



Mini-Symposium / Thematic Session 10

Understanding the drivers of successful and inclusive rural regional transformation

This thematic session is for delivering the latest research outcomes from the ACIAR funded project of inclusive rural transformation in Bangladesh, China, Indonesia and Pakistan, where the developing countries experience rural transformation. Half or more of the population remains in rural areas, which account for higher shares of people living in poverty than do urban areas. Yet the process is far less studied than it deserves and the origins of the differences by country/region are not clear. These include the need to find common and quantitative measures of transformation and to explore many factors as part of a system. In this thematic session, we will present the recent findings from our project and lead discussion on the relating issues. The purpose is to investigate not only the underlying determinants of the stages, speeds and outcomes of rural transformation but also the impacts of IPIs on all three elements and the successful rural transformation in the four countries.

Paper 1: Rural Transformation, Household Income and Poverty Reduction by Province in China in the Past Four Decades

Pengfei Shi

China has experienced rapid rural transformation, significant rise in rural household income and substantial fall in rural poverty since 1978. This paper examines the evolutions of and the relationships between the indicators of rural transformation (high-value agricultural share and rural non-farm employment share) and its outcomes (per capita income and poverty incidence). The results show that the level and speed of regional rural transformation (RRT) differed largely among provinces. Both graphic and regression analyses indicate that there is strong correlation between the level of RRT and its outcomes: the higher level of RRT is often positively associated with higher level of rural income and lower level of poverty incidence. Furthermore, a general category of RRT based on high-value agriculture and rural non-farm employment is conducted. The likely impacts of institutions, policies and investments (IPIs) on RRT are discussed. The paper concluded with several policy implications.

Paper 2: Linkages between gender and rural transformation: The Case of Bangladesh

Fay Rola-Rubzen

Rural transformation and poverty reduction are directly related. Countries that have undergone both fast structural and rural transformation have reduced rural poverty quickly. However, the impacts of rural transformation vary by country, by region, and by individuals. For equitable growth, inclusive rural transformation is needed. In this paper we examine the link between gender equity and rural transformation in Bangladesh. In particular, we examine how gender equity in labour market, greater access of girls to secondary education, and women's access to core assets, inputs and services affects rural transformation.

Paper 3: Income growth, poverty reduction and rural transformation in Asian developing countries

Dong Wang

Sustainable income growth in rural areas and poverty reduction are among the critical challenges at the forefront of research. In order to overcome these challenges, the role of rural transformation (RT) was emerging and gained much importance. This research focuses on studying the relationship between rural transformation and its outcomes as measured through rural income and poverty. The analysis was conducted in four Asian developing countries: Bangladesh, China, Indonesia and Pakistan. Our results show the path and speed of RT at the regional level and highlight the effectiveness of major institutional changes, policies and investments.

Paper 4: Exploring Cross-region Gap in Agricultural TFP: Climate Change or Technological Progress? Evidence from Australian Non-Irrigated Agriculture

Yu Sheng

In order to explain significant differences in agricultural TFP growth across regions, this paper first applies a climate adjusted production function to analyze region-level data for the two periods of 1979-1993 and 1999-2013, and then decomposes the year-to-year agricultural TFP change in Australian non-irrigated agriculture into four components including technological progress, efficiency improvement, input adjustment and weather change. Thereafter, we use the kernel analysis to compare the relative role of each component in contributing to cross-region agricultural TFP between the two periods and for three different zones where crops, crops and livestock and livestock are produced respectively. After dealing with measurement errors in inputs, outputs and climate variables, we show that changing weather condition has played a minor role in explain the enlarged volatility; Instead, it is technological progress and its asymmetric diffusion across regions matters.

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