

Policies with(out) people

Territorial development in the rural-urban interface

Recently, territorial development has been much discussed among development scholars and practitioners, also to address rural-urban linkages. The World Development Report 2009 acclaims it as a means to improve agglomeration economies in rapidly urbanising areas. In contrast, project experiences from Asia and Africa suggest territorial development should be based on poor people's daily life and economic trajectories in the rural-urban interface.

Development scholars and practitioners are paying renewed attention to concepts for territorial or regional governance. Also, in this year's World Development Report (WDR 2009), the World Bank places much emphasis on area-oriented development. Traditionally, discussions centre on policy options either at the national level or at the level of individual settlements. In contrast, the Report recommends considering the 'intermediate spatial scale', e.g. provinces or regions. This is in order to make the most of potentials of particular areas within one country and to develop *rural-urban* and *interurban* synergies for economic development.

The World Bank's stand on territorial development and rural-urban integration is: Urbanisation and the transformation from rural to urban economies are irreversible and desirable. Thus, "the rush to cities in developing countries seems chaotic, but it is necessary", (WDR 2009: 24). To facilitate the entry of capable people, capital and technology in urban agglomerations, governments should foster their production climate and

build infrastructure. Territorial development should tag along market forces of agglomeration, migration and specialisation. Market forces would eventually level out living standards in lagging and leading, rural and urban areas.

The WDR 2009 argues principally from an economic growth (pole) logic. As locations of modern industrial and service sectors, urban areas are considered the motor of economic growth. Examples of successful territorial development experiences in the developing world are predominantly drawn from recent industrialisers, such as China, India or Brazil. In contrast, the Report does not account

for the reality of predominantly rural economies in sub-Saharan Africa or Southeast Asia.

In this article, I want to challenge the Bank's recommendations by adopting a different rationale for sub-national territorial development. This is based on the assessment of existing efforts of development agencies to promote rural-urban linkages. I will argue that territorial governance strategies should:

Fish is the basis of livelihoods of the Luo, a tribe originally settled at the shores of Victoria Lake. This continues shaping Luo's occupations in the urban informal sector.

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Photo: Dick

- build on existing functional spaces of individuals and households,
- enlarge the development potential of rural regions, and
- enhance collaboration between government and civil society.

Rural-urban linkages – three basic dimensions

Since the 1990s, development agencies have recognised increasing linkages between rural and urban areas. These linkages manifest themselves in several ways:

Household migration and livelihoods: In many developing countries households are divided among rural and urban areas. Migration of certain household members, often temporary, permits combining rural and urban incomes and thereby diversifying livelihood assets. From the perspective of the rural-based part of the household, non-farm income increases resilience to low or fluctuating agricultural incomes. For urban household members, the rural home may represent an economic safety net while ensuring food security and performing important social functions such as child-rearing and care of the elderly at the same time.

Economic interdependencies: As also highlighted in the WDR 2009, there are important economic relationships and interdependencies between rural and urban areas. The first produce food for urban consumers and inputs for urban-based industrial production; the second provide services, consumption or regeneration spaces for the rural population. Small and medium-sized rural towns constitute markets and processing centres for regional agriculture and potential locations for local or regional industries or specialised services, such as tourism. And they are particularly important migration destinies for poor population groups who lack resources for long-distance migration.

Local economic promotion in Nepal

The Rural-Urban Partnership Programme in Nepal, supported by the UN Development Programme (UNDP) and the UN Centre for Human Settlements (UNCHS), was initiated in 1997. Its objective is to promote economic linkages between rural and urban areas in Nepal. Resident groups develop plans for the improvement of the socio-economic infrastructure articulating rural with urban areas, e.g. the construction of market stalls or connection roads. Also, ideas for start-up or extension of businesses that foster the flow of goods and services between rural and urban areas are supported. Social mobilisation of communities as well as articulation of these groups with government form key ingredients of the programme (www.rupp.org).

Settlement and land use patterns: In the context of the extension of large, but also smaller cities, “urban” and “rural” land uses increasingly overlap. For instance, at city fringes, former agricultural land is overbuilt by other, typically “urban” land uses, such as large stores or industries. Urban agriculture, e.g. inside informal urban settlements, constitutes a complementary source of income for poor households or testifies hybrid urban-rural cultures and lifestyles. The growth of infrastructure like highways and railways increases opportunities for short-distance commuting between rural fringe and urban areas.

Action fields for territorial governance

Recognising the diversity and development potential of linkages between rural and urban areas, national and international development agents have started to implement territorial development strategies integrating urban and rural development.

Promoting informal migrant networks: The migration of one or several rural household members to more or less distant city locations represents a major strategy for securing rural livelihoods. This implies the transfer of **cash** earned in urban occupations, often in the informal sector, but also the transfer of **skills**. Urban-based family members may want to sustain the education of their own or their kin's children in the countryside, via financial transfers.

Informal or semi-formal migrant networks, frequently operating across borders, form a major catalyst for the realisation of these transfers. *Home Town Associations* of Ghanaen migrants in Germany, USA and the United Kingdom facilitate their members' joint money transfers for school or hospital, sometimes infrastructure improvement projects, often also to shared communities of origin. Development co-operation agencies such as USAID are seeking ways to support these informal rural-urban migrant networks, stretching over large distances (Orozco, Manuel 2005: *Diasporas, development and transnational integration: Ghanaians in the US, UK and Germany*).

Regional management: Existing political and administrative units, e.g. individual municipalities, often fail to account for the multiple relationships people or enterprises entertain beyond their borders. “Regional” governance thus implies new alliances, formal and informal, among stakeholders of e.g. core cities and peri-urban communities or rural towns and their hinterland.

Regional management constitutes an instrument of territorially-, instead of sectorally-based co-operation between settlements. Representatives from local government, administration, the private sector and civil society analyse strengths and weaknesses of communities inside the region. They develop common development goals and monitor the implementation of regional or local



Photo: J. Boethling

investment plans. The objective is the development of economically competitive regions, as well as the solution of pressing social problems (e.g. crime, HIV/Aids) through the pooling of municipal resources.

Local and regional economic development: Local or regional economic development consists of promoting rural economies through the diversification of income sources. Particularly, efforts are driven by the notion of linking agricultural and non-agricultural (that is, rural and urban) sectors in local and regional value chains – and, if possible, connecting emerging “regional clusters” to regional, national or international markets.

More recent instruments to strengthen the economic potential and integration between rural primary, secondary and tertiary sectors have two aspects in common. First, they are spatially focused, rather than sectorally. Second, they draw on and pro-

mote networks between private and public sectors and civil society.

Land use management: Borders between cities and their rural environment beyond administrative borders are becoming increasingly blurred. In this context, “urban” land-uses (e.g. industrial, commercial, but also low- and high-income at the urban fringe) are clashing more and more with “rural” uses (i.e. agricultural, livestock-holding) and may put natural resources at risk. In many African countries, traditional power structures are competing with ‘modern’ ones.

In Douala, Cameroon, most of the peri-urban land is claimed by traditional authorities. Customary owners are the main providers of land for housing at the urban fringe. However their rights are seldom formerly acknowledged by the State. Against this context, the Mbanga-Japoma Project seeks to reconcile formal and customary development proce-

The borders between cities and rural areas are increasingly becoming conflict zones. Because of unclear land tenure rights many farmers lose their land to the expanding urban areas, without receiving any compensation.

dures and, in this way, contribute to a more regularised and more affordable peri-urban development (www.undp.org/governance/docs/DLGUD_Pub_rururblinks.pdf).

Conclusions

Concluding this article I want to sketch out some fundamental features of the above strategies and compare them to the approach of the WDR 2009.

Adjust governance spaces to actors’ “functional spaces”: The strategies outlined above seek to define territorial governance units according to (poor) people’s actual and potential

Zusammenfassung

Strategien für territoriale oder regionale Entwicklung haben in den letzten Jahren wieder Aufwind bekommen. Im Gegensatz zu sektoralen Ansätzen tragen sie unter anderem Stadt-Land-Wechselbeziehungen besser Rechnung. Der Weltentwicklungsbericht 2009 sieht regionale Entwicklung vor allem als Weg, Agglomerationsvorteile städtischer und moderner Industriecluster zu stärken. Der vorliegende Artikel plädiert

hingegen dafür, dass wirtschaftliche und lebensweltliche Funktionsräume armer Haushalte die Grundlage für territoriale Entwicklungsbemühungen bilden sollten.

Resumen

Las estrategias para el desarrollo territorial o regional han vuelto a cobrar auge en los últimos años. En contraste con los enfoques sectoriales, se centran más en aspectos como las interaccio-

nes entre el espacio urbano y rural. El Informe sobre el Desarrollo Mundial de 2009 ve en el desarrollo regional sobre todo un camino para fortalecer las ventajas de la aglomeración en las concentraciones urbanas e industriales modernas. El presente artículo, en cambio, aboga por tomar los espacios funcionales – tanto económicos y vitales – de los hogares pobres como una base para los esfuerzos territoriales de desarrollo.

daily life and economic activity networks in the rural-urban interface. This is true for the promotion of informal migrant networks, at times stretching over large distances. It is also true for territorially-based initiatives of regional economic development, in which rural-based producers are linked to urban-based suppliers or processors.

The World Development Report 2009 does acknowledge the economic functionality of intermediate territories for future policy making. However, these territories are primarily an instrument for, and function of, urban- and industrial-based economic clustering. Here, the Report bypasses the realities of a large part of the developing world's poor population, (still) co-sustained by rural livelihoods.

Enlarge the development potential of rural areas: The described action fields tend to pursue a double objective: First, to curb the expansion of mega-cities and contribute to a more balanced national spatial development also to redress former urban and industry-biased policies. Second, to explore the potential of rural areas, often with the intention of promoting agriculture-based regional production chains.

Already at the outset of the WDR 2009, the spatial "bumpiness" of national economic development is taken as a given. In this line of argument, seeking spatially balanced

development is considered neither desirable nor effective. According to WDR 2009, promoting cities as motors of development rather contributes to generalised welfare.

Enhance the collaboration of government and civil society: All outlined action fields imply co-operation between a large set of actors. These belong to different levels of government, but also to resident groups, local NGOs and owners of small business holders. Social mobilisation, articulation of self-organised actors with formal government, is thus considered a key ingredient of empowerment- and poverty-oriented territorial development strategies.

Urban-rural synergies must be strengthened. The report does not dwell sufficiently on this aspect.

The WDR 2009 highlights positive examples of area-based collaboration, for instance between member cities and townships in the metro regions of Chongqing in China. Central government has accorded special financial autonomy to this huge agglomeration, home to 40 million inhabitants. However, both in this very example and with regard to general considerations, the role of civil society in territorial development remains obscure.



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