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**RPOs, decentralization and valorization of
products of territories**

Introductory note – Short version

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1. Decentralization: an emerging process that is taking very diverse forms and changing the institutional framework in which RPOs operate

Recognition of the great heterogeneity of situations is no doubt trivial but needs to be recalled briefly. Such diversity is due to a dual movement that concerns RPOs on the one hand, and the decentralization process on the other hand. These two dynamics which are different in nature and origin give rise to very diverse structures.

The development pattern of RPOs is marked by great diversity linked to the history of government intervention in the agricultural sector and to the level of structuring of rural actors in more or less favorable political and institutional contexts depending on the country and the period¹ (see theme 1).

The decentralization process is one of the components of institutional and political reforms initiated under the double pressure of international institutions and the democratic demands of the people from the 1980s. Their effective implementation depends on the existence of favorable conditions for democratic practice in the different national contexts, and on the manner in which local societies appropriate the reforms initiated by the central authority. Decentralization, which is relatively recent, changes the institutional landscape in which RPOs operate. This is especially the case in most French-speaking African countries where implementation of decentralization only started during the 1990s with the introduction of democracy and after the emergence of RPOs. Such is also the case in East and Southern Africa, particularly in post-apartheid South Africa where local governments form part of the overall government machinery but have only existed for ten years². Even in Senegal where decentralization dates back to the 1970s, its impact was limited by the paltry resources

¹ Mercoiret et al, 1997. Etat désengagés, paysans engagés. Les organisations paysannes face au désengagement de l'Etat. FPH, Paris.

² Workshop on Municipal Governance and Rural Development, University of Pretoria, GTZ, June 2004.

available to local governments, thus impeding the full exercise of the authority transferred to them. Neither the resources transferred by the State nor the tax revenue collected by local governments permitted implementation of real policies at local level.

“Decentralization” as implemented in Latin America by the authoritarian governments of the 1960s-1970s was limited to offering seats to local notables without real popular participation in choosing “representatives”. It is only from the democratic transitions of the 1980s-1990s that democratically elected³ municipal councils and regional governments were gradually put in place. Similar developments are observable in Asia, with significant variations arising from the peculiarities of national historical patterns.

One may hazard some measured generalization that decentralization appears and is implemented whereas RPOs tend to grow in strength at local level and to increasingly position themselves at national (1990s) and supranational levels (the years 2000). At local level, RPOs will be faced with the emergence of governments in relation to which they would have to reposition themselves. The very great diversity of situations and strategies adopted by organizations leads to a redefinition of roles and functions according to modalities that are hardly predictable and that are not governed by any pre-established pattern.

At the core of this restructuring, the stake is for local societies to effectively manage the production of public goods at local level taking into account the economic and social dynamics of private organizations but which also contribute – under certain conditions – to the creation of collective and even public goods in some cases. Depending on local structures, there will be very contrasting forms of relations between local authorities and RPOs.

2. In some situations, RPOs have developed activities and services falling within the ambit of local governments

Often, in most French-speaking African countries, association-based RPOs that were set up in the 1970s-1980s organize to provide multi-sector solutions (health, education, economic activities) to difficulties of all kinds encountered by rural actors. This is same for sector-based RPOs – often with public support – as in the case of village associations in the cotton producing area of Mali for instance. This has also been the case in many local indigenous organizations in Andean countries (Ecuador for example).

Apart from the economic and technical functions they perform, the tendency by local RPOs to invest in the supply of public goods and services is due to the weaknesses of public authorities⁴. Accordingly, many RPOs have carried out numerous activities in the area of health (construction and maintenance of Health centers), education (adult literacy or children education) or maintenance of transport infrastructure (rural roads). In some cases, sector funds from private sources (collective income generated by RPOs through the primary marketing of cotton for instance) were used to finance collective and even public goods. This kind of situation has two effects: on the one hand, RPO investment in the “social sector” has strengthened their internal credibility and their social viability. On the other hand, it has also

³ Peoples' participation law in 1994 and municipal elections in 1995 in Bolivia; municipal elections in Chile in 1992 after the restoration of democracy during 1989 presidential elections

⁴ Like in the Kayes region in Mali for instance where migrants networks are very dynamic and supportive of local development initiatives.

limited RPO accumulation capacity and by extension their capacity to reinvest in productive activities.

The questions that arise during the establishment of local governments are not so much connected with the determination of the actual public nature of the goods produced as with the modalities of articulating the actions of RPOs with those of local governments that are in principle the depositories of the general interest at local level. The modalities for such articulation were very diverse. Depending on each individual case, they may lead to gradual redefinition of the roles and functions of each actor. Otherwise, rivalry and non-participation may develop to the detriment of the general interest.

3. Awareness by rural and producer organizations (RPOs) of the importance of local governments.

More or less quickly and with more or less sustainability as the case may be, and depending on the effective level of democratization, it is possible to assert that in Latin America like in Africa, RPOs understand very clearly the stakes linked to the creation of new power spheres endowed with new authority and legitimized through universal suffrage.

3.1. Local governments as levers for the development of sector strategy at territory level

Given that agriculture is closely linked with the mobilization of renewable resources, RPOs participation in the governance of local governments takes a strategic value as the management of such resources (land, natural resources...) is partly devolved to these public institutions.

Similarly, to operate under good conditions and efficiently, agriculture requires the supply of some public goods: transport infrastructure, communication, ability to enforce the rules among stakeholders (access to and use of resources, etc.) whose provision is or may be the responsibility of decentralized government authority.

RPOs thus often participate in the work of local governments and it is not uncommon for their leaders who have become elected representatives to assume responsibilities by virtue of the experience they have acquired within organizations. They may thus promote sector interests efficiently though with limits imposed by other elected leaders and the need to mainstream the interests of other actors.

These strategies of course depend on local structures and national policies: In Zambia for instance, the contribution of RPOs to the preparation of agricultural policies (Hantuuba, Wamulume, 2004) does not mention local governments. RPOs in Zambia are basically economic and political in nature. They negotiate product sector-organization changes and also represent the interests of commercial farmers who settled before independence.

In Asia, RPOs are scarcely part of the institutional landscape, and decentralization has difficulties taking root in the face of a very strong central authority and decentralization processes often marked by numerous procedures or "confiscated" by notables (ESCAP, 2002). In other situations such as in China for instance, some provincial authorities wield great power in relation to the central authority.

3.2. Local governments as stakes within the framework of common strategic policies between RPOs and the social movement

This type of situation is clearly characteristic of many Latin American countries (Ecuador, Mexico, Peru...), where the local authority through local governments has become a strategic stake for farmers' and indigenous organizations. Their claims go beyond sector dimensions and concern basically the forms of power, and some themes developed directly focus on agricultural orientation strategic choices (alternative sustainable development model and mainstreaming of national and international factors).

In some countries, the "indigenous" dimension renders local governments particularly responsive to issues of property rights and the sustainable management of natural resources which seem inseparable from cultural and identity claims. Hence, agricultural sector issues are re-examined from more symbolic dimensions but which challenge certain methods of production (intensive agriculture), the risks connected with excessive dependence on the outside world within the framework of an agriculture which is much more integrated with agribusiness and which call for viable alternatives to the standard model of agricultural and rural development.

The strategies of these RPOs which are very strongly connected with the social movement are based on the creation of alliances at the level of local governments (local and regional) and also more broadly with urban social organizations and political movements. They also take a stance in public debates, both in legislative and even presidential circles.

Such developments which are very characteristic of the situations in Latin America are very different from what obtains in Africa and Asia where the gap between social organizations and RPOs is very wide because of the weakness of the former and the mainly economic and technical orientation of the latter.

4. Local development within the framework of decentralization: complementarity of the different contributions of local governments and RPOs

Over and above the special authority transferred to local governments and the attendant restructuring that such authority engenders, one of the stakes of decentralization is the creation of conditions conducive to the emergence of local development dynamics, thus valorizing the specific resources of territories concerned based on initiatives designed by local actors.

In this regard, two points may be underscored:

- Firstly, the lead role of local governments in managing local development initiatives (spatial assessment, determination of priorities) and in the creation of a more conducive environment for the initiatives of local actors. The provision and management of infrastructure and basic public services (health, education) ; management of common property and, in general, management of renewable resources are key components of local development and are the responsibility of local governments once they have gained institutional legitimacy.
- Secondly, the importance of the effective and formalized participation of RPOs in designing and implementing, in the sectors concerning them, strategies prepared

under the responsibility of local governments. Indeed, in many areas, RPOs are the best structured collective actors at local level and their contribution can be important in defining work orientation, be it management of renewable resources and of land, identification of economic development areas or installation of structuring equipment.

Various examples show that this is possible and affords mutual benefits and greater efficiency for the local population: thus in some rural communities in Senegal where the PSAOP has been implemented, one observes that this kind of collaboration is becoming an established practice (financial support of RPOs by rural communities, participation of RPOs in the preparation of local development plans, etc.).

One is obliged to admit that such articulations would have been facilitated if certain external support programs assisting local governments and RPOs had adopted holistic approaches. Profound changes cannot take place at local level on the basis of decisions taken at the center and implemented without flexibility.

5. RPOs as a form of collective action that promotes product differentiation based on the valorization of territorial resources

Many examples show that producer organizations, as economic actors, may under certain conditions mobilize specific resources identified with given territories: specific animal breeds, quality of some products linked to the conditions of the land and to production conditions, mobilization of special know-how and knowledge...

These dynamics are particularly deep-rooted in regions with strong and longstanding agricultural tradition (Western Europe). However, they emerge at international level as a response to increasingly competitive markets whereon competition focuses mainly on productivity and standard quality. Two dynamics characterize such differentiation trend at international level. On the one hand, there is the gradual structuring of "localized agro-food systems⁵" based on the concentration of producers and processors – modeled on industrial clusters or localized production systems (LPS). While their overall importance remains modest at international level, they may represent significant volumes and incomes at local and regional levels and are growing strong on the markets. The challenge for these producers is to improve their competitiveness which should be understood as their capacity to strengthen their position on specific markets. In this case, competitiveness is based not exclusively on price-related factors such as reputation, marketing effectiveness or recognition of specific quality attributes (Bienabe, Sautier, 2006). On the other hand, some States (India, Brazil, and Thailand) are engaging in this area because they are confronted to market globalization which may undermine entire sectors of their agricultural economies. They thus engage in the active search for solutions to promote public differentiation policies linked to quality and origin in order to improve and secure their positions on export markets.

In all these approaches, collective action is a necessity for farmers and particularly smallholders. It takes specific forms in the promotion of products whose qualities are determined by their territorial location. First of all, collective action and the organizations that shape it enjoy strong territorial anchorage. Secondly, RPOs engage necessarily in a process of coordination with other actors (in the territory concerned or closer to urban

⁵ See the website of the Scientific interest group www.gis-syal.org and the papers presented during international conferences organized in 2002 (Montpellier), 2004 (Mexico) and 2006 (Spain).

markets), which may give rise to more or less formalized agreements depending on the state of the institutional environment (Boucher, 2004 on the case of Cajamarca cheese); lastly, in respect to these products, RPOs often commit themselves beyond simple production by assuming responsibility for processing and even direct promotion of the products.

Accordingly, RPOs play a strategic role in several operational domains:

- formalization, preparation and compliance with specifications that guarantee the specificity of products marketed;
- preparation of rules and sanctions and implementation of same;
- design of consultation frameworks in the sectors concerned;
- participation (more or less as the case may be) in processing and marketing of products.

For these approaches that have an economic impact, consistency with public action is key: first of all, at local level with possible synergies with local governments with a view to achieving economic development through the promotion of the territory, its products, and its image ; secondly, at national level to secure recognition of the agreements between professionals and the specificity of products identified with the territory, which are processed in a specific manner within the framework of international negotiations.

6. Avenues for reflection, questions raised

The existence of authorities at local level, provided with the means and legitimacy for public action, represents an opportunity to enhance the relevance and efficiency of investments in the agricultural sector and thus stimulate local economic growth with a view to creating and sharing wealth⁶. However, such authority may also constitute an impediment to private initiative if it is exercised in an unenlightened manner, without giving room for debate and the indispensable recognition of the strategies of the different categories of actors, particularly RPOs.

Three main questions may be identified to shape the debate:

- Under what conditions and to what extent may and must RPOs be involved in the decentralization processes through their members?
- Do decentralization policies and the interest in local development dynamics challenge the need for public policies designed at other territorial levels? If no, how can one apprehend the articulation and coordination of these levels of definition of public action? What challenges and what role for RPOs?
- Under what conditions can territorial resource valorization strategies induce sustainable local development? What long-term or short-term solutions are to be envisaged here for agriculture in terms of description of products by quality and origin?

⁶ It seems to us more stimulating and stirring to speak of creation and sharing of wealth than of poverty alleviation

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