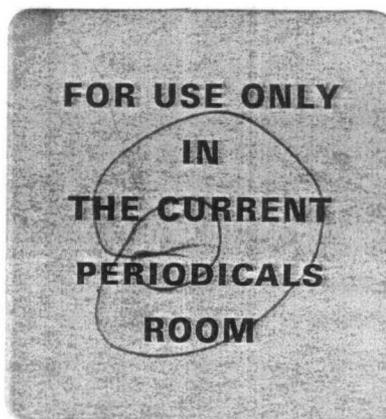
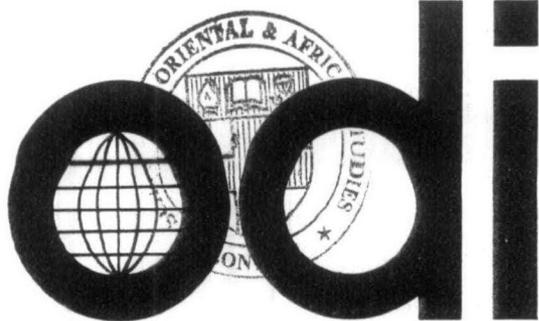


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## Overseas Development Institute\*

10-11 Percy Street London W1P OJB  
Tel: 01-580 7683

### Briefing Paper

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#### INTEGRATED RURAL DEVELOPMENT

For the millions in the world living in rural poverty, there can be little concern whether the growing interest of the rich in their future is labelled 'agricultural development', 'rural development', 'poverty-oriented rural development', or 'integrated rural development'. Labels and slogans cannot be eaten or sold.

But slogans *can* serve a useful purpose in identifying a critical issue and marking a major change of thinking: similarly, slogans can be harmful if they obscure problems and encourage rhetoric at the expense of action.

This Briefing Paper investigates a particular label/slogan: Integrated Rural Development (IRD). It asks three questions: 1) What is the background to IRD in development thinking? 2) What does IRD mean to its main advocates? 3) What are its practical implications? Finally the paper assesses the impact of IRD upon the conduct of development efforts in the rural sector.

#### Old wine, new bottles?

##### *Agricultural development and rural development*

The key to understanding IRD is in the reappraisal of developing country (ldc) agricultural sector strategies (mainly in development agencies) towards the end of the 1960s. Despite large investments in crop research and production (particularly the introduction of high-yielding and fast-maturing varieties), it was apparent that there was little improvement in the productivity and incomes of the majority of subsistence and low-income farmers — some with pocket-size holdings fragmented in several plots; others regularly shifting their fields and clearing the bush. Furthermore, developments in crop production had failed to generate work and incomes for an even larger number of landless, jobless, and otherwise deprived families unable to gain acceptable livelihoods in the rural areas.

This relative failure of agricultural development was attributed to two main factors. First, there seemed little point in *simply* emphasising the technology of crop production when the majority of farmers were beset by a formidable array of constraints and liabilities. A typical farmer might be frequently sick, illiterate, cowed by authority and dependent upon the local rich, uncreditworthy, lacking in reliable water supply, fearful of food crop failure, unable to market his small surpluses and so on. Low productivity, it was clear, required a simultaneous attack upon several fronts: in most cases — health, education, commercial services, physical infrastructure and job creation,

and in some cases soil conservation, tenure reform and community development also. Only then could agricultural programmes for small producers and the landless and jobless be expected to work.

Secondly, within the agricultural sector itself it was evident that programmes based upon the provision of a particular input (such as credit, improved seed or tractors) had often been captured by the already progressive farmers at the expense of the majority of producers cut off from the main agricultural services and unable to benefit from opportunities offered by new markets and technologies. Even in the more general extension programmes it was clear that it was the richer farmer who was gaining most from regular contact with government field staff. It was in this context that the 'package' approach to agriculture was developed, particularly the notion of delivering a minimum level of necessary inputs through a service structure, with functions such as land settlement, extension, credit and marketing, integrated within a single organisation. The integrated package approach was already well-established among relatively small numbers of producers in areas with a good resource base, normally growing an exportable cash crop. But Government efforts in the organisation of commodity production had been at the expense of the more complex problems of increasing the production and marketing of food crops grown in marginal areas.

These two issues — the need for action on several non-agricultural factors simultaneously with efforts to increase agricultural production, and the need to integrate inputs to the neglected small producer — pointed towards a more ambitious strategy of 'rural' — as opposed to purely 'agricultural' — development. But beyond this general recognition of the multiple factors involved in agriculture, and rural employment generally, there were differences of emphasis which confused the meaning of 'rural development' even before 'integrated rural development' further muddied the terminological pool.

For many ldc governments, the term 'rural development' is used in its literal sense: that is, *any* development initiative undertaken in rural areas. In this sense a rural development strategy often simply means little more than a greater resource commitment to rural areas. This approach need not detain us. Other governments have seen 'rural development' as a set of functions that require administrative co-ordination at the central government level, the regional level, or both. The main

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differences have been over the range of functions covered by 'rural development'. In some cases, rural development has been confined to organising co-operatives, village settlement and a handful of welfare programmes. In other cases it has incorporated major departments of agriculture, resource conservation, irrigation and rural public works.

But for some international agencies, 'rural development' has taken on a more specific meaning. The World Bank, for example, defines rural development in terms of a particular target group. 'Rural development' it says, 'is a strategy designed to improve the economic and social life of a specific group of people – the rural poor. It involves extending the benefits of development to the poorest amongst those who seek a livelihood in the rural areas.' In the terminology of the Bank, 'rural development projects' are those where at least half of all the benefits accrue to poverty 'target groups'.

Whilst others may label this 'poverty oriented rural development', the Bank are content with 'Rural Development' (RD). This confusion between RD as a subject for administrative action and a strategy for reducing rural poverty also occurs in the term 'IRD'.

#### *Integrated rural development*

When the term was first used by donor agencies in the 1960s, IRD referred to particular types of project designed to meet the requirements outlined above of simultaneous and comprehensive action: for example on water, power, extension, credit, roads, storage. This was not particularly new; land settlement schemes had always been comprehensive simply because all services and most inputs had to be provided for the tenants or settlers. But IRD meant not only comprehensive action, but also integrated action. The idea was that the various complementary activities of rural development required a single administrative framework rather than being implemented by a variety of separate agencies. Generally speaking, such IRD projects were defined by area and as a consequence special project agencies were set up partially replacing existing departmental responsibilities. The success of such projects in raising productivity and incomes in particular areas helped to popularise the IRD slogan, which became the subject of a number of international conferences and symposia. A major source of confusion has persisted however.

For some (mainly ldc governments in fact), IRD has been a concept which addresses the problem of co-ordinating policy-making where several sectors need to be involved in planning, and of co-ordinating administrative action where there is a need for a number of different types of field activity to be undertaken simultaneously or in a planned sequence.

But for others (mainly donor agencies), IRD has a different connotation. Reflecting the general concern with inequity and poverty, agencies such as FAO have interpreted IRD as the integration of deprived rural groups into the monetised rural economy and the narrowing of the income disparities between rural and urban sectors. In a paper prepared for the recent World Conference on Agrarian Reform and Rural Development, FAO suggests that an IRD strategy involves the restructuring not only of administration but also research, resource distribution, price policy and investment. Used in this sense 'integrated rural development'

is inseparable from 'rural development' or 'poverty-oriented rural development'. The term 'IRD' no longer serves to identify a specific set of problems, nor does it suggest any distinctive strategy. In short, the slogan – in this context – has become redundant.

But in its other context – as a strategy for policy co-ordination and administrative action – IRD still appears to offer the promise of improved government performance.

#### **IRD in theory**

There are two central components of IRD – multi-sector planning and local level co-ordination; and two spin-offs – area concentration and decentralisation – which are sometimes part of the IRD approach.

##### *(1) Co-ordination*

IRD assumes that it is the responsibility of government to ensure that the small farmer has access to the services and inputs he requires to improve his livelihood. In some countries, where agriculture is relatively commercialised, the private sector provides many of the necessary inputs. But in the least developed areas within low-income countries (and in most of Africa), inputs are the responsibility of several government and quasi-government (parastatal) agencies. Research and extension are normally part of the agricultural service but commercial inputs, such as marketing and credit, are likely to be the concern of separate agencies. Crop marketing boards may also provide services for production. Specialist services, involving engineering or water control for example, are often the charge of different ministries. In addition, local authorities may have responsibilities relating to land use and minor public works; and other central government ministries (such as co-operatives or community development) add to the plethora of agencies with some form of contact with the small farmer. IRD advocates claim that the present poor level of services to farmers can be attributed, in part, to a weak system of co-ordination between these agencies. As a consequence, even where there are points of contact with the farmer he often receives inconsistent advice and unreliable support.

At this point there is no common agreement on what ought to be done to improve co-ordination of services. At one extreme there are advocates of entirely new ministries or development corporations. Special project authorities also have their supporters. At another extreme there is the view that co-operatives can themselves provide the necessary co-ordination and that government should minimise its own role. In between there have been a number of variants on district (block, thana, barrio) level organisations with executive functions vested in specified officers or committees.

But whatever the precise form, the primary objective remains consistent. This is to improve procedures of service delivery through some form of administrative integration of inputs.

##### *(2) Planning*

Increases in agricultural output and incomes are at the centre of rural development, but such increases cannot be achieved or sustained in isolation from new non-agricultural commercial and employment opportunities, infrastructural development (roads, power, water, etc.). In many cases administrative and tenurial reform may

also be necessary. IRD proponents therefore stress the necessity of multi-sectoral planning, and they often include the planning of welfare services such as the location of primary schools and clinics.

This planning emphasis in IRD reflects the loss of confidence in central economic planning in low-income countries and the renewed interest (itself partly a reflection of planning attitudes in rich countries) in resource (or environmental) planning at the local level. A particularly important aspect of IRD is *spatial* planning. This involves concentration upon a number of 'rural growth centres' (small towns, in fact) within a larger region, serving as market and service centres and also providing the opportunity for small industry and agro-industrial development to encourage farm production in the rural hinterland.

### (3) *Areas and decentralisation*

The integration of the provision of inputs, for some IRD strategists, means a concentration of services in selected *areas*, particularly where there are limitations on financial and personnel resources. Most post-colonial states have inherited a system of administration based upon a division of territory rather than a division of function, but the majority of planned rural development initiatives have been based upon particular *functions* (such as the expansion of extension or credit) or upon particular *products* (particularly national crop or livestock schemes). IRD emphasises the 'comprehensive' development of a particular area as a more effective approach than those based upon particular functions or products.

The area emphasis reinforces arguments (not confined to IRD) for decentralisation to the regional and local level. It is felt that rural development initiatives need to be sensitive to local constraints and opportunities; and centrally-directed planning and control is a constant brake upon development at the local level. Decentralisation is not to be confused with local participation however. The main consequence of decentralisation has been the increase in the planning and executive functions of centrally appointed local administrators (e.g. provincial commissioners, *sous-préfets*, district officers), at the expense of the 'field' officials of the service ministries which have normally operated under the authority of their own centrally-based ministry or department. The IRD argument for decentralisation of functions is based on the need for closer local co-ordination and control at field level and is not an argument for rural development decisions to be devolved to local communities.

### **IRD in practice**

A distinction needs to be drawn between IRD as a strategy for re-organising a government's rural development administration; and IRD as a strategy for organising particular projects.

#### (1) *Governments*

Ldc governments have often been receptive to the notion that 'rural development' requires special ministerial or departmental responsibility. This special responsibility has less to do with a simultaneous effort to remove 'political' and 'social' constraints than with the administrative failure of ministries of agriculture, irrigation, commerce, etc. to co-ordinate rural development efforts effectively. Where ministerial

reform has taken place, governments have often fallen between the *scylla* of the small, innovative ministry and the *charybdis* of the multi-purpose service ministry. The former, with few executive powers beyond, for example, community development or village re-grouping, makes little impact on the major ministries (Agriculture, Irrigation, Power, and Commerce, etc.), and may become a minor irritant, ignored in effective decision-making. The latter, by absorbing all the agriculture-related ministries, becomes far too big to be effective, with internal rivalries replicating the previous ministry loyalties. Furthermore, the creation of new 'rural development' ministries, boards and agencies at the centre has not often solved the more difficult problem: that is, integrating the provision of services to the small farmer at the local level. In some cases, the creation of new structures only serves to exacerbate the problem of integration as functions overlap with existing ministries (particularly Agriculture) and create duplication with other ministries (particularly those with large non-rural users such as power and transport) which cannot be absorbed easily into a new comprehensive administrative structure. In short, IRD advocates have yet to develop an adequate system for co-ordinating the multiple functions which must be performed for effective implementation.

Governments have often regarded IRD as a strategy for improving the management of rural development by delegating functions to regional or district authorities and in some cases they have set up separate authorities or corporations to implement integrated rural or agricultural development projects prepared by donors. But at the district level, the granting of planning powers to rural development agencies or committees has rarely been matched by the acquisition of significant executive, personnel or budgetary authority. As a consequence, any advantages of horizontal co-ordination at the district level tend to be undermined by difficulties of *vertical* co-ordination with central ministries.

#### (2) *Projects*

The problem of terminology rears its head again. For most donors, the use of 'IRD' in a project title does not necessarily indicate a distinctive strategic approach. The IRD label has been employed in at least three different types of project: those which are primarily concerned with rural services and infrastructure; those which are primarily concerned with agricultural development (crop production and marketing especially); and those which are primarily concerned with employment (agricultural production plus rural industry). All of these types of projects can be described as 'integrated' to some degree, and are often 'area-based'. But in practice an integrated area project may simply be a package of projects, separately funded but running in parallel, based upon an area development plan which has identified a number of investment possibilities and infrastructural requirements.

From a donor perspective, in fact, IRD projects often consist of a number of small initiatives — such as field trials, minor public works, farm surveys, animal health measures, etc. — within an area plan. The broader IRD objectives, such as the establishment of structures for integrated service provision and the machinery for multi-sector planning are not normally the primary concern of a particular donor. And it is these broader objectives which invariably prove the most difficult to realise.

Among donors, the World Bank has played a particularly important role in determining attitudes to IRD, even though they often prefer the term 'Area Development Projects'. Most major multi-sectoral rural and agricultural development projects involve co-financing arrangements with several donors, and the World Bank since the early 1970s has been engaged in many of the large area-based projects for small farmer development. Its stated policy has been to attempt to strengthen local rural organisations, to improve the delivery of services and particularly in recent years it has been concerned with area-based projects which are intended to serve as a model for replication for other parts of the country.

In practice, the Bank's record on what were termed its 'new style' projects has not been particularly distinguished. 'Integrated' regional projects have proved costly and difficult to implement and very few have been replicated nationally. In recent years, the proportion of IDA/IBRD funds committed to such projects has evened out following the rapid increases in the years after the major change in direction towards promoting smallholder development and alleviating rural poverty, announced in Robert McNamara's Nairobi speech in 1973.

Over the last decade, there have been three different types of area project, all of which have been labelled 'IRD'.

(a) Projects in zones of *high agricultural potential* where inputs and services are concentrated and special project authorities are set up. This type of IRD project is found particularly in Africa where it is felt that the development initiatives in the agricultural sector are likely to be dissipated if spread across the entire country. The strategy involves an eventual replication of the effort in project zones elsewhere. The Lilongwe Land Development Project in Malawi is an example, although the intensity of the management input has made it impossible to replicate on a national scale. A more modest effort was attempted in Zambia under a strategy of selected Intensive Development Zones but this has not been sustained. In Swaziland and Lesotho, a similar strategy is being attempted through concentration upon Rural Development Areas, broadly under the Ministry of Agriculture.

(b) Projects aimed at developing *previously neglected marginal areas*. Such projects have increased in number in recent years, particularly in Africa and South America but also in a few Asian countries such as Thailand and Nepal. For political reasons these projects often have government priority; and for aid agencies they are supported readily on the grounds that they meet their requirements for aid policy with a rural poverty focus. In practice such projects are difficult to administer through existing government agencies, and there has been a tendency to set up separate project authorities, often with a large technical assistance component. Examples include projects in Haiti, Northern Nigeria, Northern Ghana and Western Sudan.

(c) Projects involving settlement on *new or under-utilised land* normally accompanied by major water

resource development. Such projects are, in fact, the same as the re-settlement schemes which have taken a large share of agricultural investment over the past twenty years or so. Recent examples are the Transmigration Project in Indonesia, the Mahaweli Project in Sri Lanka, and the Federal Land Development Authority schemes in Malaysia.

As a development strategy, all types of IRD project initiatives have often proved a costly drain upon scarce financial and human resources. The problem is not only the relative neglect of other areas but the related difficulty of replicating (or even continuing) area projects when the resources committed are no longer available.

IRD projects also seem vulnerable to a range of management problems. Because projects often have a number of different objectives, there is frequently conflict and confusion over implementation as different government departments and agencies follow their own particular priorities even when ostensibly subject to co-ordination procedures. The manpower requirement of many IRD projects also tends to stretch government resources beyond their capacity. A common consequence is lack of contact with farmers and farmer groups, and poor staff quality and morale.

### Conclusion

At best, IRD advocacy has proved useful in promoting investment in rural areas, particularly for the poorer sections. This is partly because the new emphasis upon rural poverty presents difficulties in identifying projects which are appropriate to the aid requirements of donors, and without the preparation of multi-sectoral, area-based development plans (often conveniently labelled 'IRD'), the range of projects suitable for funding would be greatly restricted. IRD strategists can also claim that greater attention is now paid to the difficulties of reaching the small producer with an appropriate level of services.

But in practice, IRD has looked far less convincing than the ideas which underpin it, particularly where the administrative implications of integrating all aspects of government services related to the rural sector have not been fully considered.

At worst, IRD appears to represent a false turning. The concept of Rural Development was, and remains, useful in its recognition of the multi-faceted nature of a process of change. This process, nonetheless, is made up of a number of discrete activities. Sometimes these activities need to take place simultaneously; sometimes in sequence. IRD, by seeking to *integrate* a large number of activities which often only require some degree of co-ordination, is attempting to direct a process which cannot, and should not, be closely managed. As a result, it is hardly surprising that charges of unnecessary duplication of functions and lack of clear purpose are made against both IRD ministries and project agencies. IRD may not only represent a costly misallocation of resources; it may also be responsible for adding to those problems of managing and organising agricultural development which it set out to solve.