

New Delhi Declaration on the Rural Transformation of Emerging Economies

The rural societies of Brazil, China, India and South Africa comprise 25% of the world's population. They are undergoing a process of change unparalleled in history, whether in scale, speed or potential consequences for humanity as a whole. Such transformation is taking place in a context that is loaded with fundamental uncertainties: climate change; the impacts of growing scarcity of land and fresh water; the triple impact of the food, energy, and financial crises; and whether the human race will have the wisdom, will and capacity to engage in national and international collective action to avert disaster. Rural transformation is about human development and is not limited to the development of things.

This rapid change in this context is creating conditions of enormous risk and vulnerability for rural people. At the same time whole new opportunities are emerging, linked for example to renewable energy, provision of environmental services, or food production.

The process of change is made ever more complex for the current generation by the fact that it needs to deal with the heavy weight of many historical inheritances: poverty, inequality and injustice; dual agrarian structures; lack of rights and social marginalization of large groups in the rural population, including women and tribal and indigenous peoples; lack of access to health, education and other basic services, and; insufficient private and public investment.

But despite this heavy inheritance, our hope for ultimate success is based on the evidence of the impressive achievements in the emerging economies. While outcomes have not been uniform between and within countries, hundreds of millions have been lifted out of poverty, food production has increased many times over since the famines of the late 1950s and early 1960s, natural resources and ecosystems can no longer be destroyed in obscurity and with impunity, hundreds of thousands of small and medium firms have been created and are contributing to the economy of our planet, cell phones have reached almost every village, many more young women and men are going to school when compared with their parents' generation, governments are more accountable to citizens than ever before, and civil societies are more active and vibrant than ever. What the rural societies of the emerging countries have done in the last generation, is an achievement that has not been registered by any other nation in a similar period of time and in such a scale.

THE AGENDA

The rural transformation that we envision is about human development, as opposed to simply the development of assets. For this type of transformation to occur, we have identified an agenda based on three pillars:

- Heavy investments are needed for inclusive, sustainable and diversified rural development to occur.
- Need for the right governance systems, institutions and policy processes.
- Improving the efficiency and effectiveness of public policy and programs.

A. The core of the rural transformation agenda is defined by the following major imperatives:

1. Reducing poverty and inequalities, not only that inherited from past policy decisions and social structures, but also the new poverties, gaps and inequalities being created each day by the process of rapid change itself.
2. Ensuring food security, accelerating agricultural development, and securing a relevant role of and opportunities for small-scale producers and family farmers in national and global value chains.
3. Creating more and better jobs and economic self-sufficiency in the rural areas, including in small towns and intermediate cities. Rural economic diversification is a major driver of job creation. At the same time, rural labor markets are notoriously imperfect and they represent a huge challenge that needs to be urgently addressed.
4. Meeting the climate change and environmental challenge, enhancing environmental services, making much more efficient use of scarce natural resources such as land and water, promoting renewable sources of energy that can only be created in rural areas, and leveraging a green agenda for new jobs and sources of income for the poor.
5. Stimulating the growth of rural towns and intermediate cities and strengthening the links between them and their rural hinterlands.
6. Managing the complex and sensitive issue of rural-urban migration.
7. Securing universal access by the rural populations to basic public services including education, health, housing, fresh water, electricity, transport and communications, with improving quality standards.
8. Developing land reform and land tenure systems that balance objectives of social equity, economic growth and environmental sustainability, and that can evolve rapidly as many young and better educated people join new non-farm rural jobs or emigrate out of the rural areas.
9. Securing widespread access to efficient and sustainable financial services and capital, without which the benefits of the rural transformation cannot be realized in full. This requires a significant expansion of financial resources and budgets, as well as major improvements in the efficiency and institutional sustainability of rural financial systems.
10. Promoting innovation, research and development focused on the needs of rural people and rural producers and firms, and making much better use of the opportunities offered by the ITC revolution.
11. Putting in place social support schemes including cash transfers, pensions, employment guarantees, subsidies for the most vulnerable, that secure the basic human dignity of every rural dweller. At the same time, it is important to reaffirm that poverty eradication and social inclusion will lead to better long term outcomes and be more sustainable if they rest on localized, inclusive economic growth, complemented and not replaced by social support schemes.

B. We have learned –often through painful and costly failures- that this agenda is simply impossible to design and implement if the hard investments are not accompanied by much better governance, institutions, social participation and policy processes. Rural change would be easy if it was only a matter of “brick and mortar” projects and of spending more money, but we know that that it not the case. Major governance, institutional and policy challenges include the following:

1. The social construction of a new meaning of the concept “rural” in the 21st Century in these rapidly changing countries. Policies and programs cannot be successful if they are rooted in notions that reflect the reality of 20 or 30 years ago, but that have very little to do with the essential characteristics of contemporary rural societies in these four countries. To begin with, rural is no longer synonymous of agriculture or food production. Rural includes many small towns and intermediate cities, rural people include much more than male farmers, and so on. The agro-sectoral rural lens of the past needs to be urgently replaced by a place-based lens that recognizes inter-connections between places at both national and global levels. Rural development does not live in the shadow of urban development, instead rural development calls for a deliberate investment in rural social and economic infrastructure for the growth of rural economies.
2. The challenge of coordination across government levels (from central, to provincial, to local) and across sectors (agriculture, education, health, environment, infrastructure, and so on), and across and between market, state and civil society actors.
3. The challenge of private-public partnerships, particularly when there is no private sector available or willing to partner with.
4. The huge challenge of the most disadvantaged regions and social groups, like the tribal areas, badly lagging regions, and the rural destitute.
5. The continuing challenge of refashioning gender relations on the basis of equality.
6. The challenge of building the capacity of accountable local governments.
7. The challenge of strengthening civil society processes and structures so that they can better contribute to and be drivers of the rural transformation.

C. The third pillar has to do with closing the gap between outlays and outcomes.. Our countries are investing huge amounts of public money in rural areas with overall social and economic gains, but in some cases outcomes are not proportional to the effort . We need to improve our performance to expand the opportunities of rural societies and to create a more solid base of support for further investments Key questions that need better answers are:

1. How to sequence priorities in rapidly changing countries?
2. How to allocate resources more effectively and transparently?
3. How to improve our approaches to targeting and to social control of investments?
4. How to strengthen our monitoring and evaluation (M&E), learning systems, research on rural development, and build adaptive and evidence-based policy making?

MOVING FORWARD

We have met in New Delhi with the firm expectation that this will be a first step towards a process of regular and systematic South-South learning and collaboration. The delegations from the four countries have agreed on a number of measures to facilitate the further development of this process. These comprise a two level approach. First at inter-ministerial level carried out through the appropriate official channels, and second to continue with the open, multi-stakeholder and informal forum that emerged in New Delhi. These two approaches should interact and be supportive of one another. It was also agreed that at some point in the

future these processes should be opened to other developing and emerging economy countries, in addition to Brazil, China, India and South Africa, that are interested in South-South learning and collaboration to better meet the global and local challenges of rural transformation.

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