



Deutscher Tropentag, October 8-10, 2003, Göttingen

“Technological and Institutional Innovations
for Sustainable Rural Development”

Institutional Innovation, and Investment in Rural Public Goods for Development and Reduction of Poverty

JOACHIM VON BRAUN

International Food Policy Research Institute (IFPRI), United

Abstract

The institutional and political context within which the rural economy operates has changed rapidly in the past two decades. The agriculture and food system is changing from a relatively large and distinct economic sector to a more pervasive, system integrated within the global economy. In order to improve equity and efficiency, national governments must provide public goods, including internal peace, rule of law, and public investment in education, health, nutrition, and infrastructure. But a massive scaling-up of investment in enhancing productivity in rural areas of developing countries is needed, as well. The fast trend toward inequity has to be reversed because it is inefficient, unfair, and risky for societies.

Keywords: Developing countries, institutional innovation, public good