

# DOWNLOAD PDF RURAL DEVELOPMENT STRATEGIES IN DEVELOPING COUNTRIES

## Chapter 1 : Agrarian reform and rural development strategies in the post-cold war era

*developing countries and should be targeted by rural policy, rural development strategies should also promote off-farm activities and employment generation in the industrial and service sectors.*

Conclusion World agriculture has undergone drastic changes during the last few decades. Agricultural production has increased and world food supplies are 18 percent higher than 30 years ago. Between and , per caput food supplies in developing countries increased 27 percent, from 1 to 2 calories per day, while their populations grew from 2. Yet, while the sector on average has kept up with population growth and demand for agricultural produce, many countries and population groups have been bypassed. Progress in some countries has been negligible and in sub-Saharan Africa nutritional levels have actually fallen. Worldwide, about million people are still chronically undernourished. Furthermore, the rate of growth in agricultural production has not contributed to the alleviation of poverty. On the contrary, in the s average income declined in 46 of the 82 developing countries reviewed by FAO. On a regional basis, both Africa and Latin America were especially affected. Here the percentage of poor people increased during the s from 41 to 47 percent FAO, There are many reasons for this situation, ranging from agro-climatic conditions to changes in international commodity prices to government policies. Misguided government policies and priorities have not recognized the importance of the agricultural sector in the overall development process. In many developing countries this sector has been neglected or outright taxed. Proceeds from agricultural taxation were used to finance the development of other sectors, mainly industry and manufacturing, while only a small share was returned to agriculture. Yet, experiences in South and Southeast Asia reveal the importance of agriculture-based development strategies in which the transfer of resources to the non-agricultural sector has been the result of surplus generation in agriculture as opposed to surplus extraction. From Japan to Indonesia, governments followed a strategy which gave early priority to agriculture, especially to raising the productivity of rice farmers to ensure food security. Investments were made to improve the efficiency of the domestic marketing systems in rural areas. In contrast, many African countries have undervalued the agricultural sector and rural infrastructure and have attempted to displace markets rather than invest in improving their efficiency. Since , the rice-based economies of Southeast Asia have outpaced the coarse grain and root crop-based economies of sub-Saharan Africa. In the early s, terms of trade collapsed as oil prices soared and prices of other commodities fell, increasing the difficult debt burden of many developing countries. In order to overcome these financial difficulties and to enable countries to repay their international debts, the World Bank introduced structural adjustment and stabilization programmes in the s that required changes in economic policy and management as well as institutional reforms. They implied the reduction of the role of the state, support to the private sector, dismantling of parastatal agencies such as marketing boards, abolition of subsidies, and devaluation of overvalued exchange rates. Because of the need for immediate economic gains, many countries favoured the establishment of large-scale farming enterprises which produce monocrop export crops and neglected the sector of small farmers whose situation deteriorated, leading to increased poverty, indebtedness and growing landlessness. The landless and near landless rural population constitute the largest single group of those afflicted by poverty. Some 30 million rural people in developing countries are landless, million are near landless, and numbers in this category are growing throughout the developing world, especially in South Asia. Resources to accommodate the poor and the landless are shrinking, with the expansion of arable land growing more slowly than that of the rural population. In search for employment and income, as many as 70 million people, mostly from developing countries, are working, legally or illegally, in other countries. Each year, more than one million people migrate permanently. In addition, because of adverse political and ethnic conditions, the number of refugees has increased continuously. It rose from 2. Policies and strategies which attempted to alleviate poverty through a few isolated projects, even if they were successful, did not bring about the expected results, since they were carried out within a political and economic

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framework that was not conducive to rural development. On the other hand, many indicators of social performance, such as literacy rates, disease eradication or at least suppression, longevity, secondary school attendance, infant and childhood mortality, and population growth rates continued to improve for the developing countries as a whole. For some, however, especially in sub-Saharan Africa, they deteriorated. In Central and Eastern Europe and the Soviet Union of the s, the twin objectives of military strength and socio-economic progress proved increasingly difficult to achieve simultaneously. The resulting strains on centrally-planned economic systems precipitated the major transformations that began in the late s. A major reason for the poor performance of the agricultural sector was a heavily centrally-planned economy that operated through large production units and did not provide incentives for private initiative. Yet, while the productivity of the socialist farming enterprises was low, they guaranteed employment, income and a modest, but rather balanced, living standard for the majority of the rural population. The early stages of this process interrupted traditional trading patterns, drastically reduced real per caput incomes, reduced demand, and disrupted production, processing and distribution. As part of the transition process, even the most basic legal and economic institutions had to be adjusted to allow and encourage the private sector to operate as part of a functioning market economy. Political and economic changes were not restricted to the former socialist countries of Europe. They also occurred in many developing countries. In order to overcome their debt burden, many developing countries continued their policy reforms and structural adjustment programmes, reduced government spending and intervention in agricultural input and output markets, phased out subsidies and privatized the former parastatals. These reforms were intended to reduce state interference in productive activities through a gradual transfer to the private or cooperative sector of such areas as distribution of input supplies, agricultural credit, marketing of products and utilization of agricultural infrastructure. As a consequence, the state is becoming less involved in the management of rural development projects. Its activities will increasingly be restricted to the provision of favourable policy and structural conditions for rural development to take place under the aegis of other institutions. In the late s, when the negative impact of structural adjustment programmes on the social situation became evident, renewed emphasis was placed on the human dimension of development. This orientation had a number of important implications. First, it was recognized that adjustment had to be carried out "with a human face", i. Third, the need to enhance food security and nutrition policies became apparent with the recognition that food access often depends more on income than on supply. And forth, attention was focused on the need to promote the sustainability of agriculture and rural development. Many governments also started to reduce their support of state-run cooperatives and encouraged farmers to create new cooperatives, based on voluntary membership and administered and financed by their members. Several countries, such as Fiji, Kenya, Myanmar, Namibia, Nepal, Swaziland, Tanzania and Uganda, have enacted new cooperative laws that foresee the transformation of the former state-controlled cooperatives into voluntary organizations. The rise of democracy and the widespread decentralization of government allowed the rural poor to make new claims on their political representatives. Several rural development schemes, particularly in Latin America, are being managed by NGOs using resources transferred by central or local governments. The role of NGOs and the private sector in rural development will be further enhanced in the face of shrinking government budgets and services. Growing environmental concerns arising from massive deforestation in the humid tropics, deforestation and soil erosion in the watersheds and depletion of underground water tables, has increased interest in rural development strategies which internalize some of the externalities created by poverty. The debt crisis has further increased the cost of these externalities, e. The possibility of using rural development to promote environmental protection, transferring resources by taxing those who would benefit from reducing the externalities of poverty, has opened new approaches. While in the past, customary land tenure systems and institutions were perceived as inhibiting agricultural development, several countries are now giving due consideration to traditional forms of access to land. The Rural Code Ordinance of Niger of , for example, aims at elevating customary land rights to written rights and thus contributes to developing from an informal market

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to a more formal market that will allow secure land transactions. These new approaches to rural development are only beginning to emerge, but some of their main traits can be discerned. They will rely to a large extent on a new partnership between government and grassroots organizations. They will be based less on the transfer of resources, e. They will have a strong non-agricultural component to capture the linkage effects of agricultural development. These activities will be located as far as possible in the rural areas to provide complimentary sources of income for peasant households and reduce the external costs of rapid urban migration. And they will have strong environmental purpose, involving the transfer of resources as payment for the reduction of increasingly-costly national and international externalities of poverty Ibid: Many national institutions have gone into decline and governments have been unable to protect their people from disturbing trends in the international economic environment. Among the most powerful of these external forces are TNCs, many of which are financially more powerful than national economies. Their main objective is the maximization of profits and this objective is frequently achieved without concern for the economic, social and environmental conditions of the developing countries in which they operate. China, which started its economic reform as early as with the introduction of the Household Responsibility System, has achieved an unprecedented increase of its economy and its agricultural sector. Despite unfavourable weather conditions, agricultural growth has been 3. In Central and Eastern Europe, however, the agricultural sector has faced dramatic shocks. With the breakdown of the command economy, production structures and regional trade, all countries of the region have experienced sharp drops in agricultural production and declines in per caput food consumption levels. Large population groups have faced malnutrition because of declining incomes. In some cases, changes have been so great and abrupt that they seriously disrupted national food balances and endangered the functioning of national, regional and local food supply and trade systems. Although there are some encouraging signs in some selected countries that agricultural production has increased slightly in the last two years, output has not yet reached pre-reform levels. In Africa, some countries benefited significantly from the new opportunities provided by recent developments in agricultural commodity markets. The gains from improved terms of trade are estimated to benefit 13 sub-Saharan countries by an average of four percent of GDP FAO, a: While the devaluation of the CFA in early has had a positive impact on the export sectors and overall economies of the 14 CFA zone member countries, it also has resulted in sharp increases in the prices of imported goods, including food staples, which caused a wave of strikes and demonstrations in several countries. Negative social effects continue to be felt. The living standard in urban areas has fallen and access to health care and resources for schools have been seriously affected FAO, a: In India, the substantial nominal devaluation of the rupee in June made exports of many of its agricultural commodities more competitive. Exports of rice, wheat, cotton, fruit and vegetables, fish and fish products, and meat received a tremendous boost. Yet, here again, the resulting increases in local food-grain prices have had a negative impact on food security for the poor. Poverty has increased during the last three years. In Mexico, the peso devaluation significantly altered the price relationships between domestic and imported products. Higher prices for imported grain resulted in competitive gains for domestic producers, more direct purchases from local producers by the milling and livestock industries, and fewer purchases of imported grain. In Venezuela, too, the strong devaluation of the bolivar resulted in lower food imports. At the same time, farmers suffered from drastic cuts on subsidized credit and price support measure FAO, a: The Near East is also negatively affected by the effects of trade liberalization. The region is heavily dependent on food imports, so the reduction of subsidies on European agricultural goods which accounts for more than 75 percent of the cost of production is expected to cause greater budgetary outlays on imported food. The effects of policy reforms on the poor vary considerably among different population groups. The extent of benefit or loss will depend on their income, resources, education and their access to productive resources, such as land. Reductions in expenditures for social safety nets, including cuts in the public payroll and in welfare programmes for the poor, as well as the increase of prices for imported items, including basic goods such as food, medicines and fuel, due to devaluation have had detrimental effects on the weakest segments of the population. While it is expected that

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higher prices for agricultural products will have a positive effect on the agricultural sector in general, the distribution of gains and losses among rural people depends on whether they are net food sellers or buyers, whether they are producers of export or subsistence crops, and whether they have access to land, labour, credit, input and product markets. Structural adjustment programmes have had the positive effect of facilitating the decentralization of authority and responsibility to local and regional governments and to locally-based "popular organizations. They provide new channels for the transfer of resources and for the management of rural development schemes. A new trend toward more democracy has emerged gradually, providing more opportunities for the rural population to participate through organizations of their own choice in the process of decision-making. The reduction of the influence of the state has also had its impact on the flow of information, since censorship has been alleviated in many countries.

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## Chapter 2 : Rural Development Strategies in Developing Countries - K. K. Singh - Google Books

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Mahmood Hasan Khan How does rural poverty develop, what accounts for its persistence, and what specific measures can be taken to eliminate or mitigate it? Poverty is not only a state of existence but also a process with many dimensions and complexities. Usually it is characterized by deprivation, vulnerability high risk and low capacity to cope , and powerlessness Lipton and Ravallion, ; Sen, Poverty can be chronic or transient, but transient poverty, if acute, can trap succeeding generations. The poor adopt all kinds of strategies to mitigate and cope with their poverty. To understand poverty, it is essential to examine the economic and social context, including institutions of the state, markets, communities, and households families. Poverty differences cut across gender, ethnicity, age, residence rural versus urban , and income source. In households, children and women often suffer more than men. In the community, minority ethnic or religious groups suffer more than majority groups, and the rural poor, more than the urban poor; among the rural poor, landless wage workers suffer more than small landowners or tenants. These differences among the poor reflect highly complex interactions of cultures, markets, and public policies. The links among poverty, economic growth, and income distribution have been studied quite extensively in recent literature on economic development. Absolute poverty can be alleviated if at least two conditions are met. First, economic growth must occurâ€”or mean income must riseâ€”on a sustained basis. Second, economic growth must be neutral with respect to income distribution or reduce income inequality. Generally, poverty cannot be reduced if economic growth does not occur. In fact, the persistent poverty of a substantial portion of the population can dampen the prospects for economic growth Ravallion and Datt, Also, the initial distribution of income and wealth can greatly affect the prospects for growth and alleviation of mass poverty. There is substantial evidence that a very unequal distribution of income is not conducive to either economic growth or poverty reduction. Current experience of economic growth has shown that if countries put in place incentive structures and complementary investments to ensure that better health and education lead to higher incomes, the poor will benefit doubly through increased current consumption and higher future incomes. The pattern and stability of economic growth also matter. On the one hand, traditional capital-intensive, import-substituting, and urban-biased growthâ€”induced by government policies on pricing, trade, and public expenditureâ€”has generally not been good for alleviating poverty. On the other hand, agricultural growthâ€”where there is a low concentration of land ownership and labor-intensive technologies are usedâ€”has almost always helped to alleviate poverty Gaiha, ; Datt and Ravallion, Finally, sharp drops in growthâ€”resulting from shocks and adjustmentsâ€”may increase the incidence of poverty; and even when growth resumes, its incidence may not decrease if inequality has been increased by the crisis. Rural poverty accounts for nearly 63 percent of poverty worldwide, reaching 90 percent in China and Bangladesh and between 65 and 90 percent in sub-Saharan Africa. Exceptions to this pattern are seen in several Latin American countries in which poverty is concentrated in urban areas. In almost all countries, the conditionsâ€”in terms of personal consumption and access to education, health care, potable water and sanitation, housing, transport, and communicationsâ€”faced by the rural poor are far worse than those faced by the urban poor. Persistently high levels of rural poverty, with or without overall economic growth, have contributed to rapid population growth and migration to urban areas. Distorted government policies, such as penalizing the agriculture sector and neglecting rural social and physical infrastructure, have been major contributors to both rural and urban poverty. To understand how poverty affects these individuals and households and to delineate the policy options for poverty reduction, we need to know first who the rural poor are. They are not a homogeneous group. One important criterion for classifying the rural poor into groups is their access to agricultural land: There is, however, much functional overlap between these groups,

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reflecting the poverty-mitigating strategies of the poor in response to changes in the economy and society. Cultivators, who form the bulk of the rural poor in developing countries, are directly engaged in producing and managing crops and livestock. Since these households cannot sustain themselves on the small parcels of land they own or cultivate, they provide labor to others for both farm and nonfarm activities inside and outside their villages. Some members of these households migrate to towns or cities on either a rotational or a long-term basis. In many countries, both small landowners and tenants are under increasing pressure to get out of the agriculture sector altogether. Underlying this process of "depeasantization" are market forces and policies affecting landholdings, rents, prices, credit, inputs, and public investment in the social and physical infrastructure. Noncultivators are perhaps the poorest among the rural poor. Their numbers have been rising rapidly because of the natural increase in population and depeasantization. These workers depend on seasonal demand for labor in agriculture and in rural informal, small-scale industries and services. The landless rural workers are vulnerable to fluctuations in the demand for labor, wage rates, and food prices. They find it even more difficult than small landowners and tenants to gain access to public infrastructure and services. In addition, unlike their counterparts in urban areas, they are often excluded from public sector safety nets food rations, for example. Rural women tend to suffer far more than rural men. Their poverty and low social status in most societies is one of the most important reasons for chronic poverty. Substantial evidence from numerous countries shows that focusing on the needs and empowerment of women is one of the keys to human development. To understand poverty creation in rural areas and its effects on different groups, we should look at the assets that the poor own or to which they have access, and their links to the economy. The economic conditions faced by the rural poor are affected by a variety of assets and the returns on them held at the household, community, and supra-community levels. Their human assets are the labor pools comprising workers of varying ages, genders, skills, and health in the households and communities. Their infrastructural assets are publicly and privately provided transport and communications, access to schools and health centers, storage, potable water, and sanitation. Their institutional assets include their legally protected rights and freedoms and the extent of their participation in decision making in households and communities, as well as at the supra-community level. The first two categories of assets are largely regulated through formal and informal networks among individuals and communities. Most rural people, particularly women and those in landless households, are greatly handicapped by their dearth of assets and the low and volatile returns on these. The differences among the rural poor are more clearly reflected in their links to the economy, which determine how they use their assets and participate in production. All of the rural poor are engaged in the production of both tradable and nontradable goods and services. Artisans and unskilled workers provide many nontradable services and some nontradable products such as staple foods that small cultivators also produce. Only cultivators, however, have access to small parcels of land through ownership or sharecropping tenancy. They are also the only groups of poor people who own or rent physical capital such as tools, implements, and machinery. Artisans and small-scale farmers have only limited amounts of physical capital. They have only limited access to financial capital and acquire it largely through informal agents or institutions, except for tenants, who can use their landlords as conduits to formal credit. Borrowed capital is often costly and is used to maintain consumption during hard times or to buy supplies and equipment needed for farming. All groups of the rural poor are vulnerable to serious risk owing to changes in weather, health, markets, investment, and public policy. The resulting fluctuations in the prices and quantities of their assets and of what they produce can either deepen their poverty or give them opportunities to escape from it. The main reason is that the rural poor are ill equipped to absorb shocks. In addition, economic crises and natural disasters can bring about sharp increases in poverty and make it more difficult for the poor to escape it. Policies for reducing rural poverty

Boosting agricultural growth by applying new technologies is one of the most important ways to reduce rural poverty. However, the impact of such efforts on the rural poor depends on initial conditions, the structure of relevant institutions, and incentives. We know that agricultural stagnation has harmed the rural poor in sub-Saharan Africa by creating food shortages and higher prices that have reduced their ability to buy food

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and find work. Conversely, experience with the Green Revolution showed that rapid agricultural progress made a big difference in reducing rural poverty in parts of South Asia. Datt and Ravallion have found that higher crop yields reduce both the number of rural poor and the severity of rural poverty. But these effects are strong only if certain conditions are met. Since the rural poor are quite varied, we need to understand how macroeconomic changes and policies can affect them. The three major ways in which policies affect the rural poor are through markets, infrastructure including public services, and transfers. Behrman, The markets in which the rural poor participate are those for products, inputs labor and nonlabor, and finance from formal and informal sources. Several important features of these markets can affect conditions in rural areas. Transfers, which are both private and public, provide some insurance against anticipated and unanticipated shocks. Most of the rural poor depend on private transfers among households, extended families, and other kinship groups. Public transfers can take the form of redistribution of assets like land, employment on public works projects, and targeted subsidies for inputs and some consumer products. These transfers supplement or displace private transfers, depending on the policy instrument and how it is used. An important point is that these channels—markets, infrastructure, and transfers—do not work in the same way for all of the rural poor because each group has quite different links to the economy. The policy focus should be on four major groups of the poor: All of these groups will benefit from good macroeconomic management—which helps keep inflation in check and maintains unsubsidized prices—because it facilitates sustained economic growth through private investment and competitive markets. We can identify several policy components for national strategies—involving the government, the private for-profit sector, and civil society—to reduce rural poverty. Lipton, The right to adequate land and water is of key importance in reducing rural poverty in many developing countries. A broad-based land reform program—including land titling, land redistribution, and fair and enforceable tenancy contracts—can make small marginal landowners and tenants more efficient producers and raise their standards of living. The rural poor need to build and strengthen their human capital so they can get out of poverty and contribute more to the economy and society. Basic health care immunization, provision of clean water, and family planning and education literacy, schooling, and technical training—particularly for women and children—are essential building blocks and should be accessible at reasonable cost. The social and physical infrastructure and services can be funded and maintained best—that is, they will be cost-effective and of reasonable quality—if the target groups are involved in designing, implementing, and monitoring them, as well as in ensuring accountability of the government officials responsible for them. Informal and formal sources of credit often are too costly for, or unavailable to, the rural poor. Targeted public sector rural credit programs, especially if they are subsidized, benefit the nonpoor far more than the poor. The poor want credit that is available on acceptable terms and when they need it. Recent experiments with community-based credit programs, in which the poor actively participate in the making of lending decisions and that are subject to peer accountability, have been successful in reaching target groups at reasonable cost. A large and increasing proportion of the rural poor depends on wage labor, because they have either no asset other than raw labor or very few assets: A flexible public works program can greatly help the near landless and the landless to smooth out household consumption and avoid transient poverty. If used on a sustained basis, such a program can also strengthen the bargaining power of the poor in rural areas. Some of the rural poor, both individuals and households, suffer from inadequate nutrition most of the time. They need different kinds of support, depending on their circumstances. These may include food supplement programs; food assistance provided through schools, health care clinics, and community centers; and cash transfers. Decentralized and targeted programs seem to work best.

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## Chapter 3 : Sustainability | Special Issue : Sustainable Urbanization Strategies in Developing Countries

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The series draws mainly from IMF Working Papers, which are technical papers produced by IMF staff members and visiting scholars, as well as from policy-related research papers. Paul Gleason prepared the text for this pamphlet. Rural Poverty in Developing Countries The causes of rural poverty are complex and multidimensional. They involve, among other things, culture, climate, gender, markets, and public policy. Likewise, the rural poor are quite diverse both in the problems they face and the possible solutions to these problems. This pamphlet examines how rural poverty develops, what accounts for its persistence, and what specific measures can be taken to eliminate or reduce it. Broad economic stability, competitive markets, and public investment in physical and social infrastructure are widely recognized as important requirements for achieving sustained economic growth and a reduction in rural poverty. Poverty is not only a state of existence but also a process with many dimensions and complexities. Poverty can be persistent chronic or transient, but transient poverty, if acute, can trap succeeding generations. The poor adopt all kinds of strategies to mitigate and cope with their poverty. To understand poverty, it is essential to examine the economic and social context, including institutions of the state, markets, communities, and households. Poverty differences cut across gender, ethnicity, age, location rural versus urban, and income source. In households, children and women often suffer more than men. In the community, minority ethnic or religious groups suffer more than majority groups, and the rural poor more than the urban poor; among the rural poor, landless wage workers suffer more than small landowners or tenants. These differences among the poor reflect highly complex interactions of cultures, markets, and public policies. Rural poverty accounts for nearly 63 percent of poverty worldwide, reaching 90 percent in some countries like Bangladesh and between 65 and 90 percent in sub-Saharan Africa. Exceptions to this pattern are several Latin American countries in which poverty is concentrated in urban areas. In almost all countries, the conditions—in terms of personal consumption and access to education, health care, potable water and sanitation, housing, transport, and communications—faced by the rural poor are far worse than those faced by the urban poor. Persistently high levels of rural poverty, with or without overall economic growth, have contributed to rapid population growth and migration to urban areas. Distorted government policies, such as penalizing the agriculture sector and neglecting rural social and physical infrastructure, have been major contributors to both rural and urban poverty. The links between poverty, economic growth, and income distribution have been studied quite extensively in recent literature on economic development. Absolute poverty can be alleviated if at least two conditions are met: Generally, poverty cannot be reduced if economic growth does not occur. In fact, the persistent poverty of a substantial portion of the population can dampen the prospects for economic growth. Also, the initial distribution of income and wealth can greatly affect the prospects for growth and alleviation of mass poverty. Substantial evidence suggests that a highly unequal distribution of income is not conducive to either economic growth or poverty reduction. Experience has shown that if countries put in place incentive structures and complementary investments to ensure that better health and education lead to higher incomes, the poor will benefit doubly through increased current consumption and higher future incomes. The pattern and stability of economic growth also matter. On the one hand, traditional capital-intensive, import-substituting, and urban-biased growth—induced by government policies on pricing, trade, and public expenditure—has generally not helped alleviate poverty. On the other hand, agricultural growth—where there is a low concentration of land ownership and labor-intensive technologies are used—has almost always helped reduce poverty. Finally, sharp drops in economic growth—resulting from shocks and economic adjustments—may increase the incidence of poverty. Even when growth resumes, the incidence of poverty may not improve if inequality has been worsened by the crisis. The rural poor depend largely on agriculture, fishing, forestry, and related

small-scale industries and services. To understand how poverty affects these individuals and households, and to delineate the policy options for poverty reduction, we first need to know who the rural poor are. The rural poor are not a homogeneous group. One important way to classify the rural poor is according to their access to agricultural land: There is, however, much functional overlap between these groups, reflecting the poverty-mitigating strategies of the poor in response to changes in the economy and society. Cultivators, who form the bulk of the rural poor in developing countries, are directly engaged in producing and managing crops and livestock. Since these households cannot sustain themselves on the small parcels of land they own or cultivate, they provide labor to others for both farm and nonfarm activities inside and outside their villages. Some members of these households migrate to towns or cities on either a rotational or a long-term basis. In many countries, both small landowners and tenants are under increasing pressure to get out of the agriculture sector altogether. Underlying this process of "depeasantization" are market forces and policies affecting landholdings, rents, prices, credit, inputs, and public investment in social and physical infrastructure. Noncultivators are perhaps the poorest among the rural poor. Their numbers have been rising rapidly because of the natural increase in population and depeasantization. These workers depend on seasonal demand for labor in agriculture and in rural informal, small-scale industries and services. The landless rural workers are vulnerable to fluctuations in the demand for labor, wage rates, and food prices. They find it even more difficult than small landowners and tenants to gain access to public infrastructure and services. In addition, unlike their counterparts in urban areas, they are often excluded from public sector safety nets food rations, for example. Rural women tend to suffer far more than rural men. Their poverty and low social status in most societies is a major contributor to chronic poverty. Substantial evidence from many countries shows that focusing on the needs and empowerment of women is one of the keys to human development. What Do the Poor Own? To understand poverty creation in rural areas and its effects on different groups, we need to look at the assets that the poor own or to which they have access, and their links to the economy. The economic conditions faced by the rural poor are affected by a variety of assets and the returns on them held at the household, community, and supra-community levels. Their human assets are the labor pools—comprising workers of varying ages, genders, skills, and health—in the households and communities. Their infrastructural assets are publicly and privately provided transport and communications, access to schools and health centers, storage, potable water, and sanitation. 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The main reason is that the rural poor have a very low capacity to absorb abrupt financial shocks. In addition, economic crises and natural disasters can bring about sharp increases in poverty and make it more difficult for the poor to escape it. Biases in national

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economic and social policies can contribute to rural poverty by excluding the rural poor from the benefits of development and accentuating the effects of other poverty-creating processes. Policy biases that generally work against the rural poor include: These policies can have both short- and long-term effects on the rural poor. The effects are particularly significant in the context of the structural adjustment programs that many developing countries have undertaken to restore macroeconomic stability and expand the capacity of the economy to increase production, employment, and incomes. Policies For Reducing Rural Poverty To design policies that have a chance of effectively helping the rural poor, the focus of policy should be on four major groups: All of these groups will benefit from good macroeconomic managementâ€”which helps keep inflation in check and maintains unsubsidized pricesâ€”because it facilitates sustained economic growth through private investment and competitive markets. Achieving agricultural growth by applying new technologies is one of the most important ways to reduce rural poverty. The impact of such efforts on the rural poor, however, depends on initial conditions, the structure of relevant institutions, and incentives. Research shows that agricultural stagnation has harmed the rural poor in sub-Saharan Africa by creating food shortages and higher prices that have reduced their ability to buy food and find work. Conversely, experience with the Green Revolution showed that rapid agricultural progress made a big difference in reducing rural poverty in parts of South Asia. Researchers have found that higher crop yields reduce both the number of rural poor and the severity of rural poverty. But these effects are strong only if certain conditions are met: Since the rural poor are a varied group, we need to understand how macroeconomic changes and policies can affect them. The three major ways in which policies affect the rural poor are through markets, infrastructure including public services , and transfers. The markets in which the rural poor participate are those for products, inputs labor and nonlabor , and finance from formal and informal sources. Several important features of these markets can affect conditions in rural areas. Transfers, which are both private and public, provide some insurance against anticipated and unanticipated economic shocks. Most of the rural poor depend on private transfers among households, extended families, and other kinship groups. Public transfers can take the form of redistribution of such assets as land, employment on public works projects, and targeted subsidies for inputs and some consumer products. These transfers supplement or displace private transfers, depending on the policy instrument and how it is used. But these channelsâ€”markets, infrastructure, and transfersâ€”do not work in the same way for all of the rural poor because each group has quite different links to the economy. Competitive markets, macroeconomic stability, and public investment in the physical and social infrastructure are widely recognized as important requirements for sustained economic growth and reduced poverty. In addition, the first requirement of a strategy to reduce rural poverty is to provide the enabling environment and resources for those in the rural sector who are engaged in the agricultural production and distribution system. Other policy components for national strategiesâ€”involving the government, the private for-profit sector, and civil societyâ€”to reduce rural poverty can include: The rural poor face many different problems and are not a homogeneous group. Therefore, a sustained effort must be made to gather information about the particular problems they face so that they can be adequately addressed. Focus on building assets. The government should assess what assets the poor need most to help them earn more.

### Chapter 4 : Pohl Consulting: Agriculture and Rural Development

*Rural Poverty in Developing Countries The causes of rural poverty are complex and multidimensional. They involve, among other things, culture, climate, gender, markets, and public policy.*

### Chapter 5 : Economic Issues No. Rural Poverty in Developing Countries: Implications for Public Policy

*Strategies to deal with rural development should take into consideration the remoteness and potentials in rural areas and provide targeted differentiated approaches. 8. A healthy and dynamic agricultural sector is an important foundation*

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*of rural development, generating strong linkages to other economic sectors.*

## Chapter 6 : Rural Development Sustainable Development Knowledge Platform

*encourage other developing countries in the third world Africa to emulate the strategies adopted by these two countries in their rural development programme implementation. Keywords: Rural development, Agriculture, Policy, Programme, Implementation.*

## Chapter 7 : Developing Countries Need to Harness Urbanization to Achieve the MDGs: IMF-World Bank re

*THE RECENT ECONOMIC AND POLITICAL changes which have taken place in many developing countries and in countries in transition provide new possibilities and challenges for rural development and rural poverty alleviation.*

## Chapter 8 : Country Development Strategy | IFPRI

*continue due to countries' economic and social development, with a reduction in the absolute value for rural populations in the developed countries and a similar but relative reduction, allowing for population growth, in the developing countries (United Nations).*

## Chapter 9 : Global Strategy improving Agricultural & Rural Statistic

*2 Journal of Rural Development 39(Special Issue) I. Introduction Since mid, Korean ODA has exploded regarding the number of projects and budget, and it is the same in the agriculture and rural development sector.*