

Socioeconomic roles of agriculture

Farmers across the world are facing enormous challenges adjusting to the pressures and opportunities in a trade-liberalizing global economy, seeking ways to diversify sources of income and capture more of the value added in the food chain, contributing to rural employment and viability, and responding to the needs and desires of societies that increasingly want agriculture not only to produce sufficient, safe, and reliable amounts of food but also to protect and enhance the environment. Governments have a role to play, especially in providing environmental services or levying penalties for causing environmental damage.

These were among the issues discussed at an APO seminar on Socioeconomic Roles of Agriculture in Asia with Emphasis on Agroenvironmental Services in Manila, 5–9 February, where experiences in Asian countries were shared, research results presented, and thoughts offered on policy implications. As a resource person, I gave the OECD perspective, where work on agroenvironmental policies has been ongoing for around 15 years. This APO event was one of the best I have attended on the topic. Ample time was given for presentations, questions, and comments among the 19 participants from eight APO member countries and four resource persons. There was a good mix from policy advisors to researchers to those with grassroots experience. The break-out sessions enabled everyone to become involved and engage in discussions. The study visit to an organic farming enterprise was a well-planned, integral part of the seminar.

The atmosphere was friendly, open-minded, and frank, which was important because the topic has often been divisive, with some countries accusing those trying to promote their model of agriculture as being protectionist, while others arguing that dismantling trade barriers will threaten their right to maintain



Legg delivering his presentation

the unique characteristics of their agricultural sectors. This seminar was also timely, since both the OECD and FAO have recently completed major studies in this area and many countries are putting in place policies to enhance the role that agriculture can play in environmental service provision.

One pleasing observation was with respect to the role of policy. In most OECD countries, where generous amounts of money are provided to support farmers, there is little incentive to

create markets to pay for environmental service provision. By contrast, local-based innovations to find market solutions abound in many non-OECD countries. OECD countries could learn a lot from those experiences, although APO member countries might learn something from OECD countries concerning property rights and institutional arrangements to enforce environmental regulations.

I believe that an added value of the seminar was that it encouraged participants to think hard about how policies can help to improve the agroenvironmental situation in their own countries; it was beneficial for me in that respect. While there is no unique solution, it is vital that well-designed national policies are clear, transparent, understandable, and can be implemented at the farm level where the real actions are taken. It would be desirable to follow up on developments in the APO membership in a few years to see whether and how the lessons learned have been translated into policy and farm-level actions. In this respect, comparing and contrasting OECD and APO country experiences could be a valuable exercise. 🌀

Contributed by Wilfrid Legg, Head of Agricultural Policies and Environment, Trade and Agriculture Directorate, Organisation for Economic Cooperation and Development, Paris, France.