

# Inter Pares

B U L L E T I N

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## Rural Transformation: *Crisis and Opportunity*



Bruce Paton

A young man in an urban slum – it could be Manila, Harare, Dhaka, or Lima. He ekes out a living selling scavenged goods. He is bright, energetic, and unlike the stereotype of the slum child, smiling and good-humoured. Asked where he comes from, he tells you: the countryside. Asked whether he would like to return, he laughs: “For what? There is nothing for me there. Here I have an opportunity to make money and improve my life”.

Is it possible that life in a city, daily scavenging for goods to recycle for a small profit, is better than life on the traditional family farm in the countryside? The answer for all too many young people is “yes”.

For all that we tend to idealize the life of rural people and their ties to agriculture and the land, the reality of millions belies these images. Rural lands are increasingly unable to support people who once sustained at least a subsistence livelihood in agricultural communities. These communities have been undermined as local infrastructure deteriorates, local producers are displaced by cheap imported food and other manufactured goods, and land ownership is concentrated in the hands of large firms that cultivate exclusively for export.

This situation presents profound dilemmas. It represents a rupture with

the agricultural past, and is experienced as a crisis by officials in rapidly burgeoning cities. But is it really a crisis for rural people themselves? Or is this transition another of many that rural people have experienced, and to which they have already begun to adapt in their own way and in their own interest?

It is a myth that rural life has been idyllic for its inhabitants. The land has always been a hard master. And especially since the onset of the colonial period, peasants have been subject more to the tyranny of the land than to its bounty: impoverished, brutalized, and enslaved, while the surplus of their labour was stolen from them with little return but squalor and an early death.

If rural people are pulling up roots and escaping the tyranny of the land, it is because the opportunities in towns and cities outweigh whatever bonds they have to rural communities. It is the pull of the cities as much as the push of poverty in the countryside that moves people from the land. If we are serious about addressing the de-ruralization of society, we must offer solutions that do not simply make tyranny and servitude more tolerable – we have to deal with the tyranny itself. And we cannot pretend that it is possible, let alone desirable, for rural people to continue the feudal subsistence that has been their

lot for centuries. What is necessary now is to promote a fundamental rural transformation that provides decent livelihoods and dignity for all rural workers, so there is a rich and humane environment in which people are able to live and raise their children, and where children will want to stay as they grow up.

This means regulating land ownership and the practices of large agribusiness, and helping smaller farmers adapt to changing conditions to make their farms profitable. It means accepting that as the scale and conditions of farming do change, many people will leave the land as farmers, and need other forms of work if they are to remain to develop their communities in rural areas. It means investing in rural infrastructure like electricity, roads, telephones, water, schools and health facilities. It means promoting government policies that nurture local markets for local commodities and goods, and supporting the development of rural manufacturing and processing industries to produce these goods and provide jobs for non-agricultural workers.

Finally, it means responding to the needs of those who do choose to move to cities, to assure that they too have economic opportunities and the rights of full citizenship.

This is a program whose achievement will not come easily; however, nothing less will suffice to conserve and develop rural society. A start is being made through the actions and advocacy of many organizations around the world committed to justice and rural transformation. This *Bulletin* features a few examples from the work supported by Inter Pares.

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# Profit by Destruction

In the state of Tamil Nadu in India, activists Jagannathan and Krishnammal have launched a national citizens' coalition against the commercial shrimp industry. Jagannathan, who joined the Gandhian movement as a teenager and is now 83, took their battle to court and won an interim state injunction against new developments in the industry. When shrimp producers ignored the court order, Jagannathan and Krishnammal organized a demonstration. Jagannathan was arrested and promptly went on a hunger strike. Upon his release, he and Krishnammal began to help coastal communities throughout India to organize to resist the shrimp industry.

In Malaysia, 33 farmers were arrested and jailed for a week as they tried to stop the acquisition of their lands by the government. The government planned to transfer these farm lands to a shrimp project supported by Saudi investors.

In Bangladesh, a young woman named Karunamoyee Sardar was shot and killed as she marched in a demonstration

protesting the introduction of the shrimp industry into her village. To date, no one has been charged with her killing.

These were some of the stories shared several months ago at an international meeting of community activists in Bangladesh. Activists from India, Malaysia, Thailand and Bangladesh came together to discuss the impact of the shrimp industry and share information about how local communities are resisting.

Shrimp were once caught at sea; today, most shrimp are produced in massive commercial ponds in coastal areas. Fuelled by enormous profits, the industry has expanded rapidly. Asia accounts for more than 80 percent of the global production of shrimp destined for export markets in Japan, North America and Europe.

But for local people, the costs of the commercial shrimp industry have been high. Coastal areas have been privatized and farmers have lost their land. Salt water intrusion from shrimp ponds permanently damages soils and poisons fresh water sources. Coastal mangroves are being cut down at an alarming rate.

Thailand, for example, has lost more than 60 percent of its coastal mangrove forests to the shrimp industry. In Bangladesh, where farmland is the key productive resource, the shrimp industry has sparked often violent conflict as farmers attempt to keep their land – in the last five years over 100 people have been killed in coastal land conflicts.

Participants in the Bangladesh meeting agreed that the shrimp industry does not contribute to rural economic development; rather, it is industry that deprives local communities of their resources, with the benefits accruing to wealthy traders connected to the international market.

In almost all countries in Asia, local people are organizing to resist commercial shrimp aquaculture. The activists at the Bangladesh meeting committed themselves to developing regional efforts to challenge the industry. For now, however, the strength of the resistance struggle is in the village – where people like Jagannathan and Krishnammal know there are more appropriate means of village development.

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# Promoting Agrarian Reform

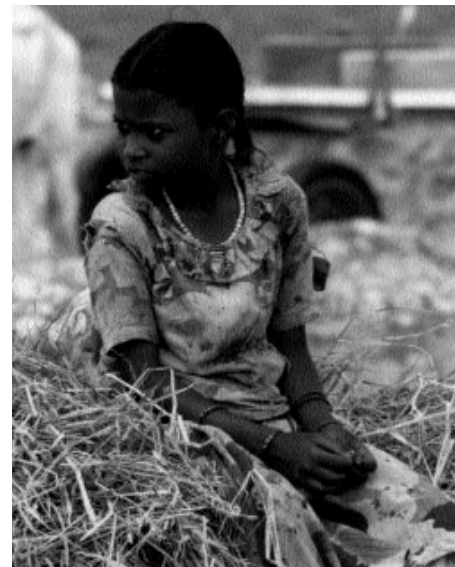
Bangladesh's fertile soils and plentiful rainfall give the country enormous agricultural potential. A major constraint to harnessing this potential, however, is the relationship between farmers and the land they till. A large percentage of farmland is owned by absentee land owners who rent their land to sharecroppers who have little incentive to improve their cultivation and land husbandry methods.

Another serious problem is the fragmentation of land holdings due to inheritance laws. As land holdings are passed down through male heirs, farm families can end up farming increasingly smaller plots of land that are scattered in different locations. Perhaps most seriously, farm families are less able to support themselves as profits from farming diminish. Over the past several decades, government

has virtually ignored the farm sector and badly-needed agrarian reform policies related to land ownership, credit, pricing and marketing.

In the late 1980s, a group of Bangladeshi NGOs came together to rekindle the debate about agrarian reform. They formed the Association of Land Reform and Rural Development (ALRD) with a mandate to research rural development problems and promote agrarian reform policies. Today ALRD is one of the leading voices advocating rural transformation and is involved in NGO training, research, publishing and policy development. With support from Inter Pares, ALRD recently organized a national conference on agrarian reform, bringing together NGOs, researchers, government officials and prominent politicians. Through this work, ALRD has

re-established agrarian reform as an essential element that must be addressed in Bangladesh's development policy.



David Barbour, CIDA

# Building the Rural Economy

In Guatemala, 94 percent of farmworkers live in poverty. The minimum agricultural wage is not enough for a family to live on, and it is common for men to be paid less than half the legal minimum, and women half again for the same work. At the same time, more rural people are looking for work, as increasing numbers of peasants lose their land or give it up, unable to make a living for themselves and their families. Wealthy landowners are increasingly leaving land untilled, or converting it to grow capital-intensive crops for export markets. And since most of the wealth they generate from their land is exported or used for financial speculation, rather than re-invested in local industry or processing, fewer jobs are available in the countryside.

The Grassroots Legal Coordinating Body (COJUPO) is an organization of lawyers working with indigenous people and peasants organizing for land rights, and fair wages and labour practices. With Inter Pares' support, COJUPO assists local organizations to use the Guatemalan legal system to address labour disputes and to obtain title to land.

The people at COJUPO know the problems faced by rural Guatemalans are complex, and that the struggle for a decent life for rural peasants and agricultural workers must address issues at the local, national, and international levels.

COJUPO realizes that claiming land for a few touches only the tip of the problem, and that land ownership by itself will not bring about change. Antonio Argueta, the president of COJUPO, told us "we're struggling for the land, the most profound and historic struggle in Guatemala, from which everything else starts...but not so that everyone can have a little piece. That won't work. Guatemala is complex, geographically and socially. Whatever the solution, it can't be land alone."

In some areas, he notes, improved roads and agricultural technology are necessary; in others where agriculture is less viable, processing and industry are critical. And government policies that promote rural investment in agriculture and rural industry, and protect the labour rights of the people who work

there, are necessary to create and sustain rural economies that serve the needs of all Guatemalans.

The government, protecting the interests of large landowners and international investors, is resisting discussion of this approach. COJUPO will continue to work locally for fair wages and access to land, at the same time as it pushes for a profound national dialogue on land use and ownership, agriculture and the rural economy.



José Ángel Rodríguez

## Towards Sustainable Agriculture

For many years, the Bangladesh development organization UBINIG has worked with rural women, promoting their economic, social and health needs. Through this work, UBINIG discovered that a major concern of farm women was the impact of pesticides on the health of their families. UBINIG studied this problem and began to investigate the role that women played in farming. This study became the basis of an innovative approach to transforming the cultivation practices of thousands of farmers throughout Bangladesh.

The adoption of "green revolution" technologies in agriculture made farmers increasingly dependent on imported seeds, fertilizers, pesticides and costly irrigation systems. While in the short term these methods boosted production, there were other negative consequences. One consequence was that women were no longer involved in selecting and storing seeds from season to season. Women's knowledge of seeds, passed down through generations, was in danger of being lost. Farm women also began to note the connection between pesticide use and health problems as their lands became increasingly poisoned. And the economics of farming began to change – farmers became dependent on pesticides

and fertilizers resulting in higher costs. Many farmers could not recover these costs from the sale of their crops.

Working with farm communities, UBINIG began to promote chemical-free farming methods by developing organic fertilizers and by identifying and using local plants with natural pesticide qualities. UBINIG introduced crop-rotation and inter-cropping methods to reduce pest damage. They established a seed wealth centre to encourage farm women to collect and exchange local varieties of seeds. Alternative water management methods reduced the dependence on ground-water irrigation systems. All these initiatives removed the need for expensive imports, and farming became more profitable as input costs decreased. As farmers talked to other farmers, these ideas began to spread. By 1996, 12 villages had declared themselves *Nayakrishi Gram* – villages practising chemical-free methods of farming. This approach has attracted the attention of farmers and agricultural scientists, not only in Bangladesh but also in other parts of Asia.

In the long-term, UBINIG hopes to organize farm families into a national farmers' network in order to share experiences and knowledge as well as to promote sustainable rural development policies with government.

# Learning in Action

**M**icro-enterprises are very small businesses that take little capital to start, and most often rely on family labour. They can entail anything from local transportation with the family cart, to a small group of women making clothing, to a shoemaker in a village square. They are businesses created by people to earn a living for themselves and their families, and are a vital part of any local economy.

Most international development organizations, including Inter Pares, have supported groups and local organizations that promote micro-enterprise, and many of these activities have been inspiring successes. But micro-enterprises can also be precarious, vulnerable to small variations in the cost of inputs, and to the market price for their goods. Women and children form an invisible workforce in the family micro-enterprise, often with little or no control over how

the income will be spent. Although women are frequently encouraged to engage in micro-enterprise to earn extra income, without lightening their heavy workload in other aspects of their lives, it often means more work for little benefit. The credit that is often necessary to start a business is also debt – and it is not unusual for an already poor family to have to find *extra* work, or borrow again, to pay back a loan for a business that could not pay for itself.

Beyond these vulnerabilities, the policies of global financial institutions and major economic powers are eroding the ability of people all over the world to control their circumstances and gain a living. And most governments have sharply cut back support for the social and economic infrastructure needed for small businesses and micro-enterprises to thrive.

This year, Inter Pares is working with 20 organizations from Canada and Southern nations brought together by the Canadian Council for International Cooperation to explore these dilemmas, and actions we can take to address them. What kinds of policies and regulations need to be in place – nationally and internationally – to allow people to work and build, and contribute to their family and their communities? What are the appropriate actions of national and international organizations to assist people to establish and maintain micro-enterprises in a way that transforms and transcends gender and other power relations, and diminishes economic inequity? These are a few of the questions that we will explore in this process of mutual learning and action with our Third World and Canadian colleagues, and the people with whom we work in Africa, Latin America and Asia.

## Presenting Alternatives...

*The Philippine Peasant Institute has issued a policy paper, **Agrarian Reform and Rural Development (1995)**, that describes the reality of the countryside, and offers an option for change:*

“Galloping inflation, rice rations, high rural-to-urban migration – these are symbols of a rural countryside that is being depopulated as massive numbers of rural populace desert their farmlands and coastal areas to seek out survival...”

Because the value of land as capital far exceeds its value as a productive resource... land distribution alone cannot provide opportunity and justice for the poor. Under present conditions, it would not be viable for subsistence farming. It would not support the peasants and they would inevitably lose it once

again, and the social crisis will only deepen as the industrialization program further marginalizes the peasantry. Hence what is required is vast and fundamental agrarian reform, a continuing process, including the transition to appropriate agrarian and rural industries, as well as mixed farming...

The countryside is at a crossroads – one road leads to the much-vaunted export-led growth with agriculture playing a major role in the production of export ‘winners’... setting aside agrarian reform and environmental considerations to attract much-needed capital and investments. The other less-taken road is one that modernizes agriculture on the basis of a redistributive process inclusive of a comprehensive agrarian reform program and off-farm employment

generation. This would require strong government intervention and active citizen’s groups to invest in people, communities and employment.”

