### Thai farmers search for viable alternatives

# Agriculture or agribusiness?

***To break out of the vicious circle of agro-industry, farmers and NGOs united in the Alternative Agriculture Group try to develop Sustainable Agriculture. Although farmers increasingly switch to this agricultural approach, the rate of 0.4% of the total number of 5 million farmers is still very low. Four important factors which keep farmers from changing to alternative practices are analysed in this article.***

**Penny Levin and Vitoon Panyakul**

Thirty years after the push for intensified agriculture in Thailand and 10 years after agro-industry being the major thrust in agricultural development, the benefits fall only to a small portion of the population.

Rising costs and increasing amounts of inputs, continuous erosion of the environment, lack of control over farming and market choices and the unpredictability of market prices place farmers in a never ending price-debt squeeze. Over 500,000 farmers are now landless. In some regions, up to 85% of farm households earn too little to survive.

Agricultural development policy has followed international recommendations in support of a growing agro-industry, accepting agricultural crops as a commodity rather than as necessary food resources for the domestic population. The government's policies have played a significant role in escalating deforestation, increasing displacement and marginalisation of small-scale farmers, mismanagement of water resources and higher risks to farmer and consumer health.

Thai agricultural cartels have strong influence on agricultural policies. Less than 20 companies control most of the agricultural market. A central feature is their vertical integration: they control the entire process from production of raw materials up to marketing of final products. One of the most influential cartels, Charoen Phokphand (CP), originated in Thailand with a seed company called Chia Tai and has grown to a conglomerate of more than 200 companies trading in seed, fertilisers and chemicals, livestock, animal feeds and aquaculture. CP is doing business in two ways: joint ventures with other companies and contract farming with farmers.

Contract farming, especially the wage contract system, is the most important method, and it is expected to be used in neighbouring countries, too, when the opportunity opens up. The practice ensures lower production costs and better control over the product by CP while it places all the risks with the farmers.

Within this commodity oriented framework "sustainability" has been defined as ensuring continual high yields for a single purpose: the market! It builds on a simplified and limited vision of a farm system or "agro-ecosystem", whereby the people living in a farm household are impersonalised to labour input and "income" is the "target of development". Thailand has become a newly industrialised country at the expense of its rural farming sector and its environment.

## Promoting alternatives

Farmers and NGOs began to search for an alternative to mainstream agriculture in order to break out of this vicious circle. Some farmers decided to diversify production to reduce market dependency. Others opted for organic farming methods to reduce the use of chemicals. Still others returned to traditional agricultural systems, making it their first priority to feed their families. All of these initiatives formed the basis from which "Alternative" or "Sustainable" Agriculture emerged as a movement in Thailand in the mid-1980s. In response to the rapidly growing interest among the NGO community, a loose network of leading NGOs was formed in 1984. This network, which later evolved into the Alternative Agriculture Group (AAG), has been a main forum for sharing and discussing experiences among NGOs involved in Alternative Agriculture (AA).

Photo: TREE

*One of many techniques used in SA: mixed cropping with rice and mungbean. Rice straw is used as mulch.*

According to the latest AAG publication, prepared for its first annual Alternative Agriculture Forum held in November 1992, the term "Sustainable Agriculture" (SA) was defined as "agricultural production and peasant livelihood that contributes to the rehabilitation and maintenance of ecological balance and the environment, with just economic returns, promoting a better quality of life for farmers and consumers and fostering the development of local institutions for the benefit and the survival of all human kind". It is stressed that the issue of self-reliance and farmers' control over production processes are central to the AAG definition reflecting two beliefs prevailing in our NGO community. One is the trust in farmers' contributions towards ecological enhancement. The second one is the belief that farmers' economic autonomy is a means to overcome exploitation by a dominating market.

While agreeing on this common basic definition of SA, the NGOs recognise various orientations within their own movement, with different groups using varying but often overlapping philosophies and approaches. Some see SA mainly as appropriate technologies, tools, seeds and processes. For others, SA is an expression of the democracy movement in the rural areas linked to farmers' self-determination. For some, SA stands for a way of living. For many this fits well with buddhist ideologies and the search by many people in present-day society for something which is missing in their lives: a bond with the environment!

A survey revealed that over 50 NGOs and numerous farmer organisations work on SA in Thailand. But in terms of households, SA accounts for a very small proportion of the national farming population: only 0.4% or approximately 20,000 households out of 5 million. This percentage does not include the few traditional farmers who still exist in most communities. Although farmers increasingly switch to SA the rate is still too low. The challenge faced by the AAG in the coming years requires much more consideration and thorough evaluation of its existing promotion strategy.

## Stumbling blocks

Field experiences show that at least four factors keep prospective farmers from

switching to alternative practices: economic factors, production techniques, cultural aspects and market opportunities. Unless these stumbling blocks are removed, a mass AA movement will remain an unattainable dream of farmers and NGOs.

### *Economic factors*

It is well known that one of the farmer's prime concerns is income. In the present context where full-fledged commercialisation is sweeping through the rural sector, sale of cash crops is the only source of income for farmers to rely on to sustain their family's livelihood. The double cost-price squeeze (more use of more expensive inputs; lower prices for produce), not only keeps farmers below the poverty line, but serves as the main mechanism to transfer surplus products from the rural sectors to urban industrial sectors. It is often not feasible for farmers to adopt SA because it requires a certain amount of capital for physical improvement of the land (eg. pond digging, drainage) and for income during the period when for example trees are not productive yet. It is generally believed that farmers need at least three to five years to rehabilitate soil to an extent that enables adequate production. For many indebted farmers, it is not possible to wait that long, as interest and redemption on capital loans must be paid on short-term conditions. Above all, the lack of security of land-ownership makes farmers reluctant to invest in improvements that pay in the long run.

As long as these immediate economic constraints continue to exist, a large number of resource poor farmers feel themselves barred from adopting SA. So, supplementary measures which provide solutions to farmers' immediate problems must accompany SA information, technology transfer and policy advocacy.

### *Production technology*

Production technology in SA is much more complicated than that in chemical-intensive farming: planting trees and "letting nature look after them" is far too simplified a picture of sustainable agriculture. Understanding and making the life cycles of the environment work for the farm is a complex process. Sustainable farming requires serious attention and determination from the farm owners to put abstract principles into practical techniques. As farming environments vary from one place to another (as well as farmers' individual socio-economic circumstances), SA farmers cannot easily copy ready-made techniques from fellow AA farmers: they must still experiment with them before they can successfully apply them on a large scale at their farm.

▶ P 14

# Mr. Maha Yoo's self-reliance

**Bantorn Ondam and Jarin Boonmathya**

Since the beginning of the 1980s, farmers' own perception and knowledge of landuse and farming practices is the principle guideline for NGOs to promote sustainable landuse. "Folk models" serve to demonstrate the advantages of integrated farming. The families providing these models have developed their farms on the basis of their knowledge of traditional farming and their own experiences and observations. They continuously seek to adapt and improve their farm systems. Mr. Yoo Sunthornthai from Surin Province is one of those farmers who inspired NGOs to set up programmes to disseminate their experiences. NGOs believe that folk knowledge like any other knowledge can be learned and adopted, if the network to disseminate it is properly designed. Farmers like Mr. Yoo are often invited as resource persons in seminars for NGOs, farmer leaders and farmers. Frequent visits are made to their farms. Assisted by NGOs, many - especially poor farmers - make the difficult decision to start the process of blending their own knowledge about landuse and farming practices with that of such "model" farmers.

Photo: THEE

*Mr. Yoo selects rice to be planted on his farm. He uses different varieties with varying growth cycles, pest resistance and labour demands*

### Mr. Yoo's ideas and practices

Mr. Yoo inherited the tradition and knowledge of farming from his parents. In general, this knowledge is identical throughout the Northeast. Mr. Yoo's ideas vary in the sense that they are specific to his local environment. Over time, his ideas have changed depending on the changes in this environment. In their early twenties, Mr. Yoo and his wife realised that the approach of their parents and other traditional farmers was not viable any more. They looked for alternatives in farming for sustaining their family. Without abandoning the old practices completely they reoriented their farming pattern to the necessity to produce for the market. They found out that in the Northeast, "business-like farming" can be designed without disturbing the ecological balance. The principles of symbiotic interdepen-

Photo: THEE

*Botanical control is alternative for ever increasing need for more expensive chemical pesticides. Preparations are made for a mixture containing* galingale *and neem leaves.*

AA receives little support from research institutions in Thailand. Indigenous knowledge remains unrecognised and unrecorded. Relevant information services are lacking. Even among our NGO community concerned with SA, technical staff is inadequately equipped. Therefore, a change in priorities is required, to give more focus to staff training and development of information service centres, before SA technology can be taken up by farmers at a larger scale.

### *Cultural aspects*

Local wisdom in farming began to disappear when chemical farming and an export oriented market system were introduced into village economy. The culture of farming, seen as the reflection of indigenous farming knowledge, eroded. Revitalisation of a farming culture needs time, knowledge, and support from all people within and outside the community. Also farmers themselves must be willing to relearn agriculture. SA requires intensive labour inputs initially, as farmers must pay extra efforts and attention to developing improved farming techniques.

Peasant tradition which emphasises self-reliance, independence, mutual self-help systems and simple living are for some a remnant of the past, especially in the present context where consumerism floods village life. Even when prospective farmers begin to experiment with SA, they often express their concern about farm productivity. Now farming without chemical control of weeds and pests is an alien concept to them: chemical pesticides were an effective insurance strategy which they conveniently used against uncertainties in farming for the last 30 years.

However, some of the success of AA promotion (and perhaps also of community development efforts), is exactly attributed to the cultural touch. SA is not promoted as a mere economic activity, but rather as a part of the rural way of life which for some people is very appealing. Real changes in farming patterns will never succeed and sustain unless such "cultural battles" are won. This challenge calls for serious consideration by all concerned groups, especially but not only the sustainable agriculture movement.

The extension strategy employed by local NGOs is a farmer-to-farmer approach. By supporting leading farmers to develop their farming system, NGOs hope that they will set examples for other prospective farmers to follow. It is important, however, to note that all these leaders have educational, social and even economic backgrounds distinct from other farmers. Some of them had buddhist training, while others were "educated" by NGOs. Many of them received financial and/or moral support from rural development NGOs. Farmers who consider to shift away from conventional farming, may experience this as a barrier.

### *Market opportunities*

Marketing problems are related to the national policy structure. With the adoption of export oriented industrialisation as the engine for national development, the agricultural sector has been geared towards providing cheap food for Thai urban residents and generating foreign exchange earnings (to finance industrialisation programmes). Structural relationships between industrial/urban and agricultural/rural sectors are therefore unequal. In addition, within the structure of the global market system where Thailand, as well as other Third World countries, are compelled to exchange raw materials and agricultural products for manufactured goods under deteriorating terms of trade. Thus unequal distribution of wealth is also created on the international level.

Those at the bottom of this exploitative trade pyramid are small farmers. Over the past 30 years, they have become ever poorer in the process of their integration into this global market system. As a reaction many turned to self-reliant alternative agriculture. However, only a few farmers are able to really cut market linkages. Many marginal farmers interested in SA need to earn cash income to pay off debts and necessary expenses. This calls for an alternative market system with fair prices for rural products.

### Time to reform objectives

We, NGOs in Thailand, have moved from the period of gathering "horror stories" of the green revolution to the stage of conducting research that provides sound statistical quantitative evidence for the feasibility of a transition to SA. It also backs the need for a change in approaches of the Thai government and the private sector regarding agricultural and community development and environmental sustainability. At the same time, we are just beginning to find out our own way towards SA practices. We recognise the need to record and share our experiences (problems, successes, failures, our reaffirmation of traditional agricultural knowledge as a source for growth) as one crucial element of our continuing struggle for people's self-determination.

Moreover, SA requires more qualitative and future oriented thinking. SA movements are not just technical in nature. They are at one level influenced by sociopolitical consciousness and at another level, they propagate changing our way of living. SA is not merely a solution for marginalised and subsistence farmers. It presents a quality approach to rebuilding self-sufficiency that begins with a reflective process and ends with a basket of technological choices.

Policy makers and implementing agencies need to understand and internalise the origins and language of environmental and social poverty, and the opportunities that SA presents for correcting the imbalances created by the erosion of social and environmental health during the pursuit of international markets.

We do not intend to suggest to governments that pursuit of a market economy cannot be had, but the question remains which market, for whose benefit and at what cost? What level of priority should it take over social and environmental health and the survival of cultural identity?

Attention to local markets, local food security and traditional agricultural diversity, decentralised decision making in agricultural production, focus on direct farmer control over natural resources and community ownership of producer-to-consumer networks are necessary for the dignified survival of farmers. It is high time to truly refocus agricultural objectives, to grapple with the real meaning of sustainability, and to support an agriculture in favour of communities and the environment. Governments must recognise that this will also benefit the survival of markets and so the whole nation in the long run.

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**Note**: This article is based on **Sustainable Agriculture in Thailand, A Country Report** with contributions from the members of the Alternative Agricultural Group and edited by Penny Levin and Vitoon Panyakul, to be published by the Local Development Institute. It provides a thorough analysis of agriculture in Thailand, of the efforts of NGOs to support farmers in their attempts to develop sustainable agriculture, of The Peoples' Charter, and of policy recommendations for sustainable agriculture in Thailand.

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