

Action Brief 2.1

Evolving rural livelihoods and the role of agri-business

Exploring long-term farming workforce demand and availability



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The Global Agri-business Alliance (GAA) is a CEO-led coalition of supply-side companies who have come together to build sustainable landscapes and livelihoods and make a measurable and additional contribution to the Sustainable Development Goals (SDGs) in particular SDG 2, No Poverty. The GAA does this by providing a platform for engagement and facilitates collaborative action that 1) scales best practice through peer learning 2) contributes to thought-leadership and 3) informs and influences emerging policies. Current membership includes 18 companies from growers to processors and traders.

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Introduction

There is considerable uncertainty and ambiguity attached to understanding what a vibrant and sustainable rural community looks like in 2030, yet agriculture is increasingly recognised as having a critical role in meeting the international goal of zero poverty and hunger:

- 570 million smallholder farms of less than 2 ha account for 12 per cent of the world's agricultural land and produce approximately 30 per cent of most food commodities – but many of these farmers are poor and lack the necessary natural, social, political and financial capital for development
- Farm sizes are decreasing across Africa and Asia, and will continue to do so as population rises.
- Globally, over half of the global population now live in urban areas and the world's rural population is expected to decline by a further 0.6 billion by 2050. Social indicators consistently indicate quality of life in rural areas remains below those of urban settings.

This independently authored Action Brief is the first in a series that will explore and communicate this mix of trends, challenges and opportunities specifically as they relate to succession planning, with the ambition of fostering an aligned understanding around the role and responsibility of agri-business companies: where and how can GAA members make the greatest contribution to building thriving rural economies?

Executive summary

For the first time in human history the majority of the world's population live in urban areas. This demographic shift is underpinned by social, economic and cultural transformations that have momentous impacts on rural livelihoods. Planning for the role of agri-business in the future of farming and in achieving the SDGs needs to be grounded in the understanding of this historic change.

While the links between rural and urban areas, people and enterprises are generally becoming stronger and closer, they are also hugely diverse and context-specific. An important lesson from past experiences of regional development policies and programmes is that ignoring diversity is a recipe for failure. Of special importance is the potential role of small towns as engines of development of their surrounding rural areas. This, in turn, reflects substantial transformations in agricultural production systems and rural livelihoods where farming contributes a steadily declining share of households' incomes and a related increase in non-farm activities, often located in small towns and involving various forms of mobility.

These dynamics have important implications for business models that aim to include smallholders, as they question the assumption that most if not all smallholders engage primarily in farming and are best included through formal organisations. It is far more likely that most smallholders, especially but not only the poorest, are part-time or seasonal farmers who access the market occasionally and mainly through informal channels. Ignoring this can result in further marginalisation of the poorest.

There is growing recognition that locally-embedded initiatives which build from the bottom up on inclusive governance systems are more likely to be successful in achieving sustainable development. The challenge for agri-business is how to combine reliance on globally integrated value chains and systems without bypassing local stakeholders and instead engaging with them in a meaningful way that recognises power imbalances and promotes shared decision-making.

Education is seen as one of the main drivers in youths' pursuit of non-farm and off-farm employment but social change stemming from enduring poverty and shifts in gender relations that gradually give women more freedom to do non-farm work sometimes precede investment in children's education. Migration and education affect the availability of labour in the rural household. Solutions span from redefining the division of labour so another household member takes on the work, to hiring labour. In addition to labour shortage, parents are concerned about delayed acquisition of specialised skills and the sentiment of work. They encourage holiday migration once the children reach secondary school. To fully understand the impact of livelihood diversification and education, productive and



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reproductive work must be assessed to avoid increasing women's work load or decreasing girls' time for schooling because they shoulder reproductive work.

The pathway of young people is unpredictable and shaped by contingencies. If they have reached a certain level of education, even if their schooling was interrupted, they have developed educational capital that enables them to seek information effectively and adapt quickly. School dropouts do not necessarily return to farming but turn to vocational training to acquire skills for non-farm work. Agri-business would gain from engaging with young entrepreneurs to identify feasible collaborations and support local forward linkages. The role for agri-business in the future is to contribute to sustainable development where products are sourced. There has been a tendency to rely on global value chains that easily bypassed local stakeholders. However, if agri-business is to benefit from and contribute to the ongoing rapid economic transformation, it is crucial to engage meaningfully with local stakeholders and to include small-scale private sector actors whether they operate in the formal or the informal economy.

Evolving rural livelihoods in the context of urbanisation and rural transformation: what role for agri-business and succession planning?

Cecilia Tacoli

International Institute for Environment and Development

Since around the first decade of the millennium and for the first time in history, more than half the world's population live in settlements and centres classed as urban. This has momentous consequences not only for urban areas and people but also for rural areas and people. The current, rapid transformations in rural livelihoods described in this brief are best understood within this context which presents huge challenges but, at the same time, offers unprecedented opportunities for sustainable development. Understanding these dynamics, including changing demands for rural labour, is the starting point for succession planning and exploring the potential roles of agri-business.

Rural transformations and rural-urban linkages

Central to the structural transformation¹ of national and local economies, rural-urban linkages – the complex web of connections between rural and urban dimensions – can be described as both spatial and sectoral. Spatial linkages encompass the tangible and intangible exchanges between rural and urban areas, such as the physical movement of goods, people, money, information and waste, as well as the social networks and relations that span rural and urban locations, including those that cross national borders. Spatial linkages are closely related to sectoral (or functional) interactions between economic sectors, including agriculture's backward linkages (the manufacturing of inputs) and its forward linkages (processing, transport and distribution).

Positive rural-urban linkages bring together space and sectors as they typically share one key characteristic: any added value through processing and other downstream activities is produced, retained and reinvested locally, where with appropriate institutional support it serves as the engine of local economic development (see case study 1. It is important that agri-business appreciates and contributes to these dynamic processes.

Diversity and the importance of context

The increasingly intensive interactions between rural and urban settlements, people and enterprises are an important component of livelihoods and production systems in most regions of the world. They are also extremely diverse, however, not only between regions (high, middle and low income) but also within them and often within nations. This is largely because they reflect local and national socio-economic and cultural

¹ Structural transformation is defined here as the transition from largely agrarian economies to a concentration of employment in manufacturing and services that provide the majority of the nation's GDP.



dynamics and characteristics, including systems and institutions that manage natural resources, the nature of agricultural production and in some cases mining and other extractive activities, the nature and location of manufacturing and the shape of urban systems and the infrastructure supporting them. Moreover, at the micro level gender, age and wealth are among the factors that shape differentials in access to opportunities and assets.

Hence, policies and initiatives based on generalisations and with little attention to local contexts and governance systems tend to have limited success. More bottom-up approaches² aim to address this but may well be hampered by the very low level of financial decentralisation in low income nations. In sub-Saharan Africa, on average local governments' revenue is only 7 per cent of total government revenue, limiting their capacity to invest in local priorities and needs³.

Understanding urbanisation and the role of small towns in rural development

Urbanisation – that is, an increase in the share of the total population living in areas classed as urban – and rural development are often seen as being at odds with each other, but this view overlooks two important facts. The first is that urbanisation is closely correlated with the steady growth of per capita income. The simple explanation for this is that urban agglomeration provides the more productive industrial and service sectors enterprises with opportunities for economies of scale and greater specialisation. While there are instances of urbanisation without economic growth, there are virtually no examples of nations experiencing economic growth without urbanisation.

The second is that while there is a tendency to equate urbanisation with the growth of large cities, this can be misleading⁴. Megacities with more than 10 million inhabitants account for only 12 per cent of the world's urban population, while about one-fifth live in towns with less than 50,000 residents – in many cases just a few thousand. This proportion varies between regions and is as high as 30 per cent in East and West Africa whereas in North America it is only about 10 per cent. This, in turn, reflects the close relationship between small towns and the predominant agricultural production systems in their surrounding rural regions.

2 For example, OECD (2013) *Rural-Urban Partnerships: An Integrated Approach to Economic Development*, OECD Publishing, available online at <http://dx.doi.org/10.1787/9789264204812-en>.

3 OECD (2015) *Africa Economic Outlook 2015: Regional development and spatial inclusion*, OECD.

4 There is no international definition of what constitutes an urban centre. Most national definitions are a combination of minimum population size (typically 5,000, 10,000 or 20,000), administrative functions, buildings density and economic base. There are however significant outliers, making international comparisons difficult.



Case study 1

Positive rural-urban linkages and the role of large urbanising villages in rural development in Vietnam

In Vietnam's Mekong Delta, the production of fresh speciality fruit has increased in response to growing demand from urban and rural households. Large villages have become market nodes where traders play a critical role.

Unlike large-scale supply chain operators, these well-connected traders can absorb all qualities and quantities of fruit, as through their wide-ranging networks they can then distribute them to different consumers in international markets, in large cities, smaller urban centres and even in weekly, itinerant village markets. The opportunity to sell all their produce, regardless of quality and quantity, is extremely important for small-scale producers.

Trade-related activities, including grading, processing, packaging and transport, employ growing numbers of local residents who can thus diversify their income sources and increase their financial resilience. With higher incomes there is also increased demand from local residents and rural residents alike for services such as hairdressing, restaurants and cafes, access to goods such as cooking gas and so on.

These large urbanising villages effectively fulfil the functions of small towns. Critical factors that enable this area relatively equitable access to land and water, good roads connecting the villages to larger urban centres and to the surrounding rural settlements, electricity and communication infrastructure. In addition, employment opportunities in manufacturing in Vietnam mean that a large proportion of farming households can rely on remittances from migrant members to finance agricultural innovation to respond to demand.⁵

5 Hoang, X.T., Xuan Thanh, Thi Thu Phuong Dinh, Thu Huong Nguyen and C. Tacoli (2008) *Urbanization and Rural Development in Viet Nam's Mekong Delta: Livelihood Transformations in Three Fruit Growing Settlements*, Rural-Urban Working Paper, IIED, London, and Hoang Xuan Thanh, Dinh Thi Thu Phuong, Dang Thi Thanh Hoa, Le Dinh Lap (2015) *Urbanisation and rural development in Vietnam's Mekong Delta: Revisiting livelihood transformations in three fruit-growing settlements, 2006–2015*. IIED Working Paper. IIED, London.

Small towns are an essential if often overlooked component of rural development. Many successful small towns develop in close symbiosis with their surrounding rural areas, and their fortunes are interlinked to those of specific commodities. While most of their residents usually engage in non-farm activities, these are closely related to agricultural production, or are related to increasing demand from farmers whose incomes are growing because of successful agriculture. Small-town based traders can provide access to markets for small-scale producers who may find it difficult to attract the interest of large supply chains that tend to require consistency in both quality and quantity. At the same time, they can provide manufactured goods and services to the surrounding rural areas. Small towns are typically where rural residents access services such as health, education, culture, banking, agricultural extension and the services of professionals such as lawyers and accountants. Small urban centres are thus often the location of the growth and consolidation of non-farm activities and employment. This, in turn, attracts migrants looking for non-farm employment as well as seasonal wage agricultural labourers.

Changing rural livelihoods

As the global, regional and national structures of the economy undergo major shifts, non-farm employment is increasingly important for rural residents. Figures vary and are likely to be underestimates as they tend to overlook informal sector⁶ activities and seasonal/temporary employment. Even so, they are remarkably high even in nations where agriculture remains an important part of the economic base such as Tanzania, where non-farm employment increased from 11 per cent in 1991 to 46 per cent in 2000, and in Bhutan where in 2012 it accounted for 60 per cent of rural households' incomes. There is strong evidence that the diversification of income sources makes small-scale farmers less vulnerable to a range of challenges, from unpredictable markets to even less predictable climate change-related events. For some, income diversification can also be a route out of poverty that does not entail leaving farming altogether.

At least in part, the growing importance of non-farm incomes for rural households is related to increased mobility. In many instances, this is best described as a 'movement continuum' rather than a unilinear migration from rural areas to urban centres, with temporary – often daily, weekly or seasonal – trajectories becoming increasingly significant. Investment in infrastructure and connectivity (from roads to ICT) has a clear role in supporting the enhanced mobility of rural people and enabling their access to markets, employment

Case study 2



Farming systems that do not contribute to positive rural-urban linkages in Huetar Norte, Costa Rica

Huetar Norte is a primarily cattle producing region for foreign markets, although since the implementation of structural adjustment programmes in the 1990s this is complemented with export-oriented crops.

Generous credit facilities were allocated to cattle ranching in the 1970s, supported by loans from the World Bank which had made the production of regular quality hamburger meat the keystone of its credit policy in Central America. Large ranchers were preferred over smallholders, increasing inequality in the land-owning structure. Indeed, cattle ranching caused much rural unemployment, especially among the growing number of landless labourers and evicted smallholders, in turn triggering occupation of forest lands and soil erosion.

Moreover, even though 21 per cent of national cattle stock grazed in this region, neither large slaughterhouses nor small rural facilities were in Huetar Norte. By-passing the regional centres in favour of the capital city, San José, were the result of a powerful alliance between export ranchers in Huetar Norte and politicians and state bureaucrats in San José. Broadly speaking, government policy induced the rapid exploitation of regional natural resources at the expense of sustainability, and of the employment and incomes of a considerable proportion of the region's population. While local centres such as Ciudad Quesada have grown, mainly based on the provision of credit services, this growth can be defined largely as parasitic. The creation of wealth as value added, and of employment in the processing of the region's main agricultural produce has overall by-passed regional small and intermediate urban centres.⁷

⁷ Romein, A (1997) The role of central places in the development of regional production structures: the case of Huetar Norte, Costa Rica, in P Van Lindert and O Verkoren (eds) *Small Towns and Beyond: Rural Transformations in Small Urban Centres in Latin America*, Thela Latin America Series, Amsterdam.

⁶ The ILO defines the informal sector as all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements.



opportunities, services and goods. This is especially the case for younger generations and for women as well as other groups for whom farming is not a desirable or viable option. Remittances – defined broadly as money earned elsewhere – can play an important role in stabilising expenditure and promoting local investment.

Transformations in agricultural production systems and smallholder inclusion

Changing rural livelihoods are a response to increased opportunities as well as changes in agricultural production systems. Mechanisation, competition over scarce resources and the multiplier impacts of climate change contribute to the need for rural residents to diversify their income sources. At the same time, there is a sharp rise in some sub-Saharan African countries in urban-based investor farmers owning large shares of medium-sized farm holdings, which is likely to exacerbate the existing constraints to smallholders' access to land.

One overall consequence of transformations in agricultural production systems and rural livelihoods is the emergence of inequalities and social polarisation. Hence 'smallholder' is not a homogenous category, but rather one that is highly diverse. Much policy attention in the past decades has focused on how to include smallholder farmers in markets, including global supply networks. There is an expectation that the private sector will play a major role and that smallholders, through formal organisations, will be able to access formal, modern markets and influence policy making. However, as described in the previous section, as much as 80 per cent of smallholder households do not have agriculture as their only or even primary income generating activity, and only occasionally trade in markets. When they do, it is more likely through informal channels. Thus, market-based engagement and inclusive business models risk involve only a small minority of wealthier farmers strongly oriented towards commercial agriculture, and in so doing reinforce inequality dynamics.⁸



Case study 3

Informal, temporary smallholder organisations in Uganda

Smallholders who grow matoke, a local type of cooking banana, in south west Uganda have organised to increase their profits but through seasonal coordination rather than a formal cooperative or farmers' association.

As the matoke ripen in the field, farmers call their relatives in the cities to check on prevailing prices in urban retail markets. This information is then used by trusted community leaders who take charge of negotiating with bulk buyers on behalf of all farmers. These representatives also visit all farmers to assess quantities and quality expected at harvest. They then contact buyers and start negotiations. Once agreement is reached, the farmers establish collection centres operating on designate days, when the community representatives conduct the final negotiations and collect payments from buyers, and finally distribute them to the farmers. This completes the cycle of collective marketing, until the next harvest.⁸



⁸ Vorley, B., del Pozo-Vergnes, E, Barnett, A. (2012) *Small producer agency in the globalised market: making choices in a changing world* IIED: London and Hivos: The Hague.

Business models for inclusive agricultural investment

There is a wide range of these models, including contract farming, management contracts, tenant farming and sharecropping, joint ventures, farmer-owned business and upstream/downstream business links. Their success – or lack of it – is very much context-specific and is not limited to the farming dimension but also to the ‘urban’ part of rural development, including the role of small towns.

Business models can have different impacts on different categories of smallholders and increase inequality. Shifts in access to land can benefit elites and commercial farmers and exclude subsistence farmers, often women. Secure land rights are widely recognised as key to retain smallholders’ benefits, as is information and access to institutions such as banks, insurers, courts and law firms. National policies and programmes are clearly key in setting regulatory frameworks that aim to reduce inequalities. However, these typically and by necessity overlook the context-specific characteristics that are so important to sustainable development.

Locally grounded and context-specific initiatives that link up with a range of stakeholders

Regional planning is attracting renewed attention, although learning from the shortcomings of previous experiences since the 1960s is perhaps more important than ever. Both the 2030 Agenda for Sustainable Development and the New Urban Agenda call for integrated urban and territorial planning and more inclusive approaches and enhanced synergies between urban and rural communities and spaces whilst recognising the necessity to include different levels of governance to reflect unique contexts and multiple pathways.

These emerging approaches to rural-urban partnerships emphasise strategies that mobilise assets and harness complementarities at the regional level. Democratic participation and leadership is key to initiatives that integrate rural and urban areas through institutional partnerships combining environmental, economic and sociocultural objectives. While the role of the private sector in connecting different elements of the local economy is acknowledged, involving it may prove to be challenging. Large-scale, global private sector actors may show little interest in engaging at the local level, while in low and middle-income nations, this is often because of local governments’ lack of knowledge and suspicion of the informal sector, despite the latter’s economic and social significance. In contrast, successful initiatives rely on governance systems that include local entrepreneurs, often small-scale operators, civil society and local government as key stakeholders.

What role for agri-business?

How can agri-business contribute to sustainable development, and especially but not only to SDG 1 – ending poverty and SDG 2 – zero hunger? It is now widely recognised that locally-embedded initiatives, which build from the bottom up on inclusive governance systems and address the growing diversity of rural livelihoods, agricultural production and markets are more likely to be successful. This has implications for agri-business, which tends instead to rely on globally integrated value chains and systems that can very easily bypass local stakeholders. In many instances, efforts to engage with the latter do not go much beyond consultation. Real participation means shared decision-making. This, in turn, can be difficult given the often-huge power differences, especially with smallholder producers in low and middle-income nations.

A more realistic approach needs to build on two interlocking dimensions: the first is the decentralisation of decision-making within the agri-business sector as the first step towards a meaningful engagement with local stakeholders, including local governments. The second is the inclusion of small-scale private sector actors and, especially in low and middle-income nations, of informal sector operators. This is not limited to smallholders but needs to extend to traders, processors and distributors, which are often seen as competitors but are increasingly important actors in rural economies. Exclusive reliance on formal organisations inevitably excludes this very large category – in many instances the majority of low-income groups. Expanding the range of options in relation to markets and occupations, rather than curtailing it, is far more likely to end poverty and hunger than top-down initiatives that unintentionally increase social polarisation and economic marginalisation.

The case studies illustrate instances of positive rural-urban linkages (1) and negative ones (2), and an example of informal smallholder organisation in Uganda (3).



Rural labour pool, education and desirable futures for young people: what role for agri-business and succession planning?

Dorte Thorsen

School of Global Studies, University of Sussex

The push to provide education for all has resulted in more young people enrolling in school. With that comes new ideas about what they would like to do, what their relatives think they should do, and where. The dominant narrative is that education fuels rural youth's aspirations for urban work and especially for white-collar work. Education, then, is perceived to encourage young people to migrate to cities and larger rural towns to pursue secondary and tertiary education and to find employment. This narrative stimulates anxieties framed in terms of labour shortages in rural areas and/or of unemployment and overcrowding in urban areas.

While we can establish that many young people drift towards urban areas, a linear education-to-employment transition is less clear. Pro-education policy has increased school enrolment significantly in rural areas but far from all children and youth who are enrolled in school leave with certificates that can facilitate white collar employment or even more secure livelihoods. Understanding how education changes the lives of young people and their families, what alternatives exist when schooling cannot be completed or does not result in well-paid employment, how young people are supported by their families and whether there are gender differences will be helpful for identifying the needs and interests that agri-business might be able to address.

Marginalisation and enduring poverty

Ideas about schooling and other education outside the family vary tremendously across countries but it is a general trend that rural schools offer inferior education to urban schools, disadvantaging rural children and youth from the outset. Adults are not oblivious to this fact but schooling is increasingly becoming part of childhood, also in the global South, and while the idea of secure, well-paid employment ultimately is a success, parents are more concerned about tackling endemic poverty.

In many places, persistent poverty has undermined men's ability to meet the responsibilities that are considered theirs culturally. Women have made up for the dwindling provisions for just as long. In Aconcagua Valley in Chile, for example, many women now do seasonal work in fruit packing facilities, and in more remote areas women engage in a wider range of farm and off-farm activities. Such work helps filling the gaps in the household budget but quickly becomes a permanent feature in women's lives.⁹



Case study 4

Temporary employment in the export fruit sector in Aconcagua Valley, Chile

In Chile workers employed in the export fruit sector in Aconcagua Valley are living the consequences of temporary employment. Although legislative reforms in the early 2000s aimed to regulate working conditions and ensure workers were issued a contract, low enforcement and increasing labour flexibility effectively obliterate any advances made.

Over 70 per cent of the workers are women who work long hours, often in hazardous conditions in the harvest season, earn a relatively good wage but are laid off at the end of the season.

One woman explained a pattern that resonated with the stories told by the majority of the seasonal workers: The first pay cheque of the season (January) was used to pay debts from the previous year, the next to buy the essential school supplies, clothing and shoes before their children returned to school in March, and the third and last pay cheque in that season was used to stock up supplies for the winter.

Another woman advocated education for children as a way to avoid their dependence on seasonal work and having to return to the fruit packing facilities every season to pay off debts. This vicious circle had in fact turned the women into permanent seasonal workers.⁹



⁹ Radovic-Fanta, J. 2017. *Living on Standby: Endurance and Anticipation in Chile's Aconcagua Valley*. *The Journal of Latin American and Caribbean Anthropology*, 22, 357–375.

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Rural transformations are also affecting women's social position. In northern Ghana, the development of infrastructure and greater availability of goods in the 1980s helped women expand their remunerative activities from farming to petty trade. This shift meant that they were better able to provide for the family and it gradually opened the door for accepting greater mobility for women; first for older women acquiring goods and accessing markets, since for girls and younger women pursuing education and migrating to work.¹⁰

These changes accentuate the importance of breaking down by gender how paid work, trade and mobility affect the portfolio of activities in which a family engages and the control over income and other resources. Enduring poverty, in spite of adaptations and new sources of income, will encourage rural families to seek alternatives. Thus, if agri-business is to have role in poverty reduction, initiatives need to go beyond increasing the resilience of rural populations and promote the ongoing transitions in ways that are appropriate in a given context.

Labour constraints in rural households

One effect of children being enrolled in school and of continuing education beyond primary school is that parents have less access to juvenile labour. From a child labour abolitionist perspective, this is a good outcome. However, in practice schooling does not necessarily keep children out of work in commercial crops. In cocoa growing areas of West and Central Africa school teachers sometimes acquire their students' labour, and students seek supplementary income to help pay school related expenses. From a child- and family-centred perspective reduced availability of juvenile labour is more complex and a fine balance between lacking labour for farm work, non-farm work and domestic work, worrying about children's skills acquisition being delayed and seeking avenues for a better-off future for one's offspring.¹¹ Juvenile labour needs to be understood in the specific contexts to protect children from hazardous work while allowing for skills acquisition and incomes that can support their education and future livelihood activities.

When young people migrate for education or work, the division of labour within the household changes. Who takes on the work of the absentee differs according to norms about work and the availability of labour. A study comparing the impact of young people's migration in Ethiopia and Malawi, reveals that in Ethiopia adult women and, to some extent brothers, took over the farm work that young men did before migrating. In Malawi the loss of migrating youths' labour was compensated by hiring labour. The absence of young women is claimed not to affect the division of work,¹² but it is likely to increase the burden of domestic work for girls and other female youths.

Thus, to understand fully the shifts in labour availability and opportunities for paid work in rural areas, it is important to also look at the trickle-down effects of changes. This includes predicting whether the impact is in terms of work in family enterprises, time for schooling, and/or ability to pursue individual activities, including work elsewhere.

11 Thorsen, D. 2012. Children Working in Commercial Agriculture: Evidence from West and Central Africa. Dakar: UNICEF West and Central Africa Regional Office.

12 Mueller, V., Doss, C. & Quisumbing, A. 2018. Youth Migration and Labour Constraints in African Agrarian Households. *The Journal of Development Studies*, 1–20.

10 Darkwah, A. K., Awumbila, M. & Teye, J. K. 2016. Of local places and local people: Understanding migration in peripheral capitalist outposts. Brighton: Migrating out of Poverty Research Consortium.



School education: poverty and youths' drive to continue education

Enrolment rates in rural primary schools have risen rapidly since the millennium, transforming local notions of childhood, and yet, retention and functional literacy remain low. For many rural children and youth completing school has become a significant goal, even if it does not increase their chances of gaining decent employment.¹³

An emerging strategy among secondary school students in West Africa is to work during their summer holidays to help pay school related expenses. They travel to big cities in the region to work or do share cropping for the duration of their summer holidays to relieve parents and guardians of some of the expenses. The financial contribution is important, sometimes to the point of keeping the youth or his/her siblings in school. However, holiday labour migration has a secondary goal: young people are not idle during their holidays but learn to labour, save money and take new social positions in the family. These attributes are part of the life course transitions that out-of-school youth also experience through farming, work and/or marriage.

Working in the city expands rural youths' experience and outlook on life, but it also encompasses hardship and vulnerability. Togolese and Ghanaian students engaging in holiday migration to Accra, for example, often do lowly paid work as porters in markets where the income is highly variable, depending on the level of competition. Some also work as shop assistants and helpers in small restaurants, evaluating the low but fixed daily wage against the fluctuating incomes of porters. They sleep in public spaces to keep down the costs of living and save for schooling but do not identify as street children or rough sleepers as long as they sleep in spaces where adult migrants also sleep.¹⁴

Students at secondary school could potentially be a pool of seasonal labour. However, it is crucial to understand the assessment young people make, sometimes seconded by relatives where they are or over the phone, about the best economic outcome of their work and the toil and vulnerability this work incurs to attract this pool of labour.

¹³ Abbott, P. 2013. Promoting children's rights in Rwanda: Progress under EDPRS1 and priorities for EDPRS2. Kigali: UNICEF Rwanda Nkurunziza, J., Broekhuis, A. & Hooimeijer, P. 2012. Free education in Rwanda: Just one step towards reducing gender and sibling inequalities. *Education Research International*, 2012, 11 pages. Thorsen, D. 2016. Youth's rural to urban migration in Rwanda. Research Report, Save the Children US.

¹⁴ Howard, N., Jacquemin, M. & Thorsen, D. 2018. Baseline research report. Project for the protection of child migrants along the Abidjan-Lagos Corridor. Cotonou: Terre des Hommes.



Case study 5

Poverty and youths' drive to continue education, Rwanda

National statistics in Rwanda reveal that 27 per cent of children of primary school age did not attend school regularly in the early 2000s, the completion rate was below 50 per cent and considerably lower for girls. By 2011, 95.2 per cent of children aged 7 to 17 years were in primary and secondary education, and gender differences had been eliminated at primary level and the early years of secondary school.

Despite pro-education policies, many poor children drop out because school attendance engenders costs to uniforms, books, school dinners etc. that they cannot afford. A small exploratory study with domestic workers in Kigali in 2016 offered insights into the process of dropping out. Apart from two girls who had never been enrolled in school, over two-thirds of the children dropped out of school during or after primary school. Only one boy, who had received a scholarship, completed secondary education, the remaining five dropped out during secondary school.

Determined to continue their school education the youths pursued a number of strategies. The first was to tenaciously turn up at school despite having been sent home the previous day due to incomplete school kit and lack of note books. Several youths – both female and male – had fetched water to earn money to partially support themselves while at school. Girls also sold avocados, and at least one worked as a domestic worker locally to raise money for her schooling until her parents found out and obliged her to quit the job. Once they had dropped out of school, several of the youths travelled to Kigali to work. Some hoped their employer would allow them to combine domestic work and schooling. Discovering that this was a rare perk for young domestic workers, they readjusted the plan and sought to save up money to re-enter school.

Two 16-year-old girls described how youths could return from Kigali after 2–3 years to continue school, noting that in such cases their community would approve of them. However, they also noted that boys often saved more than girls because many girls wasted money on buying clothes and lotions.¹³



Youth mobilities: transitions from education into economic activities

Whether they have completed the level of education they were aspiring to or not, most young people make a transition into engaging full time in work and remunerative activities once they are out of school. The pathways of three young cocoa and coffee farmers in Côte d'Ivoire are indicative of the many contingencies that shape young people's lives, sometimes because of the choices they make and at other times completely outside their control. Although each are unique, the pathways of the three youths represent the broader set of common experiences and ways of dealing with vulnerability and difficulty in West Africa. Central issues in their stories are the intertwining of mobility, migration and schooling, and the important role of the extended family as parental figures.

Although the young men had dreams of non-farm work and urban existences, they exhibited resilience and entrepreneurship when fate of life cut their dreams short and brought them back to their rural origins. All three engaged in innovative cocoa and coffee farming, planting new cocoa varieties and mixing other annual and/or perennial crops to diversify their income. They accessed labour through rotating working groups consisting of young men who did not limit themselves to old allegiances rooted in ethnic networks but transferred ideas about reciprocity and social cohesion to new faith- and age-based networks. In spite their interrupted schooling, youths like these three were highly competent sources of innovation due to their educational capital, their track record of adapting rapidly and their knowledge of communication technologies. Interestingly, all three imagined their future in non-farm occupations in urban areas or abroad.¹⁵



Case study 6

Pathways of three sons of cocoa farmers in western Côte d'Ivoire

Kevin

24-year-old Bété – the ethnic group originating in the area – who grew up with his maternal uncle in Abidjan, where he pursued education in a football academy. Due to a skirmish in the extended family, his father called him home before he could complete the last year of senior secondary school. Unable to follow his dream of playing football professionally, he made another life course transition by marrying and becoming a father. Through peers in the church he learned cocoa and coffee farming, even though he continued to imagine his future as a transnational migrant.

Frédéric

29-year-old Mossi – third generation of family who came from Burkina Faso – was first sent to his grandfather, then a relative in Ouagadougou, Burkina Faso, where he was enrolled in school. Before completing junior secondary school, he dropped out because he had little financial support and his life was precarious. A failed attempt to set up business incited him to return to his grandfather's house, where he was given a small farm for cocoa and coffee. Drawing on his literacy and numeracy, knowledge of agriculture and trade, he hoped to save up from farming to establish himself as a trader in town.

Arsène

26-year-old Baolé – of a family who migrated from northern Côte d'Ivoire – had full support of his family to pursue education, even when he had to repeat a class, until he made a girlfriend pregnant and was obliged to take on the responsibility for his girlfriend and the child. Having relatively easy access to land because he is the inheritor of his father, he quickly entered cocoa and coffee farming through which he saves up money annually to realise his dream of being business man in town and of rearing livestock.¹⁵



¹⁵ Alac, R. 2016. Stratégies des jeunes dans une économie de plantation de l'ouest ivoirien. *Afrique contemporaine*, 259, 41–58.

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Not all school-leavers are absorbed into farming once they are out of school. Some migrate to work and others continue education doing vocational training formally or informally. The pathways to vocational and technical training vary enormously across contexts, as do the costs incurred and the skills acquired. Costs may involve paying tuition or end-of-training fees, not being paid and/or having to pay for board and lodging if the training is away from home. Pathways for young men and women into vocational training are linked with notions of gender-appropriate work, but also with social networks and parental ideas of what constitutes a good future.¹⁶

These examples point to the existence of a pool of young people who are keen to learn more and who see their future outside farming. They constitute a potential for upskilling workers and entrepreneurs in rural areas and towns to engage in the upstream and downstream activities related to agri-business.

Case study 7



Gendered pathways to vocational training, Vietnam

Mechanic

A 26-year-old mechanic from Hue province in Vietnam had stopped schooling after grade 9 and become a motorbike mechanic apprentice with his paternal uncle. Referring to his family's poverty he noted that he only began to eat lunch then, otherwise he had had two meals a day. His training lasted about a year, then he asked his father's permission to go to Da Nang with a friend to work in his friend's uncle's motorbike repair shop and learn more. They were the only two working with his friend's uncle. After a year, he finished the second apprenticeship but stayed on to work for another year. Apart from living with the friend's uncle and being provided with three meals a day, they never received any pay, so at the end their mothers asked them to come home because they could no longer afford to support them.

Hairdresser

A 26-year-old hairdresser from Hue province went to Ho Chi Minh City to work in a workshop sewing jackets when she was 14 years. Even though her mother did not want her to go because she was so young, she liked the idea of going to Ho Chi Minh City so much that she was bold enough to go. After four years, her father arranged for her to move to Da Nang because he wanted her to learn a trade, and as two of his siblings lived there he thought they could help her. When she started hairdressing, she paid a tuition fee of around 1 million dong [\$44] for 10 months' training and she learned how to do facial massage, hair washing, dying, curling, and straightening. Then she started a second apprenticeship and spent her entire wage to pay tuition fees to learn hair cutting and trimming.¹⁶



¹⁶ Thorsen, D. 2016. Youth's rural to urban migration in Vietnam Research report, Save the Children US.

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Migration for agricultural work

Despite the common drift towards urban areas, there is also a pool of youths who migrate internally or to neighbouring countries to work in agriculture. Although many are of rural origin, urban youths also pursue wage work on large and small commercial farms. Mostly they lack access to land and to paid employment nearer to home, or the difference in the wage paid is an incentive to migrate. Bolivian youths migrating to do farm work in Argentina, for example, can earn up to four times more in Argentina than at home, despite the fact that they often are paid less than the Argentinian workers.¹⁷

Whether or not agri-business encourage labour migration across border and work with governments on legal pathways, there is a potential for working towards better terms of employment and supporting seasonal workers' in productive activities in the quiet months.

**Case study 8****Youth labour migration to work in agriculture, Bolivia**

In rural communities in southern Bolivia young people pursue higher wages and greater independence from their families from the age of 15–16 years. By their early 20s, many of them have worked in citrus or vegetable plantations in northern Argentina at least once. In the beginning they earn \$7–8, but once they have learned the work, the daily rate increases to \$10–12. Some work in the same area all year, others follow the harvests to maximise their income and/or retain control over how much they worked.

"I work harvesting grapes in Mendoza in February, tomatoes and peppers in the north of Argentina from April, tomatoes and citrus in Corrientes from August or September. In December tomatoes are harvested in Buenos Aires. I follow the harvests, it's a great way of seeing places and meeting people" (21-year-old man).¹⁷



¹⁷ Punch, S. 2007. Negotiating migrant identities: Young people in Bolivia and Argentina. *Children's Geographies*, 5, 95–112.

Conclusions

How can agri-business contribute to sustainable development and to the achievement of the SDGs in a rapidly changing context with a host of challenges but also new opportunities?

Perhaps unsurprisingly, agri-business considers SDG 1 – no poverty – and SDG 2 – zero hunger – as the most relevant to its mandate. It can be (and has been) argued however that what defines the SDGs is their inter-connectedness. In other words, it may be useful for agri-business to consider its potential role in other dimensions. This does not mean losing focus. Quite the opposite: the focus should be on the local contexts, including both rural and urban areas, people and enterprises and their linkages and interactions. Initiatives supporting the growth of micro-, small- and medium-sized enterprises in the supply chain, legal pathways for seasonal migrant workers and better working conditions address SDG 8 – decent work and economic growth – and potentially also SDG 5 – gender equality. Such a grounded, bottom-up approach based on inclusive governance systems can help identify unintended exclusionary outcomes and pinpoint specific areas and sectors where support from large-scale private sector actors can be beneficial.



Contact

Global Agri-business Alliance,
World Business Council for
Sustainable Development
Maison de la Paix
Chemin Eugène-Rigot
1202 Genève
Switzerland

+41 22 839 31 00
info@globalagribusinessalliance.com
globalagribusinessalliance.com

Members (as of Q2 2018)

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