



IFPRI

DSGD

DEVELOPMENT STRATEGY & GOVERNANCE DIVISION

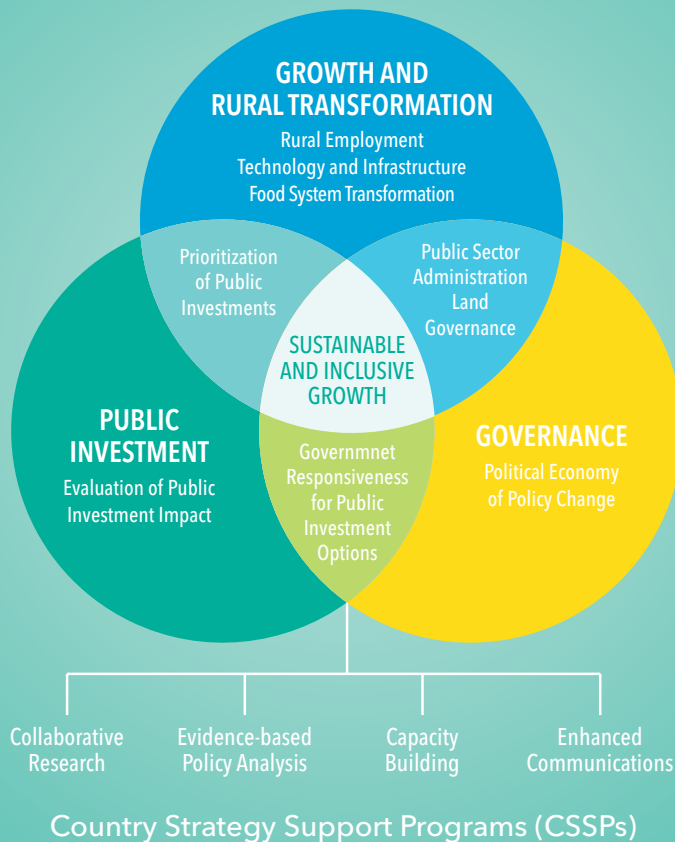


The Sustainable Development Goals of the United Nations focus on many of the aims central to IFPRI's mandate, including tackling poverty, hunger, and malnutrition. Achieving such goals requires multifaceted development strategies that generate inclusive economic growth for men, women, and youth in both urban and rural areas. Designing cost-effective strategies requires micro- and macro-analyses that take into account many of the emerging issues facing the developing world, including an increasingly competitive global environment for agricultural trade, the rapid expansion of cities and secondary towns, persistent high

underemployment and, in many countries, protracted political transitions.

In recognition of these challenges, IFPRI's Development Strategy and Governance Division (DSGD) engages in rigorous, policy-relevant research, outreach, and capacity strengthening to promote sustainable and socially inclusive rural development. This work contributes to two of the five research areas in IFPRI's 2018–2020 Strategy: (1) transforming agricultural and rural economies and (2) strengthening institutions and governance.

DSGD Research Themes and the Role of CSSPs



DSGD is organized around the three broad themes of Growth and Rural Transformation, Pro-Poor Public Investments, and Governance for Rural Development. These themes respectively address the following research questions:

- ▶ What policy options and market opportunities can best enable agriculture and the rural economy to catalyze economic transformation, generate broad-based growth, and create decent farm and nonfarm employment?
- ▶ What types of public investments can sustainably deliver high-quality services and reduce poverty? What processes enable and encourage increased pro-poor public spending?
- ▶ How do the structure of institutions and the relationships between governments and citizens affect the prospects for effective, inclusive, transparent, and accountable development policies?

DSGD's work at the country level occurs through its Country Strategy Support Programs (CSSPs), which facilitate close collaboration with researchers in order to address the policy priorities of governments and strengthen local research capacity. The CSSPs also assist with the effective communication of evidence-based policy analysis to national policy makers. In addition to the CSSPs, DSGD also leads cross-country research programs in Central Asia and the Middle East and North Africa.

GROWTH AND RURAL TRANSFORMATION

Rural transformation is a key aspect of broader structural transformation in developing countries. Historically, rising agricultural productivity, commercialization and diversification of agricultural production, and broadening rural livelihoods through rural nonfarm activities have been critical components of economic transformation. This development process involves a complex array of public- and private-sector interventions that need to be appropriately sequenced and designed to account for country-specific economic structures, institutional settings, agroecological endowments, and the existing nature of smallholder production. Within the growth and rural transformation theme, our research specifically considers:

Rural employment, migration, and structural change: Agriculture contributes to a country's economic transformation through multiple pathways. By taking a holistic perspective, DSGD examines how urbanization and migration affect rural livelihoods and the prospects for rural farm and nonfarm employment. The needs of women, youth, and marginalized

groups are considered to ensure that structural change leads to robust and equitable growth.

DSGD also utilizes economywide models to analyze the implications of agricultural growth for overall economic growth, rural transformation, and poverty.

Technology and infrastructure: Rural transformation typically requires more efficient agricultural production that overcomes land and labor constraints. In turn, productivity improvements can be achieved through appropriate mechanization; effective information and communication systems; and quality road, storage, and energy infrastructure. Given countries' different priorities, DSGD examines what mixture of public- and private-sector interventions in technology and infrastructure would be most effective at improving agricultural productivity and fostering rural development.

Food system transformation: Market opportunities for improved agricultural production are increasingly affected by urbanization, the rise of a middle class, and shifts in consumer preferences. Research in this area assesses how changes in

national food systems create prospects for farmers to satisfy domestic demand by producing healthy, high-value commodities, and thereby spur growth and create jobs in agro-industry, processing, and trading.

PRO-POOR PUBLIC INVESTMENTS

Public investment is a powerful instrument for governments to use to achieve sustainable growth, poverty reduction, and equity. Governments need to allocate their resources in a manner consistent with citizens' needs and priorities, engage in rigorous monitoring and evaluation of investment decisions, and invest in services that benefit the rural poor, including agricultural research and extension, health, education, and social protection. DSGD's research on pro-poor public investments focuses on the following sub-themes:

Prioritization of public investments for rural development:

Measuring and tracking public expenditures is a critical first step for determining how governments can pursue more inclusive and transformative development strategies. Development practitioners, donors, and citizens have increasingly requested public expenditure accountability and transparency. To this end, IFPRI's Statistics on Public Expenditures for Economic Development (SPEED) database quantifies public investment by sector, across countries, and over time. Using empirical evidence, DSGD also examines the process of public decision making and helps guide policy makers to prioritize public investment and spending across rural sectors. DSGD's research also helps to identify new avenues for mobilizing domestic public and private finance and support for high-quality investments.

Evaluation of public investment impact: Improving the quality of public investment in agriculture and rural development requires rigorous program evaluations. DSGD carries out evaluations based on multiple metrics that include economic growth and development promotion, pro-poor orientation, gender equality, stakeholder satisfaction, fiscal and environmental sustainability, and complementarity with other investments. The research also examines the institutional conditions under which different public investments are preferred. Such analyses serve to identify feasible mechanisms to improve the effectiveness of investments and inform best practices.

Government responsiveness to public investment priorities of the rural poor: Given competing demands for public resources, encouraging governments to deliver public goods and services that reflect the needs and preferences of citizens is challenging. DSGD analyzes the effectiveness of different options for incentivizing governments to pursue such investments. Specific areas of inquiry include the impacts of fiscal decentralization, more competitive political landscapes, improved incentives for policy makers, and mechanisms that give citizens more information and voice in governance. Insights from this research provide inputs into domestic and regional policy-making processes to enforce long-term investment commitments.

GOVERNANCE FOR RURAL DEVELOPMENT

It is now well recognized that good governance is fundamental for both stimulating inclusive rural growth and ensuring that it is economically, environmentally, and socially sustainable. The concept embraces the idea of transparent government that respects and responds to citizens' preferences, incorporates a diverse range of stakeholder perspectives into the policy arena, effectively formulates and implements policies, and enforces rules and regulations. However, these multiple objectives cannot always be achieved simultaneously, and so identifying possible trade-offs is one of the key objectives of this research theme. DSGD's research on governance encompasses the following sub-themes:

Political economy of policy

reform: Generating policy change requires an in-depth understanding of underlying political economy dynamics and institutional bottlenecks. Consequently, this research focuses on prospects for policy change by analyzing champions for and opponents to pro-poor reforms. DSGD supports development



of analytical frameworks and practical tools that can identify the degree to which different stakeholders are included in the policy process, their positions on agricultural and other development policies, and their level of influence over key decision makers within the broader political setting.

Public sector administration for transformation: Sound development policies aimed at achieving economic transformation require adequate public administration to implement them. Thus, research in this area focuses on the organizational structures, incentive systems, and capacity within the public sector to pursue different pathways to transformation. In addition, we give attention to accountability mechanisms and communication channels within bureaucracies, the degree of decentralization of responsibilities and resources across different levels of government, and recruiting structures that determine the technical capacity to make progress toward agreed goals.

Land governance: In much of the developing world, land rights are frequently contested as a result of overlaps in land claims across communities, disputes between customary and statutory tenure systems, and large-scale commercial land acquisitions by foreign and domestic investors. DSGD's land governance research focuses on how different land tenure arrangements affect the adoption of agricultural technologies, influence decisions to migrate, shape the livelihoods of women and youth, and contribute to communal conflict. In particular, we examine the prospects for and impacts of reform in different country settings given institutional constraints, individual incentives, and entrenched community norms.

COUNTRY STRATEGY SUPPORT PROGRAMS

To ensure policy relevance and impact, research on agricultural transformation, public investments, and governance should be reflective of, and responsive to, the demands of

national policy makers. The modality of our CSSPs helps ensure this close coherence between rigorous research and topical significance. The CSSPs, which include Bangladesh (led by IFPRI's Poverty, Health, and Nutrition Division), Egypt, Ethiopia, Ghana, Malawi, Nigeria, and Pakistan, aim to enhance national capacity for policy and strategy research as well as promote evidence-based policy making. CSSPs involve four major activities:

1. Collaborative research with local institutions with a focus on promoting poverty reduction and economic development.
2. Evidence-based policy analysis that contributes to policy dialogue and strategic priority setting.
3. Capacity strengthening and knowledge dissemination within the academic and policy research community.
4. Joint dissemination events that enhance communications and institutional linkages among policy makers, policy analysts, civil society, and other policy and research actors.

DSGD's research and activities are further supported by an array of policy-relevant networks and tools. For instance, we support ReSAKSS (the Regional Strategic Analysis and Knowledge Support System) in Africa in partnership with IFPRI's Africa Regional Office, and we also lead a ReSAKSS initiative in Asia with the East and Central Asia Regional Office. ReSAKSS aims to promote evidence-based policy making by providing access to analytical tools and data to address knowledge gaps, monitor regional progress toward agreed goals, and facilitate mutual learning among national governments, international partners, and researchers. For the Middle East and North Africa region, DSGD developed Arab Spatial, an online interactive tool that helps researchers and policy makers map food security indicators with other key development data related to the macroeconomy, household well-being, foreign aid, governance, and public expenditures in agriculture.

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