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FOOD SYSTEMS AT RISK

NEW TRENDS AND CHALLENGES





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CHAPTER 4.3

RISKS OF INCREASING TERRITORIAL INEQUALITIES

Thierry Giordano¹, Bruno Losch², Jean-Michel Sourisseau¹ and Élodie Valette¹

SUMMARY

In many countries, spatial inequalities are becoming so significant that they might compromise the prosperity, stability and security of entire regions trapped in poverty. Currently, in sub-Saharan Africa they result from unequal population, urban networks which reflect inherited colonial patterns and weak or uneven past development policies, with big cities rapidly developing and concentrating infrastructure and public goods. Intermediary cities and small towns have been forgotten, receiving little support from central governments. Territorial approaches to development barely exist, which means the multiple dimensions of inequalities cannot be addressed.

Spatial inequalities: from dormant threat to crises

Many countries face huge economic and social inequalities, particularly in incomes, job opportunities and access to services. However, in developing countries, data remain too scarce to quantify the spatial dimension of these inequalities beyond specific case studies. Looking at the distribution of multidimensional poverty between and within countries provides a proxy for these inequalities. For example, 1.1 billion people are left behind in sub-Saharan Africa (SSA) and South Asia alone, representing 83 percent of the multidimensional poor in the world⁶¹. Some 342 million people are severely poor⁶² in SSA, i.e. 56 percent of the world's severely poor (OPHI, 2018). At a territorial level, multidimensional poverty is more acute in rural areas, the starkest rural-urban difference being in SSA, where the level of wealth concentration in capital cities is another specificity. For example, in Chad "poverty ranges between 48 percent in the capital city of N'Djamena to 99 percent in Wadi Fira, a region located in the eastern part of the country." Similarly, in Mali "poverty in the southern capital city of Bamako is 30 percent, but it is three times higher in the region of Timbuktu up north" (OPHI, 2018).

This spatial imbalance may result from the historical structural transformation processes observed, where specialisation and agglomeration of economic activities maximised economic growth and lead to polarisation (World Bank, 2009). However, in SSA, where there are major constraints to growth, spatial inequalities are cumulative and can increase the incidence of civil conflicts (Ezcurra, 2018). When the security, stability and prosperity of countries and regions are at risk and instability spreads to more prosperous centres, which is happening in the Sahel region, there is a need for a clearer trade-off between spatially-blind economic growth and greater spatial justice (AfDB, OECD and UNDP, 2015; Barca, McCann and Rodriguez

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61. Multidimensional poverty is a complement to income poverty as it captures the simultaneous deprivations that each person experiences in 10 indicators clustered around health (nutrition, child mortality), education (years of schooling, school attendance) and living standards (cooking fuel, sanitation, drinking water, electricity, housing, assets) (OPHI, 2018).

62. Severely poor people are deprived in at least half of the weighted indicators in health, education and living standards.

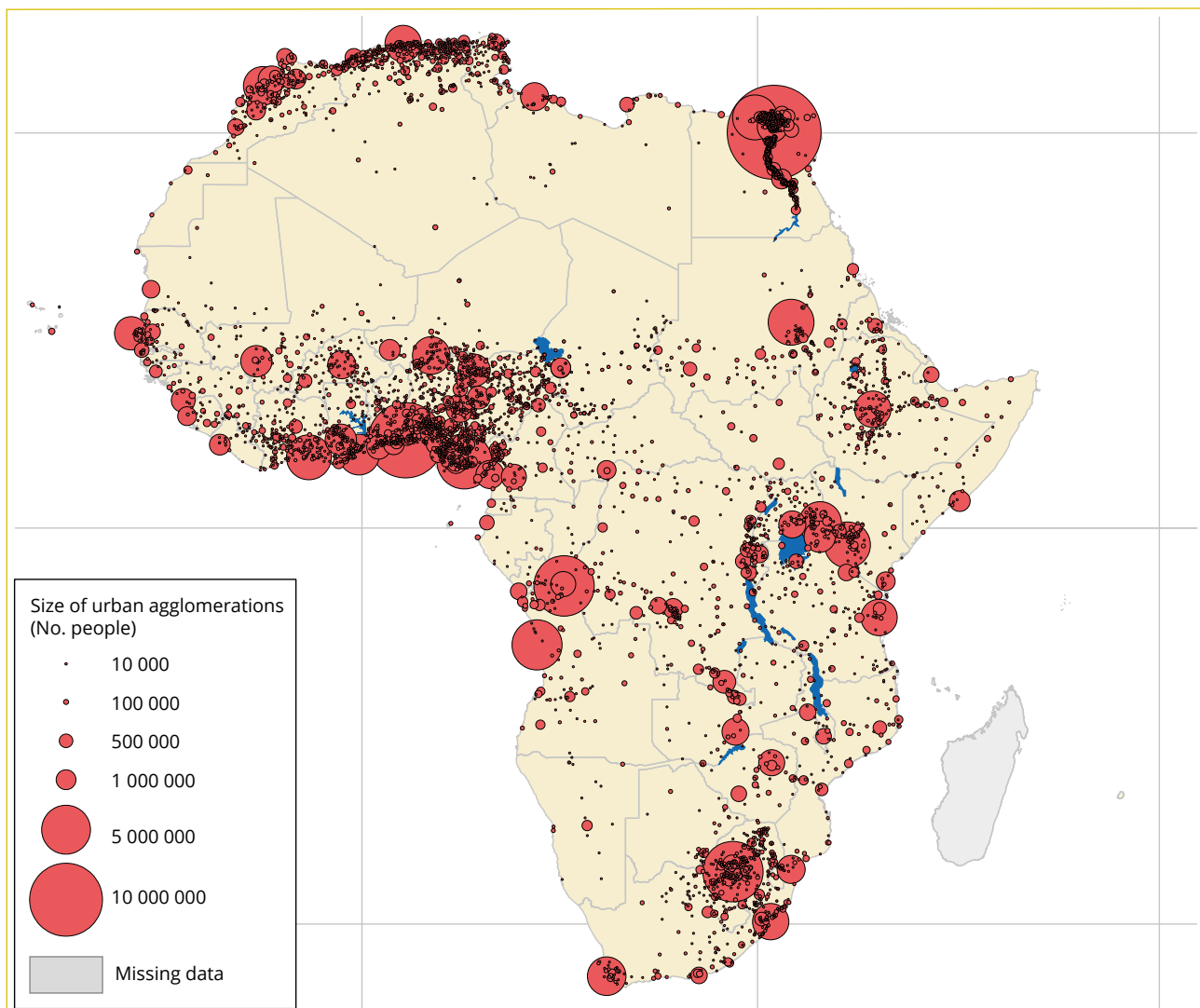
Pose, 2012).

An accumulation of causes

Uneven spatial development is a key feature of both developed and developing countries and is particularly evident in SSA, where the exploitation of natural resources has for many years been the main driver of spatial development. The colonial past has shaped territories through a series of infrastructure projects and investments aimed at extracting rents. The natural endowment was the main factor dictating investment plans: infrastructure was built to facilitate the flow of goods to the coast for export, cities were created to aid colonial control and coastal ports were made capital cities. This development pattern exacerbated spatial differences between territories stemming from their natural capital endowment, geography and climate. Sectoral policies

targeted high-potential regions, leading to the exclusion of large rural areas from significant public interventions and investments. These patterns have left a substantial footprint (Losch, 2016) that national policies and decentralisation efforts have not been able to balance (cf. Map 9).

The unique pace of urbanisation, coupled with the lack of industrialisation, has exacerbated this dependency on past territorial organisation (AfDB, OECD and UNDP, 2015). Urban development has been a clear focus of many policies, targeting mostly national and sometimes regional capital cities, neglecting intermediary cities and small towns and thereby strengthening inherited spatial inequalities. Better economic opportunities, infrastructure and services in large cities have contributed to rural out-migration flows directly targeting the main urban centres. However, urban growth has rapidly outpaced the management capacity of local and national governments. Urban development remains



Map 9: Population of urban agglomerations of over 10,000 inhabitants.
Source: Pesche, Losch and Imbernon, 2016.

largely unplanned due to a lack of resources and technical capacities, cities sprawling outward instead of upward in the absence of land policies and regulations, often on agricultural land and creating strains on natural resources. Informal settlements are expanding, increasing backlogs of essential service provision, especially network services such as water and sanitation, transport and electricity and infrastructure to access education, health and food.

Finally, climate change, land degradation and shortage, natural resource depletion and biodiversity losses have worsened the situation, becoming push factors for many communities. They fuel migration to less affected rural areas and big cities, and limit the growth potential of regions, thereby increasing the risks of unemployment, non-decent jobs and extreme working poverty (cf. Chapter 4.1).

The lack of territorial approaches to development

In SSA, food systems are increasingly seen as possible opportunities for economic diversification, growth and job creation, and for more sustainable development through their direct connection to natural resources. They benefit from the exploding domestic and regional food demand and their core position in the economic and social structure. From rural areas where the potential for productivity increases is still substantial, to urban areas representing a poor but huge domestic market, food systems could be one of the levers for spatial, economic and social rebalancing, in particular through the development of local agri-industries. They represent an untapped potential for all actors in food systems and could have leverage effects on the rest of the economy and society (Arnold *et al.*, 2019).

This would entail strengthening rural-urban linkages to make sure that food-related resources benefit both urban and rural food system actors (cf. Box 11). Intermediary cities and towns then become vital for bridging the rural-urban divide around which city-region food systems could develop (Blay-Palmer *et al.*, 2018). Highly embedded with rural economies and societies, emanating from the densification of what were previously rural areas (urbanisation from the bottom), intermediary cities and towns can create income and job opportunities by linking farmers to urban demand and input markets, and by stimulating non-farm sectors such as transport services and agri-processing.

However, spatially blind policies have had dramatic consequences on intermediary cities. Most lack the very features of capital cities, preventing their development and the rebalancing of urban networks: infrastructure development is weak and service provision is limited, as is the presence of the state

(devolved governance).

While many SSA governments acknowledge decentralisation as a priority, it remains rather ineffective in practice: when the transfer of remits exists, it lacks the symmetric transfer of human and financial capacities, or any level of fiscal autonomy for these cities to address their citizens' needs (Satterthwaite, 2017). Such a devolution of power is often seen as a threat to already weak central governments, which must retain their (for now limited) capacity to equalise development between regions. As a result, while intermediary cities could become critical economic, political and social hubs linking larger cities and backward rural areas, they struggle to attract and/or maintain industrial enterprises: many companies relocate to the capital city when they grow.

The absence of territorial approaches to development (TP4D, 2018) prevents differentiated strategies which would address the specificities of existing functional territories, i.e. geographical areas which can differ from administrative regions and where people conduct most of their economic and social life. This lack of territorial perspective jeopardises the ability of food systems to take up the challenge of growing food demand in SSA, increases the risk of food crises and misses a major opportunity for economic development. ●



BOX 11

THE CONTRIBUTION OF INTERMEDIARY CITIES AND SMALL TOWNS TO RURAL DEVELOPMENT IN ETHIOPIA¹

Urbanisation in Ethiopia has followed a similar pattern to many other SSA countries, with the urban population spread among many cities of very different sizes. While Addis Ababa, the capital city, houses one-quarter of the urban population, intermediary cities are on the rise and have undergone major growth over the past decade. How do urbanisation patterns affect output prices and farmers' agricultural practices in rural hinterlands? This relationship is poorly understood.

In terms of both production and consumption, teff is an important cereal in Ethiopia. It is considered a cash crop for most producers as one-third of the production is sold. Teff is domestically consumed, mostly in urban areas, by better-off households. Urban growth and the accompanying growth in incomes are thereby increasing demand for teff with significant consequences for local farmers, and very little influence from international trade and markets on prices. The closed economy nature of this value chain makes it particularly relevant for studying the impact of urbanisation on agricultural production and rural development.

Using large-scale survey data from teff producers, coupled with data on transport costs and road networks, it appears that the

proximity of farmers to a city and the type of city have a strong impact on farmers' incomes and behaviour, as described by the conceptual framework developed in this work. Not surprisingly, output prices and uptake of modern inputs and yields on farms decrease over distance (measured by transportation costs) to a primate city. However, the presence of an intermediary city introduces a change through the urban demand it represents, making it profitable for rural hinterland farmers located far away from primate cities – and therefore excluded from this market – to produce for and sell to the urban market in the intermediary city and become responsive to price signals. Simultaneously, the intermediary city facilitates access to modern inputs and farmers tend to intensify their production. However, the benefits farmers can get from their proximity to secondary towns are smaller than those obtained when closer to primate cities. Therefore, it appears that agricultural price behaviour and intensification is determined by proximity to a city and the type of city, putting a strong emphasis on the importance of transportation costs and thereby the quality of infrastructure.

1. Based on Vandecasteele et al., 2018.

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