



Australian Government

Australian Centre for
International Agricultural Research

Agribusiness

Understanding the drivers of successful and inclusive rural regional transformation:

Sharing experiences and policy advice in Bangladesh, China, Indonesia and Pakistan

Overview

All developing countries experience a process of rural transformation. This comprehensive societal change sees rural societies diversify their economies and reduce their reliance on agriculture, increase their dependency on distant places for trade of goods, services and ideas, and move from dispersed villages to towns and small to medium cities.

Different agricultural activities take different rural transformation paths. This project focusses on four countries that are dominated by grain-based agriculture.

Different stages, speeds and outcomes of rural transformation will be identified in the four countries. This will help to optimise the success of the process and maximise its benefits to incomes, social inclusiveness, poverty rates, gender impacts, food security and sustainability. In addition, the project will establish measures of the degrees of success of rural transformation.

There will be a focus on the role of institutions, policies and investments in supporting successful rural transformation to provide the greatest possible benefits to millions of people, many living in poverty. Until now, the process has not been well-studied and the reasons for different levels of success between countries and regions are unclear.



KEY FACTS

ACIAR Project No. ADP/2017/024

Duration: January 2020 to December 2023 (4 years)

Target areas: Bangladesh, China, Indonesia and Pakistan

Budget: A\$1,252,619

Project Leader

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Key partners

- University of Western Australia
- Peking University
- Bangladesh Agricultural University
- Bangladesh Academy for Rural Development
- Pakistan Institute of Development Economics
- Pakistan Agricultural Research Council
- Ministry of Agriculture, Indonesia
- Bogor Agricultural University

ACIAR Research Program Manager

Howard Hall

Objective

The aim of the project is to understand the nature, drivers and consequences of rural transformation in order to design changes in the institutions, policies and investments that support success.

The objectives are to:

- Explain what is meant by rural transformation.
- Recognise what success means.
- Explain what determines success.
- Lay out the lessons that can be shared among countries.
- Explain how policy changes can support successful rural transformation.

Expected scientific results

- Identification of common elements at regional level, the relationships of rural transformation and structural transformation and the assessment of the impacts of rural transformation.
- Deeper understanding of how key institutions, policies and investments facilitate successful rural transformation, through testing the idea that rural transformation is a process in which a sequence of measures can facilitate a successful outcome.
- Production of data across four countries, providing a broader variation in institutions, policies and investments, and outcomes.
- Sampling methodology designed for regional selection and the careful application of spatial econometric methods to allow for interaction and spill-overs between neighbouring regions.
- Development of measures of transformation and its inclusiveness.
- Development of theories of the emergence of new markets to deliver services that support rural transformation.

Expected impact/outcomes

- Consensus among the research group and the related networks of policy makers on the nature of rural transformation, according to its stages, speeds and outcomes.
- Agreement on what the success of rural transformation means, especially its role in inclusive economic growth, and the differential impact of rural transformation on women and men. Development of strategies to mitigate negative impacts of rural transformation.
- Capacity among local officials, with the support of the research community, to set priorities for public investments, which shift as the rural transformation occurs, and clarity about an evolving role for private investors and multilateral agencies.
- High level capacity among research partners to undertake relevant research that supports the policy making process in their countries.

