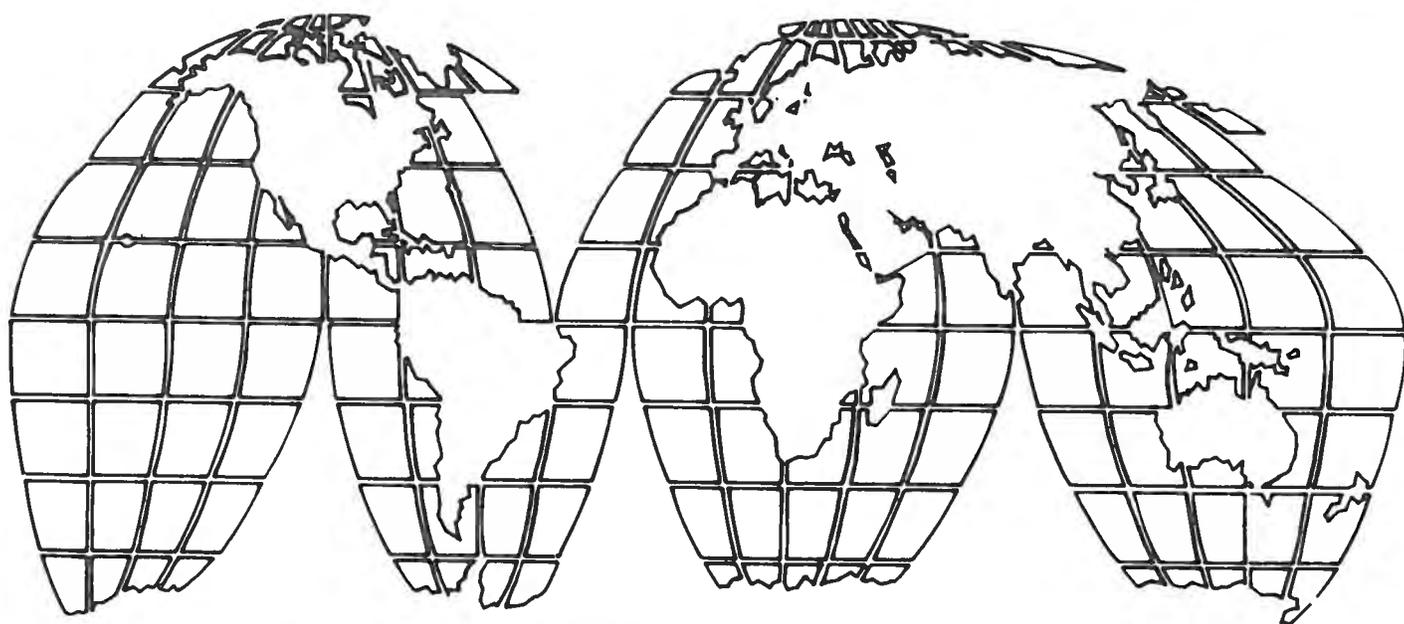


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A.I.D. Program Evaluation Discussion Paper No. 26

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## Small-Farmer Attitudes and Aspirations



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June 1989

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Agency for International Development (A.I.D.)

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Washington, D.C. 20523

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SMALL-FARMER ATTITUDES AND ASPIRATIONS

A.I.D. PROGRAM EVALUATION DISCUSSION PAPER NO. 26

by

Ken Kusterer, Sociologist  
(American University)

U. S. Agency for International Development

June 1989

The views and interpretations expressed in this report are those of the author and should not be attributed to the Agency for International Development.



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FOREWORD

An unfortunate reality of the economic development business is the wide economic and social gulf between development professionals working at policy levels in the world's richest nations and the third-world farm families to whom development assistance is often directed. Yet most of what the international development community knows about small farmers comes from the reports of such visiting development professionals. Feedback is, in effect, filtered through the eyes, ears, and intellects of individuals only remotely connected with the population under study.

It seems likely, given this process of intermediation, that some important nuances of those farm families' perspectives are not well communicated and are possibly even entirely misconstrued. This presents serious problems to the Agency for International Development (A.I.D.) and other donor organizations.

If the cooperation of small farmers is critical to the success of A.I.D. project interventions (e.g., in a seed distribution program, small farmers must be willing to plant the seeds), then we must have a clear idea of their attitudes and aspirations. If the intended target farm family beneficiaries attach no importance to increasing rice yields, for example, but can all agree on the need for a school or better road maintenance, these attitudes should inform A.I.D.'s programming process.

If these same families aspire to invest their extra time (beyond what is needed for subsistence) in cottage industry or off-farm employment, these aspirations should likewise inform A.I.D. programming.

In 1986 A.I.D.'s Center for Development Information and Evaluation (CDIE) initiated an effort to find ways of getting more direct feedback from third-world farm families. The purpose in doing so was to determine whether we are operating with significant misconceptions, and if so, how we might better inform A.I.D.'s programming process. This report presents the results of one of these initiatives. (Another was a "marketing style" survey of families in 100 villages in Northeastern Thailand, which asked direct questions about delivery of agricultural services and quality-of-life impacts of economic changes.) For this study, Dr. Ken Kusterer, then Chairman of the Sociology Department at American University, was asked to review PhD dissertations written by researchers who had spent long periods of time in third-world villages that were undergoing economic development. Kusterer was to focus his efforts primarily on PhD dissertations to see if useful conclusions could be drawn from the researchers' experience in third-world villages.

He was asked to avoid recourse to published literature for core findings, turning there only when his primary task was completed and then only to relate his findings to a broader context.

To many in the economic development community, Kusterer's findings will be unsettling because he describes the third-world farm family, and its attitudes and aspirations, in a fresh and unconventional way. Furthermore, he does it in a bold and unapologetic style, offering a taxonomy of family aspirations that removes the farm per se from center stage, replacing it with a broader focus on what might be called the household economy.

Kusterer does not claim to have answers. Rather, he offers a series of hypotheses to explain behavior. He says, in effect, that his reading of 268 studies gave him no clear answers, but after much thought he was able to infer a set of values that is consistent with farm family behavior.

We in CDIE find Kusterer's paper provocative. Reactions to it range from strong disagreement to strong agreement. All, including Kusterer, agree that to be able to defend his hypotheses with any assurance, additional study and testing are needed. We offer this paper to our colleagues in the development community on that basis, as a provocative "think piece" that may warrant further investigation.

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## 1. INTRODUCTION

### 1.1 Major Findings

This report attempts to inform the reader about small-farmer perspectives on development. It relies on unpublished studies, mostly PhD dissertations carried out through extended direct contact between researchers and third-world farm communities. It seeks to determine whether a clearer, more detailed understanding of small-farmer attitudes and aspirations might enable the design of more effective development projects.

The small-farm household was found to be a complex and diversified economic enterprise, engaged in many different kinds of productive activities, of which subsistence farming was only one part. These productive activities can be categorized according to four sectors: the domestic production of goods and services for consumption in the household; farm production for exchange; the home-based, self-employed production of nonfarm goods and services for exchange; and off-farm wage labor.

Small farmers allocate labor resources among the four sectors in part according to the costs and benefits they perceive to be associated with each, with the frequent result that when the opportunity structure permits, they freely shift labor out of traditional home and farm work. In making these decisions, they are also guided by their economic development goals, which are hierarchically structured. Small farmers move incrementally through a five-level hierarchy (see Section 4.2), seeking to achieve the next level only when the one below it has been fairly well secured. Thus, small farmers first put highest priority on establishing and securing their household base with its domestic economy. Later, domestic subsistence production takes on a much lower priority, as farmers put a higher priority on activities that produce an independent income for all adult household members.

As a result of the increasing emphasis on income-earning productive activities at the higher levels of the hierarchy of economic development goals, successful small farmers who reach the highest level often cease to be primarily small farmers. From the small-farmer perspective, economic development ultimately means transcending small-farmer status, either by becoming a large farmer (rarely) or (more often) by becoming a part-time farmer whose primary economic activity is elsewhere.

## 1.2 Implications for A.I.D. Programming

If the study findings are valid, they have two broad implications for A.I.D. programming:

1. Some commonly held views about small farmers may not be valid.
2. Approaches to improving the lot of the small farmer that are based on these views may be inappropriate.

### 1.2.1 A Revised View of Small Farmers

Our findings suggest that some commonly held views concerning small farmers may not be valid, particularly the perception that they are tied to their land, resistant to change, and influenced as much by tradition as by reason. Rather, the following alternative characterizations of the small farmer seem to prevail:

- Small farmers are eager to enter the market economy. They are the microentrepreneurs in rural areas.
- The proper unit of analysis is not the farm but the household, which is best viewed as a "diversified mini-conglomerate" with individual household members pursuing a variety of economic activities and multiple occupations.
- Small farmers are not distinguishable from other rural poor. Thus, we use the terms "small farmer" and "rural poor householder" interchangeably.
- Small-farm households (and householders) exhibit hierarchical goal-seeking behavior. The driving force underlying that hierarchy has two components:
  - Extending economic security along a time line, that is, from a day-to-day perspective (e.g., hunter/gatherers) to a generation-to-generation perspective (e.g., educating children to ensure that the next generation has a higher standard of living)
  - Minimizing the risk of losing the level of economic success already achieved
- Goal-seeking behavior can be expressed in five distinct levels of objectives. These levels (and behaviors) transcend cultural and geographic boundaries: they appear to be universals.

- Small-farmer behavior appears completely rational when viewed from the perspective that farmers act to protect their current position in the hierarchy or to advance to the next level.
- A successful small farmer will ensure that the next generation will include at least some members who are not small farmers. In fact, the typical successful small farmer is no longer primarily a farmer.
- The small farmer innovates and takes risks as appropriate to the situation. Although tradition is important, the evidence indicates that small farmers make rational economic decisions based on the options available to them.

### 1.2.2 Approaches To Improving the Lot of Small Farmers

If these conclusions regarding the attitudes and behavior of small farmers are correct, many of the conventional approaches to improving the lot of the small farmer are not valid. In particular, this finding relates to three types of programs:

- Credit programs directed to subsistence farmers. This type of program is problematic because for small farmers at this level of development, the priority concern is with production for consumption. Risk taking is minimal, as is ability to generate the profits required for loan repayment.
- Government programs that require putting household survival at risk. Such programs are unlikely to be well received. Small farmers will not risk their livelihood on the ability of the government to continue a program.
- Research programs aimed at increasing the productivity of existing farming practices. Small farmers respond so rapidly to changes in conditions that such research will often be outdated before it is completed because the underlying conditions (e.g., farm prices or alternative nonfarm employment opportunities) have changed the economics of such practices.

What types of program are appropriate for small farmers?

- Almost any investment with a broad general impact (e.g., roads) or a strong multiplier effect (e.g., new jobs) will probably increase the effective income of households in the area.

- Programs that will most clearly and directly benefit the smallest (i.e., subsistence) farmers are those that improve the productivity of householder labor. Such programs include investments in infrastructure.
- Infrastructure investments that will most directly benefit the farm (as opposed to the household) are investments that facilitate market entry. Such investments might include roads and irrigation facilities.
- The best women's programs (in the sense that they would benefit women both directly and primarily) would be investments in utilities such as water, sewage, and electricity. Such investments increase the labor productivity of the female farmer/householder and enable her to invest the increased productive labor hours in movement along the hierarchy, typically in ways that increase her personal income.
- The establishment of markets for crops, especially new (as opposed to traditional) crops, is of direct benefit to small farmers.
- Unlike research aimed at increasing the productivity of existing farming practices, research that defines new crops for ensured markets can be acted on immediately.
- Key to rural households is diversification. Households at the subsistence level diversify to decrease the risk of failure. Households sure of subsistence diversify (and take great risks) to move to a higher level goal. Thus almost any project that increases the options available to rural households will be of benefit if and only if those households are above the subsistence level.

## 2. RESEARCH AND METHODOLOGY

This study involved a literature review and synthesis of primary studies and then a comparison of the study results with other related contemporary literature.

A search of all plausible databases yielded a universe of several thousand studies, representing multiple perspectives and disciplines. From this universe studies were selected according to their relevance to the topic and their reliance on direct observation rather than questionnaires and surveys. The theory behind this selection criterion was that the best predictor of attitudes is behavior, not responses to hypothetical questions.

The 268 papers that met the study criteria embraced a variety of disciplines and virtually the full range of cultures and agricultural practices.

The conclusions presented in this report were developed after intensive review and synthesis of the research findings. The literature was then reviewed again to ensure that the somewhat unsettling findings were consistent with the research studies. Such was found to be the case. Subsequently, the study results were examined for consistency with the findings of other contemporary literature.

### 3. DEVELOPMENT AND THE SMALL-FARM ECONOMY

#### 3.1 The Small-Farm Household

A common theme in recent studies is the call for a more sophisticated understanding of the economic activities of small-farm or peasant households. Typically, these studies reject the traditional terms "peasant" or "small farmer" as misleading oversimplifications of a much more complex economic reality. In a widely cited piece, Smith (1979) rejects both terms in favor of the clumsy phrase "multi-occupational petty producers." Fegan (1979) calls the small-farm household a diversified family conglomerate (see Section 3.5.1).

This new perspective on the small-farm household and its economic activity, which emerged in the literature in the late 1970s and has come to dominate current anthropological work, results partly from empirical observation of the income-generating activities of the rural poor and partly from the new women-in-development-oriented focus on the productive activities of women and children in the household. With this perspective in mind, the small-farm household will be defined in this study in a way that differs slightly from that of the development literature tradition.

"Small" here refers neither to household size nor land extension, but to the scale of economic activity, that is, of income generation and capital accumulation. "Small," in other words, means mainly poor, or at least not rich or middle class. "Farm" here does not necessarily refer to a piece of independently worked land, although that is usually present, but refers to a household that is physically located in a rural setting and economically located in the agricultural sector. Thus landed and landless cease to be relevant categories. Almost all small-farm households have access to at least some land (the dwelling site), and almost no small-farm household engages exclusively in

farming its own land as its only economic activity. "Household," a term natural to societies in which the dwelling and consuming units are identical, is difficult to define in other societies, but it is used here to refer to the food-producing and -consuming unit when that unit differs, as it often does in rural Africa, from the residential or sleeping unit. "Small farmer" in this study refers to any adult member of a small-farm household, without further reference to gender or position in the household.

### 3.2 Small-Farm Economic Activities

Several typologies have been used in the anthropological literature in an attempt to develop meaningful categories of small-farm households. Table 1 presents Ashby's (1980) summary of the most frequently used criteria for such categorization. The authors she cites have used the criteria that seemed most theoretically and empirically important to establish typologies of peasants (Wolf 1955, 1966; Chayanov 1966) or of small farms (Paige 1975). Ashby used exploratory factor analysis techniques based on these variables to create an empirically based typology of small farms in the hill country of Nepal, where she conducted her fieldwork in the late 1970s. This empirical analysis showed that the most important variables affecting small farms were the extent of market integration and the type of linkage to markets (cash crop production, cash livestock sales, off-farm employment).

The result of Ashby's work was a typology of four classes of small farms:

- Large-farm commercial (1 hectare or more; 50 percent or more of income from cash crop sales)
- Small-farm commercial (less than 1 hectare; 50 percent or more of income from cash livestock sales)
- Part-time (33 percent or more of income from off-farm activities)
- Subsistence (little or no cash earnings)

What appears most significant about Ashby's work in the context of other work in this review, however, is that her farm types are based on clusters and that almost all farm units exhibited all types of income and market integration mechanisms. In other words, almost all farm households had income from cash crops, cash livestock, off-farm activities, and subsistence-farming activities.

Table 1. Summary of Criteria From the Anthropological Literature for Categorizing Small-Farm Households

Major Criterion	Stinchcombe 1972	Galeski 1972	Sorokin 1930	Chayanov 1966	Wolf	
					1955, Paige 1966	1975
<b>Labor Use</b>						
Self-Sufficient	x			x		x
Part-Time		x	x			
<b>Exchange</b>						
Production for Consumption		x	x		x	
Production for Market	x	x	x		x	x
Land Tenure	x					x
<b>Agricultural Production Activity</b>						
	x					x

Source: Ashby (1980, 101).

Ashby's typology is based on the relative significance of each income source in the total earning of each farm household. But her data clearly demonstrate the multioccupational or miniconglomerate nature of each small farm. For instance, she looked at the speed and extent of adoption of high-yielding varieties of hybrid rice and corn seed, and found no greatly significant variation among her farm types. All grew the new varieties, and subsistence farms trailed large commercial farms in adoption of the new seeds by an average of only 3 years.

Dillon (1983) studied the labor allocations of smallholder beneficiaries of a rubber and rice smallholder development project sponsored by the World Bank in North Sumatra. These households were headed either by "former plantation workers" or "former peasants," meaning that project participants had previously received a majority of their income either from off-farm wage labor or from subsistence and local-market cash crop production.

As a result of the project, male heads of household were spending 75 percent of their time in rubber production and 19 percent in off-farm labor, leaving only 6 percent for household work and subsistence rice farming. Women and children likewise

spent almost half their time in rubber production, but since they worked many more hours per month than did male household heads (169 hours for women and 157 hours for children compared with 135 hours for male household heads), almost one-third of family labor time was still devoted to rice, livestock, and household activities. Although off-farm wage labor constituted a much smaller proportion of women's total labor time, they also managed to contribute about one-third of the family's off-farm wage labor work (pp. 78-79). So even these small-farmer beneficiaries of a commercial farming project still spent almost half their time in either subsistence farming activities or off-farm wage work.

A basis for understanding the small farmer's perspective on development, therefore, is a clearer picture of the multiple occupations that constitute the economic activities of the members of a small-farm household's miniconglomerate.

### 3.3 Four Sectors of the Small-Farm Economy

The small-farm economy can be conceptualized as having four sectors:

1. Household production of goods and services for consumption and risk minimization
2. Cash crop farming
3. Self-employed nonagricultural business activities
4. Off-farm labor

Most small-farm households engage in production for home consumption. Although it is conceivable that a subsistence farmer might carry on no other economic activity (and many developed country observers of third-world farming share this stereotyped view), there were virtually no examples in this literature of farm communities in which that degree of farm self-sufficiency was the norm. Most farm households engage in activities in all four of the economic sectors, either as a response to limited opportunities in any one sector or as a deliberate strategy of diversification and risk minimization.

To clarify and specify the nature of the productive activities in each sector, Table 2 details the activities for each sector. The table reflects the variety of possibilities found in this literature, and while it is intended to be as inclusive as possible, it probably should not be considered exhaustive.

Table 2. Productive Activities Within the Four Sectors  
of Rural Household Activities

---

Sector	Activities
1. Household production for home consumption	Subsistence farming Household manufacturing, food processing and the like Maintenance and repair of household possessions and domestic capital stock Supplementary hunting, fishing, and gathering (food and fuel) Personal services, including child rearing
2. Cash crop farming for market sales	Cash crops for extralocal markets Staple or subsistence crops for local market sale or barter Auxiliary nonstaples for local markets (livestock, poultry, herbs, and vegetables)
3. Self-employed nonagricultural business activities	Manufacturing First-stage processing of cash crops Final-stage processing of traditional goods for street or market sales to local consumers (e.g., chuno, tortillas) Handicraft production of artisanal goods  Services Front-room stores Market trading Transportation services (from backpack to bike and burro to motorized vehicles) Rental of household capital stock (e.g., animals, farm equipment, television viewing) Rental of housing to tenants or boarders for cash or labor services
4. Off-farm labor	Nonwage labor to fulfill obligations to landlords, government, community organizations, and so on Day labor, occasional or seasonal, on other local farms Local household service work Contract or seasonal migrant labor (e.g., mining, harvesting, urban domestic service) Local nonagricultural employment (e.g., processing plants) Semipermanent employment on large estates or plantations Educationally qualified nonfarm occupations (e.g., teacher, government official)

---

### 3.4 The Small Farmer and Development

From the point of view of a society or community, economic development consists essentially of the increased productivity of labor, usually resulting from either increased investments or the establishment of new organizational forms. From the point of view of an individual, economic development consists of a greater return on assets. The members of small-farm households in the developing world are involved in a variety of labor contexts, with varying levels of productivity and varying cost-benefit ratios that affect the individual's return from that labor.

This literature review suggests that the assumptions of "homo economicus" or "peasant rationality" are reasonable enough guides to the development preferences of small farmers--nothing new here. But it also suggests that the basically patriarchal internal relations of small-farm households and the miniconglomerate nature of the household as an economic unit make it extremely complicated for anyone, whether outsider social scientist or insider small farmer, to determine the most economically rational labor allocation for any individual small-farm man or woman in a particular instance.

Nevertheless, it is safe to say that it is almost always economically beneficial for small-farm women in particular to transfer labor from the subsistence sector of the household economy to the other three sectors (because to do so gives them a say in resource allocation), and for all small farmers to transfer labor from inherently risky agricultural production to nonagricultural (or at least not agriculturally self-employed) production. Thus case studies show that in general, when the structure of opportunity permits such transfers, small farmers are seldom bound by any traditional values that would prevent them from moving out of their houses and out of their fields with great alacrity and enthusiasm.

### 3.5 Findings

All of the literature reviewed either supported or failed to refute the following conclusions:

1. The proper unit of analysis is the rural household (and householder), not the small farm. The ideal of the small farmer, rooted to the land and selected crops, is a myth. All populations are eager to enter the market economy.

2. There is a taxonomy of householder production, based on the expected results of labor, that accurately reflects his/her role as a member of a highly diversified "corporate conglomerate."

### 3.5.1 The Rural Household As the Proper Unit of Analysis

The results of the literature review indicate that Smith (1979) and Fegan (1979) were right on target in their characterization of the rural household. In his widely cited piece, Smith rejects the terms "peasant" and "small farmer" in favor of the phrase "multi-occupational petty producer."

Fegan calls the small-farm household a diversified family conglomerate:

I criticize models of the economic behavior of small farmers, and offer up as an alternative a model of a household that is a diversified family conglomerate that allocates its resources between a number of competing income producing uses that have different costs, benefits, risks, etc., with the minimum aim of ensuring the short run survival of the present unit, and the larger goal of acquiring capital and setting up the several households of its children (pp. 362-363).

Several extensions of this view emerge from the literature review and analysis:

- The household is best viewed as a "diversified conglomerate" and is the proper unit of analysis.
- Within a conglomerate, the individual "corporations" have potentially conflicting objectives that may or may not ultimately be subordinated to the overarching objectives of the conglomerate. Similarly, the male and female heads of household have differing objectives, which they may or may not fully subordinate to the objectives of "the household."
- The households described are all of the rural poor. Distinctions between landed and landless or those currently farming and those not currently farming are not relevant to attitudes and behavior. All rural poor households typically exhibit a wide range of behaviors that are directed, above all, to establishing a secure household economy and to entering the market economy as rapidly as possible.

### 3.5.2 The Rural Household As Diversified "Corporate Conglomerate"

The characterization of the small-farm economy in terms of the intended result of householder labor yields the four sectors of the household economy cited earlier: (1) production for home consumption, (2) cash crop farming, (3) self-employed nonagricultural business activities, and (4) off-farm labor.

## 4. DEVELOPMENT GOALS, STRATEGIES, AND PERCEPTIONS OF SMALL FARMERS

### 4.1 Establishing and Transcending a Domestic Economy

For small farmers, economic development results from their efforts to achieve two overarching economic goals, to establish their own single family household unit as an economically viable enterprise, and then to transcend that status by accumulating capital and ultimately helping their children to set up their own household units. This single family household unit is referred to as a domestic economy.

First, small farmers must establish a household as a locus and capital base for their economic unit. When they have not yet established that base, either because they are a newly formed domestic unit or because they live in circumstances of such poverty or such exploitive economic subordination that household formation has not been possible, then their principal economic goal is the creation of the culturally appropriate household. The historic peasant demands for land and freedom represent the aspirations of small farmers to establish a domestic economy when social and political conditions make that impossible.

Once a domestic economy has been established, members of a small-farm household have the continuing goal of building up its capital base to increase their domestic productivity, to raise their material standards of consumption, and eventually to provide for the creation of household units for subsequent generations. But they take on a new goal as well: transcending the economic limitations of their own domestic economy.

It is this latter goal, in its many possible forms, that is so clearly illustrated in the economic strivings of the small farmers described in this recent literature. The progress of this century in the developing world is nowhere more clear than in the fact that conditions of peonage and land monopolization that were so general 50 years ago are now rarely encountered.

Throughout the developing world, most rural residents now belong to functioning domestic economic units. Problems of poverty are still so severe that for most it is a lifelong struggle to establish and maintain a domestic economy. But it is a struggle that most small farmers in most places in the developing world are winning. The status, autonomy, and economic security that result are a significant accomplishment--one that is often little appreciated by observers journeying from another, richer world. The domestic economy is everywhere more or less patriarchal; however, because it contains a sphere of day-to-day economic autonomy for mother-wives, it represents a particular economic achievement for third-world women, the least advantaged of the rural poor.

Nevertheless, further economic development requires the domestic economy to be transcended in two ways. The first is through a surplus of labor or product available for export from the household, so that capital goods can be imported to further increase the productivity of domestic labor, thus making available more economic surplus. These activities can result in a continuing process of domestic capital accumulation and economic growth. The second way is through an income-producing activity, outside the domestic subsistence economy, for household "dependents"--women and young men--who cannot achieve a higher return on their labor as long as they remain within the rigid social structure of the domestic economy itself.

#### 4.2 The Hierarchy of Small-Farmer Economic Development Goals

So the general goals of the small farmer are first to establish a domestic economy, and then to transcend its limitations by means of outside income from the sale of product or labor in the wider extradomestic economy. It is possible to further specify the goals of small farmers, what they must do to accomplish these two general objectives, while still remaining above the level of historical and cultural specificity that separates the choices of one small farmer from those of another.

There are five goals that motivate the economic behavior of small farmers, goals that may be arranged in a motivational hierarchy, in which higher level motives are activated only when lower level goals have begun to be met:

1. Escape from subordination to a higher status (e.g., from tenant to landlord or patriarch).
2. Establish a viable household economy, once the culturally appropriate age and marital status have been attained.

3. Ensure economic security for the lifetime of the household through protection of income from capricious forces or actions, whether natural or human-caused. This is accomplished, for example, by investing in agricultural capital (such as irrigation) or by shifting labor out of agriculture. Activities that provide protection against the caprice of others include economic diversification, acting as warriors, and much seemingly leisure-time social behavior.
4. Accumulate enough domestic capital to establish the next generation of households ("in the style to which they have become accustomed") and to permit the continuation of the present household beyond the point at which it loses most of its dependent labor.
5. Increase labor productivity sufficiently to permit a substantial rise in investment and the material standard of living to ensure that the increase in the standard of living carries into the next generation.

In sum, research suggests the following general inferences:

There is a clear pattern of behavior, universal among small farmers (and possibly among all peoples), from which we can infer the aspirations of the small-farm household. These aspirations can be accurately reflected in a taxonomy that comprises five levels of aspiration, with achievement of the lower (or perhaps earlier) objectives being a requirement for movement to the next.

The salient indicator at each level is the time frame of financial security. There is a clear pattern of forward movement from activities required for day-to-day survival, to activities to ensure survival over the course of one generation, to activities to ensure that the quality of life of the next generation will match or even exceed that of its parents.

The only sure indication that a household has reached any given level is its tendency to invest in activities that lead to the next level. It is at such times that what appears to be high-risk behavior is most often found. For example, planting nontraditional cash crops to strive for level four, or starting a transport business to strive for level five.

At any given level of the goal hierarchy, the household will not take risks that endanger its continuance at that level. However, the household will take extravagant risks with marginal resources in an attempt to advance to a higher level.

This hierarchy of small-farmer economic development goals bears a resemblance to Maslow's hierarchy of human aspirations, but that resemblance is only superficial. This goal hierarchy

does imply a sequence of small-farmer economic development, however. Creation first of a viable domestic economy (goals one and two) is followed by efforts to fortify and defend that domestic economy (goal three), which eventually requires the transcending of the domestic economy by all the individuals in that household (goals four and five).

There is one caveat to the universality of this goal hierarchy. Because of insufficient data, this thesis could not be examined for its validity in the Muslim Arab culture.

#### 4.3 Examples of Small-Farmer Development Goals in Action

In the following paragraphs, the literature is examined in light of the study findings. The sample of the literature discussed here is representative rather than comprehensive. The literature was chosen to test the validity of the small-farmer paradigm to various regions, cultures, and farming practices. Selections were made not to "prove" the paradigm, but rather to test it.

##### 4.3.1 Petty Producers in Peru (Smith 1979)

As noted, Smith in essence anticipated the paradigm presented here and clearly established that the small farmer is not a small farmer, but a "multi-occupational petty producer."

##### 4.3.2 Small Farmers in Nepal (Ashby 1980)

Based on fieldwork in Nepal, Ashby classified farmers in terms of their sources of income and noted that the key variables affecting small farmers were the extent of market integration and the type of linkage to markets. This sensitivity to markets was a further clue to the paradigm presented here. Ashby's four-part typology was (1) large-farm commercial (more than 1 hectare; at least 50 percent of income from cash sales); (2) small-farm commercial (less than 1 hectare; at least 50 percent of income from cash sales of livestock); (3) part-time farmers (at least 33 percent of income from off-farm activities); and (4) subsistence farmers (little or no cash income). The substantial diversity of activity demonstrated by even the smallest farmers (the fourth category was in practice close to a null set) was again suggestive if not conclusive.

#### 4.3.3 Small Farmers in the Peruvian Sierra (Begler 1980)

As soon as it became clear to subsistence farmers in the Peruvian Sierra that they could make more money and achieve greater household security as wage laborers, they gave up their traditional land holdings and moved to where the jobs were. The author makes much of the issue that these were now "landless farmers." In fact, they were rural poor who found that the asset value of their small holdings was not sufficient to keep them "on the farm."

Subsistence farmers in the Peruvian Sierra were made aware of job opportunities that required relocation. The male householders typically "tested the water" by temporarily relocating near the job site, leaving the rest of the family to continue subsistence farming. It was not practical for these households to continue as diversified economic units because their land was too far from the job sites. After a time, typically years, of "commuting," the householders gave up farming entirely and relocated the household near the job sites.

This study illustrates the willingness of the small farmer to adopt new behavior to reach level four, after the household has reasonable assurance that level three is not being risked in the process.

#### 4.3.4 Asparagus Canning in Peru (Kusterer 1982)

A market was established for asparagus, a cash crop that was new to these Peruvian farmers. One group of landless plantation workers was legally obligated to farm asparagus as part of a collective. They received a wage but were not certain of profits. These households shifted as much of their labor as possible into newly established domestic subsistence economies. The small farmers in the same region found that there was little market for cash crops other than asparagus, so they immediately and enthusiastically shifted into farming asparagus.

Both groups of farmers demonstrated a willingness and ability to change quickly from traditional ways to achieve economic security and betterment. Those who had previously been plantation workers innovatively established level-two households. The local farmers responded to the market as appropriate to move into level four while ensuring their continuance at level three.

Note that in both cases the best indicator of the achievement of security at a given household goal level is investment, often innovative or risky, in the next level.

#### 4.3.5 Rice Farmers in the Philippines (Fegan 1979)

Two types of rice farmers were observed: sharecroppers and leaseholders. Both were engaged in activities to ensure the household's continuance at level three and to begin investment in level four. But their behaviors were radically different.

Sharecroppers invested as little time as they could in the sharecropped rice, deriving their primary income as wage laborers, typically at sites remote from the farm. They used the sharecropping arrangement primarily to establish a home site. This was rational behavior in terms of minimizing risk. The only certain result from sharecropping is the establishment of a home site; income depends on the weather and the market. Once sharecroppers obtained the home, wage labor was the surer way to go.

The leaseholders did not seek off-farm employment, but concentrated their energies on the rice harvest. Having already gone at risk with the leasehold, their energies were properly invested in maximizing return on that investment.

#### 4.3.6 Small Farmers in Mexico (Binford 1983)

Binford studied years of development efforts among small farmers in Mexico. Initially, most of these farmers were at level two. Ultimately, and largely in spite of Government development programs, the farmers were generally at level four and beginning investment in level five.

The traditional cash crops were rice and sugar. The Government sponsored these traditional crops and provided irrigation. However, the farmers were expected to pay small fees for the irrigation. Instead, the farmers shifted their farm labor into nonsponsored crops on nonirrigated plots. They in essence returned to subsistence farming rather than go at risk with a Government program. And, increasingly over the years, labor was shifted into the nonfarm wage economy.

In the late 1960s, before the Government sponsorship of rice and sugar crops, only 25 percent of the heads of household engaged in off-farm activity as a principal source of income. By the late 1970s, 90 percent of the heads of household worked for wages as their principal economic activity. Farming was

continued as a supplementary household activity, but wages were being invested in education of the children--education to ensure that the next generation would not have to be farmers.

#### 4.3.7 Mumias Sugar Outgrowers in Kenya (Barclay 1978)

In this well-known project, 2,000 small-farm households were provided the opportunity to supplement subsistence farming with sugar as a cash crop. The result was that 90 percent of male heads of household chose to work at nonfarm occupations and the women shifted their labor from subsistence to sugar farming. These rational economic practices allowed the households to remain securely at level four and begin investment in level five.

#### 4.3.8 Chamus Herders in Kenya (Little 1983)

The Chamus are traditional herders who were accustomed to buying maize from local farmers. In the 1930s, the Chamus had given up farming millet, which had been a dietary supplement for the herders and their livestock. Maize, like millet for earlier generations, was a dietary supplement for both the householders and their livestock.

When the Government of Kenya established a maize monopoly, maize was no longer available to the Chamus from local small farmers. As a result, the Chamus established a maize production capacity within their households. This response demonstrates the resilience and adaptiveness of the rural householder, as required to maintain the level-three household.

The response of the Chamus suggests that by now they are firmly established in level three. Thus, according to the small-farm model developed here, the Chamus would now be making substantial investments in level four: ensuring the maintenance of their standard of living beyond the householders' productive years while helping to establish the next generation of households.

#### 4.3.9 Small Farmers in New Guinea (Burkins 1984 and Sexton 1980)

The New Guinea small farmers had no contact with the "developed" world until World War II and no possibility of entering the market economy until the late 1960s. It was a deliberate policy of the Government to keep them out of the market economy, no doubt because of their "primitiveness," but it did not work.

Men, who had traditionally been warriors (a level-three activity), out-migrated to obtain employment or cultivated coffee as a cash crop (in some cases stealing the plants because of the Government policy of keeping them out of the market economy). Women pooled their capital to establish businesses (for example, purchasing a truck to start a transport business or running a general store).

Note that this was a people that had for many generations established a successful "subsistence" agriculture, placing them safely in level three and investing in four. But, given a chance at a market economy, they responded quickly and radically because it promised them a chance at level four. These householders took that chance and will probably soon be investing in level five.

#### 4.3.10 Cakchikel Farmers in Guatemala (Kusterer 1981)

The Cakchikel households enthusiastically invested capital and labor in a vegetable outgrower scheme, even for crops new to the area. They gave up seasonal migrant labor and the production of less lucrative crops. However, they did not give up subsistence production of corn or the small-scale production of crops and goods sold in the local market (e.g., poultry, eggs, herbs, and flowers).

Kusterer observed the evolution of these households from level two, through level three, and into level four, based on access to a market economy. These households were starting to educate their sons for nonagricultural employment when their villages were destroyed by an expanding guerrilla war.

#### 4.3.11 Smallholders in North Sumatra (Dillon 1983)

This study illustrates the tenacity with which small farmers will attempt to diversify to minimize risk. The particular risk for these farmers was that dependence on the Government wage on Government rubber plantations was not consistent with level three, which demands that the household protect itself against capricious forces, or with their aspirations, which were at level four.

For three generations, the small farmers refused to be dependent solely on wages, living and working on the Government rubber plantation. They cleared plots on the fringes of the plantation, planted trees nursed from stolen plantation seeds, and established their own rice and rubber farms.

A new labor force of plantation workers was imported from another island. They established secure domestic economies, essentially at level three. The original populace shifted much of its household labor to cash farming of rubber and off-farm employment. Secure in level four, they invested in educating the children for off-farm employment.

#### 4.4 Successful Small-Farmer Economic Development

Stated succinctly, the successful small farmer is no longer a small farmer. This is not simply the view of some unempathetic outsider; this is how small farmers themselves see it. The small farmer who reaches level five on the hierarchy of economic development goals either has ceased to be primarily a farmer--the most common case--or has ceased to be a "small" farmer by almost any definition of "small."

A review of the five goals in the hierarchy shows why this is the case. Escape from patriarchal subordination, the first goal, is the worldwide accomplishment of the last half century. Fifty years ago, most of the world's small farmers, indeed most of the world's total population, lived as slaves, serfs, or perpetually indebted tenants. Today, few still do. This is no longer the lot of the average small farmer in any country covered by this literature, or probably in any country in the world. However, this kind of patriarchal subordination still continues among dependent women, usually young women in households in which they are not the first or primary mother-wife. Although slavery, serfdom, and debt peonage have been overthrown, the patriarchal household stands almost unchallenged. Short of a world feminist revolution, the surest route out of this subordination for small-farm women is the establishment of their own household with their own domestic economic sector, the second economic development goal of small farmers.

This second level is still common. For one thing, it is constantly reexperienced by each new generation of small farmers as it comes of age. In economic development, the establishment of a new household means primarily the capitalizing of a new domestic economy, investing in a set of capital equipment sufficient to permit production for domestic consumption. Almost by definition, land reform, resettlement, or colonization projects involve small farmers working to achieve this level of economic development goals. And this is why the cooperatives and collective production plans so common to these projects so seldom work. Participation in extradomestic cash crop production activities is perfectly feasible for small farmers working at levels four and five, but small farmers who are just establishing their domestic economies have other priorities, other things to do.

At level three, with its income-security goal, economic diversification efforts become the primary concern of small farmers. This is the point at which transcending the domestic economy begins, as small farmers seek outside income from a variety of cash crops or nonagricultural pursuits. Men and women at this level seek, usually simultaneously, to accomplish several specific goals:

- To establish an independent cash income source for each individual adult in the household and then to increase the income from that source
- To use the already established domestic economy as a base for moving into home-based production of goods and services (agricultural) for market sale
- To begin investing in "unnatural" capital goods in agriculture (fertilizers, irrigation, eventually pesticides) in order to expand production beyond natural limits and to protect production against otherwise disastrous natural events (e.g., late rains, drought, infestations)
- To earn at least some income from nonagricultural work through either cottage industry (e.g., weaving, vending, brickmaking) or off-farm employment

These initiatives are all mutually reinforcing: as productivity increases, the potential of surplus accumulation grows. An optimist might refer to this as the "take-off" stage of small-farmer economic development. With farmers at this stage of economic development, almost any kind of rural development scheme can be successful, if it is culturally appropriate and competently or at least noncorruptly executed. Credit, marketing, and employment-generation projects can all be taken advantage of by small farmers in this last stage of small farmerhood.

Levels four and five imply a break from perpetual cycles of household rise and decline over the life cycle of the peasant. A decisive break from this cycle occurs with even a partial accomplishment of goal five, which is the accumulation of sufficient domestic capital to ensure that the next generation will not have to spend a large part of its adult life at goal two and to ensure that the older generation does not return to level two with the loss of the children's labor.

The key to an understanding of goal five is the realization that an increase in the small farmer's standard of living is not just an increase in consumption but also an increase in the productivity of domestic labor. For example, with cash income sufficient to purchase and operate a gas stove, hours of fuel gathering are eliminated every day. Income sufficient to pay a

nearby mill to grind grain eliminates hours of mortar and pestle work. Income sufficient to hire a tractor to till eliminates days of field preparation, and so on. With these breakthroughs, based on more highly productive domestic capital and on access to cash income to rent capital equipment too expensive for ownership by every household (like tractors and tortilla mills), the productivity of domestic labor is so enhanced that surplus labor time becomes available for cash-generating, extradomestic labor, and the cycle of expanded reproduction of domestic capital can continue.

Level five, access to at least some economic activity that promises to return a level of wage or profits much higher than subsistence, is the economic development goal that promises a rise out of rural poverty to middle-class status, however that is defined locally. If the economic activity that makes such an income possible is wage labor or self-employment in a nonfarm trade, as it usually is, then the small farmer ceases to be primarily a farmer. If the economic activity is commercial farming using some new technology or serving some new market, then the small farmer continues as a farmer, but ceases to be small. In either case, the small-farm household has worked and saved its way out of small-farmer poverty, ready perhaps to embark on new goals and new levels of economic and human development.

## 5. IMPLICATIONS FOR SMALL-FARMER DEVELOPMENT ASSISTANCE

The conclusions of this study regarding the attitudes and behavior of small farmers suggest that some of A.I.D.'s current approaches to improving the lot of the small farmer should be revised. Some implications of particular importance are discussed below.

### 5.1 Economic Growth Is Compatible With Small-Farmer Goals and Development

The first and most essential implication is that the oft-made distinction between economic development and economic growth does not necessarily apply in the case of small farmers. They want to participate in economic growth, and such participation will make possible the developmental transformation of their small-farm economies. Many development advocates, especially anthropologists, are prone to seek some so far unattained new kind of development that would permit small farmers to benefit economically without much changing the cultural values and traditional institutions that they have created over time to support themselves in their small-farmer status. Small farmers

themselves, in contrast, want first and foremost to escape being small farmers, and they voluntarily endure tremendous sacrifices and disruptive transitions toward that end.

In periods of rapid rural development, small farmers cease to be small farmers, and innumerable folk traditions and ways of life move from living reality to museum displays. Although it is possible for small farmers to be pushed reluctantly out of their domestic economies, as when their land is appropriated for large-scale export agriculture, there was not a single case in which this happened in the 268 studies reviewed here. Overwhelmingly, small farmers pulled themselves out of their domestic economies into cash-earning labor driven by the hope of thus capitalizing and transcending their domestic economies. This is nowhere more poignantly illustrated than in the Papua New Guinea cases (Burkins 1984 and Sexton 1980), which showed how small-farmer men and women inventively and unceasingly plotted and worked to obtain access to cash income, while Government officials dithered trying to figure out an economic development plan for the area that would be feasible while also easing the transition for these unassimilated small farmers.

#### 5.2 Small Farmers Can Make Development Work (Although Seldom As Intended)

A second implication is that small farmers can use the opportunities afforded by almost any type of rural development project to further their own economic development goals. Even failed projects, and this literature is full of such examples, that achieved no self-sustained permanence beyond the life of project funding, offered important development possibilities for their small-farmer participants. Farmers at levels three and four, seeking to establish secure sources of cash income and economic diversification, will use to advantage almost any new marketing or employment opportunity that comes along. They will convert their new income and experience into both productivity-enhancing domestic capital and transferable, income-earning extradomestic knowledge and skills. Farmers at levels one and two, however, have development goals less likely to be compatible with the goals of rural development assistance projects.

#### 5.3 Subsistence Farmers Need Capital, Not Credit

Level-one and -two small farmers struggling to establish independent households and viable domestic economies do not yet have the luxury of emphasizing cash-earning labor. They are trying to get their households established with the functional minimum of domestic capital in order to successfully produce to meet their own immediate needs. They need to increase the

productivity of domestic labor to levels that will permit them to survive on the labor available in the household, and they have few labor resources that are surplus to the household economy and available for export into extradomestic, cash-earning work. Such farmers are prone to invest available funds in household capital/consumption instead of extradomestic activity and thus will subsequently have difficulty repaying the credit. If forced to repay, they may have to liquidate domestic capital to make the payment, leaving them no better off than before.

The most frequent mismatch between development assistance intentions and small-farmer economic goals occurs when small farmers at levels one and two are expected to concentrate on cash crops before their domestic economy has been established or to earn cash to repay the costs of the land resettlement or irrigation infrastructure project that permits the establishment of their new households in the first place. In such circumstances, the small farmer is inclined to invest in domestic production, to the frustration of project planners, and the project fails in the sense that it can never "pay for itself."

Development assistance efforts that will most directly benefit the poorest of the poor small farmers are grants (not loans) that will result in the increased productivity of domestic labor. The projects that can do this most efficiently by helping the largest number of level-one and -two small-farmer households are community infrastructure projects, such as small-scale irrigation or potable water systems. Such projects create community capital that enhances the domestic productivity of the largest number of small farmers. The danger in such circumstances is that small farmers will cannibalize capital assets intended for community use by appropriating them directly into their own households. However, if a village has sufficient community spirit to create peer pressure against this appropriation, then one water tap can directly free hours of labor time daily for women who no longer need to walk miles to the nearest water source, and can indirectly increase the productivity of innumerable household tasks.

#### 5.4 Small-Farmer Development Benefits Women

Women who are small farmers can be the primary beneficiaries of many kinds of development.

Despite the sexism inherent in much of the planned development efforts discussed in this literature,<sup>2</sup> small-farmer

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<sup>2</sup>In the Mumias sugar project, for example, the contracts and payments were made to men because they had land title, even though all the farm work was done by women.

economic development benefits women. The trickle-down from male household heads to female household members has about as high a flow rate as any development trickle-down ever does. Women benefit very directly in the establishment of households in which they escape from subordination to both matriarchs and patriarchs, to occupy the chief mother-wife position in their own household. Although it can be argued that women are even then still subordinated to their spouses, they become fully participating and decision-making members of that "diversified miniconglomerate." The domestic economy of the patriarchal nuclear household unit is a far better place for women than the domestic economy of the patriarchal extended household, with its hierarchies of levels of subordination. This is how economic development goals one and two serve women, and they support these goals even more actively sometimes than the men in their household.

There is nothing necessarily beneficial to women about the economic diversifications of levels three and four. This is the development stage at which men leave the domestic economy for income-producing work, and women are left to perform all the domestic labor but with no direct access to income (a process sometimes referred to as the domestication or "housewifization" of women). But the literature reviewed here reassures us that small-farm women do not allow themselves to remain in that position. In case after case, women demonstrated that they would make whatever sacrifices were necessary to ensure that they too had an independent source of cash income from employment, cash crop farming, or home-based business. They earned less than men in total cash earnings, but they earned. In almost all the cases reviewed, women emerged from these levels of small-farmer economic development less, not more, tied to the domestic economy and less, not more, economically dependent on their husbands for access to cash income.

So small-farmer development is also development for women. This is so primarily because of the initiatives of small-farm women, not because of anything necessarily inherent in the process. Development assistance projects can assist women as much by refraining from putting additional hurdles in their path as by concentrating on "women's projects." Helping the household does just that--it helps the households and its members.

#### 5.5 Rural Income-Generating Projects Are Most Helpful to Small-Farmer Development

Finally, and most broadly, the small-farmer perspective on development confirms the importance of projects that bring income-earning opportunities to rural areas. If necessary,

small farmers will split households to send members to job opportunities in urban areas. But the option is one that they would rather not be forced to choose, for the obvious family reasons. Not only is the choice personally difficult, it is also economically wasteful, both from the point of view of the small farmer who loses time in migration and money in urban room and board and from the point of view of the society that has to provide the additional urban infrastructure.

Any project that expands and diversifies the income-earning opportunities in the rural areas where small farmers already reside is therefore a small-farmer development project. Anything that provides new markets for small-farm agricultural production, new possibilities for expanding small-farmers' self-employed microenterprise activities, or new employment opportunities helps small farmers. The development of new markets for nontraditional crops is particularly likely to expand and diversify income opportunities. Not only can small farmers move into the new cash crop activity (or benefit from higher prices for traditional crops as other farmers grow less of them), but they can also provide the labor for the transportation and processing systems required for new crops, whether as employees, as members of cooperatives and collective enterprises, or as self-employed microentrepreneurs.

An ideal small-farmer development project would be an agribusiness project with the following characteristics:

- Links a farming zone to new markets by introducing new crops
- Buys raw material from small farmers and offers the necessary production credit
- Needs and pays for household- or village-level post-harvest down-line processing of the product
- Employs small farmers for further in-plant processing
- Requires ancillary microenterprises to service its operations

Such projects have been established all over the developing world in recent years, although seldom have they been conceived as small-farmer development projects. Nevertheless, after land reform and the abolition of peonage, this is what the next level of small-farmer development looks like.

## APPENDIX A

### RESEARCH AND METHODOLOGY

#### 1. Basic Study Questions

Two basic lines of inquiry were pursued in this research:

1. What does contemporary research have to tell us about small-farmer perspectives on development? Are there aspects of the small-farmer viewpoint that are revealed by the research but that have not generally been applied by development practitioners and that might be significant for the design of more effective development projects?
2. Do small farmers share the longstanding assumptions about the uniformly positive effects on farm households of increased farm production and income?

#### 2. RESEARCH METHOD

To identify the studies for the literature review, seven bibliographic databases were searched for studies carried out in developing countries and focusing on small farmers. Of the thousands of potential studies identified, 268 were selected for this review on the basis of their abstracts or descriptions. To be included in this review, a study had to report the results of long-term empirical work involving close contact with and observation of small farmers and their families in areas affected by economic development. Most of these studies were from the field of development anthropology, but sociology, human ecology, political economics, agriculture, agricultural economics, and political science were also represented.

The 268 studies included in this research represent more than 100 different regions or cultures in 52 countries in the developing world. The heaviest concentrations are in Latin America, especially Mexico, and in east and west Africa, but the distribution is worldwide. Also included are the Caribbean, the Middle East, peripheral Europe, all parts of Asia except mainland China, and the Pacific islands.

#### 3. STUDY DESIGN AND METHODOLOGY

Four aspects of the study design and methodology are discussed below: (1) choice of indicators, (2) the literature review, (3) data synthesis, and (4) review of other contemporary literature.

The anthropology of development, the primary field of most of the research needed, has no computerized database of its own and was peripheral to the central concerns of the agricultural databases. After failing to find this kind of work in most of the computer lists, the decision was made to perform a manual search of the abstracts of every U.S. dissertation since 1976 listed in Dissertation Abstracts On-line as cultural anthropology (a rubric that included many rural sociology, human ecology, and agricultural economics dissertations as well). Through this means, and through the traditional, precomputer era route of tracking down the trail of footnotes and references--the source, ultimately, of about 10 percent of the entries in the bibliography--a reasonably exhaustive literature review was accomplished.<sup>1</sup>

### 3.3 Data Synthesis

The hundreds of surveys and ethnographies reviewed here tell hundreds of singular stories. In each case, history, culture, and the influence of the international economy vary. Reading, noting, rereading, and categorizing these studies produced little but descriptive summaries along the lines of "some studies find abc, whereas other studies find xyz." Eventually, however, the concept of the small-farm economy's four sectors (see Section 3) and the small farmers' hierarchy of development goals (see Section 4) emerged inductively from the process of poring over the studies. Once this conceptual lens had been crafted, all the studies made sense as illustrations, under different conditions, of the same basic principles. The result, which is essentially a paradigm of the small-farmer perspective on economic development, may seem short and simple, but the route leading to it was long and complex.

It is important to note that the findings and conclusions presented in this report were inferred from the literature. There was no preconception of such results; indeed, they were unexpected. But these results seemed to hold up well against the literature subsequently reviewed.

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<sup>1</sup>Through the services and resources of the A.I.D. Library, the Library of Congress, and the National Agricultural Library, it was possible to get access in Washington, D.C. to all the items needed, either in hard copy or microfiche version, something that could not be said of such an international collection in many other places in the world.

### 3.4 Review of Other Contemporary Development Literature

Given the potential significance of the findings, the study was followed by an additional review of related development literature in farming systems research and anthropology. The approach was to test the small-farmer model that emerged from the study (especially the goal hierarchy) to see how well the study model described, explained, and predicted the empirical data presented in this literature. However, because this literature was not extensively empirical, the study findings were also considered in terms of their compatibility with the perspectives of other researchers--the ways in which they looked at and took hold of the issues.



## APPENDIX B

### REVIEW OF FINDINGS IN LIGHT OF OTHER CONTEMPORARY DEVELOPMENT LITERATURE

Given the potential significance of the study findings, a review of related development literature was conducted after completion of the initial study. Such a review provided an opportunity to test the small-farmer model developed in this study. The model is intended to explain, describe, and predict household behavior. Therefore, the question guiding the research was: Does the small-farmer goal hierarchy explain and predict the behavior described in this literature?

Although none of the data presented in the literature was exhaustive enough to prove our findings, all of the evidence was explainable in terms of our findings. Even the opinions and perspectives taken within the literature seem supportive of the findings. Brief insights into that review are presented in the following pages.

#### 1. AGRICULTURAL DECISION MAKING: ANTHROPOLOGICAL CONTRIBUTIONS TO RURAL DEVELOPMENT (Barlett 1980)

This compilation of papers offers substantial insight into the thinking of the small farmer. Those insights support the findings of this study, but do not prove them. A few examples follow.

Although it strains credulity to believe that small-farmer goals are culturally invariant, this work tends to support that thesis. For example, Ortiz, in discussing the question of response to uncertainty, found that Indian and Caucasian farmers facing the same farm opportunities gave the same responses. Ortiz "concluded that cultural differences are either too small or irrelevant to the task at hand compared to relevance of problems that all of them must face" (pp. 179-180). Ortiz also demonstrates that information about past harvests is retained as appropriate for calculating risk and reward.

All the papers support the view of the small farmer as highly rational and adaptive, taking those risks that are appropriate to the situation. Berry ("Decision Making and Policy-making in Rural Development") notes that "there is no evidence that poor farmers' goals or decision-making processes are consistently different from other people's" (p. 323). According to one's view of the rationality of the behavior of people other

than small farmers, this statement can be viewed as supporting or attacking the findings. I find the statement to be modestly supportive and, in any event, to offer no evidence regarding the specific goals of small farmers.

Berry, like others, also supports the thesis that small farmers are highly adaptive: "Poor farmers have not only proved generally responsive to feasible opportunities to increase their income, but also their responses are often more 'appropriate' to the factor endowments and institutional structures of underdeveloped economies than are those of large-scale agricultural producers" (p. 329).

## 2. FARMING SYSTEMS RESEARCH

Several texts dealing with farming systems research were reviewed. For reasons that are now gaining wide acceptance among researchers, farming systems research is only marginally relevant to this study. Some of these reasons are as follows:

- The unit of analysis of farming systems research--the farm rather than the household--is wrong. Farm productivity is not the same as farmer productivity.
- The implicit assumption of farming systems research is that farm technology is the limiting factor. A finding of this study is that access to markets and an increase in farmer, rather than farm, productivity is the key to development.
- Farming systems research lacks a sociological/anthropological perspective and understanding.

### 2.1 Innovation Policy for Small Farmers in the Tropics (Ruthenberg 1985)

This text is a good example of the kind of systems research that shows that systems research cannot be done with the farm as the unit of analysis. Ruthenberg argues that the unit of analysis must be the household and householders. Furthermore, optimization is impossible in a closed system; there must be reference to an objective function external to or "superior" to the system.

By definition, a "system" is a complex of interrelated entities and activities organized to achieve some end or produce a product. The "ends" of the small-farm household appear to be our paradigm of small-farmer goals.

## 2.2 Farming Systems in the Tropics (Ruthenberg 1971)

This text is an excellent compilation and analysis of agricultural practices. The multiple examples of householders changing their practices in response to economic opportunities (including buying small plots of unworked plantations) underscore the complex, adaptive, and innovative behavior of the small farmer. Ruthenberg found, for example, that farmers diversify to maximize expected value under adverse conditions (pp. 20-22), which is the response predicted by this study. Thus, the data and perspectives in no way invalidate the study findings.

## 2.3 Farming Systems Research Studies (Maxwell 1984a, b, c; 1986)

Maxwell has a consistent and clear overview of farming systems research. But he is looking at the farm, not the household. Indicative of this orientation are his view of off-farm labor as a constraint, not a contribution to the system, and the lack of any reference to nonfarming domestic labor.

Maxwell appears to see the importance of these issues and suggests that social scientists become involved in such studies. He notes that most research deals with "snapshots" of farms, failing to take into account their dynamic nature. Further, he notes that the external system determines what the small farmer does, and that the external system is itself dynamic.

I find no conflict between Maxwell's view and the study results.

## 2.4 Farming Systems Research: A Critical Appraisal (Gilbert, Norman, and Winch 1980)

Gilbert, Norman, and Winch argue that farming systems research is all right as far as it goes, but that it does not go far enough. Their major conceptual point is that farming systems research attempts to optimize a closed system (the farm), which cannot be done. These authors should find the results of the current study to be a useful supplement to farming systems research.

### 3. UNDERSTANDING AFRICA'S RURAL HOUSEHOLDS AND FARMING SYSTEMS (Moock 1986)

"A distinguishing feature of farming systems philosophy is its emphasis on increasing the overall productivity of the farming system" (Norman and Baker, "FSR Credibility and Experiences in Botswana," p.36). This comment epitomizes most of the work presented in this text. The work is not relevant because it does not provide information on the appropriate units of analysis: the household and the householders. The household is the system to be optimized, and, indeed, determined and adaptive small farmers around the world are doing just that.

However, when hard evidence is presented in these articles, those data are consistent with the study findings. For example, Jones ("Intra-Household Bargaining in Response to the Introduction of New Crops: A Case Study From North Cameroon") presents some interesting findings on the nature and extent of payments made among family members. Jones's description of the bargains struck between a Massa husband and wife, in response to the introduction of rice as a cash crop, shows that those bargains are very much like the kinds of bargains struck between corporate members of the same conglomerate. Through these bargains, householders allocate specific risks and costs to individuals while minimizing the risk of the household's falling below a subsistence level.

### 4. PEASANTS, POLITICS, AND REVOLUTIONS (Migdal 1974)

Migdal argues strongly that peasants do not change their cultural practices (e.g., behavior, dress) even after long periods of exposure to "modern" culture. Thus even peasants regularly involved in off-farm employment retained their traditional ways and dress.

The author also shows that peasants respond to modernization and development pressures through "self-activity," by seeking the goals identified in this study. He provides a particularly detailed description of the economics and politics of householders at the first two levels of the goal hierarchy. Migdal points out that the pressure for participation in a market economy is so strong that if the government prevents the peasants from achieving a domestic economy, the result may be revolution.

Migdal's findings support the results of this study. Peasants will change their ways and practices when it makes sense for them to do so, based on a rational risk/reward analysis. The rewards are expressed in the goal hierarchy.

## 5. AGRICULTURAL DECISION MAKING (Barlett 1980)

This compilation of studies again demonstrates the rational and adaptive behavior of small farmers. To the extent that the data in this compilation are relevant to the findings of this study, they are supportive of them. Time and again, conclusions such as the following are reached: "55 of the 66 farmers were found to be following practices that were unambiguously more profitable than the alternative" (Cancian, "Risk and Uncertainty," p. 165).

## 6. SMALL FARM DEVELOPMENT (Harwood 1979)

Harwood directly addresses the topic of primary interest to this study: goals of the small farmer. Further, he notes that small farmers have a hierarchy of goals. He is, however, less explicit in defining specific levels of such a hierarchy (not having undertaken the extensive review and synthesis conducted for this study).

The author differs from the findings of this study in his belief that "beyond meeting basic food needs, the goals of families and societies become individual and diverse" (p. 21). This opinion appears to be inferred from the wide variety of customs and practices of small farmers, the difficulty of placing such values as "respect for one's neighbors" in a goal structure, and the inability to attribute clear economic value to religious practices.

Harwood's judgments differ, too, about the behavior of the subsistence farmer. He attributes the risk-taking behavior of the small farmer to the fact that he risks only more hunger, whereas the prosperous farmer risks loss of face. I attribute that risk-taking behavior to the need to sustain and expand from a sustainable domestic economy.

In most respects, however, both the evidence and the opinions offered in this text are consistent with the findings of the study. For example:

- "Farmers are . . . purposive in making decisions that are in their best interests as they see them. It is often difficult, however, to define and quantify the farmer's concept of utility" (p. 21).
- "Perhaps the most difficult value for an observer to appreciate in the small, non-commercial farmer is stability. The farmer values insurance against famine or crop failure; by the same token he places a negative value on unnecessary risks" (p. 22).

Harwood further recognizes that farmers have both long- and short-term goals and that their behavior differs according to how far they are from subsistence. In this regard, his judgment is fully consonant with the study findings. In his discussion of long-term versus short-term goals, Harwood comments, "Life at or near the subsistence level discourages the farmer's willingness to sacrifice a portion of his current production potential for the chance of a higher production in the future. Often, however, the small farmer can satisfy both goals by gradually phasing-in long-duration crops as part of his traditional crop mixture" (p. 23). This is, of course, exactly the behavior the study model predicts.

Harwood's small-farm taxonomy (primitive, subsistence, early consumer, and primary mechanization) is one of farms, not households. The analysis conducted for this study, however, shows that the movement from a subsistence level to mechanized farming does not correspond to development.

#### 7. HOUSEHOLDS (Arnould, Netting, and Wilk 1984)

This compilation of 17 studies of households is an important and useful book. It supports the study findings but provides insufficient evidence to prove them.

For example, Wilk ("Households in Process: Agricultural Change and Domestic Transformation Among the Kekchi Maya of Belize") notes that "There is an obvious and strong correlation between lower availability of land, higher frequency of cash cropping, and a low frequency of independent households" (p. 230).

This relationship is not all that obvious, but it is predicted by the model. Unable to establish level-two domestic economies, men and women remain dependent members of successful level-three households. When economic opportunities improve, the advanced subsistence households will move toward the fourth level, and new level-two households will be established by previously dependent members.

In virtually every case, the studies in this book present similar findings or conclusions that are explained or predicted by our small-farmer goal structure. That is taken as a strong demonstration of the utility and power of the findings.

8. LOCAL ORGANIZATIONS: INTERMEDIARIES IN RURAL DEVELOPMENT  
(Esman and Uphoff 1984) and  
LOCAL INSTITUTIONAL DEVELOPMENT (Uphoff 1986)

These texts are discussed together because they deal with the same topic in the same way: case studies on the use of intermediary organizations in the development process.

The clear message of these texts is that local intermediary organizations are important to rural development and that their growth should be encouraged. That message neither supports nor conflicts with the study findings. The authors support equally institutional forms involving the government, private voluntary organizations, and private enterprise. From the perspective of the findings of the current study, any of these institutions would be a plausible vehicle to effect the infrastructure improvements that would benefit small farmers.

9. DEVELOPMENT ECONOMICS ON TRIAL (Hill 1986)

Hill also makes the point that econometric models cannot predict farmer behavior; anthropological studies are required. Her data support the findings of this study and can call for the type of study and analysis performed here.



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A bibliography with 243 citations concerning basic research for this paper is available under separate cover at the following address:

Center for Development Information and Evaluation  
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Bibliographic references cited below include only those publications specifically referred to in this study.

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