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DEFINITION AND OBJECTIVES OF RURAL DEVELOPMENT

(Introductory note by Moise C. Mensah,
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DEFINITION AND OBJECTIVES OF RURAL DEVELOPMENT^{1/}I. Why rural development?

Colin Clarke's sectorial theory suggests that economic development involves a shifting of emphasis on economic activities from the primary sector to the secondary and tertiary sectors. According to the economist W.W. Rostow, a predominantly agricultural society should be transformed into a society chiefly engaged in industry, communications, trade and services. ^{2/} In other words, an economically advanced country is characterized by the relatively secondary role played by agriculture, forestry and fishery in relation to industry and the distribution of goods and services (trade, liberal professions, public services, etc.). Should this be the case, the question that arises is whether the problem of rural development is not an unrealistic problem or at least a problem of minor importance in so far as any efforts towards giving prominence to agriculture and other activities which have traditionally characterized rural development would result in intensifying the backward trend of the national economy. Without wishing to revive an old quarrel of planners as to whether agriculture or industry should have priority as an instrument for economic development, it should be recalled that under the conditions generally prevailing in the continent with which we are concerned - Africa - the problem of choice does not usually arise. Rural activities and agriculture in particular stand out as the foundation of the economy.

Rural activities affect the majority of the economically active population in Africa. A survey conducted by the United Nations Economic Commission for Africa indicates that, in 1960, the economically active population totalled 120 million workers distributed as follows: 77 per cent in agriculture, 14 per cent in services and 9 per cent in industry. The study adds that in time, this breakdown will obviously vary but not at a rate that will make it possible to forecast any marked increase in job opportunities in the secondary and tertiary sectors for rural manpower. Apart from the fact that they occupy and will, in the foreseeable future, continue to occupy the larger part of the economically active population in most African countries, rural activities are the main source of, the foreign currency required for procuring capital goods. Further, they are the main if not the only source of raw materials for existing or projected industries. Moreover, like Pierre Moussa, we think that "development in the less developed countries should above all be based on the expansion of agriculture. The first reason is that an increase in the overall national income is not the only aspect to

^{1/} Introductory note by Moise C. Mensah, FAO regional representative for Africa.

^{2/} W.W. Rostow, "Five Stages of Nations", The Economist, August 1959.

be considered. Its distribution should also be taken into consideration. Development cannot be thought up as a super-imposition of new urban industrial entities on a primitive rural economy. Normally, increased wealth resulting from development should be shared among the entire population, and this can only be achieved by endeavouring to develop agriculture itself". 1/

It can therefore be said that, while they are not the main features of economic development, rural activities at least in Africa underlie the expansion of the other sectors. Rural development can therefore, by a process of chain reaction, generate the development of other sectors of the economy. This warrants a close examination of the problems that will arise. But the purpose of this note is simply to try and give some definitions and to recall certain ideas in the light of which these problems can be profitably analysed.

II. Rural development: an attempt at a definition

A practical definition of rural development is not very easy. The difficulty stems from the fact that the idea of development is a complex one and that the term rural is even more complicated.

The idea of development implies two others: a quantitative concept translated by the term growth and a qualitative concept rendered fairly accurately by the idea of well-being. Economic growth is a phenomenon measurable in terms of increased national income or per capita income, or again the number of jobs created. The second aspect of the concept of development is of a qualitative nature. It can be said that, while economic growth indicates a higher standard of living, development implies, in addition, favourable changes in the way of life, a complex notion difficult to quantify and which encompasses such various factors as the nature of industrial activity, duration of work, transport, recreational activities, housing, health, etc.

In the light of the foregoing, we may say that rural development is the outcome of a series of quantitative and qualitative changes occurring among a given rural population and whose converging effects indicate in time a rise in the standard of living and favourable changes in the way of life.

This attempt at a definition shows that rural development should be analysed both from the standpoint of increased production, which logically promotes increased revenue, and from the standpoint of social advancement arising from a higher level of production and income. Further, the definition takes into account the time factor which suggests that rural development is a graduated process. The idea of stages developed by the economist W.W. Rostow

1/ Pierre Moussa, Nations prolétaires, P.U.F., 1959.

is an important one because it enables the planner to diagnose the present stage of the economy and to assess various phases of activities to which appropriate methods of action should correspond. According to Rostow, there are five phases in the process of economic development. The first phase covers what is known as the traditional society. The second is a transitional stage during which the economic structures undergo the changes required by the third phase, "take-off phase" which, as in aeronautics, is the essential phase of the development process. The "take-off", according to Rostow's own definition is a relatively short period of two or three decades during which the economy and the society on which it depends are so transformed that economic growth becomes more or less self-sustained. 1/ The next phase, which is the fourth stage, is therefore that of self-sustained growth. At the last stage, we have the high mass consumption stages.

III. Objectives of rural development

The main objectives that can be set in rural development are, as already suggested, dictated by the salient features of the rural economy of the society concerned. Considering Africa as a whole, the most striking features of its rural economy can be identified as follows:

- (1) Limited technical knowledge characterized by relative technological stagnation which, following the standard pattern of the vicious circle of under-development, is at the same time the cause and the consequence of wrong land utilization, under-employment of the available rural manpower, a relatively low per capita income, and hence, a chronic shortage of capital for financing rural equipment;
- (2) Weak supervisory structures for rural producers and failing rural institutions, and particularly the inadequate organization of the domestic market resulting in a marked tendency to develop export crops (in fact, export monoculture) which are often the only profitable ones.

On the basis of these data, we admit as a fact that our African economies are in the transitional phase between the traditional society and the take-off stage (the techniques usually lag behind, but the economy is increasingly oriented towards markets). In the circumstances, two series of objectives for rural development may be schematically suggested; short- and medium-term objectives on the one hand, and longer-term objectives, on the other.

1/ W.W. Rostow - The Process of Economic Growth, Oxford, 1960.

A. Short and medium-term objectives

Taking an easy guide mark, these objectives might cover a five-year period, i.e., the duration of a five-year phase of the development plan. During that period, we think an attempt should be made to achieve four main goals.

First goal: To work for an increased per capita income for the economically active population, and hence for the entire population. This aim is justified by the fact that there is a wide gap between the income of workers in the rural sector, particularly in agriculture, and the income of workers in other sectors. A study of documents such as development plans and "National Accounts" indicates ratios of the order of 1 to 10 when comparing the farmer's income with that of the industrial worker. This ratio drops to 1/20 when comparing the income of the peasant with that of an employee in the services sector. Such differences are apt to foster frustration among certain social classes vis-a-vis other citizens in the same country. In point of fact, this is the real explanation of the rural exodus. In his book "Sociologie des Brazzavilles noires", Georges Balandier mentions a sociological survey which enabled him to determine the reasons for the drift of rural populations towards the towns. In his opinion, "family influence" plays only a secondary role (in 25 to 30 per cent of the cases). Economic considerations are the main reasons. Even in a case of "family influence", says Balandier, the initiative is economically determined and it generally comes from the benefactor: "An aged man would like to have a few young relatives around to help him or because he is already thinking of his successors. An elder brother invites his younger brother to come to town in order to help him try his luck". 1/

Increased wages for the rural worker may come either from an increase in his output or from higher prices; or, may be the combined effect of both. A wage policy based on high prices is not realistic, for it brings about inflation within the country, and this decreases the actual purchasing power of any additional income. Further, such a policy may reduce export opportunities and make products less competitive.

Conversely, a drop in prices may have an adverse effect on production. It may tend to cancel out the profits expected as a result of the efforts made to increase the volume of production.

Increased income of the rural worker therefore implies an increase in his productivity as well as guaranteed stable prices. The worker's improved productivity indicates technological progress and hence a better yield by the production factors (land, capital, and labour). As regards price stabilization, it can only come from a rational storage and marketing policy planned and applied by the public authorities.

1/ G. Balandier - Sociologie des Brazzavilles noires, Paris, 1955.

Second goal: To ensure the maximum coverage of the population's food needs: Africa's population is now around 300 million; with an annual growth rate of 2.5 per cent; it is expected to double by the end of the century. From the study of the curves indicating population and food production trends in Africa over the last ten years, it can be seen that these curves have appreciably the same slope. In other words, per capita food production has been at a standstill. Thus taking 100 as the base, the mean index number of per capita food production for the years 1952-1956, the trend between 1960 and 1967 is as follows: 1/

<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>
105	100	104	105	105	103	100	104

It can be seen that per capita food production is marking time. In point of fact, the above figures, which are for the continent as a whole, do not take into account certain situations where production tends to decline. Moreover, the figures quoted indicate that by maintaining the present situation, the prospects of improving the level of nourishment of the population of Africa as a whole are almost non-existent. An effort should therefore be made to increase food production at a clearly faster tempo than the rate of demographic growth. This effort should cover both the quantitative and qualitative aspects in order that nutritional needs may be taken into account.

When considering the continent's food production it should be borne in mind that while some countries, as we have stated, undergo shortages others are already encumbered with a surplus. Hence the need for regional co-operation. This is why the initiative taken by the OAU, assisted by FAO, to establish regional storage centres which are veritable savings banks for staple food products, is to be encouraged as an important step forward in the organization of agricultural marketing chains, the starting point for intra-regional trade the development of which is vital to Africa's economic growth. Further initiatives at sub-regional level, such as the project for grain stabilization in Central and West Africa answer a similar need.

Third goal:

To increase exports and reduce imports, thereby augmenting the availability of foreign currency: Most African countries are in urgent and increasing need of foreign currency for equipment and, in some cases, for the import of foodstuffs that they cannot produce in the immediate future. For some of these countries, the problem of the balance of trade and the balance of payments is becoming increasingly acute. Increased exports of agricultural, forestry and fishery produce usually offer an immediate solution to these different problems.

1/ FAO - The State of Food and Agriculture, 1968.

While foreign aid appreciably helps to remedy weak public finance and national savings, it should nevertheless be regarded as a temporary solution as far as grants are concerned; it can be very costly when loans are concerned. Moreover, the sources of loans are wary of a country with a weak currency and shaky finances. A trade balance and balance of payments that are favourable or, better still, show a surplus make for sound financial standing and inspire confidence abroad.

To maximize the volume of foreign currency available, efforts directed at increased exports should go hand in hand with a reduction in imports. We have just pointed out that some countries are still compelled to import food products which they cannot produce in the immediate future. Within five years, however, it may be possible to modify certain trends. For instance, a maize or rice importing country, granted favourable soil and climatic conditions (fortunately this is often the case in Africa) may become self-sufficient; indeed it may become a minor exporter in less than five years. There are examples which deserve to be studied and followed. The sub-regional rice development project in West Africa is based on such examples. If this project is satisfactorily completed, the sub-region will have foreign currency savings of more than US\$150 million a year.

Fourth goal: To reduce the rural exodus and under-employment in the countryside: African agriculture is stagnant and Africa is threatened with hunger because, among other reasons, the economically active population actually engaged in farm work is growing old and may not be replaced at a satisfactory rate. With some slight exaggeration, one can say that our children are being fed by their grandparents and that our grandchildren run the risk of not being fed by anybody, since we ourselves and our children are deserting the countryside.

According to a study made by the United Nations Economic Commission for Africa, 45 per cent of all Africans are under 15 years of age and 80 per cent of these young people live in rural areas. But it is well known that they are only waiting for the first opportunity to quit the countryside. We have already indicated that the force which drives them towards the towns is essentially economic. They cannot be made to stay in their rural environment unless the economic problem facing them is solved to their satisfaction. That is a major objective for any rural development programme in Africa, since the available human resources must be mobilized and used productively where job opportunities exist. On the other hand, these young people represent the future of their nations and of the continent; consequently, their fate cannot be left to chance without incurring serious social and political dangers. The consideration of this problem will therefore be one of the major points dealt with in a further paper to be presented to the Conference.

B. Long-term objectives (20-30 years)

If we agree that the short- and medium-term objectives cover a preparatory period during which the pre-conditions for take-off as already defined would be laid down, the long-term objectives (a period covering two or three decades) should correspond to the establishment of a rural economy with self-sustained growth. This phase of economic development is characterized by the fact that the investment rate increases in such a way that per capita production rises and this initial increase brings about radical changes in production techniques and in the arrangements regarding income flows which establish the new scale of investment and consequently perpetuates the upward trend of per capita production. 1/

As defined above, take-off pre-supposes not only changes in technical and economic plans, but also social changes. As regards the transformation of the economy, the question arises whether, such a transformation can be attributed to the expansion of agriculture or whether on the contrary, industrialization is not the best instrument. We shall once more refer to Pierre Moussa 2/ who observed that even if one considers only the increase in the total income leaving aside the merits of agriculture as an equitable means for the distribution of the national income this increase is usually obtained more cheaply in agriculture than in other sectors. The reason is that agriculture already exists in the less developed countries, whereas other sectors have to be established from scratch. P. Moussa adds that in many cases, considering all the economic activities at the same cost, the most profitable investment is to provide the villages with extension officers to teach country folk better working methods.

It can never be over-emphasized that industrialization requires a productive agriculture which is both a source of supply and an outlet.

After these preliminary remarks, what can the long-term objectives of a rural development programme be? We have in mind two main objectives.

1/ W.W. Rostow - The Process of Economic Growth.

2/ Pierre Moussa - Nations prolétaires.

First objective: To ensure the gradual transition from the status of peasant to that of farmer: By "peasant status" we propose to describe a situation characterized by technological backwardness and lack of economic knowledge. We use the term "farmer status" to define a type of agricultural producer who, with experience and adequate production facilities, can achieve results under favourable economic conditions. This trend, corresponding to what Rostow calls "radical changes in production techniques", is necessary, since the production systems applied in the traditional rural economy hardly make it possible to rise above subsistence level. This means little or no opportunity to save and therefore practically no investment capacity. As we have already said, take-off calls for increased investment. It will therefore be necessary to apply in the rural sector methods that ensure a high-level of per capita production, and hence a level of income allowing savings leading to a higher rate of investment. This is all the more important as agriculture, forestry and fishery should not only finance their own development, but also provide resources for industrial development. Apart from the economic needs, the transformation of rural economy, particularly the modernization of agriculture, also answers social needs, particularly in relation to the youth problem. The school attendance rate is rising in the rural areas. This is reflected in an increased willingness to accept innovations and reject the traditional working methods and way of life. So long as it cannot be used in the secondary and tertiary sectors, this potential manpower open to progress should be channelled into rural activities, especially agriculture.

Second objective: To reorient and diversify rural activities: We have defined the rural sector as essentially made up of agriculture (including livestock raising), forestry and fishery. This definition which corresponds to the present image of African rural economy (as we have shown it) is, however, theoretically inaccurate. Under a rational policy of national physical planning the term 'rural' could be stretched to cover "INDUSTRY" as well as "AGRICULTURE". We would therefore suggest that rural development can no longer be wholly identified with agricultural development.

The diversification of rural activities is in fact a necessity and should be achieved once the basic conditions are fulfilled. It is justified by the following reasons:

- (a) With technological progress, a developing agriculture gradually and necessarily releases manpower that has become redundant and unnecessary in the agricultural holdings;

- (b) On the other hand, agriculture is in growing need of increasingly complex services which should be made available by specialized non-agricultural or para-agricultural companies (at the pre-production stage: fertilizer, trading firms and repair workshops for farm machinery and building firms; at the post-production stage: organization responsible for the storage and marketing of products for the supply of various consumer goods, etc.);
- (c) Economic progress implies that extremely thorough processing structures are to be found at the post-production stage of agricultural production. That is an essential condition for the best possible valorization of production, whether it relates to agricultural, forestry or fishery.

This is where industrialization comes in. "Industrialization is so commonly regarded as a basic aspect of development that these two nouns are often used as synonyms... The psychology of the under-developed countries should be taken into account. A factory chimney here has the value of a myth. It indicates a country's achievements and its status in the modern world. Therefore, in addition to the objective reasons for industrialization, we may add this further reason: the absence of a factory chimney creates a social complex". 1/

In our opinion this assertion by Pierre Moussa reflects a psychosociological reality, but we prefer to suggest that industrialization based on agricultural raw materials from the land is a means both of creating and diversifying employment and, in the case of substitute agricultural industries, a source of foreign currency saving. An industrialization policy can envisage medium-sized agricultural industries as well as multiple small-scale, semi-industrial, or industrial units, based on the intensive utilization of the labour factor (manpower) rather than capital.

Besides the diversification of activities, namely employment in rural areas, a further objective should be the reorientation of agricultural production. In the developed countries, rural economy is characterized by the fact that it is primarily oriented towards domestic needs, exporting only the surplus and at times selling this surplus at subsidized prices. Similarly, agricultural production patterns in the take-off phase should first of all be formulated in terms of domestic needs and should aim, inter alia, at the following goals.

- To satisfy the national food needs fully from the quantitative and qualitative standpoint; but qualitative improvement should have priority over the quantitative aspect, since higher income logically brings about an improvement in the dietary quality and the broadening of the spectrum of the products consumed;

1/ Pierre Moussa - Nations prolétaires.

- To support industrialization by providing a wide range of raw materials for industries, particularly those permitting the substitution of locally manufactured goods for those usually imported.

Such a policy ensures that in the take-off phase the economy is not unduly dependent on the outside, and it reduces the element of risk of being very much exposed to world price fluctuations that may violently jeopardize the progress made over long years of toil.

As can be seen, the objectives proposed in rural development imply changes in three fields: the technical, economic and social fields, which are linked to one another, for technological progress engenders economic progress, which in turn brings about social advancement.

A detailed study of these three components as well as an analysis of problems posed by the implementation of development objectives will be dealt with in further papers. Suffice it to recall that these are human problems, as are the problem of economic incentives and that of receptivity to innovations and social change. Further, they are technical and economic as in the case of planning, increased production and income, the choice of agricultural speculation, and market organization. Underlying the possible solutions to all these problems is obviously education whether described as agricultural extension, literacy drive or rural promotion.

Summary and conclusions

Rural activities constitute the basis of economy in Africa. Consequently, rural development depends on the continent's economic and social advancement. This development must go through several stages the most important of which is the take-off phase, which implies technological progress, the transformation of economic structures and changes in the social field. These changes generate self-sustained growth which enables the rural masses to attain better living standards. This result, however, can only be achieved through a development programme which spells out the short-, medium- and long-term targets. The goals to be achieved are: self-sufficiency in regard to food for the population concerned, the creation of jobs, the diversification of rural activities and increased per capita income all of which are factors that contribute raising the living standard and improving the way of life of the rural population.