



This Learning Alliance guided members in an exploration of Latin American policies and practice promoting small-scale sustainable farming, and promoted exchange of experiences with other countries on key issues such as food security and integrating small-scale farms into large-scale agribusiness.

PROMOTING SMALL-SCALE SUSTAINABLE FARMING AND RURAL DEVELOPMENT

SUMMARY

This Learning Alliance (LEA4) promoted analysis and discussion of how recent agricultural policies in Latin America aimed at integrating small-scale farms into large-scale agro-businesses have performed. It consisted of an online exchange and learning activities addressed to pre-selected experts from Africa, Asia and Latin America.

Good practices and case studies were presented and analysed by contributors from these three regions, and these discussions were then reviewed and summarised by a Latin American Moderator. Members exchanged, learned and reflected on themes and experiences related to small-scale farming and rural development from their own countries. The focus was the challenges faced by small-scale farmers as they attempt to escape poverty by increasing their participation in the market economy, while also seeking to manage their natural resource base in a sustainable way.





The LEA4 lasted from January until May 2013, and was run as part of the DFID funded programme “Evidence and Lessons from Latin America”. This Learning Alliance was conducted with Manuel Glave leading moderation and support provided by Miguel Jaramillo, both senior researchers at GRADE, a leading research institution based in Lima, Peru.

The Learning Alliance was structured in three thematic modules designed to reflect participants’ interests. They were:

M1	Market Reforms: Successes and Limitations
M2	Addressing the Limitations: The Emerging Approach of Territorial Rural Development
M3	Public Policies to Sustain Small-scale Farming

The online debate featured around 35 documents including exclusive interviews and selected external publications. The Moderator also used [ELLA knowledge publications](#) related to the weekly themes.

The Learning Alliance Highlight documents provide a synthesis of the points of view expressed by contributors and Moderators, link to around 30 publications and interviews, as well as key conclusions provided by the Moderators. The names of the contributors are in bold text for easy reference. Our thanks go to the contributing experts and to all the people who took part in the online debate.

Learning Goal

The overall goal of this LEA4 is to gain knowledge on Latin American policies and practices that promote small-scale farming and rural development and that could be applied in other countries/contexts.

Moderator’s Key Conclusions

- From the start of the Learning Alliance, the discussions have confirmed that the overall effect of market liberalisation on small-scale farmers is twofold. First, evidence has been presented to show how, in some countries, market reforms have contributed to reducing poverty among small-scale farmers and have helped increase their participation in the market economy. Many contributors also pointed out, however, that for poorer countries where smallholders are key for national food security, the effects of market liberalisation policies are questionable, due not only to the elimination of subsidies and price controls, but also because of the pressure upon smallholders’ natural resource base, increases in inequality, and the asymmetrical economic and political power relations between private firms and smallholders.
- One important consideration not to be overlooked is the diversity of the small-scale farmers in developing countries. This heterogeneity has to do not only with the characteristics of producers and their access to natural resources, but also with the type of crop they produce and where this crop is sold. Care must therefore be taken to differentiate analysis of the impacts of market reforms on smallholders producing crops for local markets and those producing for urban and export markets.



- Bearing in mind the dramatic spatial inequalities that exist between rural areas, the introduction of the territorial approach to rural development has highlighted the importance of sound governance and sustainable environmental management, especially at the local level. This is because the Territorial Rural Development paradigm involves the simultaneous processes of productive transformation and institutional change, with the final goal of reducing poverty and inequality in rural territories.
- The five 'key dimensions' to understanding territorial dynamics presented in the [Final Report of RIMISP's Rural Territorial Dynamics Program](#) (namely: i) natural resource governance; ii) linkage with dynamic markets; iii) role of urban centres, iv) role of public investment, and; v) the importance of civil society coalitions) have been studied by Latin American researchers and integrated into public policy with the aim of establishing the conditions necessary to ensure the viability of small-scale agriculture. Poverty and inequality are two major causes of low or non-economic development, social exclusion and environmental degradation. Based on this understanding, territorial development policies and "location-based policies" are not only justifiable but also a necessary component of development strategies.
- Based upon evidence shared during the exchange, we have learned that in many countries of Africa and Asia rural microfinance schemes face serious barriers to success, including: a lack of appropriate institutional arrangements, a poor regulatory environment, weak institutional linkages between formal and informal financial institutions, insufficient capital and insufficient technical knowledge amongst implementers. The Latin American experiences demonstrate that institutional innovations for risk management are fundamental in order to enhance the reach and success of rural microfinance.
- Regarding the dynamics of land grabbing, the discussions highlighted serious impacts on food security, environmental degradation and resource distribution. At the same time, it is still not clear how to establish a set of public policies to mitigate the social and economic effects of this current trend.

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To learn more about Latin America's small-scale farming, read the ELLA Guide, which has a full list of the knowledge materials available on this topic. To learn more about other development issues, browse other [ELLA Themes](#).

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