



UNITED NATIONS EXPERT GROUP MEETING ON
POPULATION, FOOD SECURITY, NUTRITION
AND SUSTAINABLE DEVELOPMENT

Population dynamics, rural transformation, rural employment, rural urban linkages

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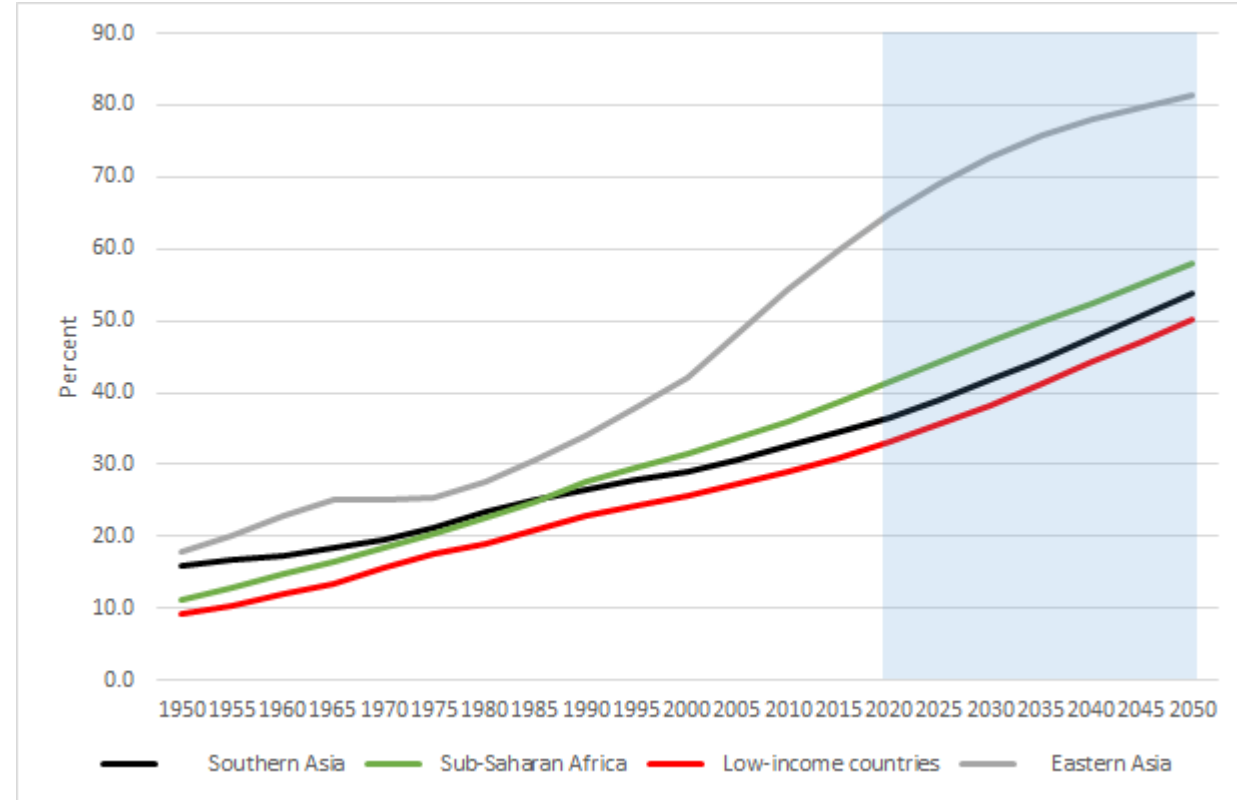
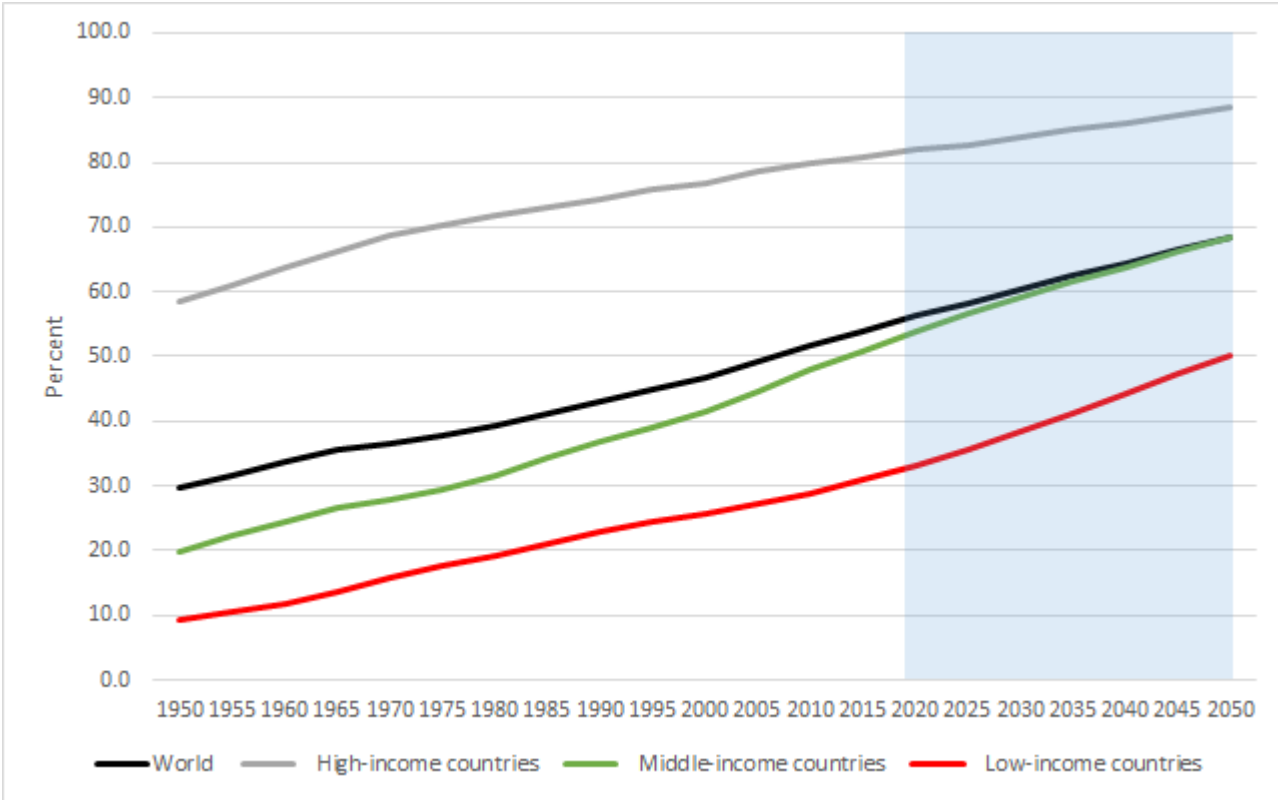


Food and Agriculture Organization
of the United Nations

Is the ongoing structural transformation of socio-economic systems contributing to move food and agricultural systems towards sustainability?



Population in urban areas, percent of total population

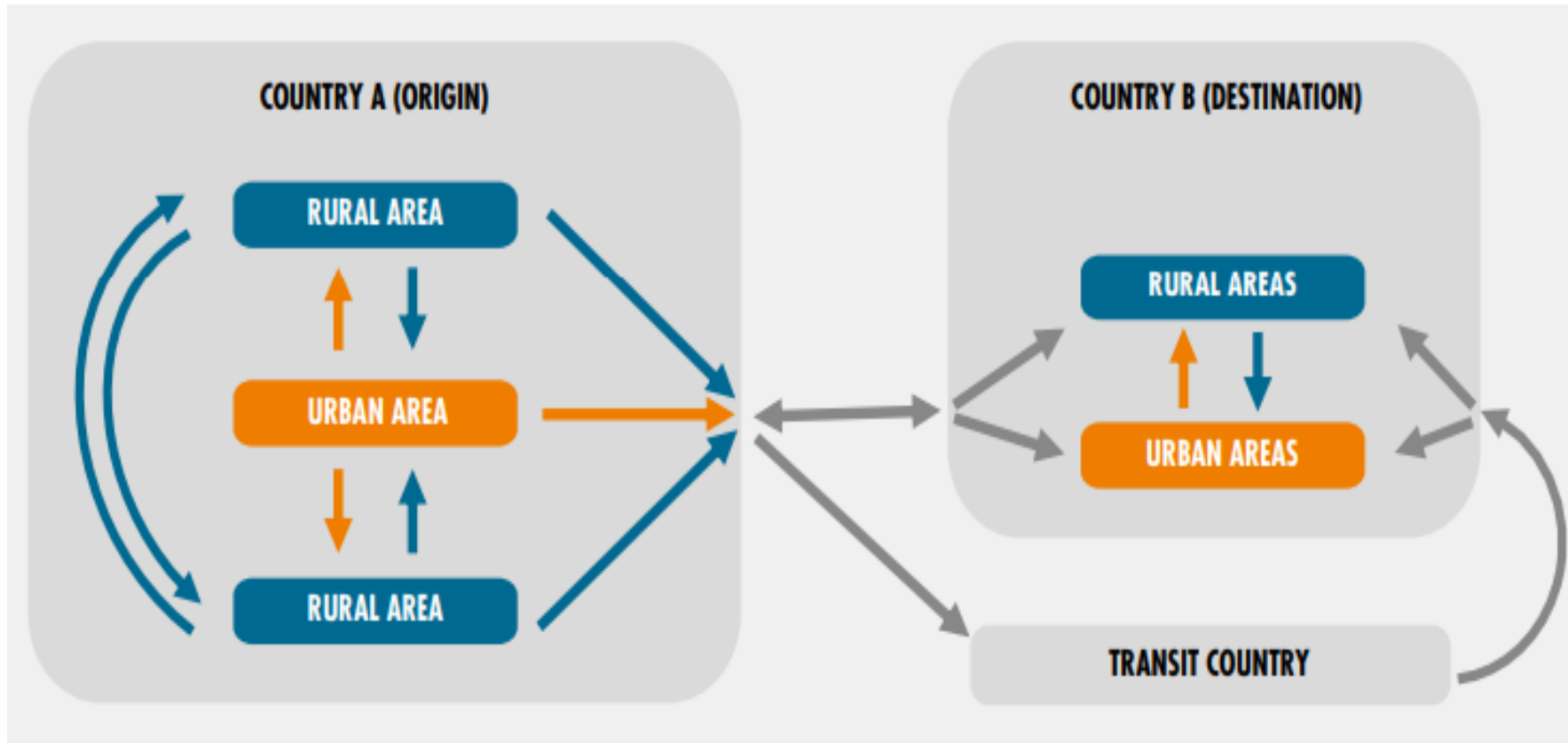


Question:

Source: UN, Department of Economic and Social Affairs. Population Division, 2018. World Urbanization Prospects. NY: United Nations. Extracted 09-09-2019



Where people move from and where they go



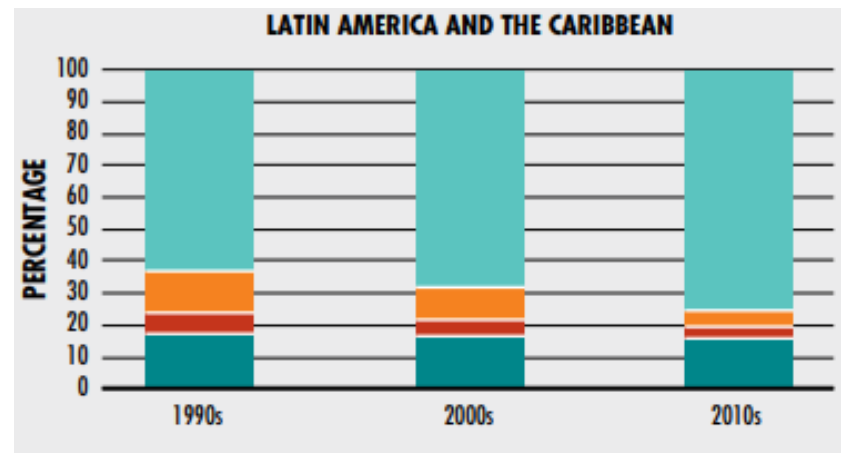
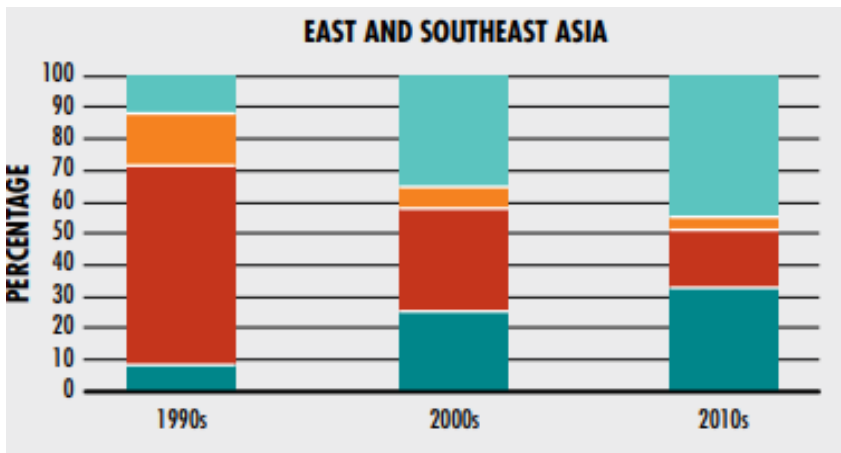
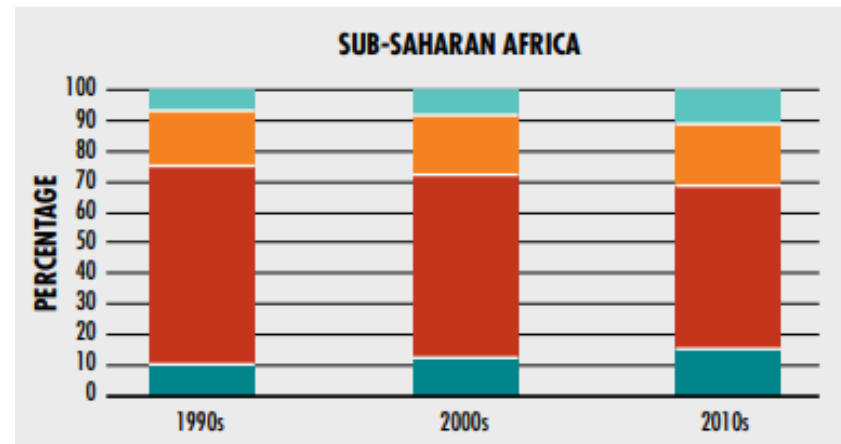
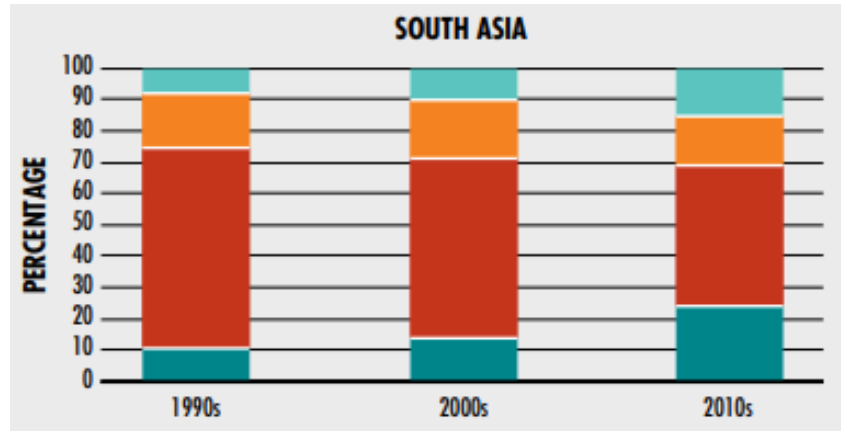
NOTE: The blue arrows represent migration flows from rural areas, the orange arrows represent those from urban areas and the grey arrows represent flows of either rural or urban origin.

Source: FAO 2018. SOFA

In (so called) developing (low-income) regions with high urbanization rates, rural migration in all its forms accounts for at least 50 percent of all internal movements. In sub-Saharan Africa the share is greater than 75 percent (FAO, 2018. SOFA).



Urbanization and poverty reduction: dynamics in selected regions



Questions:
What is the possible cause of such differentiated dynamics?

If and to what extent is the future going to replicate the past?

Note: poverty percentages refer to people leaving below 3.10 US\$/day 2011, PPP.
Source: FAO SOFA 2017





Agricultural growth as an engine of overall development

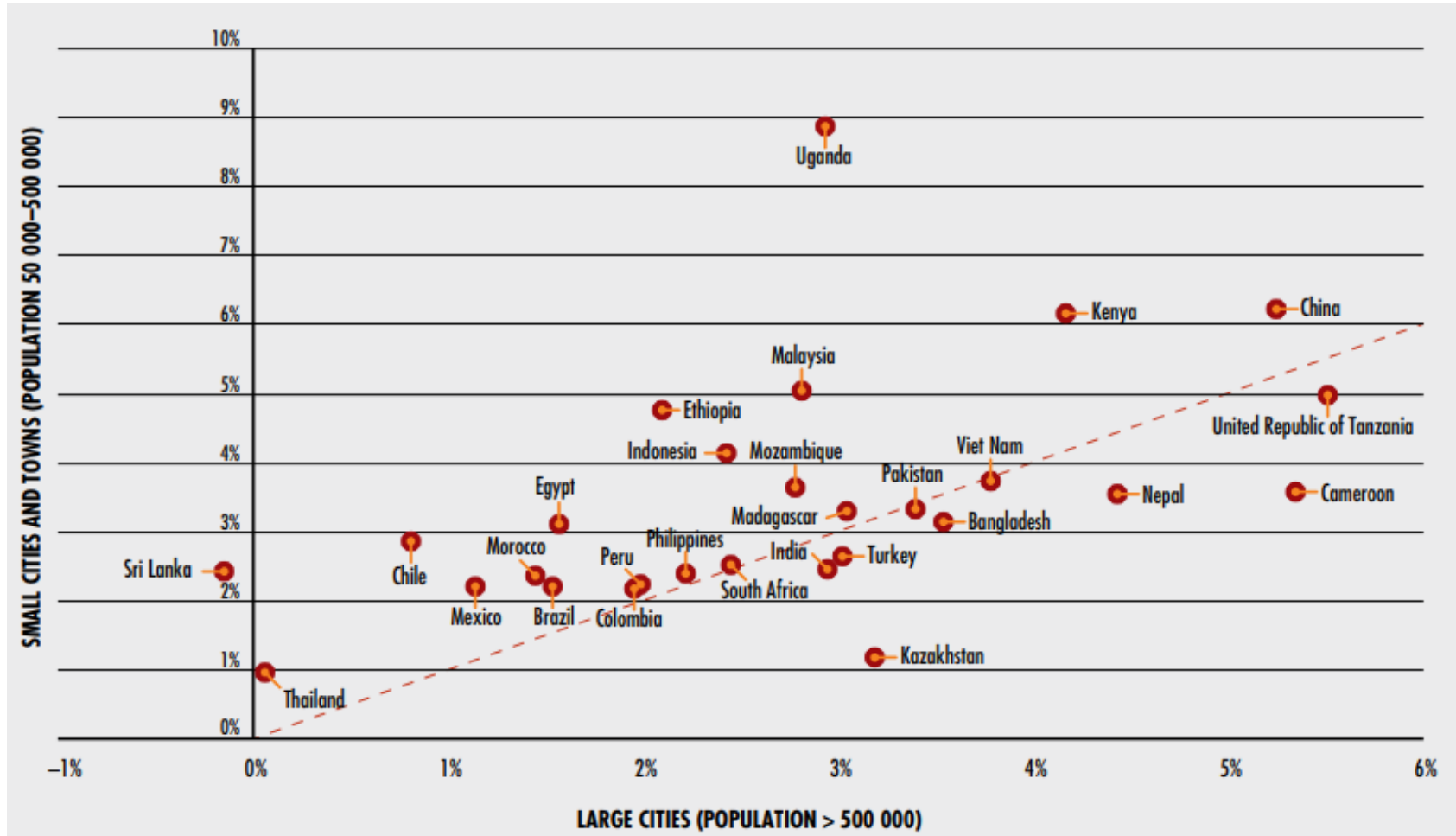
The development economics literature suggests that agricultural growth, if broadly shared, has the most positive impact on non-farm income and employment.

Historically, improvement in agricultural productivity was a precondition for industrialization, as it allowed agriculture to produce the surpluses needed to feed urban industrial workers released from farm labour, supplied raw materials to support agro-industries, increased exports to pay for industrial investments, and enhanced the domestic market for industrial products.



Role of small cities in urbanization

Rates of annual population growth (1990s -2010s) in small and large cities

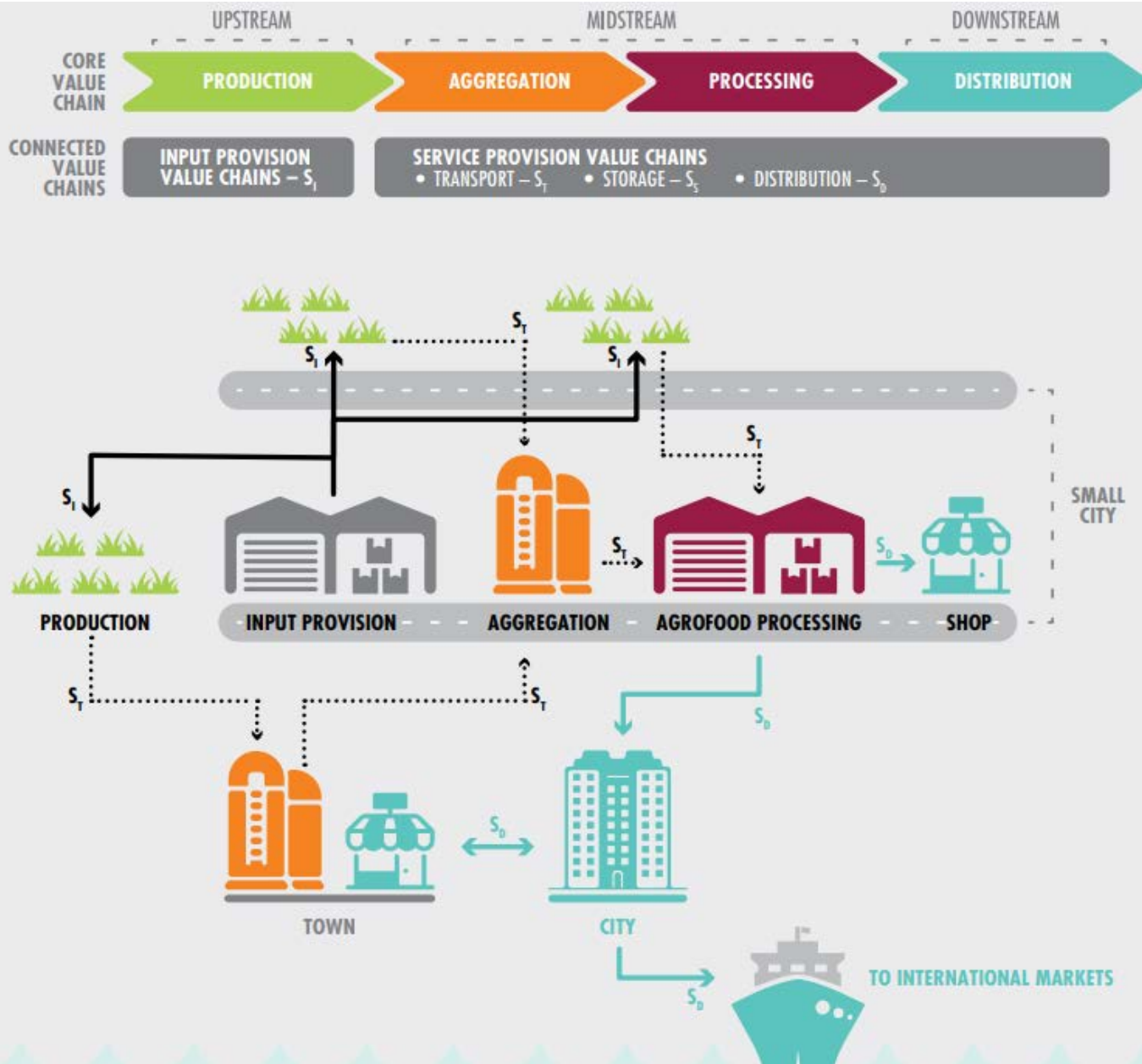


Role of towns and small cities as intermediaries between rural areas and big cities in terms of:

- Population flows
- Food flows: agro-processing.



Linking rural areas to small cities



Stronger links between rural areas and small cities and towns can lead to more dynamic growth of economic opportunities and reduce out-migration as a means of escaping poverty.

For (so-called) “*late transforming*” low-income countries, where industrialization is lagging, agro-industrial development has large potential



GEOGRAPHIC RANGE OF AGROTERRITORIAL INVESTMENTS AND TYPE OF GOVERNANCE RESPONSIBILITY



Conventional recommendations:

- To create attractive conditions for food system investment, governments should engage with local stakeholders in zoning exercises to identify the vocation of various areas.... This process may include setting aside zones to attract agro-industry.
- Governments should also recognize that food system links may extend far beyond a specific territory, to take into account just how globalized many domestic food systems have become. Other essential means that facilitate the outward flow of food products, such as coastal areas and cross-border regions, will need attention as well.



Rural transformation and farm size



In rural transformation farm size matters, as it is claimed that “...large farmers adopt modern technologies more rapidly than small-scale Farmers’....”

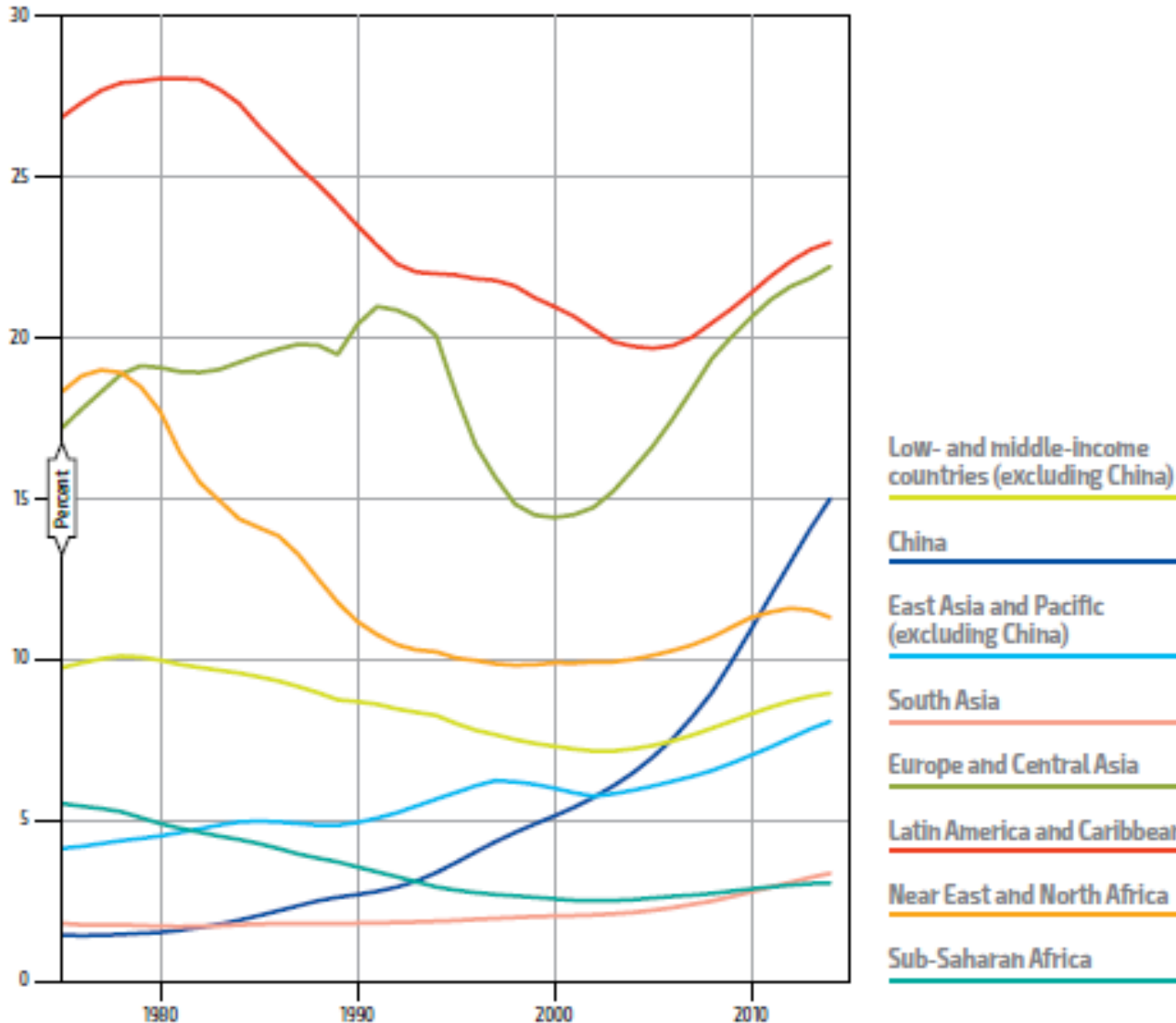
But, de facto, ‘...the standard narrative is confirmed by the trend in high-income countries, where the average farm size is increasing, but not by the trends in middle- and low-income countries, where it is generally decreasing’. (FAO, 2017. SOFA)

Little or no transformation seems at work in so called «late transformers»



Signals of underdevelopment: Inequality and others

a) Per capita income in low- and middle-income countries as percentage of high-income countries

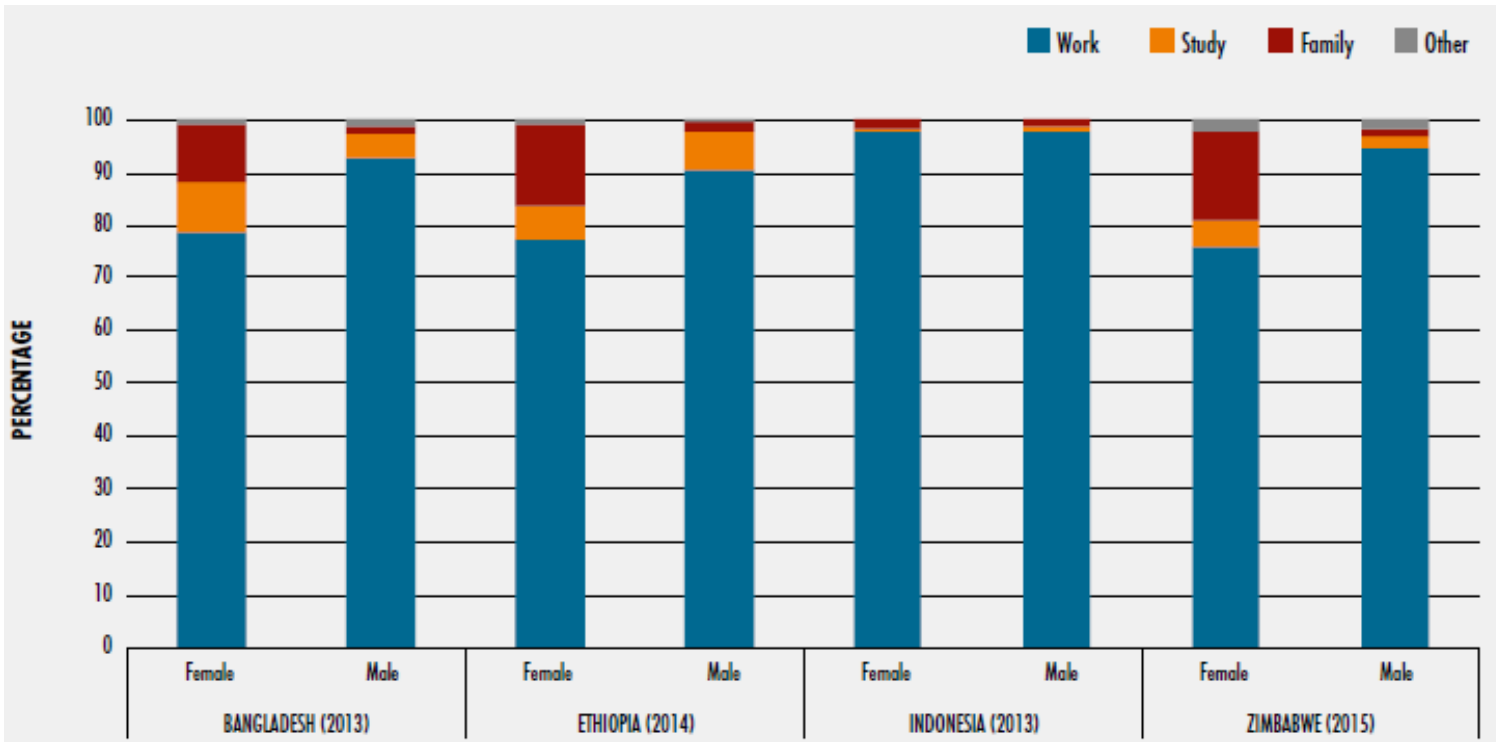


- Climate change
- Resource degradation
- Geo-political instability
- Conflicts
-

Source: FAO, 2018. FOFA 2050, based on data from UN 2016.



Causes of migrations: reaction to underdevelopment



Migration is the common response of people seeking to mitigate or cope with adverse conditions which prevail in origin countries . The search for employment drives the highest proportion of rural out-migrants, at least in selected African and Asian countries (see graph). While migration is an equalizing tool, it is also a sign of underdevelopment of origin countries.

Note: See also FAO, 2017. SOFA for data on Kenya, Nigeria, Senegal, South Africa and Uganda.
Source: FAO 2018. SOFA.



Transformations: conventional vs alternative wisdom

Conventional wisdom	(Possible) alternative vision
<p>Structural transformation: economic activities shift from primary sectors to industry and services, implying:</p> <ul style="list-style-type: none">• Increasing productivities across sectors• expansion of the urban economy• declining share of agriculture in GDP• expanded domestic and international trade• increased specialization and division of labour• increased urbanization	<p>Structural transformation: Long-term changes of variables describing fundamental aspects of an economic system:</p> <ul style="list-style-type: none">• shifts of value added shares across industries• changes in the allocation of GDP to factors• shifts in the trade orientation of an economy• changes in intensity of natural resource uses• Changes in environmental impacts, including energy sources and GHG emissions
<p>Rural transformation: captures all aspects of agricultural transformation but also includes the emergence of livelihood and income-generating opportunities in the rural non-farm sector. Improvements in access to services and infrastructure in rural areas lead to the expansion of remunerative off-farm employment</p>	<p>Rural transformation: changes occurring in rural areas in terms of demographic dynamics, income-generating activities, infrastructures, public services provided, natural resource stock and use, social relationships and any other change affecting the structure of rural areas and their relationships with other areas</p>



Agricultural transformation: conventional vs alternative wisdom

Conventional wisdom	(Possible) alternative vision
<p>Agricultural transformation: a shift from mainly subsistence farming to commercial production systems.</p> <p>At the individual farm level, the process favours specialization, which allows economies of scale through the application of advanced technologies; modern delivery systems prevail for both inputs and outputs; this, in turn, promotes tighter integration of a more diversified farming sector with the rest of the economy and with international markets.</p>	<p><i>Agricultural transformation.</i> Any long-term change in the way agricultural activities are carried out, including modifications in the use/abuse of natural resources, GHG emissions, biodiversity preservation.</p> <p>Specialization of agriculture intended in a much broader sense than achieving economies of scale, implying broadening the set of outputs of the agricultural sector, e.g. high value added crops and/or provision of environmental services and other roles of agriculture (multi-functional agriculture).</p>

A (necessary) shift of development paradigm may redesign the role of agriculture and rural areas more in general.



Concluding remarks: the potential of (reverse) Agenda 2030

- Common responsibility: but all countries to move along a sustainable development pattern (actual partnerships, 17)
- Solid institutions, justice and peace as preconditions for development: identify remove causes of underdevelopment (illicit financial flows, arms trafficking etc.) (peace, justice, 16) before engaging in ‘muscular’ alleged development actions
- Shifting the paradigm for consumption and production: no more ‘developing’ and ‘developed’ countries (Responsible consumption and production, 12)
- Environmental sustainability as a global target (13, 14, 15)
- Inequality reduction within and across countries (10)
- Decent work (and inclusive growth) (8) and clean energy (7)
- and, eventually, food security and poverty reduction as outcome of development processes. (1 and 2)