

**IPPG CLUSTER ON:  
INSTITUTIONS AND RURAL TERRITORIAL DYNAMICS IN LATIN  
AMERICA**

**OBJECTIVES, WORK PLAN AND COMMUNICATIONS STRATEGY  
APRIL 2008 – DECEMBER 2009**

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## 1. INTRODUCTION

The Research Programme Consortium on Improving Institutions for Pro-Poor Growth (IPPG) is a 5-year DFID-funded research programme. Its central aim is to understand how political and social processes and institutions affect economic institutions, behaviour and outcomes and the implications of this for pro-poor growth policies. A number of research clusters have emerged to address these questions and the cluster Institutions and Rural Territorial Dynamics (RTD) in Latin America is one of these. It is the intention of the programme that work in the RTD and other clusters will deepen our understanding of how pro-poor growth can best be promoted and, in particular, how it is affected by the institutional and political relations between:

- The public and private sectors;
- Formal and informal institutions;
- Formal and informal organisations;
- Organisations and institutions.

Moreover, as the RTD project and other clusters are completed, we expect to derive policy implications and messages from their findings which will be of use to donors, national governments, business associations and other interests.

The cluster of research on RTD therefore, lies at the heart of the IPPG Research Programme Consortium with its focus on the institutional architecture in rural Latin America. The analysis of contrasting territorial dynamics within each country with respect to their impact on growth and social inclusion (poverty and inequality reduction) can only be understood as reflecting both economic and political institutions. Economic, because RTD embody formal and informal rules and regulations that are designed to perform economic functions such as solving information-related market and co-ordination failures and hence will affect the allocative and dynamic efficiency of the economy. Political, because RTD reflect the way in which power amongst different agents, elites and coalitions of interest are shared.

A number of exploratory studies have examined the economics and politics of rural territorial dynamics, and these have been documented and presented in various fora, see Box 1.

## 2. OBJECTIVES AND APPROACH OF THE RTD CLUSTER 2008–2009

Over the period 2008–2009 the main objective of the RTD cluster is to answer the following question:

What is the kind of institutional architecture that explains 'successful' territorial developments, i.e. developmental dynamics which lead to economic growth, social inclusion and environmental sustainability?

The research questions are the following

- Actors and Organisations: What are the characteristics of the coalitions that are associated with 'successful' territorial development? How do these coalitions emerge and evolve? How do these coalitions stimulate successful territorial development?
- Institutions: What are the formal and informal institutions that are associated with 'successful' territorial development? How did these institutions emerge, and in particular, what was the role of the coalitions in shaping and sustaining these institutional frameworks?
- Assets: How these institutional frameworks condition the access, distribution and use of tangible and intangible assets in the territory?
- Outcomes: How the interplay of actors, institutions and assets leads to particular territorial development dynamics?

## Box 1 WORK ON RTD SO FAR: SELECTED HIGHLIGHTS

### IPPG papers on Rural Territorial Dynamics:

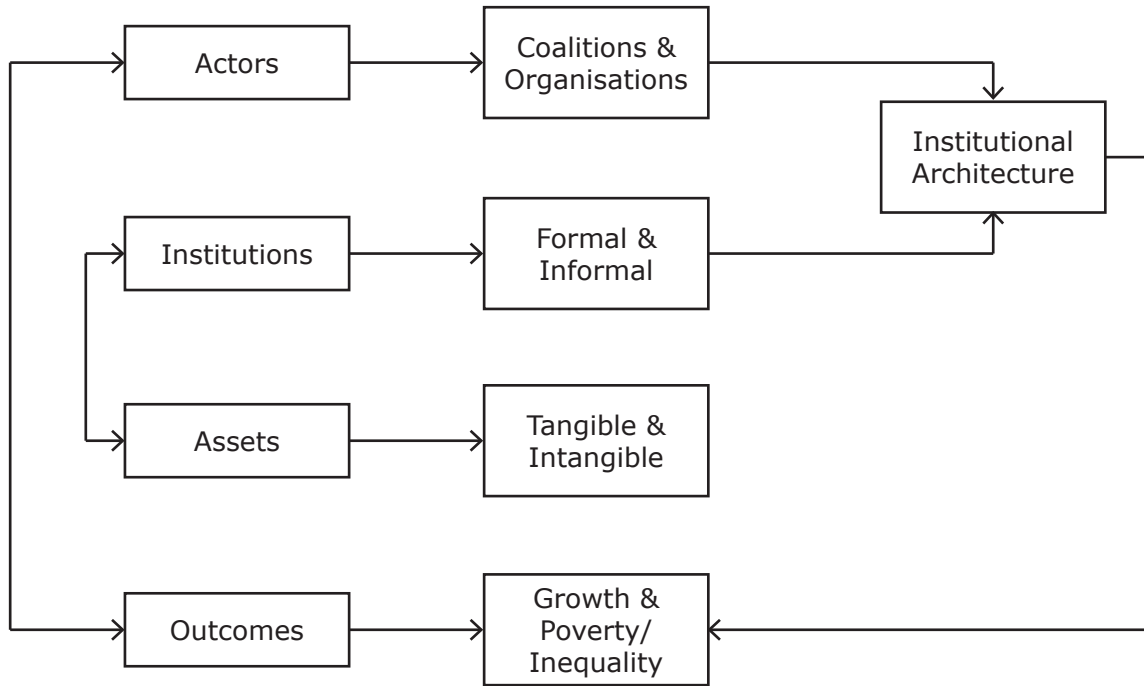
- 'Institutions, Growth and Poverty in Bolivia: Obstacles to Broad-based Growth'  
George Gray Molina (<http://www.ippg.org.uk/3abstract9.html>)
- 'Transaction Costs and Institutional Arrangements in Potato Marketing by Small Producers in Rural Peru'  
Javier Escobal Discussion (<http://www.ippg.org.uk/3abstract12.html>)
- 'The Socio-Political Matrix and Economic Development in Chile'  
Manuel Antonio Garreton (<http://www.ippg.org.uk/3abstract15.html>)
- 'The Role of Institutions in Rural Territories that have Undergone Land Reform'  
Manuel Chiriboga (<http://www.ippg.org.uk/3abstract16.html>)
- 'The Functioning of Economic Institutions in Two Chilean Territories'  
Eduardo Ramirez (<http://www.ippg.org.uk/3abstract14.html>)
- 'Towards a Territorial Approach for Rural Development'  
Alexander Schejtman and Julio Berdegue (<http://www.ippg.org.uk/3abstract17.html>)
- 'Institutions and Economic Growth in Bolivia'  
Steve Wiggins, Alexander Schejtman, George Gray & Carlos Toranzo  
(<http://www.ippg.org.uk/PDF/Bolivia%20F.pdf>)

### Workshops and Seminars:

- Seminário internacional Desafios Atuais das Políticas Públicas para o Meio Rural: Sustentabilidade, Agricultura e Segurança Alimentar  
*25–27 August 2008, Rio de Janeiro* (<http://ppseminar2008.sites.uol.com.br/index.html>)
- Seminário de Dinamicas Territoriales Rurales Universidad Andina Simon Bolivar  
*24–25 July 2008, Quito, Ecuador*  
([http://www.rimisp.org/proyectos/index\\_proy.php?id\\_proyecto=155](http://www.rimisp.org/proyectos/index_proy.php?id_proyecto=155) and  
<http://www.ippg.org.uk/terrdyn3.html#tdquito>)
- Seminário internacional Enfoques de desarrollo Territorial y Desarrollo Rural  
*28–29 May 2008, La Paz, Bolivia*  
([http://www.rimisp.org/proyectos/noticias\\_proy.php?id\\_proyecto=188&id\\_=136](http://www.rimisp.org/proyectos/noticias_proy.php?id_proyecto=188&id_=136))
- Encuentro latinoamericano de intendentes y gobernadores y preferctos para el desarrollo rural  
*12–13 May 2008, Santiago*  
([http://www.rimisp.org/proyectos/seccion\\_adicional.php?id\\_proyecto=180&id\\_sub=231](http://www.rimisp.org/proyectos/seccion_adicional.php?id_proyecto=180&id_sub=231))
- Taller de presentación del Programa Dinámicas Territoriales Rurales  
*10 April 2008, La Paz, Bolivia*  
([http://www.rimisp.org/proyectos/seccion\\_adicional.php?id\\_proyecto=180&id\\_sub=231](http://www.rimisp.org/proyectos/seccion_adicional.php?id_proyecto=180&id_sub=231))
- Seminario Internacional de Desarrollo Rural  
*26 March 2008, Bogotá*  
([http://www.rimisp.org/proyectos/noticias\\_proy.php?id\\_proyecto=188&id\\_=124](http://www.rimisp.org/proyectos/noticias_proy.php?id_proyecto=188&id_=124))
- Desarrollo Territorial Rural Banco Interamericano de Desarrollo Semana Rural  
*6–8 June 2007, Washington*
- Agriculture and the Rural non Farm Economy, International Policy Workshop Agriculture and Development  
*4–6 September 2006, Berlin* (<http://econ.worldbank.org/>)
- Seminario de Discusión sobre políticas Públicas para el Campo Mexicano, CONAGO: Comisión del Campo Morelia, Michoacán  
*13–14 July 2006* ([http://www.conagocampo.michoacan.gob.mx/registro\\_conago/agenda.jsp](http://www.conagocampo.michoacan.gob.mx/registro_conago/agenda.jsp))
- El Enfoque Territorial para el Desarrollo Rural Gira de Aprendizaje en Concertación y Asociativismo Local  
*May 2006, Lima and Cusco, Perú* ([www.rimisp.org/getdoc.php?docid=5138](http://www.rimisp.org/getdoc.php?docid=5138))

## The research framework

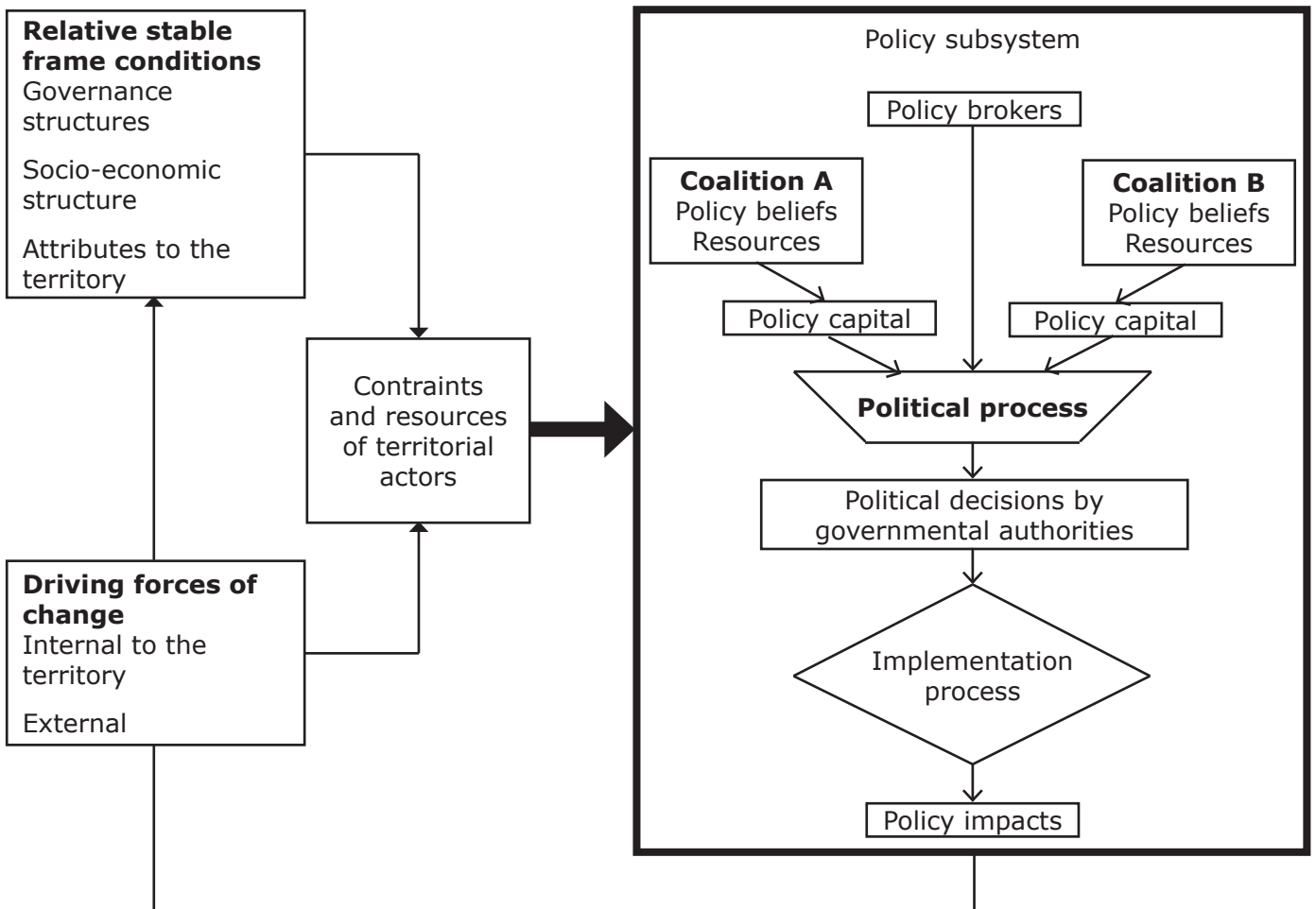
### Circular interactions between actors institutions and assets



We propose to start by characterising social actors and the interactions between them to shape institutions that influence the access to and use of assets.

There are several methodological challenges with respect to this question. The first one is to avoid the trap of focusing only on a limited local issue and being able to understand the coalitions that operate in different domains of the territory’s social life: the economy, political processes, use of natural resources, and so on. Another challenge is taking a dynamic view of how distributional coalitions come into being and evolve over time.

### Links between coalitions and policies



### 3. WORK PLAN

#### Stage 1

##### a) Typology of territorial dynamics

We need to define a coherent set of territories in which the programme will carry out its work. We propose to use a very simple typology of territorial dynamics based on the development outcomes, that is, the specific combinations of changes in economic growth, social inclusion and environmental sustainability

##### b) Application of the typology to generate a national map of territorial dynamics

The programme will generate a map of rural territorial dynamics. The map should be produced by working at the lowest possible scale, such as municipalities. By aggregating contiguous areas (such as municipalities) that show the same type of territorial dynamics, one can start the process of identifying territories

##### c) Delimitation of rural territories

The maps of territorial dynamics described above will yield spatial aggregates (e.g. aggregates of contiguous municipalities) that are unlikely to correspond to a territory as defined by the programme.

To identify the actual boundaries of the territories as defined by the program and extract them from the maps of spatial aggregates ('proto-territories'), we propose to follow a purely qualitative approach. A pre-selection of potential target areas can be done using the maps. For each of these areas, key informants will be interviewed and secondary information will be reviewed; the areas will be visited and workshops can be organized with local experts; part of the interviews will be aimed at finding out the real interest of local stakeholders in participating in and contributing to the programme

##### e) Initial description of the selected territories

An initial 'reconnaissance' of each selected territory will be based on secondary data, informal interviews, and short surveys of different types of firms based on the investment climate questionnaires of the World Bank. The report should cover in broad terms such aspects as the local economy and its recent evolution, key development issues, main social actors, main institutional issues, and the main environmental concerns.

#### Stage 2

##### Question 1: Actors and coalitions

We propose to start by characterising social actors and the interactions between them to shape institutions that influence both access to, and use of, assets.

Through surveys we will be able to obtain the data to describe and analyse the social networks. Through interviews, workshops, secondary information, it should be possible to (a) reconstruct (recall) how the networks took form, how they evolved, and how the dominating agents acquired power over time, and (b) to begin to understand how these coalitions stimulate successful territorial development.

##### Question 2: Institutions and institutional change

Within the pre-defined time horizon, the research will focus on the changes in the formal and informal institutions. It also needs to study the challenges (including the unsuccessful ones) to these institutional frameworks.

It is also important to try to understand 'institutional failures by design', that is, institutional failures that are sustained by powerful agents because it is in their interest to do so. An example is contradictory laws and regulations which leave large spaces for discretionary asset or public resources allocation. The lack of formal rules gives space for non-rule based decision-making and in many circumstances could play in favour of sustaining the status quo, or in some cases could produce autonomy for different regions vis-à-vis contradictory national rules and institutions.

##### Question 3: Access distribution and use of assets through the following questions:

- changes in access to assets and changes in the position of the individual, household or firm in the social network;
- changes in the distribution of assets and the key institutional changes (including policies);
- changes in the productivity of assets and the key institutional changes (including policies).

## Stage 3

- Synthesis of the Ecuador case
- Comparative synthesis of the Ecuadorian and Peruvian cases

### 4. RTD CLUSTER COMMUNICATIONS STRATEGY

As indicated in Box 1, there has already been a considerable amount of communications around RTD. In the following months, a series of workshops will be held in Quito after the completion of each of the stage and a bi-monthly column on issues derived from the research will be published in a national newspaper (El Universo). Rimisp's programme on rural Territorial Dynamics has promoted the organisation of two networks: one of subnational authorities and one of journalists of important national newspapers. The project will establish links with those members of the Andean countries Bolivia, Peru, Colombia and Ecuador for the diffusion of some of its products.

Four workshops will be held including the teams of the Rimisp-IDRC programme in Nicaragua, Peru and Chile to discuss common findings.

At the end of October, a workshop will be held in Quito with ten professors of post graduate rural development programmes in Latin America to, among other things, explore the possibilities for students to produce essays or thesis on the project's subjects; and at least one electronic conference will be held. One issue of the *Intercambios Bulletin* – reaching to more than 10 thousand electronic recipients – will be centred on the project main results ([http://www.rimisp.org/boletin\\_intercambios/index\\_boletin.php?id\\_boletin=57](http://www.rimisp.org/boletin_intercambios/index_boletin.php?id_boletin=57)); and articles in two of the three annual issues of *EQUITIERRA* magazine will deal with the whole of the IPPG's Consortium programme. The magazine has just launched its first issue and has 2,500 subscribers ([http://www.rimisp.org/inicio/noticia.php?id\\_=49](http://www.rimisp.org/inicio/noticia.php?id_=49))

All the working papers and other material are regularly included in the IPPG link of Rimisp web page: [http://www.rimisp.org/proyectos/index\\_proy.php?id\\_proyecto=155](http://www.rimisp.org/proyectos/index_proy.php?id_proyecto=155)

The RTD cluster leader and those of the other case studies of the larger RTD programme of Rimisp will continue to establish links with the World Bank, IDB, IFAD, DFID and with a number of post graduate programmes on rural development in the region through liaison with the Brooks World Poverty Institute at Manchester University

### 5. THE LOCAL RESEARCH TEAM

The local team will be under Manuel Chiriboga supervision and includes Pablo Ospina, sociologist and historian, co-ordinating the field work and in charge of the analysis of social actors and organisations; Carlos Larrea, econometrist, in charge of economic analysis survey design and statistical processing of geographical information. Hernan Ibarra on the historical aspects of the selected territory; Pablo Andrade on political and institutional processes; Hugo Barber on sample and survey design; Gloria Camacho on gender and Paola Maldonado on cartography; some of this work will be in conjunction with the partner University for the project.

