

## SECTION 5

### FOOD PRODUCTION AND RURAL DEVELOPMENT

#### **Food shortages**

80. The facts of food shortages, malnutrition and rural poverty in the developing countries are too well known to need repetition here. Food deficiencies persist in many of them despite notable increases in production, while in others production has not kept pace with rising populations. This has resulted in an increasing resort to imports, thus adding to the strains on balances of payments and to the vulnerability of their populations to hunger in times of world food shortage. Food imports by developing market-economy countries rose by 40 per cent in the decade to 1972 and, on the basis of past trends, the World Food Conference Secretariat projected their cereal import requirements to rise from 16 million tons in 1969-71 to 85 million tons in 1985, or even to 100 million tons if the season is one of bad harvests.

#### **International initiatives**

81. International concern about increasing hunger and poverty in the developing world led to the calling of the World Food Conference in November 1974. The consensus of the Conference was that a solution to the food problems of developing countries must be sought in programmes of overall rural development having the general aims of self-sufficiency in food production and substantial increases in rural incomes and standards of life, although considerations of comparative advantage indicated that increased production for export in association with greater food imports is the best course for some countries. We associate ourselves with this consensus and agree with the wide-ranging programme of measures for development identified by the Conference.

82. We strongly support the initiatives taken by the Commonwealth Ministers at their meeting in March 1975, and endorse their view that the problems of food production and rural development should be given the highest priority in all international and national efforts in the future.

#### **Special infrastructure needs**

83. We wish particularly to emphasize the urgent need for effective action to develop the rural infrastructures and food production capabilities of a number of key areas, such as the Sahel and Bangladesh, which are especially vulnerable to food shortages. We believe the situation in these areas to be unacceptable to the international community, and urge donor countries and the appropriate international agencies to initiate without delay a comprehensive programme of investment in infrastructures such as dams, water control and improved soil fertility which will be sufficient to ensure that there is no repetition of recent tragedies.

#### **Fertilizers**

84. We are concerned about recent shortages and high prices of fertilizers and the constraint this has exercised on food production. We urge on donor countries the importance of commitments of fertilizers and cash to the International Fertilizer

Supply Scheme to enable the developing countries to fulfill their short term needs at reasonable prices. We stress too the necessity of providing the technical and financial assistance needed for the development of fertilizer production in developing countries. We ask the FAO Commission on Fertilizers to proceed with due urgency in its tasks of devising a world fertilizer policy, in the development of appropriate price stabilization measures and in the prosecution of studies on fertilizer production costs.

### **Fisheries**

85. Side by side with developments in agriculture, much greater consideration than hitherto needs to be given to the development of the fishing industries which have the potential to make a significant contribution to increased food supplies in developing countries. This requires attention to methods for improving the efficiency of the industries, to increasing the size and quality of the fish catch, and to the development of fish farming in rural areas.

### **International institutions**

86. Although governments in developing countries will naturally have the key role in rural development and bear responsibility for planning, determination of priorities and mobilisation of resources, they will require massive increases in both financial and technical aid if the desired levels of development are to be achieved. The World Food Council, set up by the United Nations to guide and direct the programme formulated by the World Food Conference and to promote the necessary international solidarity, should receive the wholehearted support of all developed and developing countries. Support for the Consultative Group on Food Production and Investment and the International Fund for Agricultural Development is also essential if the target set for increased financial aid for rural development is to be realised. It is hoped that donor countries will soon overcome the hesitation they have so far shown in pledging support for the Fund.

### **Rural organization**

87. Before self-sufficiency in food production can be attained, the necessary organisational, technical and social framework for modern agriculture must be developed. This will require in most cases extensive land reform, the adaptation of production methods evolved in industrialised countries to the labour-intensive conditions of the developing world and, most importantly, the involvement of all rural people, for whom appropriate incentives must be provided, and their training in the application of new techniques.

88. Governments in the developing countries as well as donor countries and agencies must face up to some of the transitional costs of rural modernisation. For example, the changes that might be required in land tenure systems could well involve output losses in the short run, as the process of conversion to a new system begins. If the ultimate aims of rural transformation and development are to be achieved, the evaluation of agricultural and rural development projects must be based upon time horizons and cost-benefit criteria which take these wider transitional factors into account. Such a broader view could well resolve the present paradox of donor countries and agencies complaining of a shortage of agricultural projects to support while there is obvious underdevelopment and distress in the rural areas.

89. Success in rural development will also require an innovative and pragmatic approach to alternative systems of rural organisation. Countries will have to experiment with a variety of forms with a view to finding out what particular institutional framework can best provide the incentives that will stimulate popular participation and intensified efforts on the part of the rural population. Programmes of international assistance must therefore be flexible enough to encourage this kind of experimentation, and we recommend increased attention to this question by donor countries and agencies.

### **International assistance**

90. We welcome the increased interest shown by the World Bank in the problems of rural development, and hope that it will continue to give greater emphasis to this branch of its activities. We urge the Bank, and other lenders as well, to introduce innovations in their lending practices, to enable them to participate in the kind of programmes referred to in the previous paragraph.

91. Donor countries and international agencies are asked to consider a large extension of local cost financing to allow rural communities to exercise greater initiatives and responsibility in their own development programmes. This would require the donors to develop confidence in the ability and integrity of the agencies involved in rural development in poor countries.

92. Developing countries will continue during the period of transition to rely on food aid to assist their development, to raise nutrition standards and to supplement supplies from other sources in times of emergency. It is hoped that donors will expedite their food aid commitments in order to enable the target of 10 million tons annually set by the World Food Conference to be met.

93. Governments are also urged to fulfill undertakings on world food security and to help to set up grain stocks in those developing countries which are likely to have the greatest difficulty in securing supplies in times of shortage.