



Youth attracted to agriculture . AI generated image

The youth-led agri-enterprise stack

By Prof Arun Tiwari

For more than five decades, African agriculture has been financed largely as a problem to be managed rather than as a system to be grown.

Aid agencies, development banks, and philanthropic foundations have invested billions of dollars in seeds, fertilisers, extension services, and food security programmes. Yet the paradox remains stubbornly intact: food imports continue to rise, rural poverty persists, and agriculture remains unattractive to the very generation that should be inheriting it. This failure is not due to a lack of farming knowledge or effort.

It is the outcome of a financing model that has stripped agriculture of dignity, profitability, and aspiration, particularly for young people.

Aid-driven farming has followed a predictable pattern across the continent. External capital enters in the form of grants or concessional finance, tied to predefined objectives such as yield enhancement, input distribution, or hunger reduction. While these interventions often produce short-term gains, they create long-term structural distortions. Risk, central to agriculture, is neither priced nor shared but is temporarily suppressed through subsidies. Farmers remain

exposed to climate, market, and logistics shocks, while financial systems never learn how to engage with agriculture as a viable sector. Over time, farmers are positioned as beneficiaries rather than producers, compliance replaces entrepreneurship, and accountability shifts away from performance in real markets.

Perhaps the most damaging consequence of this model is invisible in balance sheets but evident in villages. Young people see agriculture as an occupation of last resort. It is associated with physical hardship, unstable income, social stagnation, and vulnerability to forces beyond





one's control. Even precarious urban livelihoods appear more attractive because they offer the promise of movement, identity, and possibility. As a result, Africa faces a quiet demographic crisis: an ageing farming population, abandoned rural landscapes, swelling informal settlements in cities, and a widening gap between food demand and domestic supply.

Conventional agricultural finance has failed to reverse this trend. Seasonal crop loans and input credit are ill-suited to the realities of African agriculture, where landholdings are small, tenure is insecure, climate volatility is high, and markets are fragmented. Banks respond rationally by avoiding agriculture or lending only under heavy guarantees. What emerges is shallow credit, short repayment cycles, and little innovation. The deeper problem, however, is that Africa does not lack agricultural loans; it lacks financial imagination for agri-food systems.

True out-of-the-box thinking begins by abandoning the assumption that the farmer must always be the starting point of agricultural finance. Instead, it asks how risk, value, and aspiration are organised across the entire food system. It recognises that copying models from Europe or Asia is unlikely to work, and that Africa's unique demographic structure, digital penetration, and ecological diversity demand a different approach altogether. The future lies not in preserving smallholder farming as a survival activity, but in embedding it within a new architecture of youth-led agri-enterprise.

The youth-led agri-enterprise stack reframes agriculture as an interconnected system of services, infrastructure, and markets operated by young professionals. Instead of financing individual plots of land, capital is directed towards local enterprises that aggregate produce, manage storage, operate cold chains, distribute inputs, provide mechanisation services, process food, and build brands. Young people become managers, technologists,



logistics operators, and entrepreneurs, while farmers participate as suppliers, shareholders, or contract partners. This shift creates scale, governance, and predictable cash flows—conditions that finance understands and rewards.

In this model, collateral is replaced by contracts and data. Africa's rapid digital adoption enables financing based on forward purchase agreements, verified production records, satellite and climate data, and digitally tracked transactions. Risk becomes measurable rather than abstract, enabling insurance, credit, and investment to function coherently. Public capital, rather than subsidising inputs year after year, is used strategically to absorb first losses, backstop climate shocks, and support long-term patient investment. Reducing downside risk allows private capital to engage meaningfully and sustainably.

Most importantly, this approach restores aspiration to agriculture. Young people are not drawn to farming out of sentimentality or obligation; they are drawn to systems that offer mastery, income, identity, and growth. When agriculture is presented as a modern industrial ecosystem—integrating

technology, data, logistics, and enterprise—it becomes a legitimate and attractive career path. The dignity of agriculture is rebuilt not through slogans, but through structure.

Africa is uniquely positioned to make this transition. Its youthful population, rapidly growing food markets, and ability to leapfrog legacy systems create conditions that few other regions possess. What is required is institutional courage: the willingness to move beyond repairing failed aid models and instead construct new financial architectures aligned with the realities of the 21st century.

If agriculture continues to be financed as charity, Africa will import its food, export its youth, and urbanise its poverty. But if financing is reimagined as a partnership in enterprise, agriculture can become the continent's most powerful engine of inclusive growth. The youth-led agri-enterprise stack is not a utopian vision. It is a practical reordering of risk, capital, and aspiration—one that treats African agriculture not as a problem to be solved, but as a future to be built.—
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