

# Family farming – a model with a future?

Is there good reason to make family farms a focus of global attention for a year? Or is it not rather reckless to advocate a concept while completely disregarding the fact that the necessary conditions are often not in place? A few entirely personal thoughts on the International Year of Family Farming.

Initially it sounds like a good idea: an “International Year of Family Farming”. The idea, then, is to promote a concept which consumers, landscape designers, environmentalists, climate researchers and many others associate with a “(more) ideal world” and “(more) vital” rural development; which is often thought of as a guaranteed route to the much-vaunted goals of sustainable development and food security. The implication of the latter, however, is that family farming is not seen merely as an organisational model for society in rural regions but as an economic organisational unit, a supporting pillar contributing directly to the development of rural regions.

If this is the case, then is it enough to “celebrate” such a year in order to encourage policy-makers to reconsider the merits of family farming and thus position it as an engine of sustainable rural development – in the hope that this will improve the living conditions of farmers in developing and newly industrialising countries? Many problems faced by farmers in these countries today were just as familiar to family farms in Germany and the European Union a few decades ago. This being the case, it is worth taking a look at how these evolved, whether they contributed to rural development and, if so, over what period of time and under what enabling conditions. Now I can already hear the objections – it’s wrong to make comparisons with developments in this country; the underlying conditions in industrialised and developing countries are too far apart; the political framework conditions are too different, etc. – but still: we can, and indeed should, learn from experience.



**Karl-Martin Lüth**  
Consultant  
Liederbach, Germany  
K.Lueth@dlg.org

## ■ A personal experience

Having grown up on my parents’ farm holding in Schleswig-Holstein in the north of Germany, after an agricultural apprenticeship I initially worked for a few years on my parents’ farm. There followed university studies of Tropical and International Agronomy in Germany and England. Subsequently I worked for over twelve years in agricultural development projects in Africa and Asia before working for the German Agricultural Society (DLG) in the field of international agribusiness co-operation. Against the backdrop of this experience, when it comes to family farms I certainly have my own way of looking at things. How did “our” family farm – which was of quite a manageable size – come into being, and how did it develop? And which parameters contributed to this at the time?

In post-war Germany, all essential commodities were in desperately short supply. The precious little that was available was unaffordable; scarcity was the overriding principle. The owner of my parents’ family farm (my father) came back from the war after five years. During that time, his wife lived on the farm with three children. Together with the last surviving elderly relative on my father’s side, they barely managed the most necessary work to keep the farm running. The war years and the resultant need to help feed the extended family depleted the substance of the farm’s capital.

After the war was over, solutions were sought to make Schleswig-Holstein’s agricultural holdings productive once again and to improve the supply of food. At the same time, the aim was to build a new livelihood base for a large number of exiled farmers. After long negotiations, the result was that the large estates in Schleswig-Holstein voluntarily provided 30,000 hectares of agricultural land for a resettlement programme. In the course of the homesteading programmes for exiled farmers from eastern territories, land reform was implemented which also included the relocation of urban farms, including our family farm, to the countryside in 1949. A land settlement company valued the reformed land allocations in the form of land securities. The necessary long-term loans

which had to be serviced by each family farm were recorded in the land registers.

There were three “types” of farm holdings:

- “smallholdings” (Kleinsthofsiedlungen), only ever intended as part-time livelihoods,
- “half farm holdings” (Halbbauernstellen) on which at least one family member should earn a living from something other than the farm, and
- “full farm holdings” (Vollbauernstellen), like ours, where agriculture was the main source of income.

For my parents’ family farm it was a total new beginning. The new site was a specially consolidated plot of land, newly allocated as a relocated farm. At that time, access was via a sandy dirt track to the main road, which led to a small town with a market just 5 kilometres away, with corn trade and a dairy. (The nearest major city was Hamburg, around 100 kilometres away). The only vehicle the family owned was a two-horse open coach, with a simple coach box and a small load-bed. The coach served as a “milk cart” for the daily milking (done by hand), as a means of transporting anything anywhere, but also for Sunday outings to visit relations. The farm provided a living for the owner’s family including three children. Two elderly relatives on my mother’s side not only drew expellees’ pensions but also received old-age maintenance in kind from the farm (*Altenteil*, see below). Up to the end of the 1950s, the owner’s family was also supported by a housekeeping apprentice and a „young man”, who received free board and lodging on the farm as well. Before very long, however, the farm was no longer in a position to support these workers’ wages.

Over the years, the countryside farm turned into the ideal vision used in today’s food advertising: arable and grazing land, cart horses, dairy cows with offspring, sows with their own boar and fattening pens, laying hens, fattening geese, guinea fowl, ducks, a farm dog and a house dog, eleven cats and the usual menagerie of small animals. The farm was worked by plough, harrow, seeder and reaper-binder, all horse-drawn. Hired labourers came to thresh the harvest until 1961. As early as 1955 the first (second-hand) tractor was running on the farm. At the end of the 1950s the roads

were developed and surfaced in asphalt. The house was progressively enlarged and modernised. In 1957 the horses were replaced with a brand-new all-wheel-drive tractor.

Up until the end of the 1970s, the then 25-hectare farm was sufficient to support a family of five. However, this burdened the family with an extremely high workload and tied them completely to the farm, even the children, who were integrated into the farm’s routines like proper workers. With the onset of the 1980s, the underlying economic conditions for this family farm had deteriorated so much, mainly through the assimilation of agricultural prices on the global market, that soon the farm’s income barely sufficed to finance the *Altenteil*, the maintenance agreed in cash and in kind to support a farmer’s parents in old age in return for keeping the farm in the family.

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### ■ Lessons learned

So what was the driver of this agricultural (and rural) development process, which only prevailed for a certain period but nevertheless was relatively successful, and what conclusions can be drawn from it – against the background of my experience in Africa and Asia – in relation to the IYFF?

First of all, the following conditions must be met: soil and climate – in whichever region of the world – must be suitable to support agriculture. There must be existing agricultural know-how, demand for agricultural products and a market for them. Moreover, farming families must be willing to work together to improve living conditions, assert their interests and develop what is commonly known as “entrepreneurial practice” – be it of the most basic standard. Once these factors are in place, I see the following four points as the vital keys for positive development of agricultural holdings and rural areas:

1. Land law, land use and long-term security of tenure (heritable, acceptable as collateral)
2. Infrastructure
3. Market access reasonably close at hand, so as to have access to all kinds of inputs (even such simple items as nails or wire to fence in livestock and thus secure valuable property) and be able to offer the farm’s own products and exchange information
4. Energy supply

So what is the status regarding these points in the rural developing regions of this world?

1. Even at the first point, we often draw a blank. How should a subsistence farmer or a smallholder develop and extend his farm when he lives with the uncertainty that tomorrow, or the day after, he may have to leave his land? Bigger,



Homestead farm  
in Germany

Photo: M. Lüth

*Family farming in the Central Mahakam area, a 24-hour boat journey from the nearest market town of Tenggarong, East Kalimantan, Indonesia.*



Photo: M. Lüth

- longer-term investments for the future – and larger-scale plans, e.g. for irrigation or drainage – are not carried through under this uncertainty.
2. Agricultural products are normally bulky; transporting these to market by rustic means over impassable terrain (a concrete example from personal experience: pushing rice sacks in a dugout across swamplands) can be a sheer impossibility. Certainly a dealer – a middleman – will also collect goods from the farm; but because he bears the cost and laborious effort of transportation, he will drastically force down the price. Then the farmer's work no longer pays!
  3. Market access is a very critical element in rural development. I have been in regions and villages in Africa and Asia without a market within a radius of hundreds of kilometres! Even small purchases were not possible. Everything had to be procured from the provincial capital. A smallholder cannot afford to go on shopping trips; nor does this task fit into his "entrepreneurial portfolio".
  4. The speed and quality, the turnover and quantity of work processes can only be improved if energy in some form is applied, and this is no less true of small agricultural holdings. Without an energy supply the productivity of the farmer's family is limited to the number of hands or the amount of animal power. It wears families out and holds back their entrepreneurial engagement.

Of course there are many other factors like the agricultural extension service (which, it is to be hoped, actually speaks with the farmers!), a functioning banking system with access to short-term and long-term loans, market information services, and communication, etc. The functionality of these additional development factors, however, is directly linked to the four points mentioned above. A loan system will only function if corresponding securities can be lodged, such as land-title or at least a long-term land-use right. A market information system is only worth having if the market can be reached while the information is still current. Costly energy use only makes sense if the surplus harvest can be transported away without undue effort. Naturally, a lobby or a mouthpiece – e.g. a farmer's organisation – is a helpful structure for asserting the sector's interests vis à vis other branches of a national economy.

### ■ A brief conclusion

The IYFF is a well-intentioned initiative and is, after all – as the UN writes on its website – addressed to policy-makers. Merely turning the focus on family farming is not enough, however. The fortunes and misfortunes of a family farm depend on local circumstances, the underlying conditions listed under points 1 to 4, and whether a region or country is in a position to develop and establish these. These enabling conditions are existential for family farms. And this, in my view, is the core problem: which developing or newly industrialising country can pull that off, which politicians are strong enough to campaign for it and unlock the resources? All of that has a great deal to do with good governance.

Whether we like it or not: the global actors, the multinational corporations which invest in agricultural production in developing and newly industrialising countries are so welcome there because they bring everything with them. They commit their own resources to financing the technology, the infrastructure, the marketing, and so on. That leaves few opportunities for the family farming that is commonly considered so desirable. Therefore another question that arises is whether it is defensible – in ethical terms, too – to advocate family farming for developing and newly industrialising countries and to urge farmers' families into the entrepreneurial model of the family farm, knowing only too well that the necessary conditions are only met in rudimentary form or cannot be established adequately. On the other hand, if the said enabling conditions are created and consistently fostered, then family farming can certainly become a supporting pillar of sustainable rural development.