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Rural Development and Poverty Eradication

Isagani R. Serrano
Vice-President
Philippine Rural Reconstruction Movement

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POVERTY, TILL NOW, IS STILL PRINCIPALLY A RURAL problem. Its many faces are an everyday sight in the country sides of the world, my region Asia and my country the Philippines. Its eradication is an overriding goal of world development, of Asian development, of Philippine development. And since poverty is mostly found in rural areas, development policy must have rural development as a centerpiece agenda.

A world free of poverty is a rural world freed from this condition. Cities, despite their own share of poverty, will always represent progress and prosperity. It is the progress and prosperity of towns and villages outside of the metropolis that will help cities reduce urban poverty itself to insignificance and keep up to their progressive symbol.

Poverty as a form of deprivation and exclusion expresses in different forms, from lack of income and productive assets to inability to appear in public without shame. It's a silent form of everyday 'terrorism' that must be

addressed urgently, in an integrated way, and through partnerships and the active participation of the poor themselves and the women among them. The eradication of poverty is a precondition for lasting peace.

Poverty must be approached from all sides. At the minimum this suggests a complementary and synergistic policy and project intervention. Direct attack on poverty, as in income-generating projects, cannot get far enough nor can it be sustained for long without a compatible and proactive state policy. Conversely, by showing how poverty is effectively dealt with at the micro level we will have better chances of changing bad policies decided at higher levels.

An RD agenda

Rural development (RD) is embedded in the UN poverty reduction agenda, as indicated in the Millennium Development Goals (MDGs). The eight MDGs could be viewed as an attempt to consolidate, distill and focus the bundle of commitments to reduce poverty and achieve sustainable development. Water and sanitation, energy, health, agriculture, and biodiversity (the so-called WEHAB of UN Secretary General Kofi Anan) could be some of the key areas where results can be shown and progress tracked up till the 2015 reckoning point.

By 2015, the rural areas should have been significantly rid of illiteracy, preventable diseases, high infant and maternal mortality. HIV/AIDS, TB and malaria would be put under control, with health programs emphasizing prevention at primary level and access and affordability of cure to the poor. Many of today's rural poor households shall have access to water and sanitation and electricity. The lighting of every village shall be realized even as we shift from an energy system largely based on fossil fuels to one that's based principally on renewable sources.

Food security shall be achieved through a modernized but sustainable agriculture. The level of agricultural productivity should be able to absorb a large labor force and expand domestic demand for industrial goods and services.

Decline of biodiversity would not only be arrested but reversed, unlike previously till now. Policies and legislations shall have been strengthened to protect our forests, mountains, and coastal and ocean resources.



A decisive policy of redistributive justice could set the condition for all this to happen. No rural family should continue to be landless or homeless, in addition to having other productive assets.

Not to make the women visible in any RD agenda will be a huge mistake. It goes without saying that women in poverty probably make up half, if not the majority, of the rural poor. Any RD strategy must be explicit about the role of rural women and how the strategy will contribute to achieving gender equality and women empowerment.

To make a difference a new RD agenda must truly be wholistic and pro-poor in contrast to general rural development and agricultural growth orientation. It should be focused more on actions and outcomes rather than inputs and outputs; longer-term and integrated in contrast to short-term and mere sectoral additionality; and recognizing the necessity of difficult trade-offs. It must ensure broader participation to include development actors other than mainly public sector. There's a complementation of global agenda with local agenda rather than free standing global agenda.

Shorten or reduce is the strategic word. A good anti-poverty RD strategy should be able to help shorten the food miles, the education miles, the housing miles, the workplace miles, the leisure miles. People should be able to produce and buy what they need as close as possible to where they live.

Words and promises come easy and cheap, of course. It remains to be seen how any RD agenda can effectively address many of the same outstanding concerns for why many anti-poverty agendas don't work, to begin with.

These concerns, outlined below, have been resonated many times over. Tired and beaten, but still these are the same old issues that continue to haunt the rural poor.

Correcting a bias

Sustainable agriculture, agrarian reform, natural resource management, rural roads and rural water supply and sanitation should get their due and increasing share in budget allocation. This is but some kind of redress of an outstanding bias against rural areas. More, until this bias is corrected we cannot make the rural areas an attractive place to venture, risk, and make money for anyone with money to invest. But



this might also suggest creating disincentives or denying incentives to public and private investors who unreasonably stick to already developed areas. This looks rather negative but it's a necessary complement to positive policies. Cities can and should finance any further urban improvement.

At bottom is the issue of inequality expressed in spatial terms. Urban suggests disproportionate claims on food, education, health, shelter, communication, energy, opportunities for civic participation and cultural interactions, freedom of movement, amenities that make us happy and enjoy life. Rural means just the opposite, though romanticized by environmentalists as "refuge" from polluted brown jungles even as they themselves realize the transboundary nature of most ecological problems.

Equity with equitable productivity

The common RD agenda and strategy remain captive to a productivity orientation, although increased productivity itself is a desirable goal. There's hardly any explicit assertion on needed state action to correct skewed land distribution. Nothing about any funding commitment for land acquisition or "landlord buyout" which most land reform programs amount to, anyway.

The "cheapness" of agriculture is hardly put to question, although most RD agendas talk of improving competitiveness. Production for selling looms large and it is not clear how food security can be secured this way.

The pro-poor bias must be explicit on basic concerns that truly matter to the rural poor. Till now most policies would rather leave it to the markets to redress land inequality and landlessness.

The strategy must be able to address equitable access to other assets, like water, microfinance, infrastructure, technology. Yet even on these, it must also take account of direct and hidden subsidies that favor the non-poor and non-rural at the expense of the rural poor.

Growth with equity or equity with growth? The current debate on strategy tends to be framed around these questions. Some people think these are mere play of words. On the contrary. The two questions suggest basic differences in perspective, goals and processes.



The starting point of 'growth with equity' is growth, productivity, wealth creation, then sharing benefits later. But sharing rarely happens because the rich find even less incentive to share as the economic pie grows. 'Equity with growth' puts the poor first and last and at the center of all strivings to increase wealth and human welfare. It also means returning to the environment what we take from it, here and now and not later.

Long-term sustainability is compromised when the environment on which it is based gets depleted and polluted. As should be done in the case of the usually-discounted social costs, we must pay the environmental costs of growth now and not later. Resources must be allocated for the regeneration of poisoned soil, water and air, not to mention what should go to our own education on the ways of sustainability.

Growth can be achieved by simply cashing in on the poor. By focusing on building their capacity to address their own basic need for security on all counts – in food, housing, education, health, working condition and freedom of movement – government can get the best value out of every budget peso. What better productivity is there than that which is focused on employing the poor to solve their own problems? If only every problem translates to work, the poor have more than enough problems in their hand to be out of work. Government should consider how to compensate the poor to produce for themselves and the whole nation.

Government need not look elsewhere to find where it can spend its scarce and borrowed resources to make the economy grow, even like an 'Asian miracle', if you will. The poor millions in the uplands, lowlands and seacoasts have been waiting for long to be tapped for the job and be a key player in nation building.

Bias against real producers

A closer look at the production pipeline should reveal to us that those who grow our food usually suffer a double whammy. They get screwed on both ends of the pipe, so to speak. At the head, there's the high costs of land, water, seeds, farm machineries, interests on credit, etc. At the end, there's the pricing down at the farm gate, the high costs of storage or bringing the produce to the market.

On both ends, we see the trader. The trader, usually an outsider or local rich, does not only possess the capital and leverage to price up or



price down the value of real production. More, he or she is benefiting from the value gained out of easy access to opportunities, mobility, much of which are anyway subsidized by taxpayers' money in one form or another.

Prices and subsidies

The 'cheapness' of the products of rural labor is neither friendly to the producer nor to the environment. To have, say a karaoke set, a poor farmer needs several harvest cycles in a one-hectare farm, assuming no crop failure and good prices. Likewise for a poor municipal fisher who would have to sail out more times to catch more fish from an already seriously depleted fishing ground. Were cell phones to swarm the countryside, there would be more net outflows even as labor and natural resources were more intensely exploited to compensate for the deficit.

The rich and urban consumers, the non-agricultural sectors, enjoy cheap prices that discount both rural labor and the land, water, forest resources. Some ways should be found and articulated in the strategy to deal with these negative externalities.

Why is it so easy to sink in money to further widen an already wide highway? Why is it so hard to spend for barrio roads, communal irrigation systems, post-harvest facilities, potable water, a rural clinic, a barrio school? Why must a highland dweller be made to pay for the amenities and convenience of the big city inhabitants?

These questions need to be answered as they suggest lopsided priorities and distorted structure of existing subsidies. How these can be corrected must be made very clear in the RD agenda.

Globalization blues

Usually only the good side of globalization is emphasized by governments and corporate interests, though many are now beginning to question its promised benefits. The downsides of this process appear to be played down, if not entirely left out in policy considerations.

Around Asia and the Pacific, especially after the 1997 crisis, worries about globalization are growing. The questions are many but one that's uppermost in the mind of many people is whether poverty eradication efforts would be better off with more than less regulation in the flow of



goods and services. The computer-aided volatile money—the so-called hot economy—is number one target. But questions are unsparing, implicating even the real economy of growing Bt-corn, raising GM-cows and eating McDonald hamburgers.

One need only to look at what people in our neighborhood eat, wear, enjoy learning and doing and what more they desire to have to see how deeply our everyday living is hooked to globalization. For the rich and non-poor among us, the latest products and services global corporations have to offer. For the poor, one window shopping sortie to the mega mall is already a big treat, better if it comes with a Big Mac and a bottle of Coke.

Underneath this image is the harsh world of buying and selling. Who produces and trades what's being bought (imports) and sold (exports)? Who wins or loses in the exchange? Where stand the poor in all this?

Liberalization or protection is not bad by itself. The more basic question to ask is *what for* and *for whom*. From the perspective of 'equity with growth' liberalization and protection are targeted in the interest of the poor and the environment. The rich, especially the richest 10 percent, can very well protect themselves. It is the victims of their unregulated activities who need a liberal and protective treatment the most. If government truly believes in free competition it must first do away with all the barriers that keep the poor out of competition.

A liberal policy suggests equal opportunity without any basic change in the condition of inequality. This is an unresolved dilemma. In the fashion of a zero-sum, worse still, negative sum scenarios commitment to social and environmental justice gets undercut by deregulation of market forces who compete to win not to promote competition.

The dominant RD strategy is seen as merely a strategy to accelerate growth in the countrysides and to facilitate concentration of cheap rural products in the global marketplace. Worse, unwittingly or otherwise, the strategy becomes an instrument for prying loose the world's countrysides for exploitation by global corporate monopolists in food, seeds, feeds, machineries, biotechnology, and so on.



Linking global with local

At once a caveat must be made. Negatively, complementation might suggest hooking rural areas into the globalization process. Instead of fostering self reliance and self sufficiency, accelerating growth in the world's countrysides could make local communities more dependent on the global trading system. This means extending, instead of shortening, the so-called "food miles". Food security, or human security for that matter, must never be held hostage to the vagaries of negative globalization.

Localization of Agenda 21 and the Habitat Agenda is long overdue. This is an urgent task that complementation needs to address. If these agendas cannot be made to work at the local, it stands to serious question how any significant progress can be made at the global level. Poverty and inequalities, all the environmental hotspots, the people who must work together to address them are all located in some or other specific sites around this planet. Local partnerships similar to the "Rural Alliance", or its urban counterpart "Cities Alliance", are certainly a good idea that must be made to work at the local level.

Finally, have we even tried asking the poor?

The poor may not be the expert on poverty they sometimes are romantically pictured to be but they know better than anyone else what it means to be poor. They need no help to tell poverty from prosperity. They recognize the many faces of poverty as they meet and live these in their everyday. They are experts in coping and survival strategies.

God knows how many meetings on poverty have so far been organized and attended by the non-poor. This is not to make light of these exercises, these meetings might have resulted in some poverty reduction indirectly. The challenge to those concerned is to exert more than what they have done already to find out how the poor themselves can be helped to learn their way out of poverty through strategies they themselves design, run and evaluate.

Whenever asked the poor usually speak of poverty in terms of what they have, can do and can become. An honest-to-goodness poverty strategy or program claiming to be need-driven should start from these. It must confront all the frustrations of the poor about having, doing, and being. But what if the poor demand



things only the rich can have, can do and can be? Which can be as impossible, for example, as owning a mansion or joining an exclusive golf club. Whatever, at the very least, the poor have a right to ask for what it is they feel they need or wish to have, to do, to become.

The point of asking is not so much to test one's tolerance for the ridiculous as to know exactly what the poor think and feel and to make space for their voices. As well, it is meant to help them see for themselves what can work and what cannot—and why. In other words, it is to ask them to participate in strategizing their way out of poverty.

The poor are subordinate players in political and economic decision making. And yet they are made to bear the externalized social and environmental costs of wealth creation. This is basically the story of the 'Asian miracle' which was humbled by the 1997 crisis. Thanks to the crisis we now know better.

In a poor-driven strategy the nature of economic activity will change accordingly. Just try, for example, asking a community of poor fishers if they need a 100 million-dollar loan. Chances are, they will say they need only a much smaller amount to finance small and medium-sized livelihood projects. A community wanting to manage a watershed and do agro-forestry likewise would not need that much money.

A truly broad-based and poverty-focused strategy puts the poor at the center of economic activity. The poor themselves must be fully involved, if not take lead, from the point of diagnosis of their poverty to prescribing and acting on what needs to be done. But this can only happen if the poor are first enabled to be at the center of designing poverty strategies and programs. It does not make sense to expect the poor to participate in a big way if they know not how and are not given the space and opportunity to do so. Poverty expresses in what people cannot have, cannot do, cannot become.

Poverty eradication cannot fully succeed without people empowerment. But helping the poor to help themselves get out of poverty is not easy. To think that they can assume greater responsibility to build a sustainable society is even harder to imagine for many who are used to relying on the rich and powerful to lead their country to progress.





About the author

Isagani R. Serrano is Senior Vice President and Board Member of the Philippine Rural Reconstruction Movement (PRRM). He's written for CIVICUS the following: *Civil Society in the Asia-Pacific*, 1994; *Humanity In Trouble But Hopeful* in CITIZENS, 1995; *Profile: Philippines* for CIVIC INDEX, 1997; *Coming Apart, Coming Together* in Civil Society at the Turn of the Millennium, 1999; *A Global Citizens' Commitment*, 1999. A community organizer, educator, writer, guitarist, 'farmer', and political prisoner for seven years during martial law in the Philippines. Trained in education and literature, community organization and development management. Holds a Master of Science in Environment & Development Education (MSc in EE/DE) from the South Bank University-London.

