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For strong rural areas

Rural development and global food security are prime concerns of German development policy. Germany is one of the drivers of the L'Aquila Food Security Initiative launched at the 2009 G8 summit. The German Development Ministry's new strategy on rural development, which is outlined in general terms below, aims to ensure that funds pledged in this area are used as effectively as possible and in keeping with the spirit of the initiative.

Of the 1.4 billion people around the world who live in absolute poverty, one billion suffer from hunger and malnutrition. The vast majority of the world's

Stefan Schmitz

Head of Division: Rural Development and Global Food Security Federal Ministry for Economic Cooperation and Development (BMZ) Bonn, Germany Stefan.Schmitz@bmz.bund.de poor and hungry people live in rural areas. Any attempt to tackle the roots of hunger and poverty and conserve natural resources must focus on rural areas and involve a policy for them.

For a policy for rural areas

The decisions and actions determining whether agriculturally usable land is conserved and agricultural productivity increased are made and taken in rural

areas. It is here that the future is decided for rural people – more than three billion in number. It is here, therefore, that the foundations must be laid for a self-sustaining development process that will lift rural populations out of poverty and hunger and provide a reliable basis for long-term global food security.

Until the 1980s much financial aid to rural areas focused on state agricultural services. Since that time, and in line with a shift in the interests of the

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international donor community, many governments of developing countries have drastically cut their investment in rural areas and come to regard support to other sectors as an important source of impetus for development. The gaps left by cutbacks to state service systems in rural areas have, however, been filled only sporadically by private investment. Private funds have been channelled into selected favourable locations in a few export-oriented sectors and it is on these, too, that international support programmes tend to focus.

The task now is to rediscover rural areas as a category for development and to make them the subject of policy. We need to recognise that, despite their cumulation of poverty and hunger, rural areas harbour enormous development potential and opportunity.

■ Requisite reform processes

Improved seed, agrochemistry, mechanisation, irrigation technology - in most parts of the world all these things have been and continue to be the driving forces behind a significant increase in agricultural production. Without them it would have been impossible to feed the world's rapidly growing population over the last few decades. But increases in agricultural productivity have turned out to be a necessary but by no means a sufficient condition for sustainable development in rural areas. In some regions, especially in sub-Saharan Africa, the potential of agrotechnology has barely been tapped, while in others it has been realised only at the cost of aggravated social and ecological problems.

Agriculture and the technologies that serve it require an enabling environment if they are to flourish sustainably. They need a political and legal framework that creates security, so that investment is worthwhile and risks are calculable.

There must also be an effective social and material infrastructure; without this it is impossible to develop human resources, set up value chains or open up markets. And, finally, there is a need for sound knowledge of how these technologies can be profitably applied.

To enable rural areas to form the basis for sustainable development and make an important contribution to food security, comprehensive reform processes must be set in motion. These reforms can be summarised as follows:

- development of the rural economy
- sustainable management of natural resources
- provision of essential services in rural areas
- improving framework conditions

■ Development of the rural economy

For the majority of developing countries agriculture is by far the most important source of income and the largest sector of the economy. Frequently the picture is one of a few large-scale farms together with a vast number of smallholders and subsistence farmers with very little land who, together with shepherds and fishermen, still produce and supply the majority of the country's food, usually using archaic methods.

Whether the goals of food security and sustainable land use are best met by independent small farmers, contract farmers or fully commercialised businesses employing waged labour depends on the specific produce and site conditions. There is no universally valid model. The inhabitants of rural areas should be permitted to decide on the most favourable option for themselves. Where farming is structured on a small-scale basis, this should be perceived as an opportunity rather than a burden. The International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD)

2009 goes so far as to state that small-scale farming is the most important guarantee of and greatest hope for a socially, economically and ecologically sustainable food supply for a growing world population and the best foundation for resilient cultivation and distribution systems.

Nevertheless, it is undeniable that in many places small-scale farming in the form in which it is currently practised is not a sustainable option for the future. It is too unproductive and inefficient, it uses methods that are harmful to health and the environment and fails to incorporate either traditional or modern knowledge. The aim of German development policy is to carefully develop the existing agricultural system, with its small-scale character. This involves helping the large number of subsistence farmers to increase their yields to the point where they can produce for the market. This would



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represent a decisive step out of mass poverty. The income earned would safeguard farmers' own livelihoods and contribute to development of the regional economy. If small farmers have adequate land, water, money and tools and can rely on legal protection, rural services and an infrastructure adapted to their needs, they produce a significantly higher nutritional yield per hectare than industrial agriculture, usually with considerably lower external inputs and less damage to the environment. They are also the best guarantee that additionally produced food is actually available where it is needed.

A comprehensive, forward-looking support strategy should, however, cover all sectors of activity and where possible pursue opportunities for economic diversification to boost regional value creation. The key to this is support to competitive small and medium-sized businesses.

Sustainable management of natural resources

The sustainable management of natural resources is essential to conserve the local population's livelihood base and the production base of agriculture in general. Essential components of this are effective water management, conservation of soil fertility, prevention of soil erosion and conservation of biodiversity. This requires locally appropriate use of farmland and pasture.

Under climate change, innovative approaches to adaptation are called for, especially in rural areas, together with efforts to reduce greenhouse gas emissions. For example, water-saving and soil-conserving methods of agriculture hold great promise. Promoting soil fertility and increasing agricultural biodiversity can help to buffer the adverse effects of climate change.

Provision of essential services in rural areas

Rural areas suffer as a result of being unattractive and lacking prospects. Many young people, in particular, desert rural regions, drawn by the hope of employment and a better life in the city or abroad. Rural areas must offer prospects and provide the potential for adequate employment. To this end it is essential that a minimum level of rural services and infrastructure is provided. The state must either fund this initially itself or, where possible and appropriate, ensure that a suitable framework and appropriate incentives for provision by the private sector are in place.

To make a crucial difference and ensure a better quality of life in the village, it is sometimes sufficient simply to connect the village to a power grid and provide a road to the next rural community, if a health clinic, a school and a market for the sale of produce thereby become accessible. To the "classic" elements of public service provision – drinking water and sanitation, health-care, education, electricity supply and transport links – are now frequently added mobile telephone and Internet access, whose importance for rural areas cannot be overstated.

Improving framework conditions

The conditions for tackling poverty and hunger and conserving natural resources are particularly favourable in places where power, money and implementation authority have been delegated from higher to lower levels, e.g. from the capital to the provinces, rural towns and villages. Political, fiscal and administrative decentralisation promotes self-organisation and self-determination among stakeholders and generally provides a favourable



Rural areas must become more attractive so that young people want to stay there.

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framework for further development of economic activities and community prosperity.

Decentralisation, strengthening of civil society and integration of marginalised population groups are closely linked and have impacts that tend in the same direction: they give the people involved a voice, promote participation by different social groups and ensure that the best use is made of locally available knowledge in finding solutions to problems. Strengthening the position of women plays a particularly important role.

Soil and water are the key means of production in rural areas. Significant features in many countries are unsecured access and ownership, nonsustainable use of soil and water and unequal distribution of these resources. Land and water conflicts are a frequent consequence. Introducing fair and binding land and water rights provides an important basis for securing adequate income and food. In addition, it is a key factor in stabilising democratic structures and an important condition for the economic development of rural areas.

Development, poverty reduction and food security in rural areas are only possible if stakeholders have the opportunity to organise themselves. Only thus can they exercise "ownership" and articulate their interests effectively. User and producer organisations are

essential for functioning services, fair market access and participation in local decision-making processes (e.g. local development planning and budget planning). They provide the foundation for a locally rooted civil society and hence also for improved governance overall.

How does German development policy provide support?

German development policy - in concert with other donors - will acknowledge and if necessary demand that partner countries should take responsibility for their own strategies of rural development and food security. Donors must avoid the temptation to draw up blueprints and impose them on partner countries. They must rigorously restrict themselves to acting in a harmonised way as supporters of the policy plans, strategies and measures of the partner countries and their civil-society organisations. If partner countries demonstrate their serious political will for rural development and food security and donors stand by their financial commitments, both sides can enter into a dialogue characterised by equal partnership and mutual accountability with the aim of optimising the effectiveness of all the resources deployed.

Donor-supported advancement of rural areas requires a multi-level

approach in which improvements to general national conditions are harmonised and synchronised with interventions at sub-national and local level to identify and promote context-appropriate solutions. In addition, cross-boundary regional integration and coordination is an important level of implementation in many countries.

Support through German development policy means helping people to help themselves. To enable partners' self-help capacity to develop fully, there is a need not only for political leadership but also for adequate institutional, technical and human resources to implement the reform processes set out above. Building these resources for rural development presents many openings for German development cooperation – provided that such support is requested by the partner countries.

And last but not least: together with other donors, German development policy will have to examine its many policies to determine whether they are consistent with development policy goals. Trade policy, direct investment, promotion of foreign trade, agricultural research policy and intellectual property rights issues may counteract the effectiveness of development assistance – but in appropriate form they can also help drive a development policy that is committed to developing rural areas and tackling poverty and hunger.

Zusammenfassung

Auf dem G8-Gipfel 2009 im italienischen L'Aquila wurde die L'Aquila Food Security Initiative ins Leben gerufen. 22 Milliarden US-Dollar hat die internationale Staatengemeinschaft dort für die weltweite Bekämpfung des Hungers innerhalb der folgenden drei Jahre zugesagt. Im Herbst 2010 wird das Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung sein neues Konzept "Ländliche Räume" vorstellen. Es soll gewährleisten, dass die zugesagten Finanzmittel möglichst effektiv eingesetzt werden. Der Beitrag umreißt die wesentlichen Punkte

des Konzepts und zeigt auf, welche Reformprozesse nötig sind, damit die ländlichen Räume zur Basis einer dauerhaften Entwicklung werden und so einen wichtigen Beitrag zur Ernährungssicherung leisten können.

Resumen

En la Cumbre del grupo G8 del año 2009 en la localidad italiana de L'Aquila, se lanzó la Iniciativa de L'Aquila para la Seguridad Alimentaria Mundial. La comunidad internacional de estados aprobó en esa ocasión el desembolso de 22.000 millones de dólares estadounidenses para la lucha

mundial contra el hambre durante los próximos tres años. En la segunda mitad de 2010, el Ministerio Federal de Cooperación Económica y Desarrollo de Alemania presentará su nueva estrategia titulada "Espacios rurales". La misma apunta a garantizar que los fondos asignados se inviertan con la mayor eficacia posible. El artículo resume los principales puntos de la estrategia e indica cuáles son los procesos de reforma necesarios para que los espacios rurales se conviertan en la base de un desarrollo sostenible, a fin de que puedan prestar un aporte importante a la seguridad alimentaria.