

Summary

NHDR Chile 2008 Human Development in Chilean rural world: Six million on new paths.

Chile is more rural than we used to think. The “Rural world” is far from disappearing and has plenty of possibilities. Nowadays the concept ‘rural’ has changed so much that we almost do not recognize it by that name. To understand it better, we need a new approach, a new language and new way of measuring it.

In this Report the idea of “Rural” is used in a broader sense. Our reference point are those “territories” where the principal but not exclusive economic activity is a combination of fishfarming, forestry and farming, within the traditional rural territory or contributing to one of the new agriculture production chains. In this analysis not only villages, or small settlements are incorporated, but also the bigger cities in rural areas that shows strong economical, social and cultural links with that kind of economy.

When “rural” is conceived in this way, we realize that the rural world is much greater in Chile than one might think (around three times in population terms than the current official statistical definition). This shows that rather than disappearing, the rural world, as will be shown in this Report, it is full of promises and challenges. They are six million people in new paths.

That is the approach of this Report, which will be certainly a subject of continuing and necessary debates, the relevance of which is fully recognized. The unquestionable point is that the current definition is unsatisfactory since it disguises a complicated social reality in constant growth and change.

All numbers show that the combined production of fish farming, forestry and farming plus the food industry has increased constantly over the last decades and at higher rates than the rest of the economy - with a dramatic impact on people’s lives in rural areas. Agricultural sector GDP (Gross Domestic Product) grew from \$452 thousand million to 3,080 thousand million pesos between 1960 and 2007 (in 2003 pesos). As the Central Bank’s primary sector (agriculture, fisheries and forestry) data shows it has radically changed of direction to become an export sector increasing its value in 558% between 1985 and 2007. Again the inherent complexity of the changes, instead of being reflected in the economy overall, tends to be undervalued. This happens since changes in relative prices and the sector’s growing service orientation, make it appear that the sector is losing its economic weight when they are formulated in the national accounts, as it happens with other sectors. Thus, the rural demographic and economic changes are unnoticed.

This is the world in which people's daily lives unfold across vast territories that make up our country. The surprise is that while rural inhabitants know that their localities depend on agriculture, only a portion of them works in these activities. This is the first finding that calls for a re-examination of rurality. This characteristic, together with the many other changes in rural living, means that today the rural identity is in question. The challenge is to up-to-date the meaning of the word "rural" and give a new self-image to rural residents. What is rural?, continues to be an issue of great importance with multiple, often polemical, responses.

**"Chimba is rural but if it were not...",
"Oh, its rural OK. Its just that rural is different now"
"There are even signals for mobiles now and like everything
else, not so countryside... Not so country"
(Women's group)**

What are the implications of this discussion for Human Development? It is related with the possibility to construct a collective project for the future in these territories. No one wants to be called to participate on a project from a residual category, which will lose importance compared to the rest of the national reality. On the contrary, we believe that a broader approach of rurality, used here, allows to build a properly local and regional activity and also to express the real changes objectively in process. And as noted, in terms of a focus provided by the Human Development normative framework, the existence of a society potentially capable of controlling its future – is a condition for the democratic construction of a social environment where to enhance individual capacities.

Changes on the rural world: the progress is here.

In our time, people live differently. Rural inhabitants feel closer, more integrated and connected among them and with the society as a whole. In great measure this is due to improvement in road connections and communications that are paradigms of the progress and the advancement in the life conditions of these regions.

The presence of progress is generalized today and has become a common theme of conversation and debates. This situation is a great achievement that ought to be valued correctly.

**"... Here we have transport every five minutes. There is electric light,
drainage, there's everything now, see. There is everything now.
So where you have no electric light? Its everywhere..."
"... OK we all have paved roads. We have electric light, and there
are people that have cable, they have cable and all that"
"... There is nothing to envy in town life, because everyone can get
all the comforts wherever they are..."
"The other day in my house, a neighbour and I were saying that we
could compare ourselves to any lady from the big city"
(Women's group)**

Today's rural world is not anymore one of misery, poverty, illiteracy, abuse and isolation. Income poverty has been noticeably reduced in the last decade. Today

everyone has a cell phone, television and live thirty minutes away from his or her place of work, from the doctor's office, shopping or municipality. Most income is off-farm and is paid in money. But it is also far from being a bucolic and romantic place with unspoiled nature and trusting people; today rural inhabitants are less 'trusting' than in big cities. This way, the old rural order is changing and dissolving into a new relationship built on middle size cities and the countryside. Nowadays It would not be absurd to state that "the rural area of today is also urban'. This creates unexpected realities, linking people and activities that were previously unconnected, but generating new types of exclusion, such as those who just survive on small agricultural holdings or those at the margins of the new regions.

The Chilean 2008 Human Development Report, shows that today's rurality does not constitute a way of life or world vision opposed to or excluding of general social or urban -metropolitan life styles and points of view. Nowadays rural and the large urban areas make up two parallel lines, connected by the same history. They are neither distinct nor distant. But nor are they identical; the countryside and great cities share the positive sense of progress achieved, but differ in their vision of the future.

The evaluation of personal and family prospects What has been gained and remains to be won

The evaluation of change by rural inhabitants shows what has been achieved and what remains to be won. They illustrate, too, the uncertainties about human development in that they combine notable gains with future uncertainties.

Evaluation of rural inhabitants' personal prospects

Rural inhabitants are conscious of the gains they have made, but the most striking results of this Report concern the tone of this evaluation and their influence in the construction of identity. Using survey analysis we can say that when rural inhabitants are asked about their individual prospects, they can be grouped into three different types;

1 The conformists: They say that compared to ten years ago, their families live better today. They consider their family income adequate and that they live without great difficulties. They believe that their future will be similar to their present . They feel fulfilled and satisfied with their lives and represent 34 percent of the sample.

2 Those that want more: Like the group above they consider their families live better than ten years ago, They report that their incomes support them well, allowing them to save. They have an optimistic view of the future and believe it will be better than the present. However they are only half satisfied since they want to do other things henceforward. This group represents around 38 percent of the sample.

3 The dissatisfied: They say that their families live better ten years ago than now. Their incomes are not enough for them to live on and they believe their future will be worse. They wish to do something different to what they are doing now. They make up 28 percent of the sample.

Rural inhabitants evaluating their localities

Beyond differences between groups, 72 percent of the rural population are satisfied with and judge their family's progress and themselves favorably. However this positive evaluation tends to be weaker when the focus is no longer themselves but their general environment. Their view of their locality is less positive when they discuss their personal prospects. Around 66 percent of the sample says they are progressing, including 56 percent of the dissatisfied group. The best -evaluated features are greater access to basic services and connectivity.

On the other hand, in terms of a general evaluation of the rural world, 75 percent of the population says it is where one can 'survive but not grow'. As a result there are important differences between personal evaluations, generally positive; those of the localities also positively but less intense, and the rural world which is evaluated by negatively by the majority. Why? Why do they judge rural life so negatively if they believe that their families have progressed together with the locality in which they live? The Report considers that there are objective and subjective foundations for this evaluation. An objective examination shows the quality of economic opportunities to be found in today's rural regions. The rural sector has been capable of creating a 'floor' of opportunities for its inhabitants that demonstrates past progress even though the income differential persists. This is undoubtedly linked to different productivity conditions, distribution of educational capacities, access to the labor market and to the specific employment conditions associated with agro -forestry and fish farming economy.

These features create an environment that can supply unexpected opportunities for sustainable standards of living; however the general income level to which rural inhabitants can aspire is bounded. In other words, there is work for everyone but they don't earn much; one can survive (a doubtful proposition in the past) but not flourish.

These trends contribute to the formation of a socio -economic structure in these regions that is different from large cities, mainly because of the over-concentration of the population in low income segments and less representation in the medium to high income sectors. This situation represents the 'roof' of Human Development in the rural areas.

But as has been shown, the poor evaluations of 'rural zones' have also subjective foundations. Part of public opinion presumes, as a given fact, that rurality is associated with reduced quality and quantity of opportunities. This could explain why people most value their personal prospects and the place where they live but judge the conditions of life in rural areas negatively. It would appear that the rural is undervalued as a potential location for full development. Given this it is not surprising that a positive sense of the future, which attracts people, is missing for rural areas.

New Challenges

The non-temporary ‘temporaries’; seasonal -cyclical employment

‘Temporaries’ are the men and women working in groups that multiplied in the 1980s with the growth of modern export firms (agriculture, forestry and fisheries). The contracts that predominate for temporary employment are *sui generis*, as the new workers have a formal, legal relationship with the firms but which are temporary and mediated by a third party. This employment is rarely sought but is often the only option; they are not contracted for skills but attitude –it’s unskilled labor and for this reason is considered as a low class occupation. It’s the choice for those without choice.

“I work, I’m a temp and work from time to time, well, at the best of times I don’t earn much but what else is there? We’ve got to work as a temp and there we are; if you married then you have got to produce”

(Temporary workers group)

‘ If he has no profession then he has got to work in the fields, nothing else ’

(Mixed group, small producers)

‘ That’s the truth, because to be a temp is like having one shoe, no other, as if one can’t go to the right or have life prospects...’

(Temporary workers group)

The point is that, while the proportion of the population associated with this kind of work are objectively a minority, the discussion about rurality concentrates on this topic and the specific opportunities that low skill labor markets offer. Even though many other opportunities are recognized, there is criticism about their quality.

The new rural settlements and their impact on self image and the quality of life

The appearance of new settlements has become the solution to housing the many new inhabitants of rural regions, such as those who have emigrated from the large cities and those arriving from neighboring areas. Progress is then an ambivalent process of restructuring ways of working and living in regions that have made the settlements, during the last decade, an essential part of the new human geography of rural areas. It’s a question of daily experience for the majority of the respondents. Their judgment about this experience is ambivalent and divided with 13 percent yet to express an opinion.

The balance is in dispute; the settlements can be seen as an example of progress for a locality and for low income families better access to their own dwelling (in fact, it is lowest socio -economic group of respondents that see most benefits); while on the other hand they generate a consistently negative opinion as the settlements are considered a potential source of new social risks, associated with the quality of life as with agricultural production.

“...yep over there are three or four allotments but the rest are only settlements. What’s more I have some land that is there in the middle and I’ve got settlements on all sides”

(Women’s Group)

“They are going to sell their land not for agriculture; they are going to grow houses”

(Mixed group, small producers)

The rural debate about current challenges to small -scale agriculture

Rural inhabitants understand the difficulties of small -scale properties to survive historically as well as the constraints on market access by the peasant families without access to internal or external markets. The ‘natural’ market, the internal, would no longer be the way for small –scale agriculture; they cannot find the price, not reach scale, nor can they invest (risk). So its difficult to continue with their cultivation pattern or develop alternatives. Also given their homogeneity as small producers, they end up overexploiting innovations and weakening their initial advantage or economic interests. Nor is how their access into the dynamic agro -export market straightforward; in fact during the rural discussions they identified themselves with large producers, the very opposite of their situation. The administrative and technical complications of productive processes and commercialization exceed the subjective potential of the agricultural family enterprise. Likewise this unit would find it difficult to manage the finance for agro -exports and control the risks that could become unmanageable.

“ Its very difficult to export if they put thousands of conditions...”

(Mixed group, small producers)

“ Oh it’s impossible for small producers; only the middle men are going to be in this business”

(Mixed group, small producers)

To rescue the idea of small producer exports, there has to be a group approach above all ‘supported by the state’ with a comprehensive plan to encourage the exports of products from family agriculture. The discussion itself seems to have identified two alternative arguments – resistance and reorganization.

Young peoples expectations

The crisis of expectations about social mobility is especially present among rural youth. The old rural question – stay or go? – now has a new twist. It is possible to stay as there is work but as this does not lead to much, there is an overwhelming urge to migrate. The work that allows survival denies development or personal prospects.

“... a taxi driver said to me one day; look, mate, this is a good city to live in but not to prosper”

(Mixed group)

Its as if the future was somewhere else. Here there is only repetition. The future (the possible) for them would be elsewhere and not in agriculture.

“Yes get out of countryside.. the young people leave to study elsewhere and then d on’t want to come back to the fields, you hear!”
(Women’s group)

“ Yes well now all the young people are emigrating..And well we don’t like it at all... they see there is no future here, ok”
(Women’s group)

An incipient environmental consciousness; from a threat to opportunity

This issue could herald a growing local consciousness that might have important consequences for mobilization and collective action. It is a topic of discussion among rural elites and intellectuals (teachers, doctors, local leaders, among others) Rural inhabitants, when they refer to this issue, recognize that all the actors in the geographic region are potential agents of contamination – the new agro industry, the new agriculture, traditional small agriculture – they all contaminate.

“... (this company) here with its (output) Do you know how it contaminates the brook? Are you worried?”
(Man, rural discussion group)

“The growth of the plantations/holdings is surrounding all the residential zone; there are days when one cannot go ou t for long because they are spraying”
(Woman, rural discussion group)

Perhaps the most feared of the environmental risks are specific changes of an unknown and incomparable scale for rural areas (thermoelectric power, megaindustries, tailings storage et c). And this raises questions of not only environmental but the social sustainability of these regions.

“..they’ve come and are trying to install a project in the community that concerns us all, this famous termoelectric its going to impact agriculture, its going to affect fruit quality, its going to affect the water system, roads, I don’t know how many trucks come and go now”
(Woman, rural discussion group)

Together with this burgeoning environmental threat there is an opportunity associated with the fact this same challenge pushes for a territorial reorganization of the countryside, for example with an ecosystem, valley or watershed. The environment could be one of the ways to catalyze a regional consciousness that might, symbolically and practically, nourish the nominal and conceptual meaning of rurality. Meanwhile it is only an incipient concern, not yet a perspective as subject and not yet to be observed as a system.

A future project for the rural regions; who can construct it?

There is both progress, which provides a strong foundation of opportunities and there is a crisis around the peak of expectations. There is the idea of rural as a society of the past, but not of the future. Are the rural elites capable of meeting these myriad challenges?

An important part of the Report examines the way by which public affairs are conducted in rural areas, analyzing the relations and behaviour of local, provincial and national elites. The results show that the rural elites base their role on their ability to link directly with the resources supplied by the center. It is an elite that demonstrates confidence in its ability to influence events in the region but knows that to do so, it must be a bridge between the regions and resources provided by the centre. So we can see a rural elite, empowered but acting within a certain logic or way of exercising power that tends to clientalism or handouts. This is an obstacle for building an authentically local social actor, able to push a project about the future that is as self-owned as satisfactory. However in the argument about power in rural regions one actor stands out above all others – the mayor.

The all powerful mayor

The mayor emerges from this study as the central figure of the political networks in rural regions. He or she is regarded as having the greatest influence but also being the most conflictive. So it is not surprising that the other elite members say that he or she has too much power.

“...People want to see you, see you; then you are mayor, you are neighbour, you are negotiator, you are business man, you are social leader, you are a senior citizen, you are a woman, man... and on the other hand you have to talk about different topics and everyone expects that you have perfect knowledge about education, about health and anything else.”

(Mayor)

“ I think that the mayor are very jealous, the mayors are petty dictators,mayors are like kings and some end up convinced they are kings of the city”.

(Mayor)

The provincial regional elite are basically reduced to the role of administrators of resources that flow from the central government and, because of where they are positioned, they see themselves as being pressured by all kinds of other demands from other levels. On the other hand, the rural elite at the national level, is made up of highly political actors, has the role of solving the problems that come from the regions through local leaders. Out of the picture are public spaces in which these requests can be defined, and so they are enclosed in a circle of handouts between the national elite, leaders, and mayors (local and national elites)

“ there is no one in the rural areas nor in regions that takes important decisions. the people that take the most important decisions for rural areas are the Minister of Public Works, the Minister of the Economy and the Minister of Finance...”

(Parliamentarian)

“[My role] is that of an articulator of demand and of the existing resources in order to satisfy demands, which has not always been the case; it should be normal that the resources are directed to projects that does happen in some regions”
(Parliamentarian)

It is clear that the rural elites ought to modify the way they exercise power, by moving from clientalism and handouts to the representation of interests; and strengthening a collective understanding of the authentically local capacities. That is from arranging for resources among the different groups toward supporting endogenous development capacities for the localities and regions.

The Rural world at a cross roads

Their transformative stories have made people value rural progress. However today the criticism that is raised is about the quality of existing regional opportunities and questions about the future. How to advance from the “ floor” already achieved to an expansion of the “roof” of opportunities?

Conditions for debating the rural future

Rurality today is as local (located in a valley, community and history) as it is global (directed at world markets); both countryside (grazing land, crops, biodiversity) and city; both inclusive (give employment) as exclusive (but which ends in winter); both traditional (continues to grow corn as at the beginning of native agriculture) and is highly innovative (the sale of orange husks for cosmetics).

These diverse and paradoxical features should become part of a shared vision about the future. From the point of view of Human Development’s normative framework this is a fundamental task. Societies need collective capacities that allow them to govern their future – not a misplaced belief in fatalism or automatic pilots. And, each development path needs social consultation/deliberation that gives it sense and legitimacy.

A future for the rural regions needs to be organized through collective activities, which are incipient, and deal with five key challenges. They are the following,

1. Change the perspective of the discussion; build from what has been achieved

The rural person has a history that is told in one dimension and becoming anachronism. This history of rural areas is always about shortages and loss. Meanwhile there is no story about what is coming into being. The positive features of this future narrative, the ‘where to’ and ‘where do you want to go’ stories don’t exist. But local and personally – yes, they do; persons and localities do have a future narrative with expectations about individual mobility but these are unreconciled to imagined futures for rural areas. It seems as if the rural world is being devalued as a generator of achievable social opportunities. A change in perspective is needed because the traditional ways of looking at rural conditions does not allow for the recognition of this future dimension. The present habit of commenting on and analyzing rural conditions confirms its weakness and so it loses weight and importance. A new perspective must not only work through the demographic, geographic and economic changes but requires an understanding of social, cultural and deliberative processes. It is necessary to present an inclusive rural future beginning with what has been achieved. Rural areas are not disappearing; they are looking toward their futures with hopes instead of nostalgia.

2. Encourage a more plural discussion

It is necessary to encourage a richer and more diverse public discussion that broadcasts the different rural debates and voices which would reduce the amplification of the state's one directional messages. Up to now it has been fundamentally a rural dweller/state discussion. But the dialogue ought to be organization -state-firm. It is necessary to incorporate private voices into discussions about rurality (beyond agriculture and exports). Their inclusion would allow a reformulation of "corporate rural responsibility" that has a bearing on the large impact that they have in the construction of socially integrated rural regions. At the same time is necessary to include more voices from small -scale agriculture and the many associations, related to fish farming, forestry and agriculture sectors that have a regional presence.

3. Promote a more connected discussion

The discussion about the rural world today is fragmented. No one seems to talk for the whole as an entity or even to address it. Some participants concentrate on the small-scale producers, others on the medium and large firms, others on fishermen, others on services, on communities as a key to the environment. The rural scene is today made up of very different participants. Nevertheless, this multiplicity has yet to find an integrating formula. A common formulation would strengthen the building of endogenous capacities as it would reaffirm shared activities and persons that, apart from their common rural location, lack a common vision about what can be done together.

4. Discuss the present regional/territorial focus with what is thought and done about rural areas.

The focus on rural areas is principally about municipalities/counties or prefectures/regions. It is necessary to examine these definitions in order to face future challenges. Rural communities are limited in their perspective as they see regions from the inside as municipal, county or administrative locations that often do not coincide with a real or experienced rural territory. This makes it difficult for them to identify those aspects of rural areas that are the most interlinked. The inverse has happened with regions whose scope has not allowed them to penetrate into smaller rural zones. The concept and regional registration would be fundamentally administrative. Regions name and customarily manage more than a rural location, not necessarily zones that are organized and interlinked. So this county-region duality is a double obstacle for thinking and acting strategically in rural areas. The county does not observe its surrounding environment and the region does not see the system. So it seems likely that a project about the future will be remain arbitrary based on participants' one - dimensional or foreign (outside the region) behaviour. Either the State or the market but without a local participation.

5. Rethink representation and leadership in regions

Future plans not only face questions about the range of actions but understanding and exercising public policies. Clientalism and unvarnished administration, with resources entering and leaving the territory, are an insufficient basis to construct a narrative with a capacity to project the future. The elites of rural societies do not appear to be supporting the process of political representation that would help both create an integral vision of rural areas and build their endogenous capacity for collective action. Today the elites constitute central figures because of their administration of resources and less for their

work as representatives and their political skills in local decision making; its more an administrative than political elite, exercising power vertically down rather than horizontally or vertically up. Neither this elite nor the media associated with them appear to have the will to insist on representation and reconstruction as elements of the new rurality – not as a long term goal, nor as a function or identity. They appear to be more comfortable wielding power so the current state of things can continue. So incentives to propitiate new forms of representation and leaders will be needed.

The rural world is not static but a social construct, a way by which society has organized social and economic life in certain locations from the epoch of the *encomienda* to packing warehouses. What happens to rural regions in the future depends on the kind of society we want to be, neither arbitrary nor subject to fatalism. Rural society is not disappearing; it is only statistically invisible and socially devalued as an area for quality opportunities. If we expand our gaze we will see that the rural life is more dynamic than we may believe. Much is happening and which we ought to discuss.

“ we want Chile to have more agriculture than ever, we say to our country that we are responding to an historical imperative and a real development need. We have the best sunshine, the best land, we have extraordinary people who know how to do things well. We know that the work of the men and women on the land has the recompense that it deserves. For this reason we are here – for you to do well what you know how to do and for us to help, for supporting you and to be with you”

(Michelle Bachelet, President of the Republic, August 2006)

The future of the rural world concerns us all

Rurality, today often elusive, polemical and paradoxical, also expresses the tensions of our modernization process. And so the countryside is important for everyone; it is what we are today. Even more to the point is the fact that the rural can be at the core of what we want to be in the future. The goal of making Chile an agro -food and forestry power is a bet for the whole country not just rural regions.

At the threshold of the Bicentenary, we can't answer the question what we want to the country to be tomorrow without defining the place of the rural regions. This response cannot be theoretic or a matter of good intentions. The rural world will not simply be what we want it to be or what it suits us. The key is to recognize the promise and challenge in the rural regions today.

This Report on Chile's Rural Human Development challenges us to listen to the voices of rural inhabitants and so enrich our common discussion about our country, Chile.

The Report's empirical base

The present report is built on primary and secondary empirical information assembled with different quantitative and qualitative methodological instruments.

First, six discussion groups were organized, made up of local inhabitants from different backgrounds to discuss the main issues and the rural context. The aim was exploratory - to allow issues to emerge, to discuss concepts and processes about the countryside in open and personal debate. The surveys that provide this Report's quantitative support were designed taking into account the results of the group discussions, together with a bibliographic review and interviews with experts.

The survey was applied to the inhabitants of rural regions for this Report. With a sample size of 1,400 cases the survey is representative for adults over 18 years of age, resident in households located in human settlements of less than 160 thousand inhabitants, between the regions of Coquimbo and Los Lagos.

In addition to this opinion survey, one was organized for rural elites. This consisted of a structured sample of 240 cases, based on the recommendations of a panel of experts who identified provincial and local elite members in rural regions. In addition there were in-depth interviews with members of the national elite, influential in rural regions. Five highly qualitative case studies were developed, parallel to the surveys, and which provided an integral perspective about the changes that have affected rural life and regions in the last fifty years. The case studies were for the Aconcagua Valley (Putendo, San Esteban, Santa María, provinces of San Felipe and Los Andes); Cachapoal (Doñihue, Coltauco, El Olivar, Coinco); in the Maule region (Cauquenes, Empedrado, Pelluhue and Chanco); in Cautín province (Chol-Chol, Villarrica and the north of Panguipulli); and the province of Osorno (Puyehue, Osorno and San Juan de la Costa.) These were complimented by special monographs chosen to systematize some aspect of the ample secondary information available.

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