BUILDING RESILIENCE IN RURAL AREAS: THE NEED FOR MAINSTREAMING THE COLLABORATION OF “THE AGRICULTURAL POLICY SYSTEM” AND “THE RURAL DEVELOPMENT POLICY SYSTEM”

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OUTLINE

- The policy context
- The linkage between agriculture and rural communities
- The need for collective actions between farmers and non-farmers to build resilience
- The need for mainstreaming the collaboration of the agricultural policy system and the rural development policy system
- Revisiting the importance of landowners
THE POLICY CONTEXT

- Although agricultural policies have been moving towards the diversification of economic activities in rural areas, agriculture is still the most important basis for regional economic activities in many OECD countries.

- Making agriculture more resilient against climate change is one of the top priorities in most countries, reflecting the fact that climate change would make the agricultural sector the most vulnerable.

- However, policy discussions on how to increase resilience in agriculture do not seem to pay sufficient attention to how rural communities, especially non-farming communities, should get involved to strengthen adaptation capacities of rural areas.
THE POLICY CONTEXT

- In building resilience in rural areas, our insufficient consideration of this aspect could potentially be problematic in cases where agricultural production and non-farmers are closely linked.
Agricultural hamlets

- There are over 130,000 hamlets in Japan, some of which have survived for more than several hundred years.
- An average hamlet can be described as follows:
  - 200 households, comprised of 20 agricultural and 180 non-agricultural households.
  - 260 ha of land, including 30 of farmland and approximately 200 ha of forest.
  - Some degree of autonomy has been established, depending on the hamlet’s history and social environment.
BACKGROUND INFORMATION ON AGRICULTURE AND RURAL AREAS IN JAPAN

The number of non-agricultural households has been increasing, most of which used to be farmers and are currently landowners.

Each agricultural hamlets is playing important roles in managing lands and water, which contributes to sustaining agriculture. In addition, a certain degree of rural population preserved by non-farmers contributes to efficient provision of general public services.

THE LINKAGE BETWEEN AGRICULTURE AND RURAL COMMUNITIES

Agriculture is providing public goods that benefit rural communities

Groundwater Recharge

- Precipitation
- Evapotranspiration
- Intake from River
- Water for Irrigation (Agricultural Use)
- Sewage Recycling
- Rice Paddy Fields
- Sunlight
- Water for Municipal Use
- Use of Groundwater
- Penetration through ground
- Spring Water
- Groundwater Level (Water Table)
- Partially returned to river
- Returned to River

Landscape

Flood prevention

http://www.maff.go.jp/e/nousin/tyusan/siharai_seido/s_about/cyusan/tamen/02_suigen/index.html
THE NEED FOR COLLECTIVE ACTIONS BETWEEN FARMERS AND NON-FARMERS TO BUILD RESILIENCE

Policies are being established to make agriculture adapt to and mitigate climate change

2. Promotion of the Integrated Strategy for Global Warming by the Ministry of Agriculture, Forestry and Fisheries

Integrated Strategy for Global Warming by the Ministry of Agriculture, Forestry and Fisheries
(established in June 2007, revised in July 2008)

<table>
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<th>I. Global warming mitigation measures</th>
<th>II. Global warming adaptation measures</th>
<th>III. International cooperation in agriculture, forestry and fisheries</th>
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<td><strong>① Promotion of measures toward the achievement of reduction targets</strong></td>
<td><strong>① Promotion of global warming adaptation measures</strong></td>
<td><strong>① Promotion of sustainable forest management, including measures against illegal logging</strong></td>
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<td>• Measures to reduce greenhouse gases from greenhouse horticulture and agricultural machinery</td>
<td>• Dissemination of and guidance on existing technologies at points of production</td>
<td><strong>② Cooperation by making the use of Japan’s human resources and technologies</strong></td>
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<td>• Adjustment/reduction of fertilizer use through promotion of sustainable agriculture, etc.</td>
<td>• Demonstration of the introduction of new technologies</td>
<td>• Promotion of joint research with international research institutes toward the solution of global warming issues</td>
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<td><strong>② Promotion of other emission reduction measures</strong></td>
<td>• Examination of adaptation measures based on impact assessment</td>
<td><strong>② Promotion of technical development, etc.</strong></td>
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<td>• Utilization of the function of agriculture soil as a sink of greenhouse gases</td>
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<td>• Development of production stabilization technologies (e.g., development of heat-resistant varieties)</td>
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<td>• Promotion of visualization of CO2-saving effects in agriculture, forestry and fisheries, etc.</td>
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<td>• Studies to predict impacts on agriculture, forestry and fisheries</td>
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Source: Matsuo, H(2011)
THE NEED FOR COLLECTIVE ACTIONS BETWEEN FARMERS AND NON-FARMERS TO BUILD RESILIENCE

Considering the direct linkage between the farmers and non-farmers residing in rural areas, collective action becomes critically important, in addition to establishing sector strategies focusing on agriculture.
How to institutionalize collective action is key. At the macro-policy level, mainstreaming the collaboration of “the agricultural policy system” and “the rural development policy system” is required.

If we apply Shiroyama’s (2008) definition of a policy system to the APS, it looks like the following:

**Actors**
- Traditional actors: for example, agricultural ministries, politicians, farmers’ groups, and academics.
- Non traditional actors: for example, environmental NGOs, consumer groups, local governments, and the mass media.

**Forums**
- Formal forums: for example, policy related committees, the ruling party’s agricultural forums, and international negotiations.
- Informal forums: informal negotiations between the Ministry and farmers’ groups, among others.

**Rules**
- Formal rules
- Informal rules

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“Meta policies” and “meta policy systems” would innovate policies.

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<th>Types of Policy Innovation</th>
<th>Mechanism</th>
<th>Examples</th>
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<td>Minor Changes</td>
<td>The current policy system’s response to changes in the policy environment</td>
<td>Agricultural policies need to be consistent with overall budgetary constraints.</td>
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<td>System Change</td>
<td>A meta policy system changes the structure of a policy system</td>
<td>A change of government as a result of a general election changes the rules of the game regarding agricultural policy making</td>
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<td>Meta Policy</td>
<td>Actors in a meta policy system propose a meta policy that would influence the structure of a policy system</td>
<td>The international trade policy system requires the APS to shift from price support to decoupled support.</td>
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<td>Self-Innovation</td>
<td>Innovative actors in a policy system proposes a meta policy that would influence the structure of a policy system</td>
<td>Bureaucrats in the APS proposes a food safety policy placing more emphasis on consumers than producers.</td>
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<td>System Coordination</td>
<td>Different policy systems jointly propose a meta policy that would influence the structure of a policy system</td>
<td>Both the APS and the environmental policy system jointly create a agri-environmental framework.</td>
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<td>Accumulative Changes</td>
<td>Accumulative experiences and knowledge in a policy system lead to a new policy</td>
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Source: Shiroyama (2008). Examples are modified by the authors to reflect the realities in the agricultural sector.
THE NEED FOR MAINSTREAMING THE COLLABORATION OF “THE AGRICULTURAL POLICY SYSTEM” AND “THE RURAL DEVELOPMENT POLICY SYSTEM”

A typical example of how meta policies have influenced the agricultural policy system

Shift from income support payments to agri-environmental payments.

Shift from price support to decoupled payments.
THE NEED FOR MAINSTREAMING THE COLLABORATION OF “THE AGRICULTURAL POLICY SYSTEM” AND “THE RURAL DEVELOPMENT POLICY SYSTEM”

There could be some possibilities in which the collaboration of the APS and the Rural Development Policy System is mainstreamed. How the APS could decentralize the component for the adaptation policy is key since adaptation strategies should be region specific while the APS in general is very much centralized.

1. The Climate Change Policy System is strong enough to act as a meta policy system.

2. The APS as a meta policy system, decentralize policies focusing on adaptation (i.e., some agri-environmental measures) so that the consistency with the rural development policies can be ensured at the regional level.

3. The Rural Development Policy System is strong enough to act as a meta policy system and influence the APS to decentralize the adaptation policies.
At the micro-policy level, identifying organizations that could promote collective action is required; most of the collective actions are related to how natural resources, basically water and land, should be used.

- In the case of water, existing organizations such as irrigation districts or water users’ associations are likely to have potentials to strengthen adaptive capacities in the collective context, reflecting the fact that they have been managing water resources as common property resources.
- The collaboration of farmers and non-farmers, for example, could be strengthened through facilitating water transfer in droughts in which beneficiaries compensate those who give up their water.
In the case of land, the issue is a bit complicated because:

- Lands are private properties
  - Water is a common property resource in many cases.

- Owners and users of these properties are in many cases different
  - Many farmers are renting their lands rather than buying them.
  - On the other hands, water is managed collectively by irrigation organizations, of which the members are using it.

- Zoning policies may not work well to address issues associated with land use to strengthen adaptation capacities
  - Increasing organic matters in soils, for example, could contribute to adaptation capacities against droughts, which cannot be achieved by zoning policies.
REVISITING THE IMPORTANCE OF LANDOWNERS

The role of landowners (non-farmers) would be important because:

- Building resilience in rural areas is closely related to how land in each region should be used and managed collectively.
  - Both mitigation and adaptation, in many cases, require harmonized actions among farmers.
  - Encouraging the collective action of farmers is one option; in this case, however, we lack institutional mechanisms to reflect the concerns of non-farmers in rural communities.
  - Another option is to require landowners to act collectively with the expectation that landowners could represent at least a part of concerns of non-farmers.
- Landowners who are no longer farmers comprise the majority of the rural population in some cases and are expected to have a long-term perspective on how their land is used.
REVISITING THE IMPORTANCE OF LANDOWNERS

A promising case:

- Almost all landowners in a rural hamlet in Japan established an organization in which a single rule was proposed so that scattered leased land was geographically gathered.
- This arrangement could not only increase the productivity of farmers, which benefits economically both farmers and landowners.
- This could also stabilize the provision of public goods such as landscape and flood protection capacity.
- This could in turn increase the adaptation capacity of the hamlet.
Source: Shingaichou Association of Land Use Improvement
Is this a creation of “new commons”?

- The trend in the last several decades has been to shift from commons to individual private properties.
- Even when collective actions are required in terms of land use, providing land users with incentives to act collectively is a main policy response.
- However, the arrangement mentioned above is indicating a possibility that could increase the overall productivity of lands in a wider context through the collective action of landowners.
- This may be viewed as “new commons”, in which private properties are managed collectively without changing their structure as private goods to influence how these properties are used by users.