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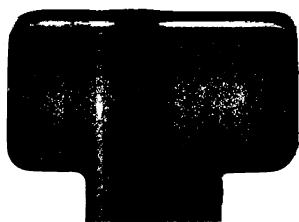


STOCKHOLM SCHOOL OF ECONOMICS

*INTERNATIONAL SEMINAR*

*MACROECONOMIC POLICIES,  
ADJUSTMENT AND RURAL POVERTY  
IN LATIN AMERICA AND THE CARIBBEAN*

September 2-3, 1993  
Stockholm, Sweden



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## **1. Antecedents**

During the 1980s, because the development strategy followed in the region for more than three decades had run its course, there was a worsening of economic and social problems and the foreign debt crisis broke out. Faced with this situation, the countries of Latin America and the Caribbean started down the difficult road to macroeconomic adjustment and structural reform, one of the goals of which was to assign the market a more important role in allocating production resources.

In order to liberalize and open up the economies of the region, it is necessary to redefine the role of the state in the national economy and, therefore, to bring about substantial change in institutional arrangements and in way the public and private sectors are organized to meet the challenges of operating in more open markets.

The number of people living in poverty in the region was extremely high at the beginning of the decade of crisis and adjustment (36.6 million families), of which a significant portion (approximately 34%) lived in rural areas and worked directly or indirectly in agriculture. This made it necessary to conduct research aimed at determining, initially, the implications of the crisis and the macroeconomic reforms for this population group.

During the late 1980s and early 1990s, the situation was characterized by an emphasis on efforts to adjust and open up economies and to reform the state, a revival of the integration movement, the proliferation of initiatives to create free trade zones, and others intended to consolidate the move toward democracy.

A topic of ongoing concern has been to meet the demands of those who have borne the brunt of adjustment, and to develop new forms of organization in order to operate successfully in the context of more open markets. The scant participation of the most vulnerable social groups in the benefits of economic expansion, as a means of overcoming structural poverty, has been identified as one of the weakest links in the process.

This situation is what led IICA and SAREC to join forces in the late 1980s to conduct a series of case studies. The results have provided an overview of the phenomenon and how it has developed, which can be used as basic inputs in the formulation of policy recommendations that are relevant to the governments of the region.

## **2. *Objectives of the Seminar***

This event was scheduled as part of the support program of the IICA/SAREC project, as a final activity of the first stage of fruitful cooperative ties between these two institutions. The purpose is to share information with Swedish professionals interested in the problems of poverty in Latin America and the Caribbean, and in options for solving them. The objectives of the seminar are:

- a. To present and discuss the results of research conducted as part of SAREC/IICA cooperation on the implications of macroeconomic adjustment for rural poverty in Latin America.
- b. To exchange views on the impact of structural adjustment and trade liberalization policies on the definition of a strategy to modernize agriculture in Latin America that also takes social needs into account.
- c. To generate discussion on the shape and direction of the economic policy reform process, the implications for the institutional framework of the agricultural sector, and changing the relations between public and private agents in order to meet future needs.

## **3. *Organization of the Seminar***

The seminar a joint effort among IICA, SAREC and the Stockholm School of Economics.

Two IICA specialists and two of the consultants hired by IICA to conduct the case studies will participate in the seminar. Also participating will be Dr. Per Pinstруп-Andersen, currently Director of IFPRI, who designed the methodological guidelines for the case studies on adjustment and rural poverty.

SAREC will provide the logistic support required to hold the event in Stockholm; its technical personnel will also participate in the meeting. SAREC will also extend invitations to professionals and members of diplomatic missions in Sweden.

The Stockholm School of Economics will participate through scholars and researchers interested in the subject; it will also provide logistic support.

Papers will be presented by the IICA specialists and consultants; Swedish professionals and other invited guests will participate as commentators on the papers, and in the general discussions.

The event will be held from September 2 to 3.

#### **4. Schedule**

##### ***Thursday, September 2***

09:00 - 09:45 Inaugural Session (IICA Representatives, SSE, SAREC)

09:45 - 10:00 *Coffee Break*

10:00 - 12:00 *Session I: The Adjustment Experience in LAC*

- Adjustment and the rural poor: A methodological approach (P. Pinstrup Andersen)
- The nature of economic reforms and the rural poor after adjustment (R. Trejos)

14:00 - 17:00 *Session II: Experiences in the Countries*

- Privatization of functions, the informal sector and rural poverty (E. Gonzalez de Olarte)
- Macroeconomic performance and rural poverty: What the indicators do not reveal? (G. Chavez)
- The role of adjustment policies and the reconstruction of the institutional framework in rural areas (L. Pira)

**Friday, September 3**

**09:00 - 12:00 Session III: *Organizing institutions to meet the challenges of modernizing agriculture and eliminating rural poverty***

- Towards new types of institutional organization in the agriculture of LAC (C.Pomareda)
- Successful experiences in rural organization and in overcoming poverty (M.Chiriboga)
- Agriculture competitiveness and sustainability through the generation and transfer of technology. (E.Trigo)

**14:00 - 16:00 Session IV: Panel Discussion: *New policy instruments and institutions for a competitive, equitable and sustainable modernization of agriculture***

**Moderator:** Mats Lundahl, Stockholm School of Economics

**Panel:** Per Pinstrup Andersen, IFPRI  
Alain de Janvry, Univ. of California  
Carlos Pomareda, IICA  
Adalberto García R., Colegio de Mexico

**16:00 Closing Session**

## **5. *Participants***

IICA specialists and consultants, SAREC officials and technical personnel, scholars from the Stockholm School of Economics, representatives of the Latin American diplomatic corps accredited in Sweden, guests from other cooperation agencies, governmental entities and Swedish universities.