

Bridging relations
between grassroots
organizations
allow farmers to
mutualize risks and
strengthen their
competence

predict and plan for the various contingencies that may arise. As a result, it is costly, both in time and resources, for producers to acquire and interpret information about their economic environment. In Argentina, the creation of the FeCoVitA Federation, encompassing 32 wine cooperatives and approximately 5,000 members, has allowed wine producers to get the information needed to collectively access national, regional, and international markets. The members provide their produce to the cooperative which is responsible for marketing the final product. The federation focuses on national distribution chains for its low-value products, targeting small grocery stores rather than supermarkets. It now also sells table and high-value wines in regional and international markets (e.g. Brazil, USA). This business model illustrates how fragmented and spatially dispersed small-scale producers can overcome market constraints by the formation of bridging relations within an apex organization (Herbel et al., 2012). Access to information is uneven; producers do not have the same stock of information as traders (asymmetry of information). Within unions and a federation of POs' unions, they can better access knowledge of the various existing alternatives. Collective processing of information reduces the costs of collection and treatment of the information to make relevant and coherent decisions, as the Argentinian case study shows. Bridging relations allow producers to widen their bounded rationality.

A two-way
information flow
appears to be
critical for building
transparency and
accountability in
decision-making

A two-way information flow, both bottom-up and top-down, appears to be critical for effective bridging relations. It contributes to building transparency and accountability in decision-making and a shared understanding among member organizations. For example, Argentina's FeCoVitA, with FAO's support, improved its corporate governance by developing a mechanism to guarantee that members' views could influence the federation's management. The federation created its assembly, which comprises 30 cooperative presidents who meet twice a month to discuss market policy, wine prices, technical assistance provision, credit policy, and other priorities identified by cooperative presidents. This mechanism enables representatives of different cooperatives to participate actively in the decisions of the federation while building dynamism and flexibility in the decision-making process. In turn, it has allowed the federation to function as a corporate business, guaranteeing entrepreneurial efficiency, and improving performance and competitiveness (Herbel et al., 2012). This effective two-way communication system has proved to be the glue holding the different member organizations together within the apex body.

The different cases presented show that bridging relations make vibrant and functional producer organizations (Fernandez, 2006) when unions of primary groups and federations of unions:

- provide services that can strengthen primary groups (self-help groups, grassroots groups, local cooperatives);
- channel communication among the different primary groups providing a forum for regular interaction and networking;
- undertake activities that benefit the primary groups but cannot be taken up by individual groups on their own (principle of subsidiarity).

Linking: from exclusion to full participation

Bonding and bridging relations prepare producers to link to national/global markets and influence policies

By providing small-scale producers with the capacity to make choices and implement them with a higher level of marketing and negotiation power, bonding and bridging relations prepare the ground for producers to link to national and global markets and influence policies. They prepare the conditions for a 'positive sum game' where no one, economic actor or policy-maker, wins at the producers' expense. Endowed with more complete information and representing a significant market share, an apex organization is then capable of making its interests recognized, communicating its objectives and its conditions with market actors and policy-makers. In other words, small-scale producers achieve the negotiation and market power necessary to establish balanced linking relations by 'connecting with people in power, whether they are in politically or financially influential positions' (Woolcock and Sweetser, 2002: 26). Hence linking relations (extra-group ties) connect small-scale producer organizations with actors that are unequal in power and status, and take a great variety of forms: contract farming, inter-professional associations, and multi-stakeholder platforms.

Apex producer organizations within contract farming can enable small producers to build effective win-win linkages with commercial stakeholders along the value chain. Thailand's contract farming arrangements involving small-scale vegetable and fruit producer organizations and Swift Co. provide a good illustration of a successful market partnership (Herbel et al., 2012). For a linking relationship to be successful, participants must feel that they will gain more from being part of a partnership than being outside of it. For Thai vegetable producers, this gain takes the form of a higher guaranteed price for their produce over the market price. For example, 2009 farm-gate prices of Kai-lan or Chinese kale were €0.11–0.13 (US14–17c) per kg in the dry season and €0.27–0.33 (35–43c) per kg in the rainy season. The partnership guaranteed prices of €0.31 (40c) per kg in the dry season and €0.56 (72c) per kg in the rainy season, an increase of 258 per cent and 187 per cent respectively. These prices created an incentive for contracted farmers to produce and adhere to the strict guidelines and quality standards that Swift

Consistent quality,
regular supply,
and competitive
prices increased
sales turnover and
earned consumers'
and retailers' trust

Co. had set. The partnership generated a direct income of over \$30 m to participating small-farmer groups. Swift Co. also benefited by being able to supply premium-grade fresh farm produce to customers in more than 10 countries (Australia, countries in the Middle East, Japan, and the United Kingdom), 365 days a year. Consistency of quality and food safety, regular supply, and competitive prices resulted in a steady increase in sales and turnover for the company, and earned consumers' and retailers' trust in high-end markets. This way, contract-farming partners, small-scale farmers, and traders each increased their profits.

Apex organizations
should establish
strong collaborative
relations with
policy-makers
to improve
agricultural/rural
development
policies

Creating an enabling environment for small-scale producers and their organizations to increase food security is vital. Governments have a unique role in creating the conditions to improve access to inputs and overall production in a sustainable manner while eliminating the policy biases against agriculture. These enabling conditions, which include sound policies, transparent legal frameworks, economic incentives, and participatory forums, are all necessary for producer organizations to be able to develop and thrive. For that purpose and in order to improve agricultural and rural development policies, apex small-producer organizations need to establish strong collaborative relations with policy-makers. In West Africa, the process of formulating the Economic Community of West African States (ECOWAS) Agricultural Policy (ECOWAP) offers a good illustration of how small-scale producer organizations can shape the enabling environment through effective linking relations with national and regional forums (Herbel et al., 2012). In 2001, the Réseau des Organisations Paysannes et des Producteurs Agricoles de L'Afrique de L'Ouest (ROPPA), a regional apex farmer organization from 10 West African countries (Benin, Burkina Faso, Côte d'Ivoire, the Gambia, Guinea, Guinea-Bissau, Mali, Niger, Senegal, and Togo), negotiated with ECOWAS and succeeded in having producer organizations participate in the regional taskforce responsible for formulating the regional agricultural policy. ROPPA organized consultations with national platforms in ECOWAS member countries, provided tools and resources for studies on the role of small-scale farming in rural development, and supplied methodological and technical expertise. The process enabled farmer representatives to gain a better understanding of agricultural policy. It also enabled each national farmer organization to develop a proposal outlining its perspectives on key roles of the different stakeholders. Under the umbrella of ROPPA, these common proposals were presented to national governments and at the regional level. In the process, ROPPA, as a regional farmer apex organization, became both an acknowledged and trusted source of information for ECOWAS as well as a more legitimate representative

body for members of national farmer organizations. ROPPA built its credibility with its constituency through:

- ensuring that national farmer organizations participate in documenting the national agricultural situations by organizing local and national meetings;
- raising awareness among national and regional policy-makers on the advantages of small-producer participation in policy-making;
- strengthening members' technical and negotiation skills with support from expert farmer organizations charged with conducting analyses;
- conducting a communication campaign with media to sensitize public opinion in the West Africa region.

The ECOWAS Agricultural Policy was adopted in January 2005, setting out a vision which included small-scale farmers' interests, especially related to family farming and food sovereignty. In 2009, the heads of state and governments of ECOWAS established a Regional Partnership for the Implementation of ECOWAP/CAADP (Comprehensive Africa Agriculture Development Programme). By co-signing this agreement with ROPPA, ECOWAS acknowledged it as a reliable interlocutor capable of producing a common proposal and synthesis of different national farmer platforms. Although the ECOWAP formulation process was a tremendous challenge, ROPPA demonstrated its capacity, know-how, and credibility as a regional policy partner throughout (Herbel et al., 2012).

Such processes succeed when both small-scale producers and governments benefit. Participatory policy forums can enable small-scale producers and other rural actors to inform governments about the constraints they face and can be effective mechanisms to overcome them. National policies and programmes, in turn, become more effective when they address small-scale producers' needs, thereby also enhancing government legitimacy and willingness to engage in dialogue and cooperation. Such processes of open discussion and debate, first among producers and later with governments, are a cornerstone of good governance and have played a crucial role in improving rural policies. More informed and less marginalized, small-scale producers thereby become actively engaged in all stages of the policy cycle, from needs assessment to implementation (Herbel et al., 2012). Finally, to quote Amartya Sen (2001: 291), 'Such processes of participation in political decisions and social choice cannot be seen as being – at best – among the means of development (through, say, their contribution to economic growth), but have to be understood as constitutive parts of the ends of development themselves.'

Thanks to the establishment of bonding and bridging relations, small-scale producers can establish balanced linking relations in

Open discussion
among producers
and later with
governments has
a crucial role in
improving rural
policies

Bonding, bridging
and linking relations
allow producers
to contribute to
defining the
'rules of the game'

win-win partnerships with powerful market actors, ending economic exclusion and collaborating closely with governments to end political exclusion. To paraphrase Douglass North (1990), winner of the Nobel Prize in Economics, small-scale producers go beyond 'playing the game', and contribute to defining the 'rules of the game' by transforming the policies needed for food security. This new organizational performance results from a radical shift in development approach. It replaces the traditional, directive, top-down model in which small-scale producers are expected to adopt imposed structures passively, with a new organizational approach in which small-scale producers define their needs, preferences, and agenda. Figure 3 provides an overview of this radical shift.

Conclusions

Numerous cases collected by FAO (Herbel et al., 2012) suggest that small-scale producers from developing countries can play a greater role in meeting the growing food demand on national, regional, and

Traditional relations: Top-down approaches	New relations: Pluralistic approaches
Governments, donors, and NGOs define producers' needs, preferences and agenda	Small-scale producers within their organizations define their needs, preferences, and agenda
Supply-driven support	Demand-led support
NGOs, government, and donors provide answers and solutions to small-scale producers	Support organization staff coach small-scale producers within their organization by facilitating an internal learning process
Prescriptive	Facilitating and coaching
Small-scale producers follow the directives given by government agency, NGOs, and project staff	Organization members identify issues and discover solutions
Farmers are passive	Small-scale producers' active involvement
Removes small-scale producers' sense of responsibility	Small-scale producers take on ownership by developing autonomy of decision
DEPENDENCY	EMPOWERMENT

Figure 3. New relationships among rural actors: government agents, NGOs, and members of producer organizations

international markets when accessing affordable inputs, information, competence, and output markets. Significant supply response requires a market system in which small-scale producers are actively involved as actors. A broad variety of institutional innovations have emerged in recent years, which have contributed to reducing small-scale producers' barriers to enter markets while improving policy-making. In order to transform these success stories into broader institutional change, a set of recommendations for supporting organizational capacity development can be suggested:

- Policy-makers and development practitioners need to improve their understanding of institutional change.
- Innovative partnerships between small-scale producers, governments, the private sector, the research community, and other relevant stakeholders must be considered and built.

This paper suggests that progress has been made in the direction of a new successful approach for producer collective action centred on producer ownership. Nevertheless, substantial challenges remain if this trend is to be transformed into broad rural dynamics of change. In building a dense network of bonding, bridging, and linking relations, many organizations and institutional arrangements emerged. They have enabled small producers to mitigate the different barriers they face. In order to increase these innovations, small-scale producers, governments, and profit and non-profit private-sector organizations need to build avenues of close collaboration in a renewed partnership.

A first challenge for policy-makers is to design and implement policies and programmes that take into account existing small-producer social dynamics and build on the capabilities of existing organizations. Indeed, developing organizations from scratch is the least desirable option. A second challenge for development practitioners (governments, donors, NGOS) is to be responsive rather than directive, to shift from a role of implementer (expert adviser, problem solver, trainer) to that of a facilitator (coach, process adviser). A shift from being service providers and problem-solvers/implementers to facilitators of institutional improvements can build on small-scale producers' strengths and strengthen their problem-solving ability. This shift requires that development practitioners change their mindsets and behaviours. Rather than focusing on outputs and immediate results, development practitioners have to centre on outcomes and long-term sustainability. A third challenge is to ensure that small-scale producers are actively engaged in their own development. Public and private development practitioners need to encourage small-scale producers to identify problems and discover solutions on a learning-by-doing basis, appreciate successes, and build on existing assets in their organizations. Within this renewed partnership, small-scale

A challenge for
policy-makers
is to design
programmes that
build on capabilities
of existing
organizations

producers have to maintain their autonomy of action to drive rural institutional changes within their organizations and build long-term arrangements and partnerships with the government, economic, and civil society actors.

In brief, governments become enablers, providing sound and enabling policy and legal environments and public goods that enhance the ability of men and women small-scale producers to develop institutional changes, while civil society acts as the facilitators of the institutional building process.

References

- Beugelsdijk, S. and Smulders, S. (2003) *Bridging and Bonding Social Capital: Which Type is Good for Economic Development?* [online] discussion paper submitted to ERSA 2003, Jyväskylä, Finland, <www.sre.wu-wien.ac.at/ersa/ersaconfs/ersa03/cdrom/papers/517.pdf> [accessed 23 October 2012].
- Bijman, J. (2010) 'Agricultural cooperatives and market orientation: A challenging combination?' in A. Lindgreen, M. Hingley, D. Harness and P. Custance (eds), *Market Orientated? The Metamorphosis of Food and Agricultural Production and Marketing*, pp. 119–36, Gower Publishing, Aldershot.
- Crowley, E., Baas, S., Termine, P., Rouse, J., Pozarny, P. and Dionne, G. (2007) *Organizations of the Poor: Conditions for Success* [online], Rural Institutions and Participation Service, FAO, Rome <www.fao.org/sd/dim_in3/docs/in3_050901a1_en.pdf> [accessed 23 October 2012].
- Develtere, P. (1994) *Cooperation and Development*, Katholieke Universiteit Leuven, Belgium.
- Develtere P., Pollet I. & Wanyama F. (2009) *L'Afrique solidaire et entrepreneuriale. La renaissance du mouvement coopératif africain*, International Labour Organization, Geneva <www.ilo.org/public/english/employment/ent/coop/africa/download/cooperatingpovertyfrench.pdf>
- Dilts, R. (2001) 'Scaling up the integrated pest management movement', *Leisa Magazine* 17 [online], AgriCultures Network, ILEIA-Centre for learning on sustainable agriculture, Amersfoort <www.agriculturesnetwork.org/magazines/global/lessons-in-scaling-up/scaling-up-the-ipm-movement> [accessed 23 October 2012].
- Fernandez, A. (1998) 'Self-help groups in watershed management', *Leisa Magazine* 14 [online], AgriCultures Network, ILEIA-Centre for learning on sustainable agriculture, Wageningen <www.agriculturesnetwork.org/magazines/global/challenging-water-scarcity/self-help-groups-in-watershed-management> [accessed 23 October 2012].
- Fernandez, A. (2006) 'A concept paper on federation of self help groups', *Rural Management Systems Series* paper 32 [online], Myrada, Bangalore <<http://myrada.org/myrada/rms32>> [accessed 23 October 2012].
- Ghanem, H., Matuschke, I. and Wiebe, K. (2010). *Using agricultural growth to fight poverty*. FAO, Rome <www.oecd.org/site/tadagmin2010/44682407.pdf>

Herbel, D. and Nanavaty, R. (2011) *SEWA's Organizational Model: Empowering Small-scale Women Farmers* [online], FAO, Rome <www.fao.org/Participation/Lessons-Herbel-Nanavaty.html> [accessed 23 October 2012].

Herbel, D., Crowley, E., Ourabah, N. and Lee, M. (2012) *Good Practices in Building Innovative Rural Institutions to Increase Food Security* [online], FAO-IFAD, Rome <www.fao.org/docrep/015/i2258e/i2258e00.pdf> [accessed 23 October 2012].

Irungu, C. (2007) *Analysis of Markets for African Leafy Vegetables within Nairobi and its Environs and Implications for On-farm Conservation of Biodiversity* [online], The Global Facilitation Unit for Underutilized Species, Rome <www.bioversityinternational.org/fileadmin/bioversity/publications/pdfs/1265_Analysis_of_markets_for_African_leafy_vegetables_within_Nairobi_ant_its_environs_and_implications_for_on-farm_conservation_of_biodiversity.pdf?cache=1338776118> [accessed 23 October 2012].

Kirsten, J., Dorward, A.R., Poulton, C. and Vink, N. (eds) (2009) *Institutional Economics Perspectives on African Agricultural Development* [online], International Food Policy Research Institute, Washington, DC <www.iadb.org/intal/intalcdi/PE/2009/04022.pdf> [accessed 23 October 2012].

Losh B, Fréguin B., Gresh, S. and White E. (2010) *Structural Dimension of Liberalization on Agriculture and Rural Development*, Synthesis Report, World Bank <http://siteresources.worldbank.org/EXTAFRSumESSD/Resources/1729488-1150486707499/P1_report_June08-FV.pdf>

Lothoré, A. and Delmas, P. (2009) *Market Access and Agricultural Product Marketing* [online], Inter-réseaux Développement rural, Technical Centre for Agricultural and Rural Cooperation ACP-EU (CTA), Wageningen, Agence Française de Développement (AFD), Paris <www.inter-reseaux.org/IMG/pdf_0-Complet_light.pdf> [accessed 23 October 2012].

Marshall, G. (1998) *Dictionary of Sociology*, Oxford University Press, New York, NY.

Martinez Nogueira, R. (2008) *New Roles of the Public Sector for an Agriculture for Development Agenda* [online], background paper for the World Development Report, World Bank, Washington, DC <http://siteresources.worldbank.org/INTWDR2008/.../MartinezNogueira_NewRolesOfPublic.pdf> [accessed 23 October 2012].

North, D. (1990) *Institution, Institutional Change and Economic Performance*, Cambridge University Press, Cambridge.

OECD-FAO (2011) *OECD-FAO Agricultural Outlook 2012–2021* [online], OECD-FAO, Rome <www.agri-outlook.org> [accessed 23 October 2012].

Poole, N. and De Frece, A. (2010) *A Review of Existing Organisational Forms of Smallholder Farmers' Associations and their Contractual Relationships with Other Market Participants in the East and Southern African ACP Region* [online], AAACP paper series No 11, FAO, Rome <www.fao.org/fileadmin/templates/est/AAACP/eafrica/FAO_AAACP_Paper_Series_No_11_1_.pdf> [accessed 23 October 2012].

Sen, A. (2001) *Development as Freedom*, Oxford University Press, Oxford.

SEWA, (2009) 'Developing agriculture as an industry', The SEWA's Agriculture Campaign. Ahmedabad, India.

Simon, H. (1991) 'Bounded rationality and organizational learning', *Organization Science* 2: 125–34 <<http://dx.doi.org/10.1287/orsc.2.1.125>>.

Stiglitz, J. (1998) *Towards a New Paradigm for Development* [online], Prebisch Lecture at United Nations Conference on Trade and Development (UNCTAD), Geneva <<http://unctad.org/en/docs/prebisch9th.en.pdf>> [accessed 23 October 2012].

Stiglitz, J. (2004) *The Roaring Nineties*, Penguin Books, London.

Stiglitz, J. (2007) *Making Globalization Work*, Penguin Books, London.

Stringfellow, R., Coulter, J., Lucey, T., McKone, C. and Hussain, A. (1997) *Improving the Access of Smallholders to Agricultural Services in Sub-Saharan Africa: Farmer Cooperation and the Role of the Donor Community*, Natural Resource Perspectives Overseas Development Institute (ODI), London, UK. Available at: <www.odi.org.uk/resources/docs/2929.pdf>

Ton, G., Bijman, J., Oorthuizen, J. (2007) *Producer Organisations and Market Chains: Facilitating Trajectories of Change in Developing Countries*, Wageningen Academic Publishers, CTA Wageningen.

Uphoff, N. (2000) 'Understanding social capital: Learning from the analysis and experience of participation', in P. Dasgupta and I. Serageldin (eds) *Social Capital: A Multifaceted Perspective*, World Bank, Washington, DC.

Woolcock, M. (1998) 'Social capital and economic development: toward a theoretical synthesis and policy framework', *Theory and Society* 27: 151–208. Available at: <<http://vefsetur.hi.is/phdsoced/sites/files/phdsoced/webform/literature/SocCapital%20%26%20Eco%20Dev.%20M.Woolcock.pdf>> [accessed 23 October 2012].

Woolcock, M. and Narayan, D. (2000) *Social Capital: Implications for Development Theory, Research, and Policy*, World Bank Research Observer, Washington, DC.

Woolcock, M. and Sweetser, A. (2002) 'Bright ideas: social capital – the bonds that connect', *ADB Review* 34, World Bank, Washington, DC.

World Bank (2008) *World Development Report 2008: Agriculture for Development*, World Bank, Washington, DC <<http://dx.doi.org/10.1596/978-0-8213-6807-7>> [accessed 23 October 2012].