

## **PROMOTING TERRITORIAL DEVELOPMENT AND LOCAL IDENTITY PRODUCTS**

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Let us start by stating that there is no unique and universal approach to development and that development does not take place in the same way in different places. In a country like Ecuador which has high cultural and territorial specificities development practitioners must consider approaches which are based on the country's own options and the promotion of specific products. State policies aimed at promoting rural development must take into account that development may take different forms in different spaces and that promotion of specific products must be pursued to allow for the development of territories with their own identity.

Let us now attempt a definition of what we understand by local identity products. A wide-ranging definition would include all goods and services, information and visual images, which are particular or unique to a given territory. We could identify a type of cheese, the work of a group of musicians and images or symbols, which identify the territory such as a colonial church, industrial manufacturing establishments or specific landscapes such as a volcano or a mountain range. Identity is then the quality of a product, service or landscape, which is unique, different, distinguishable and distinguished in the wide definition of the term. Identity is a cultural quality which is inherent to individuals and goods allowing them to be recognized by others as special and from that perspective they bring forward something different contributing to the enrichment of society at large. Promoting development with territorial or local identity implies privileging what distinguishes a geographic location allowing it to compete in absolute advantages as a result of its uniqueness and in comparative advantages related to better conditions in delivering a product or service. The opposite of local identity development implies pursuing a development approach devoid of identity, which results in doing exactly the same thing everywhere: the same architecture, a uniform dress, a one only language and the same food.

The idea in favor of development with local identity is not new as countries in Europe demonstrate having promoted emblematic products and identities with a clear identifiable cultural and historic origin however, not in a conservative fashion but renewing, improving and adapting products and services in order to compete in segmented markets

which search and demand local identity products and services. In Latin America and Ecuador in particular there are numerous examples of local identities and products that are known but do not contribute towards territorial development due to a submissive culture that considers consumption and use of local products as being the cause of backwardness. A submissive and imitative culture destroys self-esteem believing that what is imported is better by the simple fact it is imported. A submissive culture does not lead to competitiveness neither does it further development of high quality products and services which once recognized in different markets reinforce self-esteem and the capacity of organizations to pursue their own development.

Let us conclude this introduction to the concept of development with territorial identity by saying that this form of development is open to markets, other cultures, ideas and approaches constantly renewing itself and admitting new concepts and ideas. The idea of territories and products with identity should not be confused with a folkloristic or autarchic posture

Before outlining a number of suggestions aimed at moving the concept forward let me briefly review past development interventions in Latin America and comment on why we believe that Ecuador is well placed to pursue this approach.

In the past, development efforts in Latin America have been concentrated in increasing land productivity concentrating interventions in increased production of standardized agricultural products. We can verify today that in fact yields of these products have increased having spent considerable resources in infrastructure and production support services including cheap credit and government extension services. However, we can also state unambiguously that very few peasants and small-scale farmers are less poor than before. Equally development approaches have privileged standardization and harmonization of educational and health services architectural design and food consumption patterns. All this has resulted in mirrored territories, cities and towns producing more or less the same products leading to stagnation and lack of confidence in the future. We can expect that much of the development to take place in the next decade will be pretty much more of the same however we must not despair in the search and introduction of new development approaches in the determination to overcome rural poverty. The concepts of territorial development and identity products being advanced here have a good chance of succeeding as they recognize the inherent potential of the poor and their natural and cultural assets as a way of overcoming their poverty conditions.

Let's now turn to Ecuador to argue that the country's development process must be reinforced with the adoption of a specific rural development strategy to be enriched with the concepts of territorial development of products with identity which would make this strategy successful. One of the principal characteristics and richness of Ecuador is its mega diversity both in terms of culture and biodiversity. What is valuable in Ecuador is precisely distinctiveness and variety. A clear example of the absolute advantage of Ecuador and its unique contribution to the world is the territory of the Galapagos archipelago thus a coherent development strategy presupposes a territorial strategy for

Galapagos with strong identity elements in order for the value of its flora, fauna and tourism resources to be multiplied over time enriching first the inhabitants of Galapagos, then Ecuador and the world at large. This again presupposes investing in Galapagos in order to multiply its biodiversity and the provision of unique and inimitable services, which cannot be found elsewhere. What must be avoided at all cost is to transform this territory in a territory similar to others with some curious and rare animals.

Like in Galapagos continental Ecuador has a myriad of products, services, cultures and landscapes which are unique and the demand for which can be increased considerably if these are made known, maintain high quality standards, retain their authenticity and are developed by local individuals, enterprises, organizations and institutions. Many of these products with identity are rapidly finding markets proof of it the enormous interest that foreign tourists have in coming to Ecuador and their specific demand for products and services not always appreciated by nationals. Another example of the success in marketing identity products are the so called nostalgic products which many immigrants cherish in their adopted lands.

It is now necessary to outline what we think needs to be done in order to move the process forward. First we must adopt concepts, definitions and instruments, which are different from those, we now use. These new concepts and approaches require that we:

- Value the tangible and intangible assets of the poor
- Promote the absolute and comparative advantage of products and services
- Invest in the development of markets relevant to the poor including land water, labor and financial and non financial services
- Invest in culture, identity, self-esteem, citizenship and justice
- Learn and adapt interventions based on the demand of segmented markets in order to produce diversified products of high quality
- Redefine the role of public investment from a centralized system which builds infrastructure, provides services, hands out food to a form of intervention which accompanies citizen's local initiatives aimed at the general wellbeing
- Recognize the role of democratic local institutions such as municipal and parish administrations
- Include new development actors or stakeholders in the planning of future development including urban migrants and those residing abroad

Secondly we should take a number of steps, which would lead us to the definition of a comprehensive strategy.

We should:

- Identify and involve all actors of development including individuals, families, enterprises, cooperatives, municipalities and any other relevant organizations recognizing their specific potential to contribute in the process
- Know the history of products and services and the reasons why these are distinguishable as well as their absolute advantages

- Determine what distinguishes the local space, inhabitants and products and who and why local products are demanded
- Map and produce an inventory of existing knowledge and of those who possess it
- Record and further the development and use of specific norms, instruments and institutions that are responsible for guarding that product specificity and quality is maintained such as product certification and special territorial recognitions

We can conclude that development of products and territories will depend largely on the willingness of local communities to recognize their uniqueness and contribute to the process by evidencing their differences. Pursuing these ideas does not require a top down decision by the central government but governments should consider contributing in providing assistance in order to build on what already exists furthering better goods services and organizations that would value talents and local resources.

The central government can promote a group of initiatives aimed at development of identity products as well as those initiatives that effectively further decentralization making territorial communities responsible for their own development with a strong cultural identity seal. On their part international financial institutions can support the process by providing technical and financial support in fulfilling the different identified steps and creating an enabling environment for the development of local initiatives. The International Fund for Agricultural Development (IFAD) is well placed to assist the process based on its successful experiences in providing funding for the best local initiatives in a competitive manner and furthering development of markets of local services. Furthermore IFAD's support to the dynamism of economic corridors and valuing the tangible and intangible assets of the poor gives IFAD a comparative advantage in relation to other international agencies in the pursuit of territorial development with cultural identity.