



Even though the cities are becoming more and more important, much of humankind's future will continue to be determined in the rural areas.

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Making rural transformation sustainable

A transition is under way in many of the world's rural regions. The form that it takes and the speed with which it progresses will depend in part on the attention that it receives from policy-makers. Our author explains why we need this rural transformation – and how development cooperation should support it.

We live in an urbanising world. This is a major challenge – one in which we should be investing all our energies. Nevertheless, the growing significance of cities and the fading rural-urban divide should not be a reason or a pretext to neglect our rural areas. They require just as much ongoing attention from policy-makers as our urban centres, for a multitude of reasons.

Firstly, the high rate of urbanisation worldwide and the dramatic expansion of some megacities – the subject of much debate – should not obscure the fact that many countries in Asia and sub-Saharan Africa remain mostly rural. According to the World Bank, sub-Saharan Africa currently

has an urban population of just 37 per cent, while the figure for South Asia is even lower, at 33 per cent. The turning point towards a mainly urban population is not projected to occur until mid-century. Indeed, the total rural population in Africa is expected to increase by 300 million to 2050 compared with 2010, bringing it close to one billion.

Secondly, poverty and hunger mainly have a rural face. Around three-quarters of all the world's poor and hungry people live in rural areas. To eradicate poverty and hunger, what is needed, first and foremost, are rural development strategies.

Thirdly, the future of humankind will be decided, at least in part, in rural areas. This applies even if at some point in the future, they are home to fewer people than the cities and rural poverty has been eradicated. The majority of our natural resources – not only those needed in agriculture – are located in rural areas, where they

will have to be managed sustainably. These regions will have to produce food for a growing world population, but they will also face other major challenges such as conserving fresh-water resources and achieving energy supply security. Wind, hydro and solar power generation will also have to take place in rural areas once the fossil fuel era ends. The entire bioeconomy – the great hope for the future, whose key dimensions are the conservation of carbon sinks and sustainable use of forests and biodiversity – will also be based in rural regions. Sustainable Development Goal 15 states: "Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss." So what we need, now and in future, are rural regions with sustainable economic and resource cycles.

In short, we must make our rural regions fit for the future. We must ensure that our rural regions offer

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people stable livelihoods and serve as the focal point for sustainable development. In order to achieve these goals with the appropriate measures, we need to look at exactly which challenges are faced by rural regions nowadays and which potential they offer. In many parts of the world, rural areas today are not static and unchanging, but highly dynamic. This dynamism is often summed up as “rural transformation”.

■ Understanding rural transformation

Rural transformation is an extremely vague concept. Broadly speaking, it describes a profound and complex process of change with not only economic but also social and cultural dimensions. The New Partnership for Africa’s Development (NEPAD) characterises this process as follows: “Rural transformation may be defined as a process of comprehensive societal change whereby rural societies diversify their economies and reduce their reliance on agriculture; become dependent on distant places to trade and to acquire goods, services and ideas; move from dispersed villages to towns and small and medium cities; and become culturally more similar to large urban agglomerations.”

Often, however, “rural transformation” is not just a value-free description of an ongoing process. For many people, it is either a threat to be averted, or a major and perhaps not entirely achievable aspiration. There are many indications that due to the powerful economic and societal forces at play, rural transformation is ultimately unavoidable. So we should utilise it as an opportunity and do our utmost to move it in the right direction, both socially and ecologically – and that means guiding it towards sustainability.

■ Taking account of regional specifics

Rural development is indivisibly linked to the future of farming. One of the forces driving rural transforma-

tion is the increase in the productivity of human labour, especially in agriculture, resulting from the deployment of knowledge and capital (mainly agricultural inputs and technology). If total productivity outstrips market demand, workers are laid off, which in turn often leads to changes in the number and size of farms. These are signs of rural transformation and are often associated with a greater degree of agricultural specialisation, i.e. a focus on specific crops, and shifting levels of self-sufficiency.

There is close linkage between rural transformation and urban economic development. If there is dynamic development in cities, with their commerce, industry and service sectors, this creates positive incentives (pull factors) for rural-urban labour migration. The situation becomes more problematical if a rural labour surplus (a push factor for migration) is not matched by demand for labour in the formal economy. In these circumstances, the workers concerned often have no choice but to move into poverty-type casual work or employment in the informal economy. Creating jobs in the rural non-farm economy, especially for women and young people, should therefore be a priority.

In this respect, there are noticeable differences between Asia and Africa and, to a lesser extent, between various African countries in the manner in which the transformation is unfolding. In Asia, growth in agriculture has been accompanied by strong industrial development, whereas in Africa, it is linked to vigorous expansion of the informal sector. In the global competition with Asia, Africa is unlikely, now or in future, to generate new employment in industry on a large scale to absorb the farm workers who have lost their jobs.

So it is even more important that African policy-makers identify alternatives to industrial jobs within the global economy by creating an enabling environment for rural employment which utilises the regions’ endogenous potential and is embedded in the local economy. Here, a key

priority is to support the development of an independent and efficient agri-food system, focusing on the entire agricultural production chain, both upstream and downstream, and encouraging the formation of complex value chains and wealth generation networks. Growing demand from the expanding cities for a variety of high-quality farm products should be seen as a major opportunity here.

This efficient and independent agri-food system should be centred around farm enterprises of various sizes and types, above all small farm households which have secure land tenure and belong to farmer associations, giving them good market access. They need easy access to seeds, fertilisers, credit and insurance and should be able to utilise modern inputs and techniques to produce a diverse and nutritive harvest of crops and livestock, significantly in excess of their subsistence needs.

Once an efficient agri-food system has been established, the incomes that it generates will drive up demand for housing materials, craft, trade and repair services, commercial opportunities, transport, clothing and, finally, education and health, thus creating jobs in these sectors and initiating endogenous, sustainable development in rural regions.

■ Upstream inputs from the public sector

Ultimately, the transformation will be driven by the investment decisions taken by millions of private-sector stakeholders: small farmers, input providers, food processing firms, distributors, financial service companies, craft and trade enterprises, and many others. However, the pace and composition of this private investment will depend on the enabling environment created by governments. Thomas Jayne and Lulama Traub state: “Research evidence from developing countries has coalesced around public actions that typically include the following: investments in infrastructure such as electrification, increased grid

capacity, and roads; rehabilitation of decaying rail and port facilities; agricultural R&D appropriate for small farms; effective farmer education and bidirectional extension programs; irrigation; and policies that promote new entry and competition in agricultural value chains.”

In addition to these public services, which are of direct importance for agricultural development, other social services and physical infrastructure – primarily schools, health centres, and water and sanitation – are essential in order to enhance the appeal of rural regions. In essence, these are the upstream inputs that must be provided by the public sector, although with effective government regulation, it may in some cases be appropriate for the private sector to supply these services. The state also has a role to play in conserving natural resources and ensuring that they are managed sustainably. Comprehensive land-use planning aims to safeguard the effective management of water resources and grazing land, maintain soil fertility and prevent soil erosion, and preserve biodiversity.

Public policy to support rural development and the sustainable management of the transformation should therefore move beyond purely sectoral strategies and seek to apply a territorial approach. An important aspect is regional structural policy which creates coherence between all

the various dimensions of economic development in rural areas. Consistent support for the diffusion of innovations in the agri-food system is one example. This can take place through integrated measures to build the requisite knowledge system capacities (agricultural research, technical vocational education and training, extension services) and improve access to capital, inputs and markets, flanked by the development of physical infrastructure (rural roads, power). Consistent efforts to improve access to modern information and communication technologies (ICT) should also form part of this regional structural policy.

Comprehensive spatial planning for rural areas is the second key aspect. Here, the aim is to achieve a balance between diverse user interests in rural areas and utilise existing potential to the maximum extent. Priority areas should be designated, e.g. for settlements, farming and the conservation of biodiversity, thus establishing an essential framework for sustainable development.

■ Support from development cooperation

Investment in the provision of rural public goods and services has a key role to play in stimulating rural development and promoting the socially equitable and sustainable transformation of rural areas.

Development cooperation can support this process in a multitude of ways. It can provide extension services and funding, e.g. for infrastructural development. Through its One World – No Hunger initiative, German development cooperation funds a wide range of measures to promote sustainable rural transformation in various countries, mainly in Africa. The Green Innovation Centres now being established stand out in this context: their role is to promote the diffusion of innovations that boost productivity and resource efficiency in the agri-food system. Other priority areas of action are soil conservation/rehabilitation and land tenure. Furthermore, the international community has considerable experience with supporting the value chain approach, promoting processing and marketing in rural regions, and building decentralised administrations with opportunities for local public participation. This also offers great potential for rural development.

These are just some of the ways in which rural transformation can be managed and supported. However, in order to promote rural regions more generally, these interventions, which are often sectoral in focus, must form part of an integrated rural development strategy. This is vital in order to ensure complementarity. The measures adopted must be informed by local communities’ thinking about land use and should support structural capacity building, e.g. by contributing to regional structural policy or to the implementation of spatial plans. Wherever a cross-sectoral policy framework exists, it is worth supporting at the local level. Where this type of framework is absent, it should be developed in conjunction with partners.

The Sustainable Development Goals define the key elements of the cross-sectoral territorial approaches that are needed in order to do justice to rural areas, recognising their importance for development and serving the interests of the people who live there.

For a list of references, see:
 ➤ www.rural21.com



The exodus of young people to the cities is crucially influenced by whether they have job opportunities in rural regions, be it in agriculture or in the non-farm economy.

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