

Elena Saraceno

The role of agricultural and rural development policies in developed and developing countries: better understanding their connections and mutually supportive effects

I will argue that rural and agricultural policies should be designed together, early on in the development process and be kept together and closely connected. This does not mean that they should be maintained unchanged over time: their respective roles are likely to change both during development and go on changing without ever arriving to a definitive stage. Changes must always be expected in the functions of both the agricultural sector and rural areas. These depend not only on farm structures and population pressure on land, but also on external factors such as demand for food and other rural products, services and amenities, demand for labor in urban centers, levels of income in different areas and cost of living, economic growth or crisis contexts. Agricultural and rural policies have not followed this approach so far: agricultural policies have supported specialization, economies of scale, land amalgamation and exit of peasant families, adding subsidies when it was not enough; while rural and local development policies were introduced much later, implemented by different administrations, not coordinated and mostly competing rather than being complementary and well integrated with agricultural policies.

The contribution will briefly consider first the role that agricultural and rural policies have played in the development of what are today advanced economies, using the example of the European Union, comparing it to that of later developing countries, using examples drawn from Latin America (Argentina, Brazil), Turkey, Cambodia, South Korea. The objective here is to compare policy approaches for agriculture and rural areas and show their unstable assumptions and conflictive aims, their unique features but consistent lack of coordination. The second part will consider the observed mutually supportive effects between agriculture and wider rural development and how these are mostly ignored by existing policies, making the case for acknowledging and adapting them to current policymaking. Such mutually supportive effects are different for developing and developed countries and there is a need to better understand how the passage from one to the other has taken place in real processes and draw the policy implications from it.

The link between these issues and A. Hirschman's legacy is in the method followed, the approach based on checking theories with real processes and diversity of experiences, then revising policies, knowing that there is no such thing as a definitive stage of development.