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## **Agriculture in the Twenty-first Century: Challenges and responses**

# Finding answers for people in the rural communities

## *The territorial approach and rural development practice in Latin America*

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as “expanded agriculture,” “new rurality,” “territoriality,” environmental services, local culture, decentralization, governance and local cooperation have received considerable attention in the literature on rural development and are influencing the thinking of many governments and development agencies. One of the most important contributions is the new approach to rural development practice known as the Territorial Approach to Rural Development (TARD).

The TARD includes several of the emphases of previous approaches, such as community development, small-scale producers and comprehensive rural development (Sepúlveda et al. 2003, pp. 35-51). It also incorporates some of the more recent concepts, such as the participation and empowerment of rural dwellers, and the main elements of the “new rurality” theory developed during the 1990s that has also generated a large body of literature (e.g., Perez, 2001; Gomez, 2002; Echeverri and Ribero, 2002).

### *An integrated approach*

Essentially, the TARD integrates spaces, agents, markets and public intervention policies. Its purpose is to integrate rural territories within the national territory and to link them and with the rest of the domestic economy; revitalize and restructure them; and enable them to assume a new role and meet new demands.

Under this development model, territory is thought of as more than merely a physical space. A given territory is regarded as the product of its social and historical development (which gives it a unique social fabric), and endowed with a specific natural resource base, certain forms of production, consumption and exchange, and a network of institutions and forms of organization that give the other elements cohesiveness.

Rural development issues gained renewed momentum in the last decade, in part due to the ineffectiveness of the existing economic model, which failed to solve the serious structural problems faced by a large number of countries or provide a creative response to the new rural conditions in Latin America and the Caribbean (LAC). Some of the principal factors that account for this resurgence are the continued existence of rural poverty and the need for innovative approaches to deal with it, changes in the role that agriculture and small farmers are perceived to play, and the need for a more holistic approach to rural issues. Concepts such



*Basically, the territorial approach integrates spaces, agents, markets and public intervention policies.*

### *An alternative*

*The TARD is an alternative to conventional rural development approaches. Some of its most important elements include:*

- 1. A reconstruction of the concept of "rural"*
- 2. A shift from the "agricultural economy" to the "territorial economy"*
- 3. The rightful inclusion of the territorial and local rural economy in growth strategies*
- 4. Environmental management and the development of markets of environmental services*
- 5. A shift from private competitiveness to territorial competitiveness*
- 6. Territorial management as a complement to decentralization*
- 7. Cooperation and shared responsibility as a complement to participation, and as key elements for the integration of the top-down and bottom-up approaches*
- 8. Coordination of macro, sectoral and local policies*
- 9. Knowledge management to promote innovation*

### *Increasing interest*

Governments and technical and financial cooperation agencies are showing increasing interest in the TARD. In IICA's case, the approach is merely the logical phase of a lengthy process aimed at constructing a new development paradigm. Over the last decade, the Institute's sustainable rural development approach and ideas have evolved based on the lessons it has learned along the way. The TARD is therefore a synthesis of earlier postulates that were fine-tuned with practice. These include issues such as agrarian reform in the 1960s, the cooperative movement in the 1970s, the modernization of production as part of the green revolution in the 1960s and 1970s, integrated rural development in the 1970s and 1980s, modernization, the linkage of trade to dynamic markets and sustainable development in the 1990s, as well as more recent approaches that place emphasis on aspects such as participation and the empowerment of rural dwellers (e.g., Ellis and Biggs, 2001).

The adoption of the TARD marks a turning point in IICA's approach to rural development. In particular, it incorporates two elements that have formed part of the recent institutional agenda on the subject: microregional development and "new rurality." In point of fact, the TARD adopts wholesale the microregional development concepts and methods that the Institute began to develop back in the early 1990s (e.g., Sepulveda 2002), under a cooperative program supported by the GTZ. IICA's new approach to rural development also corrects its bias toward the assessment made in its research on the "new rurality" concept (e.g., IICA, 2000).

The Institute has also drawn on technical cooperation initiatives it has led or facilitated in the hemisphere over the last decade in developing the TARD. These include the



HILLSIDES Project in Central America; several initiatives in the Seridó region of northeast Brazil; and the work in Colombia with support from the Corporación Latinoamericana Misión Rural.”

The TARD is therefore a concept that is in the process of being constructed and validated. It has been applied at three levels:

1. *Initiatives that have contributed to its construction*
2. *Initiatives aimed at its adoption as a frame of reference for national policies*
3. *Initiatives aimed at its adoption as a framework for guiding concrete investments and interventions*

The following are some examples of initiatives implemented by IICA and other cooperation agencies that emphasize the first two aspects mentioned above.

### **PIONEERING EXPERIENCES**

#### ***Central América – HILLSIDES Project (1995-2002)***

One of the most important efforts in Central America was the HILLSIDES Project implemented by IICA with financial support from the Royal Embassy of the Netherlands, and cooperation from TERA, a division of the Centre for International Cooperation

in Agronomic Research for Development (CIRAD, France) and the governments of El Salvador and Honduras. This initiative developed a methodology for promoting open institutional systems capable of including a large number of social organizations and stakeholders in the design and implementation of participatory sustainable development plans on the hillsides of Honduras and El Salvador.

The participatory, territorial and multisectoral approaches bring together groups that historically have had no say in the decisions that affect economic and social variables and natural resource management (e.g., community associations, women’s organizations, ethnic minorities, small farmers, young people, educators, businesspeople and religious leaders). The results of the HILLSIDES Project suggest that, although no less complex, these approaches are the surest means to get all the stakeholders to work together on common concerns and pool resources to find ways of improving natural resource management and reducing poverty in rural territories.

The stakeholders organized at the local municipal level and several Sustainable Development Committees (SDC) were set up. These Committees increased the capacity of grassroots organizations to manage, negotiate and impact natural resource management; make contributions at the national and regional levels; achieve consensus among key actors; and promote exchange and cooperation among institutions and stakeholders. Thanks to these committees, a notable improvement in the coordination of institutional actions was achieved (Byron Miranda, 2002).

The IICA-Holland/HILLSIDES Project developed and implemented a conceptual, methodological and operating framework that has contributed to the development of the territorial approach to sustainable rural development. It produced important results and contributions, and its good practices are being incorporated into national rural development projects and programs in Central America, with a view to increasing the influence and multiplier effect of investments of this kind.

#### ***Northeast Brazil***

Among the technical cooperation projects in which IICA has been involved to provide technical cooperation to state governments in northeast Brazil are several initiatives financed by the World Bank.. One of the most significant results has been the creation of the Territorial Development Secretariat

## *The adoption of the territorial approach marks a turning point in the way that IICA views rural development*

(February 2003) within the Ministry for Agrarian Development.

Reliance on the territorial approach is in its pioneering stage, and many lessons have been learned. In the Seridó region, for example, the application of the territorial concept is linked to political-institutional and cultural factors, specifically to the organizational capacity of each locality. The Seridó Sustainable Development Plan is the most tangible product of this experience and a powerful tool for orienting future development strategies and projects (Carlos Miranda, 2002).

The Seridó plan demonstrates that sustainable development concepts are viable and that it is possible to build a Utopia. The sustainable development approach is not only multidisciplinary; it also focuses on participation. The institutional roles are reversed. Instead of the government 'intervening' to do or build things on behalf of the people, spaces and opportunities are created so that the people themselves do the building. The stakeholders are the driving force of development. (Carlos Miranda, 2002, pp. 79-80).

The Plan also demonstrates that a participatory planning process supported by social capital makes it possible to become familiar and identify with the territory. This was not possible under the technocratic and sectoral planning system. Traditionally, the sector was not an actual geographical units, but rather an invention, with different rationales and rates of development. The management of development was haphazard, and resources and energy were wasted. Within a given municipality, different places had different rationales and rates of development in response to specific objectives or paradigms.

In the Seridó experience, the region -a heterogeneous and unique territory- is a place where natural ecosystems overlap and a diversity of social constructs coexist. Seridó is an identity; it is a land that belongs to a specific population. The planning process involves the entire population. (Carlos Miranda, 2002, p. 80).

### **Colombia – Misión Rural**

Sponsored by the Colombian government and various international technical cooperation agencies, IICA spearheaded a broad participatory process of research and analysis of the current and future state of the rural and agricultural milieu in Colombia. This initiative, called Misión Rural, created a network of rural development organizations and consensus on a national agenda that



contains guidelines and instruments for taking action on rural issues. Involved in the project were organizations of small farmers and businesspeople, academics, public institutions, territorial entities, international agencies and various sectors of public opinion.

It thereby fostered a broad movement that analyzed national development policy, and included actions for reorganizing the public sector and empowering the citizenry. It also facilitated local cooperation experiences and supported institutional reforms of rural development organizations and the drafting of legislation for rural development and agriculture. Furthermore, it made conceptual and methodological contributions that have helped enhance the territorial approach to rural development.

Based on the experience of this project, in 1999 the Corporación Latinoamericana Misión Rural (CLMR) was created. This corporation is a nonprofit organization that continues to study, research and discuss rural development. In conjunction with IICA and the government of the Department of Cundinamarca, the CLMR is currently implementing the project "Network of Peoples, a local cooperation experience," thanks to Andean Development Corporation (ADC) funding. This project represents a process designed to create partnerships and agreements whereby efforts will be a galvanizing factor in spurring the economic, cultural and political growth of the territories involved in the process.

The network provides a framework for social innovation, for cooperation among the public, private and local sectors, with citizens working together closely for the common good.

### **A change in policy direction**

In the process of transition toward a TARD, the countries are at different points in mapping out alternatives. No country has so far structured its entire national policy system around the territorial approach. Perhaps the most



complete cases are Mexico, where the process is underpinned by the Rural Development Act (2001), and Brazil, where a Territorial Development Secretariat has been created (2003). Honduras also has a Sustainable Rural Development Act (2000), but less progress has been made in implementing it than in Mexico.

### *The mexican case*

Since the Mexican Revolution and the ensuing agrarian reform processes, Mexico has sought to develop a rural development model. The model has been under review in recent years, however. One of the most significant results of the reform process so far has the Sustainable Rural Development Act (December 2001), which lays the groundwork for a comprehensive institutional framework for sustainable development. Complementing this framework are other instruments such as the National Agreement for the Countryside. Also called for is the development of budgetary instruments for economic development and social well-being, and the fight against marginalization. This law paves the way for implementation of a state rural development policy. It sets out a comprehensive vision and a territorial approach that promote the coordination of government agencies and bodies and provide for the participation of rural society.

One of the key elements of this law has been the creation of Rural Development Districts (RDD). Article 13 of Chapter I of the second section of the law, which deals with the Planning and Coordination of Sustainable Rural Development Policy, establishes that the RDDs are to be used to promote the design of programs at the municipal, regional or watershed-level, with the participation of the authorities, the respective inhabitants and producers. These programs must be congruent with the Sectoral Programs and the National Development Plan. Article 29 of Chapter VI, on the

Rural Development Districts, also establishes that the RDDs are to serve as the basis for the territorial and administrative organization of the agencies of the federal and decentralized public administration, for the implementation of the operating programs of the Federal Public Administration taking part in the Special Concurrent Program and its corresponding Sectoral Programs, and with the governments of the state and municipal bodies, and for consensus-building.

The highest authority of each RDD is a collegiate body composed of representatives of agencies of the three levels of government (central, state and municipal governments), and representatives of producers and social and private organizations that operate in the respective district.

### *The colombian case*

The Colombian Rural Development Institute (INCODER) was created in 2003 to help improve the quality of life of rural dwellers. It sought to implement agricultural and rural development policy, strengthen territorial entities and their communities, and promote the coordination of institutional action in the rural milieu.

INCODER explicitly adopted a territorial rural development approach in drafting the rural policy for the National Development Plan, "Toward a Community-based State." A multifunctional and multisectoral approach is used for this plan, in which "rural" is understood to refer to much more than agricultural production and the synergy between the countryside, small and medium-sized urban centers and metropolitan areas is recognized.

INCODER's general manager, Arturo Vega Varon, says that the Institute's approach is based on a broad vision of life in rural areas, one that recognizes that rural territories perform economic, political, social and institutional functions. Those functions are keyed to the supply of natural resources and the biophysical and cultural diversity that exist. They are also related to the existence of social, cultural and ethnic relations and shared responsibilities that underpin the integration and cohesiveness of the communities; and to different capabilities for development at the internal level and in relation to other territories, the nation and the rest of the world (Vega, 2004, <http://www.incoder.gov.co/editorial/index.asp?id=38>).

INCODER's objectives include taking the lead in identifying and reinforcing public, private and joint rural development initiatives; strengthening the

participatory processes for institutional, regional and local planning used to prepare rural development programs; improving inter- and intra-sectoral coordination to facilitate integrated action in the rural milieu; reinforcing the delegation and decentralization of responsibilities to the departmental level; and affording small and medium-scale producers access to, and the use of, the factors of production, by managing and granting co-financing resources, subsidies and incentives.

### **Other national experiences**

Several countries have begun to draw up national rural development strategies or review their national programs and institutional frameworks for rural development, with the territorial approach as the linchpin.

In August 2000, Honduras passed the Sustainable Rural Development Act, which called for the creation of the National Program for Sustainable Rural Development (PRONADERS). This paves the way for a new multi-sectoral approach to rural development geared to human development and the use and sustainable management of natural resources. IICA is currently assisting the Government in reorienting PRONADERS and the national institutional framework for rural development, with the TARD as the frame of reference.

Brazil has created a Territorial Development Secretariat to spearhead the process of drafting, building a consensus on and implementing a Territorial Rural Development Plan. Ecuador is considering creation of a National Rural Development System and a National Rural Development Fund. Uruguay is reviewing the institutional structure and preparing rural development initiatives in specific territories. Costa Rica is promoting a review and reorientation of the National Rural Development Program, the main government initiative in this field, focusing on territories in the northern region of the country. More recently, the new administrations in Guatemala and Panama have begun reviewing the institutional framework and rural development policies, with emphasis on rural poverty alleviation.

*In Colombia, the Misión Rural project created a network of organizations involved in rural development and consensus on a national agenda that contains guidelines and instruments for implementing actions.*

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