



# 18 Rural Development

---

## CHAPTER SUMMARY

In the past half-century, thinking about rural development has undergone two paradigm shifts. The first was in the mid-1960s, from a belief that smallholder “peasant” agriculture was inherently inefficient (and therefore needed to be replaced by more modern forms) to a set of beliefs that saw smallholders as “inherently rational” and therefore the potential driving force of increased efficiency and productivity. The second was a switch in the late 1980s and early 1990s, from top-down rural development towards efforts to make rural development more “participatory,” led or at least more controlled by rural communities.

Most recently, the “sustainable livelihoods” approach has vied with the Poverty Reduction Strategy Papers as the explanatory lens for rural development. The concept of sustainable livelihoods challenges the assumption that rural incomes are largely derived from farming. It considers instead the full range of strategies pursued in rural areas and their interconnections. By contrast, the World Bank’s PRSPs approach is strongly sectoral and focuses on agriculture without developing its linkages to other economic sectors.

The food crisis of 2008, quickly eclipsed by the economic crisis, supports the argument that agricultural development and rural development are not synonymous. Dramatically falling commodity prices show it is risky to assume that increased agricultural production will necessarily result in improved development outcomes. Thus, targeting agriculture in development strategies is a necessary, but not sufficient, aspect of rural development.

## VIDEO RESOURCES

**Vandana Shiva on Global Food crisis, Al-Jazeera English.**

<http://english.aljazeera.net/video/>

Search “Global Food Crisis”

Time 3:14

On Al Jazeera, Vandana Shiva accuses Worldbank and IMF of being the architects of the crisis and gives some advice how to cope, through the promotion of developing world production of export crops for cash, liberalization of economies, speculation by investors, and the diversion of food for fuel.

\*\*\*

**Sustainable development: what, where and by whom?**

<https://www.youtube.com/watch?v=4sJ-uixn7Jg>

Time 19:13

Sustainable development has been the red line in Kitty van der Heijden’s career. After working for the UN, she is now director at the Ministry of Foreign Affairs and ambassador for sustainable development. She will represent the Netherlands in the upcoming Rio plus 20 Earth Summit in June 2012. An international conference organised by the UN 20 years after the first UN conference on sustainable development in Rio. At TEDxHarlem Kitty van der Heijden will take us on a journey through international sustainable development conferences.

\*\*\*

**Linking food safety to food security**

[https://www.youtube.com/watch?v=NiqEV\\_NLw7g](https://www.youtube.com/watch?v=NiqEV_NLw7g)

Time 6:18

With 12.5 per cent of the global population suffering from chronic hunger, many countries around the world need to increase food production in order to meet their food security needs. The four pillars of food security are availability of food, access to that food, utilization in terms of how our bodies use that food, and a stable environment, and food safety plays a key role in all of them. This video, produced for an ICN2 side-event on food safety and food security, looks at how good practices is contributing to rapid growth in aquaculture for domestic consumption and export in Bangladesh.

\*\*\*

**Africa Rising. Al Jazeera English.**

<http://english.aljazeera.net/programmes/witness/2011/08/2011810113949471720.html>

Time 47:30

Remember Band Aid, Live Aid, and developed countries’ determination to “Feed the World”? Well, we failed. There are more Africans living in extreme poverty today than ever before. *Africa Rising* goes right inside the extraordinary story of how a large rural area of Ethiopia is taking itself out of poverty. With a cast of thousands, the film reveals a new dawn of Africans solving Africa’s needs themselves.

\*\*\*

## Rural Development and Governance

[https://www.youtube.com/watch?v=yO-AYyPa\\_Rk](https://www.youtube.com/watch?v=yO-AYyPa_Rk)

Time 59:54

This Lecture talks about Rural Development and Governance

\* \* \*

## E-commerce Strategies for Rural Development: A Best Practice from China

[https://www.youtube.com/watch?v=iB\\_aO75ZPM0](https://www.youtube.com/watch?v=iB_aO75ZPM0)

Time 3:41

Three billion people in developing countries live in rural areas. They include the majority of the world's poor. According to a 2016 OECD report, it appears their numbers will continue to grow until 2030. In this video, the Chinese e-commerce company Alibaba invites aspiring entrepreneurs to join its e-commerce initiative to foster rural development in China. The “Rural Taobao Partner” initiative encourages young workers in urban China to return to their rural villages to start businesses helping the village people to go online and benefit from the internet.

## REVIEW QUESTIONS

1. Define “agricultural intensification.”
2. How does rich-land conception explain success in development?
3. Describe the integrated rural development approach, and include mention of some of its weaknesses.
4. Discuss Ester Boserup's views on rural transformation.
5. Describe the connection between “rural” and multi-locational households.
6. What is the two-sector theory?
7. Briefly explain the Japanese experience in development.

## ANSWER KEY: REVIEW QUESTIONS

1. The agricultural intensification model, exemplified by the experience of Japan, seeks to increase food production through adding additional labour or capital inputs. This can include, for example, increased use of fertilizer, planting more crops per year, using higher-yield crop varieties, using irrigation, and/or pesticides and herbicides. This model might be difficult for developing countries to follow since Japan's historical circumstances were too unique for a general application to other countries. Efforts to replicate the model in developing countries are just as likely to lead to corruption, rent-seeking, and stagnation. (pp. 350–351)
2. Although a nation's successful rural development is tied to the opportunities and constraints of its historical context, many scholars have been inspired to use the histories of currently industrialized societies as models. Two countries are often chosen, since their contrasting factor endowments parallel the extremes that still frame much present-day rural poverty: Japan (portrayed as "labour-rich" but with limited land resources) and the United States (portrayed as "land-rich" but with scarce labour until the early twentieth century). (p. 347)
3. The 1960s IRD approach aimed to revive community development and infuse it with the new ideas of small farm efficiency, promoting "balanced" development strategies instead of just relying on urban and industrial economic sectors for growth. It also followed free market ideals, based on perceived successes in China. World Bank support for IRD was based largely on the idea of integrating projects, rather than segregating them in a piecemeal fashion. IRD tended to be large-scale projects that had large budgets that become almost prize-like, inciting political manipulation and making target locations a very political act, selection of which would serve to reinforce existing political power structures, and inequalities. The projects tended to be top-down, excessively reliant on technical assistance, and non-sustainable management structures. (pp. 351–352)
4. Earlier ideas of rural transformation assumed the primacy of technology in agricultural change, and they assumed that progress was equated with energy sources (animals, machines, fossil fuels) that would replace labour, dooming smallholders. Boserup challenged this. She suggested that there was no inevitable progressive evolutionary trajectory and that technologies and agricultural change would be context specific, responding to independent variables (for example, population density). Specifically, she argued that population dense areas would adapt with more labour intensive technologies, such as spreading animal manure to improve soil fertility, and that new technologies would be developed in the face of scarcity from population pressures. This approach assumes that resistance to certain agricultural technologies is not an innate "conservatism" but is in fact a rational choice that determines so-called "enlightened" technologies to not be in the best interests of particular farmers. (pp. 349–350)
5. The rural–urban divide is becoming increasingly blurred. In multi-locational households, members reside in or move between various communities, economic sectors, and even states, blurring rural–urban identities. This makes remittances increasingly important in rural development. In fact, remittances have even surpassed national investment and ODA for many developing countries. It has policy implications, prioritizing migration policies and financial systems to facilitate transfers. The blurred rural–urban divide also means that policies assuming agricultural productivity will drive increased consumption of non-agricultural goods needs to be re-evaluated. "Rural" may be a useful special designation, but the range of livelihood strategies now pursued in rural areas challenges simplistic rural and urban designations based on economic activities. (p. 359)
6. In the 1950s, the "two-sector" theory of development assumed the small-farm subsistence sector had to be replaced by "modern" activities. This view was exemplified by Sir Arthur Lewis (1954), who postulated that low productivity subsistence agriculture offers a potentially "unlim-

ited supply” of surplus labour that could be attracted to higher-wage activities. The “traditional” sector would therefore eventually vanish as it supplied labour and land resources to “modern” sectors in towns or in industrial agriculture, commercial plantations, or ranches. (p. 351)

7. This can be explained by highlighting four major themes. (1) Overall production in Japan was improved by farmers working relatively small pieces of land, and not by industrial agriculture. (2) As rice production increased, non-farm income opportunities also expanded in the small towns dotting the countryside, maintaining a low degree of inequality in income and lifestyle between rural and urban areas or within rural communities themselves. (3) Success depended on the strong collaboration of the leadership and resources of the national government and a national research and extension system to promote the latest scientific knowledge. (4) Meiji leaders were under intense external pressure to “modernize” their society by opening up to the outside world as producers and consumers of global goods, a pressure that has been exerted on states gaining independence from colonialism through to the present day forces of globalization. (pp. 348–349)