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AGRICULTURAL RESTRUCTURING
IN
SOUTHERN AFRICA

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THE ROLE OF NON-GOVERNMENTAL ORGANIZATIONS (NGOs) IN THE SOCIO-ECONOMIC DEVELOPMENT PROCESS: PEOPLE'S PARTICIPATION AS THE KEY

Th Dams

PREFACE

The main theme of this symposium is "Agricultural Restructuring in Southern Africa". Seeking for a topic which has priority and which is - in the view of the author - an integral part of this theme, this paper addresses the role of non-governmental organizations in the socio-economic development process with people's participation as the key. This institutional approach is closely interrelated with

- land use and efficiency
- small farmer support programs
- the design of development projects
- institutions and public choice theory
- a self-reliance approach at individual as well as regional/national/international level.

All these points are linked with the crucial and challenging problem: How to overcome the absolute poverty in the developing world by using the existing potentialities of human and natural resources - supported by people's mutual help which is organized in their private voluntary institutions and fostered by a macroeconomic political frame with positive external effects for an active "development from the bottom". Due to the fact that absolute poverty is mainly concentrated in rural areas, which also leads to sharp migration and the problem of over-agglomeration of cities, the paper deals above all with this regional problem and with the challenging approach to contribute to an adequate solution through so-called "integrated rural development". The paper presents a frame in which empirical investigations of Southern Africa can be integrated.

SOME BASIC FACTS

In his Nobel Award Lecture (Stockholm, 1979) and before as Elmhirst-lecturer of the International Association of Agricultural Economists (Nairobi, 1976), Theodore W. Schultz expressed his position: "Most of the people in the world are poor, so if we knew the economics of being poor, we would know much of the economics that really matters. Most of the world's poor people earn their living from agriculture, so if we knew the economics of agriculture, we would know much of the economics of being poor. What many economists fail to understand, is that poor people are no less concerned about improving their lot and that of their children than rich people are".

There are quite a lot of critical arguments (Adams, 1986:274; cf. especially Note 4) against Schultz's approach. Nevertheless, his concept of overcoming absolute poverty in agriculture and rural regions by new inputs and outputs, both through more favourable prices and higher professional competence, seems plausible for economists. But there is a need for some additional and complementary elements concerning individual, collective, ethnosociological, and cultural aspects which are sometimes neglected. Furthermore, we need an operational definition of "rationality", e.g. a lower economic marginal return of the

capital invested and the inputs used could be a rational behaviour for physical survival, taking into account the unequal distribution of economic, social and political power in a society.

Regarding the political structure, the outline of this paper is influenced more by another approach: What are the central elements of the subculture of people living in rural areas? What are the internal factors causing the poor socio-economic situation, often strengthened by international forces? What are the answers to the crucial questions of how to motivate and mobilise the people or the so-called target groups to break through the vicious circle of impoverishment? How can self-confidence, mutual trust as well as self-reliance of individuals, groups and collective organizations be strengthened? What is the role of institution-building in the process of socio-economic development? What are the strategies for establishing new or ameliorating old organizations which can secure a guided social and economic change which protects the cultural identification of people?

Concluding this set of challenging questions, I present two quotations:

- Nothing is viable in a socio-economic change if it is not supported "from below" ("Rehovot-Approach", presented some decades ago); and
- How can people of the agricultural and rural sector be moved towards a dimension of higher quality of living and life?

No doubt, there exists no "standard economic theory" which can explain all the interdependencies of a highly complex system - so far, interdisciplinarity is needed. Furthermore, highly sophisticated "great" theories cannot be used for building efficient strategies. In this context, the more feasible approach looks for bridging theories which explore reality with empirical research work and which analyze the absolute poverty in some regions of the Third World Countries.

SOME EXPERIENCES IN THEORY AND IN PRACTICE

The history of the International Association of Agricultural Economists (IAAE) gives an expressive example of the development: The IAAE Founder President, L.K. Elmhirst, was a pioneer in rural reconstruction, starting with one of the earliest attempts at community development in a village immediately around Bolpur (West Bengal, India) and discovering that disease and lack of knowledge, leading to poverty, lay at the root of the decay of Indian village life. One of the main topics of this famous international organization has been the absolute poverty in rural areas - a challenging question for 60 years (1929-1989), which is very well described in the IAAE proceedings. Theories and empirical facts as well as strategies can be explored in these documents. Besides this literature, a huge number of theories, empirical investigations, and intensive project evaluations have been presented by economists, sociologists and others, leading to efforts of interdisciplinary research. It is almost impossible to summarise the results, the dilemmas and the unsolved questions.

We should be more interested in concrete actions "to move people", based on theoretical foundations and empirically evaluated experiences. We can quote two institutions as examples among quite a large number of organizations working with people at grassroots level, located in Latin America and South East Asia.

In Latin America, in the early sixties, as a consequence of the "non-participation" of people and the vicious circle of "underdevelopment", the notion of "marginalidad" was formulated. At first DESAL was presented as a new strategy: "Marginalidad en América Latina: Un Ensayo de Diagnóstica ... Promoción Popular y Desarrollo Social ... Integración

Nacional y Marginalidad" (1964, 1965, 1966, 1969). Over time, this strategy was adopted by DESCO (Peru), DESEC (Bolivia), INEDES/CESA (Ecuador), etc. on a national level.

Ten years later, CENDHRRA (Centre for the Development of Human Resources in Rural Asia) started with a similar effort (1974, Bangkok/Thailand), bringing together NGOs which were working closely with people at the grassroots level. The key concepts which influenced the general philosophy and the concrete action of national partner organizations were stimulating the creativity of inner growth of man as an individual and society as a whole, and the right of a self-reliant development in relation to culture and religion. CENDHRRA is working as an independent service center in an international network of independent partners (NGOs) located in different regions of Far East countries.

In nearly all developed countries (DCs), there is a strong political will to attack the absolute poverty in Third World Countries by reorientating official development aid (ODA) and strengthening indigenous NGOs - directly in the frame of development projects or indirectly by financing programs of national NGOs devoted to stimulate self-help groups in Third World Countries.

Based on these "great" efforts (in some cases lip service by national governments), FAO (Food and Agriculture Organizations) challenged the member states to join the World Conference for Agrarian Reforms and Rural Development (WCARRD, 1979). The report has been agreed to and signed by more than 150 governments coming from LLDCs and LDCs (Least Developed Countries) as well as DCs in West and East. Since 1979, the so-called WCARRD criteria have received world-wide recognition and should, therefore, be used as measures for the evaluation of the effectiveness of national and international efforts to overcome absolute poverty.

In our "operational" analysis and our critical reflection of the political decision-making processes, we will reconsider the arguments, concepts and criteria mentioned above in order to establish an efficient strategy to answer the question: "How can (rural) poverty be eradicated?".

SOME STATISTICAL FIGURES AND FORECASTS

The aim of overcoming the absolute poverty or decreasing the number of poor people, has to be based on economic figures describing the actual situation and development in the future. There are some prognoses and projections covering the development trend of the dimension of absolute poverty: In the case of a relatively low rate of economic growth (4,8% per year), in the year 2000, more than 700 million people in Third World Countries will live in absolute poverty. Under better preconditions - a 6,6% per year economic growth rate and an effective redistribution of income - a decrease to 300 million people living in absolute poverty could be feasible. Between the two extreme case studies, the "basis scenario" will lead to a number of 600 million (4,8% growth rate). A detailed analysis demonstrates the following results, interdependencies and deficiencies:

- A stagnant economy confronted with a sharp increase in population cannot offer a solution. This leads to a vicious circle of impoverishment.
- There has to be economic growth within redistribution in favour of the lowest income classes.
- There will be a sharp conflict between the target of higher economic growth and the aim of environment protection.
- Even in middle-income countries, we can define a remarkable proportion of absolutely

poor people which will grow faster under the precondition of lower economic growth.

These facts are based on World Bank Developing Reports in earlier years; there are indications that the situation will be aggravated at the beginning of the next century: UNFPA (UN Fund for Population Action) presented alarming information a week ago (Nov. 6, 1989). The world population is currently around 5,2 billion, and is expected to increase to 6 billion by 1998. Year by year, the world population will increase by 95 million, 90% of this population increase will be the "contribution" by Third World Countries. The most critical situation will be in Africa. Some estimates have been presented that by the year 3000 more than 14 billion people will live on this globe - what will "life" and "quality of life" be under these circumstances!

The analysis presented is still incomplete: We have to explore the repercussions of growth periods as well recession periods in the world and national economies *vis-à-vis* the development of hunger and poverty in the so-called developing countries.

- During times of rapid economic growth supported by an increasing world trade in favour of a greater number of LDCs, the group of absolutely poor could be sufficiently integrated in an expanding economy. A visible trickle-down effect to ameliorate the living conditions of vulnerable groups, marginal sectoral activities and backward areas did not take place. The "marginality" in societies, the duality of economies and the inequality of income distribution was accentuated more than ever before.
- During a recession period, the negative repercussions cannot be overlooked, particularly for "adjusting countries" with special programs supported by the International Monetary Fund (IMF) and the World Bank (IBRD). For a long time, NGO-interventions have been neglected. They claim that the poorest of the poor do not participate in the benefits of a growing economy, but carry most of the burden for the fulfilment of the conditions. Meanwhile, several studies, which confirm the worldwide interdependence on truth, have been done by UNICEF, the Overseas Development Institute, the IMF, and the World Bank. The results of these studies are distressing: among 30 countries, sub-Saharan and highly indebted middle-income countries, two thirds have negative per capita growth rates with respect to the GNP and private consumption; one third has a decreasing per capita food production which goes hand in hand with low nutrition. The World Bank Report for Latin America, as well as a UNICEF study, exposes the following trends; growing urban unemployment - resulting in growing absolute poverty, aggravating undernourishment and increasing infant mortality rates. A World Bank report on "social effects of adjustment" (1987) present detailed facts for separate countries:
 - After a long period of a decreasing infant mortality rate in Brazil, it increased by an average of 12% in 1982-84.
 - Nourishment for the poor (10% of the lowest income group) in Sri Lanka has decreased by 9% (1979-82); yet the highest income group increased consumption by 4%.
 - The infant mortality rate in Zambia doubled in the period 1980-84.
 - In Santiago, Chile, poverty increased by a third.
 - In Tanzania consumer demand has decreased by one sixth and real income has declined by 50% in 1977-82.

These examples of listed countries could be continued. The crucial fact is: The relation between world economic growth patterns on one hand and impoverishment and the deteriorating food situation on the other hand is obvious. The impact of world economic

growth or world recessions should be a challenge for national and international economic policy to consider and improve the situation of the marginal groups of the world population by concrete measures. Nevertheless, world economic growth is a necessary but not a sufficient condition for ameliorating the food and living conditions of the absolutely poor. A worldwide recession and the burden of debt-servicing affect especially the poorest groups, which already cannot satisfy their basic needs. International economic policy should take these facts into account.

PEOPLE'S PARTICIPATION AS A KEY TO DEVELOPMENT

The thesis "Development alternatives: the challenge for NGOs" or "The third avenue for development: NGOs" is pushing development policy to a new dimension in many aspects. During the last decades, it was shown that the necessary efficiency and effectiveness of development policies can only be reached with "participation of the people", with their motivation and mobilisation to form self-help groups. Consequently, the discussion about the role of NGOs in the development process puts this question into a new context for ODA and national/international development banks - but also for the NGOs themselves.

Taking into account that **people's participation** has become part of the jargon in development issues, we should try to present an "operational" definition (UN-ACC, 1978): "What gives real meaning to popular participation is the collective effort by the people concerned to pool their efforts and whatever other resources they decide to pool together, to attain objectives they set for themselves. In this regard, participation is viewed as an active process in which the participants take initiatives and action that is stimulated by their own thinking and deliberation and over which they can exert effective control. The idea of passive participation which only involves the people in acting that have been thought out or designed by others, is unacceptable".

Absolute poverty is defined by a state of degrading living conditions such as disease, illiteracy, malnutrition and neglect (McNamara, 1973), and these phenomena comprise several dimensions. There is a distinction between primary poverty (physical existence is barely possible) and secondary poverty (deficits in the cultural and socio-psychological field). Three important aspects should be mentioned:

- It is difficult to measure the extent of absolute poverty by physical indications and to define the poverty lines (Mangahas, 1987) by monetary criteria.
- For a diagnosis of poverty and for the implementation of adequate measures, the basic needs have to be known (Streeten, 1987), a normative challenge with alternative answers influencing the capital accumulation on one hand and the motivation of people on the other hand.
- Absolute poverty is caused by marginalization of this target group, or - in the negative sense - by a lack of participation (active participation - decision-making process, establishing organizations, etc; passive participation - access to production factors, technology, markets). The increasing marginalization process is closely linked with the political, social and economic system as a whole. "Each social system generates specific 'varieties' of poverty with different degrees of marginalization" (Kötter, 1987) with the result that the "poor are by no means a homogeneous mass with a high identity of interests". These interdependencies of causing factors in the frame of a given system and the lack of a macroeconomic framework for an effective developing economy, make the integration of the marginalized groups so difficult.

Last but not least, the non-governmental organizations (NGOs) become the most important political-economical agent of the development process "from below". That means principally that the people's right "to free association in organizations of their choice" has to be recognized by governments, and no attempts should be made to subordinate them. People's participation and people's organizations are two sides of the same coin. And people's organizations (NGOs) have to be "conceived as voluntary, autonomous and democratic ... genuinely representing their interests" (FAO, 1981). In order to respect these basic principles, there has to be a free scope on the macro-political level, not only formally in the constitution, but concretely realized in the official decision-making processes. Based on these foundations, an effective cooperation amongst indigenous NGOs of developing countries and those of the "Western World" has to be realized, recognizing the full participation of the "recipient" organizations.

THE CRISIS OF THE POLITICAL DECISION-MAKING PROCESS

The great challenge posed by the extent of absolute poverty in the world leads to the question: What has been done in the last decade concerning the political decision-making process in this context? There should be no illusion: The world society is in deep crisis regarding this important field of development policy intended to overcome or reduce the extent of absolute poverty and obtain the participation of the groups concerned by establishing indigenous NGOs.

We can find many reasons for this unsatisfactory situation. The main reason in our view is that the political decision-making process is "underdeveloped" and is not capable of breaking the vicious circle of absolute poverty and increasing marginalization described earlier. In recognizing these gaps, the process of development "from the grassroots" has to take account of uncertainties regarding planning procedure, implementation, active participation of target groups, etc.

No doubt, we have to consider that the participation of people and the evolution of NGOs are part of a political program, and all technocratic and techno-economic efforts of planners and of planning alternatives cannot be substitutes for a missing political decision favouring the integration of marginal groups. Under such circumstances, we cannot succeed in practice with highly sophisticated theoretical approaches. There can be no doubt that, during the last decade, the "political leadership" in the separate countries and at international level shows certain deficiencies in relation to this great challenge of development policy. Some examples are the following:

- In his introductory speech, held at the UN Conference for the Least Developed Countries (UNCLDC) in Paris in September 1981, Edgard Pisani (Member of the EC-Commission at that time) pointed out that poverty in the world is the result of the incapability of the political leaders to take the necessary decision at the appropriate time, including the long-term dimension. "The Governments ... have to re-learn their 'métier' in this context" - in our case, the participation of the poor.

Considering this challenge for a "political relearning process", what does reality in most LDCs look like? The documents and papers (e.g. of the UNCLDC) provide substantial material for an analysis of the economic situation and processes, especially in the Least Developed Countries. Nevertheless, findings are disillusioning:

- In most of the reviews of individual countries, the concepts for the participation of the absolutely poor are presented in a weak and superficial manner.

The role of NGOs in the socio-economic development process

- The key elements of development - participation of the population and the target groups concerned - are mostly neglected.
- There are hardly any indications of a broader scope for non-governmental organizations in that they could play an active role in development.
- The decentralisation in decision-making is not effectively illustrated.
- In summary, there is undoubtedly a great need for a "relearning process" in political leadership in the field of development. However, we have already experienced some encouraging ideas in a special case: The recommendations of the WCARRD in Rome 1979 have already been mentioned. Nevertheless, there seems to be no progress in this field of political decision-making. The FAO session in Spring 1989 did not produce any substantial results on people's participation in the follow-up to WCARRD. On the contrary, there is a tendency to "forget the pledges of Rome". Therefore, we should reconsider once more what the WCARRD-Report pointed out:
 - Each government should formulate its rural development strategies in the context of overall economic and social planning on the basis of an analysis of its socio-political goals, capabilities and constraints - human, physical and social.
 - Integrated application of policies, and identified areas of priorities should be implemented.
 - Economic, social, cultural, institutional, environmental and human aspects should be reconsidered.

We can assume that governments which promote and signed the WCARRD concept, will fully agree with the elements and the approaches described. Therefore, we do have the right and a responsibility to strive for the implementation of this strategy. We should first address the governments of the "Third World" to take the necessary steps.

However, we should not forget the importance of international institutions for implementing this concept:

- The UN International Development Strategies for the Development Decades only have "policy measures" with the subtopic of "Food and agriculture" and of "Social development" - there is no concrete indication in as far as the participation and NGO-approaches are concerned; and WCARRD is only mentioned in **one** line and not as **the** key principle of the problem as a whole. Under the heading "Social development" nothing is said about integrated rural development which covers the two topics mentioned.
- The UNCTAD papers follow the traditional outline of "Sectoral performance"; under "Domestic policies and prospects", the "participatory concept" is not mentioned.
- A contribution by the World Bank is titled "Poverty and the Least Developed Countries"; and the WCARRD report is not quoted! In the framework of national as well as international reports, regional rural and urban development are apparently discriminated against, not to mention the missing references to "integrated rural development" which include the terms "participation" and NGOs.

Last but not least, we should analyze the reports presented by the NGO-family with regard to practical approaches. We should keep in mind that:

- NGOs are fighting for a more active development including people's participation.
- NGOs are explicitly mentioned in the framework of the WCARRD-criteria.

The UNCLDC (Paris, 1981) was an international platform to demonstrate "The role of Non-Governmental Organizations in aid to the Least Developed Countries"; the

UNCTAD secretariat invited these organizations to file a report on their activities. The results of the documents compiled by the Conference Secretariat were disappointing: mere "window dressing" on the part of most participating organizations.

The philosophy of NGOs and their role as a catalyst for a self-reliant movement sustained from below have been neglected in a great number of documents in the last ten years. Furthermore, the relationship between NGOs and governments as well as the need for a broader approach is not yet fully recognized. In short, these reports missed the opportunity to promote the concept of integrated development on the international scale and to gain broader public recognition for it.

As a conclusion, researchers promoting the development process in this sense have to influence the political decision-making process on **four** levels:

- The donor countries should use the WCARRD-criteria in the screening/negotiating process;
- LDCs should implement the WCARRD recommendations which they agreed upon ten years ago in Rome;
- The institutions of the UN family have to integrate different approaches to an integrated development and have to coordinate the measures financed by different organizations;
- NGOs which have long been trying to expand their activities in integrated development supported by the people "from below", should improve their strategy and conceptual cooperation on the project as well as on the national/international levels.

The International Association of Agricultural Economists (IAAE) could perhaps play an active role in this field by pressing for immediate action on these four different levels. To describe this "impasse of development policy" we will quote some sentences from the last FAO-report (1989) concerning people's participation: "In the field of participatory development, the Committee recognized the major operational constraints faced by people's participation projects ... special guidelines should be prepared for project formulation and implantations for greater involvement of people ... recommendations should be developed into a Plan of Action ... people's participation should become the major theme of the next Progress Report on WCARRD Program of Action ...". These quotations were not mentioned at the meeting in 1980 (one year after WCARRD 1971). The following phrase should be considered at the end of this critical view: "... in developing the participatory approach ... considerable time was needed". Maybe the political decision-makers will be surpassed by the people themselves; I do hope so!

THE DISCUSSION CONCERNING THE "PRECONDITIONS" FOR PEOPLE'S PARTICIPATION

An unfavourable macro-political and -economical frame can hinder the active process of people's participation. Indeed, there are many constraints that limit the effectiveness of such a development. Therefore, we have to keep in mind on the one hand a higher degree of goal attainment by eliminating a greater number of constraints, and on the other hand improved efficiency in implementing different measures. There is a close relationship between "preconditions" and "measures". Better preconditions will lead to greater efficiency of measures, and a certain degree of efficiency will change some of the constraints - and vice versa! We cannot imagine that in reality the preconditions for people's participation could be "constructed" in an optimal way; that is impossible. The search for a universal approach and the "ideal synoptic view" are utopian approaches. Nevertheless,

we should not overlook the fact that the results of integrated development are closely linked with the requirement to meet a set of **minimal** preconditions. The following example may illustrate this case: In a micro-region where share-cropping is the dominant feature of the land tenure system, increases in agricultural production will be limited due to the fact that, say, 2/3 of the additional production will automatically be transferred to the land owner without any additional expenses for the latter. Maybe under such conditions there is a case for radical agrarian reform as "optimal" precondition for people's participation. However, as a **minimum requirement** - changing the land tenure system to lease-holding - one must ensure that the farmers receive benefits so that they will increase production!

Several strategies of integrated development, including people's participation, can be distinguished:

- the synoptic ideal approach - a utopian strategy;
- the incremental procedure to change a situation step by step;
- the minimum precondition approach;
- the goal-oriented incremental approach.

The strategy mentioned last appears to be the most efficient one, while the third option only serves as a strategy under which the present system will "survive".

WHAT TYPE OF "INSTRUMENT PACKAGE"

Participatory development is a multi-goal concept: equity objectives are at least as important as the growth objectives, and we should add the goals of integration, institution-building, regional/national identification, etc. In order to reach these overall objectives, the literature always indicates that the planning and implementation of development processes have to take into account at least three sub-goals: Eradication of poverty, meeting basic needs, participation of the people/target groups. But all these concepts are vague and weak in relation with economically justified expenditures. Quite a lot of policy-makers are using the argument that the "simultaneous analysis ... and the simultaneous execution of multi-purpose planning activities" require too many financial means (in comparison to this critical viewpoint see: The theoretical discussion Balance vs Unbalance Growth). In addition to this argument, we do not know - in theory and in practice - the impact of income distribution on economic growth; but it is clear that capital accumulation is a precondition for economic growth, and that growth is a precondition for a "better" income distribution. The crucial point is that, in relation to scarce financial means as well as to the unsolid basis of theoretical back-up of practical experience, we should try to abandon approaches which are too ambitious. Taking into account the fourth strategy mentioned above, the following "package of instruments" could prove to be more efficient (in terms of goal attainment and input of financial means):

- The elimination of some constraints limiting the "trickledown-effect" of economic growth in favour of the poor.
- The implementation of measures which have a growth and a distribution component, especially for the rural poor as target groups (access to the resources in relation to higher output; to combine the contribution to GNP with the distribution of GNP).
- Satisfaction of the basic needs of the absolutely poor as a precondition for a higher contribution to GNP.

HOW TO MOVE AND MOBILIZE PEOPLE

Earlier in the paper, we mentioned two extreme analytical positions for breaking through the often quoted "vicious circle of underdevelopment":

- The "subculture of peasantry" (Rogers, 1969)
- The "economics of being poor" (Schultz, 1964).

An "operational analysis" clearly shows that we have to take into account the two aspects mentioned above; in relation to the complexity of any given situation, a combination of the different elements will have to be realized, the main objective being to learn how innovation spreads. "The conditions under which innovations are developed and consequences of their diffusion have been investigated by scholars for over 40 years, but no integrated theory of the innovative process has so far emerged" (Iker, 1981). The effects of innovations are greatly influenced by market and infrastructure factors; but in LDCs authors explain that diffusion programs generally incorporate systematic biases which enable some members of society more readily to adopt innovations and thus enjoy the attendant windfall gains on a continuous basis. Therefore, Third World diffusion programs might better concentrate on helping the poor get the means to take advantage of innovations. Consequently, innovations are a very important precondition for building up organizations supported "from below". In this field we need more comparative research on the national as well as the international level.

DEVELOPMENT POLICY TOWARDS A NEW DIMENSION?

The analytical results of some aspects of the political decision-making process are as follows:

- In countries of the Third World a great number of smaller projects which are beyond national planning and international knowledge, are planned and carried out, though they are very important for a so-called "development from below".
- These programs and projects do not always pursue pure economic objectives; rather, they pursue "development alternatives" as socio-economic-cultural evolution; they want to build up and promote self-reliant as well as autonomous development and independent non-governmental institutions.
- "People's participation" has become the "key problem" and "institution-building" the crucial point of this work. The strategies of NGOs in industrial and developing countries challenge the implementing organizations to a new partnership. This cooperation deserves attention in many respects, particularly by the "Official Development Aid" and the international organizations (including World Bank and regional development banks).
- A growing share of ODA is disposed to national NGOs for their projects, either to NGOs of the relevant nation-state or directly to indigenous NGOs in the developing country.
- International development banks try to cooperate with NGOs of Western industrial countries in different forms: so, for example, the World Development Bank by informational talks, the Interamerican Development Bank by direct financing of intermediate institutions, the European Community by direct financing of projects via the NGOs of member states.
- In some cases, where NGO-projects have successfully stimulated people's participation, these promising activities are continued and financed by national or international

development institutions.

- As far as the development projects of the ODA and the international banks are taking into consideration the socio-economic objectives, they strongly rely on NGO-structures in the recipient countries. This is a new challenge for cooperation in a "magic triangle": international institutions, indigenous NGOs and NGOs in industrial countries.

During the last decades, it was shown that the necessary efficiency and effectiveness of development policies can only be reached with the "participation of the people", with their motivation and mobilisation into self-help groups. Consequently, the discussion about the role of NGOs in the development process puts this question in a new context for ODA and international development banks.

CONCLUDING REMARKS

The comments made here only refer to a few problems of people's participation.

- In a great number of countries (LDCs), political decision-making has not fostered this idea. Therefore, the planner very often finds it difficult to obtain political support for a concept more efficient than the "old fashioned" sectoral approaches.
- There is a danger that LDC-governments are reluctant to implement the WCARRD criteria, in fact, some steps backwards even seem to have occurred.
- In recognizing the right of LDCs to determine their own development strategy, donor-countries rarely make any efforts toward a re-orientation of their aid policies.
- International organizations do not apply enough pressure on both sides for a better implementation of the participatory process, e.g. of the WCARRD-concept.
- NGOs - though attempting to extend the scope of their activities - did not always succeed in making significant contributions in this area and, therefore, sometimes were unable to play the role of catalyst in disseminating and promoting the key principles of people's participation and institution-building.
- Within the framework of a changed political environment, we have to analyze carefully the question of the role that research can play in this context.

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