From Subsistence to Market Oriented Livestock Smallholders
Development in Nicaragua and Honduras

Elsa Sánchez, Werner Doppler

University of Hohenheim, Institute of Agricultural Economics and Social Science in the Tropics and Subtropics, Germany

Abstract

Many families in large dry areas in lowland and mountain zones in Nicaragua and Honduras are at subsistence level and live under unstable conditions. Traditional farming practices and poor efficiency in the use of livestock capital hinder the improvement of the living standard of smallholders. Off-farm sectors may complement the opportunities for rural development and income generation.

The overall objective of the research is to analyse livestock farming systems and evaluate their potential for future development toward higher living standards through the transition from subsistence to market orientation. To achieve this there is a need to understand the subsistence and market oriented livestock farming systems and their determinants for development in dry areas of different countries. It is also necessary to explain the development and interrelationships within the farming systems by focusing on resources, technologies, markets relations and those external factors that enhance the transition from subsistence to market orientation. Furthermore, one should explain and analyse the potential of off-farm activities and income as a complement to farming development. The whole analysis will address to the definition of future strategies of development and their potential impacts on the improvement of living standards by using dynamic risk models.

The research will bring out a clear understanding of the subsistence and market oriented livestock farming systems and the determinants for a transition from subsistence to market farming orientation in different administrative and ecological environments. These results will facilitate the designing of more effective policies and strategies for rural development in dry zones of Nicaragua and Honduras based on the understanding of farm and family as one system. Additionally, it will highlight the need of more research on the different farming systems in other zones of the countries.

Keywords: Dry areas, livestock, lowland vs. mountain farming systems, smallholders

Contact Address: Elsa Sánchez, University of Hohenheim, Institute of Agricultural Economics and Social Science in the Tropics and Subtropics, Fruwirthstrasse 12, 70599 Stuttgart, Germany, e-mail: esanchez@uni-hohenheim.de