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## **Contemporary Problems in the Economics of Agriculture—1964**

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## GROUP 7. RURAL COMMUNITY DEVELOPMENT

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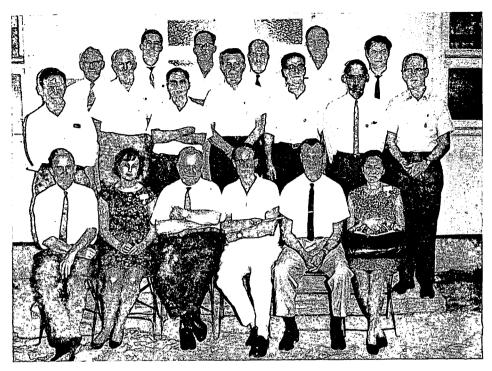
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There is a definite connexion between a farming system (peasant, commercial or large holding) and the rural centres to which it gives rise and which service it, these centres being classified in terms of the commercial and industrial emphasis which they display. Within any given farming system technology is the dominant force in change, resulting, in the end, in the transition from one economic pattern to another. Technological change on and off the farm may give rise to the movement of low-income farmers out of agriculture, to changes in land use and in some cases to withdrawal of land from cultivation. It was recognized that traditional customs and obligations to the extended family may inhibit the process of change in many countries.

For any given type of activity and technological level there will be a minimum size of unit in terms of area or production which gives full, or adequate, employment to equipment and labour available. Further, for an adequate level of use of public amenities needed by viable rural centres, farm and other enterprise must give employment to a minimum critical number of households within easy motoring distance. Part-time farming may in some regions provide for marginal adjustments enabling full-time farmers to get established or easing the period of transition out of the farming industry. They could thus be considered as a permanent feature of any changing or, indeed, traditional agrarian structure.

Before any experimental project can be properly undertaken an inventory of resources is required and an assessment of current trends,



GROUP 7. RURAL COMMUNITY DEVELOPMENT

First row, left to right:

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Third row, left to right: John R. Currie, U.K. B. Ebel, Germany J. M. Dunn, U.K. J. Leger, France Sherwood O. Berg, U.S.A. F. Forni, Argentina negative as well as positive. This may require a careful survey extending over several years. Such information will provide guidance on the most profitable lines of private and public investment, the appropriate quantity and quality of financial services, and the choice of locations for agricultural, commercial, craft and industrial activities. The latter should be concentrated in selected centres of population.

Adjustments in the use of labour, land or capital required in the interests of economic development can be encouraged or restrained by the appropriate use of price controls or guarantees, amalgamation (or subdivision) of holdings and the control of land use either directly or through the granting or withholding of road and transportation services. Population drift to non-farm employment requires a general strengthening of technical and apprenticeship education orientated towards production needs.

It was thought by the group that cultural and recreational activities were increasingly important in the community as a whole. They are also important in retaining a sense of community in rural areas and in preventing the explosion of large cities.

In any attempt to strike a balance in regional planning it would be necessary to consider the costs of relieving continuing congestion in the flow of people and goods in major cities as well as the loss through abandonment of existing equipment, particularly in rural areas.

It was, of course, recognized that a high level of employment depended on an appropriate overall budgetary and fiscal policy. However, the practical difficulties related to peak requirements, of mobilizing seasonal and part-time labour surpluses were emphasized and it was considered that intelligent flexible programmes to handle these problems were dependent on local initiative and leadership. Peace corps or similar groups could be used to prevent wastage and deterioration of resources.

National priorities must change with demand in all countries and the possibility of sudden changes creating depressed areas in any economy should be kept in mind. For the less-developed areas an establishment of priorities should give highest place to an improvement in the production efficiency and intake of basic foodstuffs of everyday use. If this part of the economy starts to move ahead, demand will expand for more labour-intensive foodstuffs and for processed commodities entering into commercial and industrial channels, thus promoting overall development.