Rural Week 1999 — The Political Dimension of Rural Development

Each year the Rural Development family of the World Bank holds a conference, now called Rural Week, where staff from headquarters and the field and a few invited guests assemble to discuss a range of issues important to rural development. Usually the discussions focus on the financial, technical, and market factors in project design. This year the theme was one that is not often directly addressed by Bank policy and project design guidelines — the political dimension of rural development.

Rural Week, held this year from March 24 to 26, provided an opportunity to assess how the Bank defines the political dimension at each level of society; how much the political dimension affects project design, implementation, and sustainability; and whether Bank staff are properly equipped to identify and deal with political issues. These topics are particularly important for professionals whose expertise is economic, technical, and financial analysis, and to whom the political dimension of rural development poses a special challenge.

Ian Johnson, Vice President for Environmentally and Socially Sustainable Development, voiced his support for the theme of Rural Week during his speech that opened the meetings. He also stressed the importance of the political dimension of rural development when considering all the factors of development — human, natural resource, social, financial, and political — when planning development interventions.

His Excellency Francisco X. Aguirre-Sacasa, Ambassador to the United States for Nicaragua, put the political dimension of rural development into perspective during his keynote address (IISD, 1999). He defined politics as a struggle between interest groups or individuals for power and leadership in government or in social groups. Political power — along with its fruits, such as wealth, status, authority, information, and force — is the prize awarded to the winners of that struggle, he said. In the political arena, Mr. Aguirre-Sacasa continued, "the poorer you..."
are, the weaker you are, and the better you understand power politics. Politics is an omnipresent force that affects development activities, because "development is a loser's game," meaning that developing nations and their citizens who are impoverished have usually lost a political struggle on either an international or domestic scale. The Bank cannot avoid politics because its "job is to graduate the borrowers into winners.'

Politics is a subtle force often associated with corruption, undercutting, cynicism, deceit, jealousy, and obfuscation — the handmaidens of the political game. Yet it can also be a powerful force if harnessed for the right reasons. The keynote speaker provided some guidelines to the politics of development for practitioners (Box 1).

**Lessons from Rural Week**

Understanding politics is complicated because most people are averse to the topic and therefore avoid it. This aversion to political issues was evident in the parallel and technical sessions at Rural Week. Of the eight parallel sessions and eleven technical sessions, only a few directly addressed the topic at hand, while many more focused on other themes. Still, the sessions provided examples of how political guidelines are already in use by Bank staff. Below is a discussion of just a few of the guidelines discussed during the parallel sessions.

**Coherent Strategy.** Alexander McCalla, Director of Rural Development for the World Bank, observed that trends — such as decentralization, privatization, globalization, and trade liberalization — often disrupt long-established balances of political power in countries. Santiago Funes, Director of the FAO Rural Development Division, confirmed that these are some of the concepts underlying the second stage of reforms in Latin America.

Addressing these issues requires a coherent strategy that includes a clear understanding of the political environment in which development takes place. A coherent rural development strategy leads to a coherent Country Assistance Strategy. A recent survey by the Bank's Operations and Evaluation Department, however, showed that only 6 of 21 countries had well-articulated rural development strategies that satisfactorily addressed policy and regulatory frameworks, food security, natural resources management, and other issues. The immediate challenge to the Rural Development family is to reverse this trend.

**Understand Political Forces.** The session on Political Dimensions of Rural Poverty focused on how the political forces in a country can be one of the main determinants of the sustainability of development assistance or policy reform. This applies regardless of the state of a country's economic development. Robert Thompson pointed out that while policy reform continues to strive for economic optimality, Bank staff need to recognize that certain stakeholders "lose" in a policy reform and should be compensated and

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**Box 1. Politics and development — some guiding principles**

- Development professionals are change agents
- Do not underestimate or overestimate the World Bank's power
- Be professional and apply rigorous thought to political issues
- Have a coherent strategy and apply it
- Have clear objectives
- Strive to understand the political forces or "force field" present in a country
- A minimum tour of duty should be four years
- Reach out to a broad spectrum of the client country's society
- Understand the local culture
- Beware of "going native"
- Always "push the envelope" but remember that the perfect is often the enemy of the good
- Be ready to deal, but know when to walk away from a bad situation.
- Be selective; help put budding success stories "over the top"
- Internalize, but be ready to apply past experiences flexibly
- Avoid blind allegiance to ideologies
- There is nothing like common sense and pragmatism

*Source: Francisco X. Aguirre-Sacasa (1999)*
brought into the reform process. He illustrated his point by citing the link between the powerful sugar lobby and the lack of meaningful reform such as removing subsidies for sugar commodities in the United States.

Emmanuel Tumusiime-Mutabile, Principal Secretary, Ministry of Finance in Uganda, echoed this sentiment in his discussion of market liberalization in Uganda. He emphasized that despite high currency fluctuations after the abolition of fixed exchange rates, farmers received world market prices for their produce because policymakers saw the agriculture sector as the political power base of the government. While the public sector and others experienced a decline in their real income, agriculture gained because it was the political force and the main constituency responsible for putting the government in power. Policy reforms were therefore directed toward addressing the concerns of farmers.

**Push the Envelope.** A growing number of countries are decentralizing—shifting power and authority for various public functions from central to lower levels of government. The Bank's approaches and actions to such a system can affect success of decentralization reforms. Many Bank projects use innovative concepts designed to build the capacity of local governments and civil society to carry out their new responsibilities, including innovative economic and sector work to transfer policy advice to governments embarking on decentralization. In some instances, these projects have influenced client countries to alter their laws and regulations or modify rural political arrangements.

In the session on Access to Water, Raymond Peter, Irrigation Department and Command Area, Government of Andhra Pradesh, India, and Keith Oblitas, World Bank, discussed an irrigation sector reform program that transferred management of irrigation to farmers and emphasized a participatory approach. As a result of the project, the State government enacted legislation—the Andhra Pradesh Farmer's Management of Irrigation Systems Act.

Bachir Souhail discussed the Guinea Village Infrastructure Project. This cross-sectoral project has developed partnerships with IFAD, FAO, NGOs, and bilateral donors. It uses pilot projects to build the capacity of local government and civil society to deliver their own services instead of relying on centrally planned and implemented projects. By using a demand-driven rural investment fund, the project is achieving the goal of improving rural roads while also building the capacity of local agents to select, design, and implement projects and manage their finances. He identified good governance, true partnerships, transparency, accountability, and community empowerment as key principles to good project design.

Rudy Polson also stressed the need to build the capacity of local government and civil society to take on new responsibilities presented in such projects. Dr. Norman Uphoff stressed the need for projects to be paced to the community—forcing change too quickly will not lead to sustainability.

**Development Professionals Are Change Agents.** The session entitled Towards Sustainable Intensification: the Farmer's Perspective, stressed the importance of knowledge networks to communicate and share experience, as well as supportive institutional frameworks to help farmer organizations participate effectively in the development process. Thomas Shaxson, Association for Better Land Husbandry, stressed that rural people are the ultimate decision-makers because they are most familiar with local conditions that could affect a project. He recommended that the Bank influence the direction of the decisionmaking process, but not supplant the client's views with its own.

**Perfect Can Be the Enemy of the Good.** The presentation by Gershon Feder and Klaus Deintinger in the session on Access to Land, exemplified how compromise can still result in a "win-win" situation when the current environment is not conducive to implementing ideal reforms. In the absence of secure land and use rights, they explained how long-term leases provide security to the land user and the same incentives as land ownership. This can help the Bank strike a balance between ideological problems with individual ownership and the benefits of ownership. They also stressed that negotiated land reform is preferable because it is cooperative rather than confrontational, encourages beneficiary, NGO, and local government initiative, and builds markets rather than working against them.

**Apply Rigorous Thought to Political Issues.** In Enabling Women's Participation in the Development Process: Politics or Policy?, Gita Gopal described a project in Ethiopia that began by asking pertinent questions during the design phase. What are the gender dimensions? How does the community organize itself? What are the procedural rules of participation? What keeps women from participating meaningfully? What are the rules for allocating resources? Are women adequately represented? As a result, the project identified the type of informal associations that could be tapped, examined how these associations access funding, and then found and trained intermediaries to reach remote areas and bring those associations together.

**Windows of Opportunity.** Several sessions echoed a point mentioned by Jan Johnson in his opening address—international politics influence development practice. International treaties and agreements, as well as political and social trends, can create opportunities for the Bank to approach a government on particular issues. For example, an international agreement on the elimination of discrimination against women as well as the link between cultural systems and the AIDS crisis provides an entry point.
to discuss gender issues. Similarly, the Convention to Combat Desertification provides a political framework for discussions with parliamentarians. Luis Cotrolo explained how Brazil’s entry into MERCOSUR and signing trade agreements under the WTO created a window of opportunity to reformulate an animal and plant protection project.

Conclusions and New Directions

Ger Van Samen reflected on the meeting’s discussions of politics and their relevance to rural development—said that political considerations are and have always been part of the Bank’s work. Project selection and Country Assistance Strategies (CAS) essentially involve political choices, but the Bank can no longer hide such decisions behind economic analyses and technical recommendations. He also presented the results of a participant survey conducted during Rural Week. The results showed that many believe politics has a significant impact on project implementation and sustainability. Table 1 shows which skills they consider to be important for handling political issues.

They recommended staff training and expertise in political analysis, cultural awareness, participatory and interpersonal skills, conflict management, and social assessments. For the Bank's approach to political considerations in rural development, respondents suggested that the Bank not avoid equity and human rights issues; permit staff specialists to address political issues; recognize the need for longer time horizons when dealing with political problems; actively promote participatory project preparation through partnerships with NGOs and communities; and include political considerations in sector work, project design, risk assessments, and CAS preparation.

Mr. Aguirre-Sacasa suggested in his keynote address that the Bank add political analysts to its project teams to ensure that political issues are properly identified and addressed.

Alex McCalla then discussed the state of rural development, highlighting progress made in more holistic approaches to rural development and forging links with other sectors. He pointed out that while Rural Development: From Vision to Action (World Bank, 1997) is higher on many agendas, it is not being considered in the Country Assistance Strategies of key countries. On the other hand, operations have improved and much has been done on partnerships, including strengthened cooperation with FAO and IFAD.

Future challenges for the Rural Development family include remaining vigilant against urban bias, addressing politically charges issues such as biotechnology and biosafety, and building the capacity of developing countries to participate in upcoming WTO negotiations. Two additional issues are understanding how to develop the institutions necessary to build the private sector, and considering whether to approach natural resource management specifically or as it interfaces with agricultural and rural issues.

Table 1. Important skills to manage the political dimension of development

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<thead>
<tr>
<th>Skill</th>
<th>Percentage of those surveyed who consider the skill important</th>
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<tbody>
<tr>
<td>Interpersonal skills</td>
<td>80</td>
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<tr>
<td>Country knowledge</td>
<td>73</td>
</tr>
<tr>
<td>Cultural awareness</td>
<td>58</td>
</tr>
<tr>
<td>Sectoral knowledge</td>
<td>28</td>
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<tr>
<td>Regional knowledge</td>
<td>11</td>
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*Source: Rural Week staff survey (1999)*

Sources


Washington, D.C.

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This Note was prepared through the combined efforts of Nwanze Okidegbe, Melissa Williams, Charles Maguire, and the many presenters and panelists who contributed to Rural Week 1999. The Rural Development Note series summarizes good practices and key findings about topics related to rural development. These Notes are distributed widely to Rural Family staff and are also available on the Rural Sector website (http://essd.worldbank.org/essd/rev/rdvhom.nsf/RuralStrategyHolder?OpenView). If you are interested in writing a note, please email your idea to Nwanze Okidegbe (nokidegbe@worldbank.org). For additional copies, please contact Melissa Williams at (202) 458-7297. The ideas posed in this series do not necessarily reflect the policies of the World Bank. Edited by Seth Beckerman, original design and layout by Condello Design, both of Pittsburgh, PA.