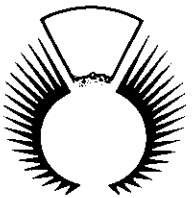

THE ARKLETON TRUST

# INSTITUTIONAL APPROACHES TO RURAL DEVELOPMENT IN EUROPE

*Report of a seminar held in Scotland from 17 to 22 October 1982*

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THE ARKLETON TRUST uses its resources for the study of new approaches to rural development with emphasis on education and training. It aims to promote dialogue between politicians, administrators and practitioners at all levels on the problems of Europe and the Third World.

The Trust's activities include the holding of high level seminars on specialised subjects of immediate relevance to Europe and/or the Third World and the collection and collation of relevant experience for its publications programme.

The Trust is not a grant making body and it supplements its limited resources in collaboration with other bodies which share its objectives. It is recognised as a charity by the United Kingdom Charity Commissioners.

Further information about the work of the Trust and copies of this report may be obtained from: The Arkleton Trust, Langholm, Dumfriesshire DG13 0HL, Scotland, UK.

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## PREFACE

This report is based on the discussions of a seminar held by the Arkleton Trust at the MacRobert Conference Centre, Douneside House, Tarland, Aboyne, Aberdeenshire, Scotland, from 17 to 22 October 1982.

The seminar provided the opportunity for intensive discussion by a group of people with a wide range of experience of rural development in different parts of the world. There was a particularly useful dialogue between people with mainly field experience and those working at the policy-making level at the headquarters of national and other development institutions. While the subject of the seminar was Institutional Approaches to Rural Development in Europe, it was able to draw on relevant experience from many other areas as well, including the third world. The participants, who attended in their personal capacities, are listed in the Appendix.

Immediately before the seminar a group of third world participants made a three-week study tour of rural development institutions and programmes in the Grampian Region of Scotland, mid-Wales, and the Western Isles of Scotland. Their findings, which contributed substantially to the work of the seminar, are published separately by the Arkleton Trust under the title *Development Institutions and Approaches in Three Rural Areas of the United Kingdom*.

During the seminar the Arkleton Lecture was given by Michael Tracy, Director in the Secretariat of the Council of the European Communities, on the subject of *People and Policies in Rural Development*. This too is available from the Trust as a separate publication.

The Arkleton Trust gratefully acknowledges the financial assistance for the seminar provided by the MacRobert Trusts and that for related activities from the Edward Cadbury, Ernest Cook and Walter Higgs Trusts, the Commonwealth Foundation, and the Highlands and Islands Development Board.

The report that follows has been prepared, in consultation with the seminar participants, by Keith Abercrombie, who also acted as Chairman of the seminar. Responsibility for the views expressed rests with the Chairman, and the report is not intended to represent the agreed views of the participants, although it is hoped that in large measure it does so. The Trust is grateful to

Dorisanne Agro and Anne Abercrombie for typing it in draft.

In addition to reflecting the views expressed at the seminar, the report also brings together (especially in the notes and references at the end) some further relevant material not directly discussed there. It draws particularly on a working paper prepared for the seminar by John Bryden. The Arkleton Trust hopes that the report will make a useful contribution to the growing debate on rural development in Europe.

John Higgs
Chairman
The Arkleton Trust

# I RURAL DEVELOPMENT IN EUROPE

It is only in the last few years that rural development has begun to be recognized as a necessary policy aim in Europe. It is still a new idea in the developing world as well. However, it has a slightly longer history there, so that some aspects of the experience gained may be useful in what is now being attempted in Europe.

Hitherto, people working on rural development concentrated almost entirely on the problems of the third world. As late as 1979 it was still possible for the report of the World Conference on Agrarian Reform and Rural Development[1] to give the impression that rural development is only for developing countries, and that the involvement of the industrialized countries is confined to supporting their efforts with suitable trade and aid policies.

But times are changing. It is beginning to be realized that at least some of the recommendations of this conference, not excluding some of those on agrarian reform, may also apply to much of the industrialized world. Unemployment is extremely high and still growing in most of the conventional industrial and related occupations that are mainly concentrated in urban areas. The impact of electronics is likely to lead not only to new approaches to what constitutes useful employment, but also to greater opportunities for decentralizing it to rural areas. Many people are becoming disillusioned by life in crowded cities. New attitudes are therefore being taken to the rural areas of Europe as places in which to live and work.

In many parts of Europe the long-standing decline in the rural population appears to be coming to a halt. More young people are staying on in rural areas or even returning to them, with far-reaching consequences for the future revitalization of these areas. Part-time farming is proving increasingly attractive, to some extent because of the opportunities for other economic activities afforded by access to land and buildings. It may well be that the new approaches now beginning in the rural areas may provide valuable pointers for the future development of European society as a whole.

Some national policies and those of the EEC now pay greater attention to the broader problems of disadvantaged rural areas, in contrast to their earlier almost exclusive focus on raising agricultural production and income. Apart from specific efforts to

stem rural depopulation in certain areas, previous strategy in western Europe (typified by the EEC's Mansholt Plan) generally accepted that this depopulation would inevitably continue, and concentrated mainly on changes in agricultural structure to assist the people who stayed behind to farm. The change in approach is typified by the EEC's recent initiatives regarding Integrated Development Programmes for certain disadvantaged rural areas.

Another significant illustration is that in 1982 the Agriculture Committee of the United Kingdom House of Commons went so far as to propose the creation of a new post of Minister of State for Rural Affairs,[2] as already exists in a number of developing countries. The proposed minister would not necessarily be attached to the Ministry of Agriculture, which the committee believes to lack the scope for the supervision of a more widely based rural policy. Although this proposal seems unlikely to be implemented in the near future, it would hardly have been conceivable a few years ago, and the fact that it was made is a sign of the changing times.

## Institutional approaches

In Europe, as elsewhere, the future course of rural development will be to a great extent determined by the institutions — governmental and voluntary, local, regional, national and (in the case of the EEC) supranational — that are involved. Because of its very broad nature, rural development is usually the province of a multiplicity of different institutions.

These institutions and the instruments they are able to use are greatly influenced by the constitutional and political framework within which they must work. Although this framework, as well as its historical development, differs considerably from country to country, there is in all of western Europe today the fundamental common feature of a democratic system. Another is that the institutions concerned with rural development in Europe have to operate within predominantly urban societies. Both these features may often lead to conflicts of interest, as for example between farming, tourism and environmental conservation. Three countries of western Europe (Austria, the Federal Republic of Germany, and Switzerland) have federal constitutions, and in most of the others there has recently been a move towards greater regionalization of government.

A comparative study of the different institutional approaches to rural development in Europe, which is the purpose of this report, thus seems opportune. The next part of the report attempts to clarify some of the concepts and definitions concerning rural areas and their development, and the criteria by which institutional approaches may be judged. This is followed by an account of the different types of institution and approach that are found in Europe at present. There is then a fuller discussion of the recent changes in rural Europe, already briefly sketched above, to which the institutions will have to adapt.

After this background, the main parts of the report look in some detail at three principal aspects of institutional approaches: people's participation in rural development, relations between institutions, and approaches to providing assistance. The role of education in supporting and influencing rural development is discussed separately. Some main conclusions are then singled out.

## II SOME CONCEPTS, DEFINITIONS AND CRITERIA

### Rural development

The concept of rural development originated with reference to the developing world. It gradually came to be realized that previous development strategies, based in the rural areas mainly on raising agricultural production and income by means of improved technology, tended to widen inequalities by chiefly benefiting the people who were already better off and had ready access to land, water and services. A broader approach, focussed particularly on the needs of poor, small-scale farmers and the landless, was therefore seen to be required for the reduction of rural poverty in developing countries.

Many attempts have been made to define what is meant by rural development. Most of them are more academically than operationally useful. For the present purpose, with Europe particularly in mind, it should suffice to state as a starting-point that it aims at the development of viable, self-sustaining rural societies that are not based on agriculture alone.

There is no single ideal model of rural development that is suitable for all areas and circumstances, or for the aspirations of all groups of rural people. Thus, in spite of many common features, what is wanted and how to go about achieving it will differ not only between the various parts of rural Europe but also between them and the various parts of the third world.

Rural development is also a continuous process which must adapt to changes in both circumstances and aspirations. It can never be said that a particular area or society has "achieved" rural development.

### Disadvantaged rural areas

Public intervention in Europe is especially required in rural areas that are disadvantaged in one way or another. Such areas were the subject of an earlier Arkleton Seminar,[3] and therefore need not be discussed in detail here.

Although they exhibit great diversity, in both their present situation and their historical development, they also share a number of features. Their dominant characteristics are natural and other physical disadvantages to production. Many are

mountainous, have a difficult climate, and are remote from markets. Even if not remote in terms of distance, they tend to be peripheral to the centres of decision making. In most of them the population is sparse and has been declining, with a large proportion of elderly people. Housing standards are generally low, as is the provision of health, education and other services except where special measures have been taken to improve them. The contribution of agriculture to total production and income is usually well above the national average, although much less than in developing countries. Incomes and consumption levels are well below this average. Yet for centuries people have chosen to live in these areas, having their own perceptions of the advantages of doing so.

The chief importance of definitions of such areas is that they provide the rationale for public assistance. The EEC identifies less favoured areas (LFAs) mainly from an agricultural point of view. Eligible farmers in these areas qualify for compensatory allowances for livestock and some other forms of supplementary assistance.[4]

Approximate estimates[5] indicate that the area affected by the EEC provision for compensatory allowances in LFAs in eight countries[6] amounts to 42.5 million ha, or about 42% of their total utilized agricultural area. The largest such areas are in France (10.6 million ha) and Greece (9.2 million), and the largest proportions of utilized agricultural area in Luxembourg (99%), Greece (70%) and Ireland (54%). A total of some 11 million livestock units are eligible for compensatory allowances, and about 550,000 farmers receive them.

While the designation of LFAs was a considerable step forward, it must be recognized that groups of people may be disadvantaged in areas where the overall economy is not, sometimes even in quite close proximity to urban areas. There may be a case for establishing an additional category of especially disadvantaged areas, which would be much smaller and more homogeneous. This should make possible a more selective approach, as has already been found necessary in many developing countries.

## Criteria for institutional approaches

Development programmes and projects in all parts of the world are regularly criticized for the lack of precise objectives in relation

to which their performance can be judged. For a comparative analysis of institutional approaches to rural development, it is therefore desirable to have in mind a set of normative criteria against which to measure their success.

Three broad criteria are proposed here for this purpose:

(i) Improvement in the material living conditions of rural people (in such aspects as income, consumption, employment, productivity, and delivery of services).

(ii) Opportunity for rural people to be aware of their situation and the possibilities for improving it, and to play a real part in their own future, ensuring that it is their value system and not an alien one which decides the pattern of development in particular areas.

(iii) An institutional system that not only provides assistance for improvements in the material conditions of rural life, but also allows increasing control by rural people over the internal and external influences which determine the nature, content, pace and mechanisms of change in rural areas.

These criteria are proposed as an integral package of which each component is of equal importance. Most development institutions would probably now at least accept them in theory and pay lip-service to them. Few, however, appear to understand their full importance or implications. Many institutions apparently concerned with rural development still tend in practice to pursue their own often narrow aims without much regard for them.

Broad criteria of this kind can of course serve as no more than a useful starting-point. Within this general framework it is necessary to look at much more specific administrative and operational aspects of institutions and their approaches, as is done later in this report.

Proposals for "integrated" rural development have become increasingly fashionable in recent years. They are of interest here mainly as adding further flesh to the basic criteria just enunciated.

There appear to be six principal requirements for integrated development.[7] It should be comprehensive, in the sense that it encompasses economic, social, cultural, political and administrative objectives. It must be multisectoral, incorporating all types of public and private economic activity and economic and social infrastructure. It must address the problems of interdependence,

as regards both economic, social, cultural and political consequences, and internal or external economies of scale. It must seek to cover all the various groups of people in an area. Participation and self-help are implicit in an integrated approach. An essential requirement is the diagnosis of the development problems and prospects of an area, including its relationships with external factors.

## III TYPES OF INSTITUTION AND APPROACH

Institutional action is sometimes defined as a conscious process of collective initiative. In order to study institutional approaches to rural development in Europe, however, it is desirable to keep away from rigid definitions and cast the net as wide as possible, so as to make sure of including all of the many different types of institution or "quasi-institution" that may be involved in some way. Some of the highly important voluntary organizations and self-help groups are very informal in nature. Informal education is a crucial part of the institutional framework for rural development. Even individuals, such as rural leaders, key field-workers or large landlords, may sometimes usefully be regarded as institutions.

Institutions may be classified in a number of different ways, but none of the classifications gives a complete picture of the complex reality. One helpful distinction is between "horizontal" and "vertical" institutions. Horizontal institutions are usually geographical in scope and cover several or all economic and social sectors. Vertical ones are mainly functional or sectoral. Many institutions, however, present a combination of both features.

It is also useful to look at institutions as operating at three different levels. At one extreme are the local community institutions that are so important for the fulfilment of the second of the criteria proposed above. These are mostly horizontal in nature and are democratically elected, whether they are local government or cooperative and other voluntary organizations.

At the other extreme are the government institutions like ministries of agriculture and development boards that are the main sources of assistance for rural development and thus particularly responsible for the fulfilment of the first of the criteria. These are usually vertical or sectoral. Even if they cover a number of sectors for a particular geographical region, as in the case of Scotland's Highlands and Islands Development Board (HIDB), they usually operate mainly through sectoral schemes of assistance.

In between these two levels are what may be called "mediating" institutions, which assist local communities in organizing themselves for dialogue with government institutions. They are usually not elected bodies, and not based on a single sector or

very local area. Although independent of the government system, they may sometimes need to be supported by government funds for full or part-time staff. An example is the Scottish Council of Social Service, which supports 30 local Councils of Social Service in rural areas. Others are Rural Voice in England and Wales, and the Scottish Rural Forum, which are seeking to achieve greater cohesion between different voluntary institutions.

## Some European approaches

Three main types of institutional approach to rural development in Europe may be identified up to now at national and EEC levels:

(i) Approaches based on agricultural policy.
(ii) Regional policy, with emphasis on industrialization, infrastructure and (implicity or explicitly) "growth poles".
(iii) Integrated rural development programmes or projects, usually confined to specific and limited geographical areas.

The basis for an approach to the problems of LFAs through the medium of agricultural policy is the high proportion of farmers and agriculturally-based families in these areas. It is impossible to say whether this approach in fact redresses the balance of natural and other handicaps faced by LFAs, let alone the distortions caused by price policies, although this seems highly unlikely. Indeed in the case of some countries, for example the United Kingdom, it could even be argued that the implementation of LFA policies has actually exacerbated the differences between richer and poorer farmers and areas. A small farmer located in the most difficult agricultural area would, at least from the point of view of the EEC's compensatory allowances, be better off in almost any EEC country other than the United Kingdom, while a larger farmer would be better off in the United Kingdom.[8]

In any case, the resources directed to LFAs are small. Thus, even if it were accepted that an agriculturally-based policy could on its own satisfy the needs of rural people and lead to meaningful rural development, it seems doubtful that the combination of existing policies and the resources devoted to them could achieve this result. This is not of course to deny the obviously crucial importance of agricultural policy for the future of rural areas. Rather it is to question the nature and effects of the existing

instruments of agricultural policy and the resources associated with them. Beyond that, however, it has to be asked whether the task of rural development is one for agricultural policy alone or even predominantly.

Regional policy in Europe was in the past mainly concerned with the introduction of large-scale industry and infrastructure. Rural areas were much affected by regional policies, even though they were not rural development policies. This approach has also influenced many institutions that claim to have a rural development mandate. Thus regional growth pole approaches can be detected in the work of such institutions as the Industrial Development Authority in Ireland, the *Cassa per il Mezzogiorno* in southern Italy, the HIDB in Scotland, and the Development Board for Rural Wales.

Even if the logic of these approaches can be accepted, serious doubts about their long-term results are cast by the recent failures of such enterprises as the Taranto project in southern Italy and the Fort William pulp mill and Invergordon aluminium smelter in Scotland. The effect of these policies on rural development is highly dubious, since they tend to remove people from rural to urban areas, and their "spread" effects have generally been very limited. They have tended to neglect the rural hinterland and the importance of small-scale economic activities.

More recently, growth pole policies have found less favour. Some of the regional development institutions have become more rurally oriented and have begun to attach more significance to small, community-based initiatives.

More integrated approaches to rural development are now increasingly being tried in Europe. At the EEC level an important recent initiative is the Integrated Development Programmes (IDPs) being launched on an experimental basis for certain LFAs. These are intended to provide for the needs of LFAs whose problems cannot be solved through agricultural policies alone. So far IDPs have been drawn up for the Luxembourg Province of Belgium, the Lozère Department of France,[9] and the Western Isles of Scotland,[10] although little progress has been made with the first of these. Agricultural Development Programmes (ADPs), which are expected in most cases to be precursors of and to provide incentives for the preparation of IDPs, are under way for the West of Ireland,[11] Northern Ireland (UK) and parts of Greece.[12]

Integrated approaches to rural development through national measures in individual countries include the Special Federal Programme for the Promotion of Structurally Weak Mountainous Rural Areas in Austria,[13] the Interministerial Fund for Rural Development (FIDAR) in France,[14] the Alb and Alp Programmes in the Federal Republic of Germany,[15] the Inland Areas Programme of the *Cassa per il Mezzogiorno* in southern Italy,[16] and the multipurpose community cooperatives promoted by the HIDB in Scotland.[17]

Mention may also be made of a fourth type of approach. This is less an institutional approach than a phenomenon observed in certain rural areas, especially but not only in Italy, involving an informal, grassroots process of diversification into other economic activities by farm families.[18] Its chief institutional interest is whether it can be encouraged and assisted by government institutions, or whether such intervention would stifle it by destroying its informal nature.

Detailed information about the different institutional approaches to rural development in Europe is still hard to obtain. Some summary information on the programmes listed in the last few paragraphs and on the institutions responsible for them is therefore included in the notes and references at the end of this report. Further details of some of them are available in a recent publication of the Arkleton Trust.[19]

## Institutions engaged in economic activities

A separate word is necessary on the institutions, such as cooperatives, that are directly engaged in economic activities in rural areas. It is essential that these institutions should be economically viable and independent if they are not to be highly vulnerable to the winds of political change. For this purpose it would be useful to develop methods of project analysis that are applicable at the local, small-scale level.

Credit and financial institutions are particularly important in this regard. Especially in the United Kingdom, little attention has been paid to the ways in which local savings can be mobilized for local development. In Canada and the United States local credit unions have often proved a useful starting-point, although they have been less successful elsewhere. Recently some states in the United States have set up special development banks, taking

advantage of the experience of developing countries. Rural banks have played an important part in mobilizing local savings in Italy. The experience of the Mondragon workers' cooperatives in Spain is also relevant. In the Gaelic-speaking areas of Ireland some of the community cooperatives propose to provide banking facilities. In general the introduction of electronics should greatly facilitate the operation of credit and financial institutions in remote rural areas.

Institutions with both economic and social purposes face special problems, and it is necessary to find new ways of assessing their viability. The development function of a community cooperative, for instance, may not be economically viable locally, but it might be if assessed in relation to the overall regional or national economy. A particular project may not be economically viable in itself, but may nevertheless help a rural community as a whole to become self-sustaining.

## IV RECENT CHANGES IN RURAL EUROPE

Mainly because of the overall economic environment of recession and high unemployment, there have been many changes in recent years in people's attitudes to living and working in the rural areas of Europe. Some have already been outlined in the first part of this report, but it is worthwhile to examine them in more detail. They represent the changing background to which institutional approaches to rural development will have to adapt if they are to be effective. If the institutions can perceive the need for such adaptation, they may perhaps be more ready to make at the same time at least some of the other improvements proposed later in this report.

An account of most of the changes now under way can unfortunately be based only on general impressions. Many of them cannot be captured by the present statistical systems. The changes are big ones, however, and there are unmistakeable signs of what is occurring.

### Population shifts

A steady decline in the population and a growing proportion of old people among those remaining behind have long been basic features of rural Europe and especially of its more disadantaged areas. There is evidence, although usually not yet substantiated by census data, that in many cases depopulation has now at long last begun to be halted in a way not seen since the depression years of the 1930s.

Population movements have differed from area to area. Rural depopulation appears still to be continuing in Greece. In Ireland, even the total population of the country declined from the 1840s to the 1960s. Now it is finally increasing again, even in peripheral areas.

In general most of southeast Europe is still in a phase of rapid (although slowing) urbanization concentrated on a few large cities. Northwest Europe is already in the subsequent phases of "suburbanization" or, in the case of the United Kingdom, "disurbanization" (with the main growth in smaller towns).[20]

With the possible exception of Greece, more young people are staying in rural areas or even returning to them, as a result of limited urban employment opportunities combined with a

growing dissatisfaction with many features of urban life. Many of them are highly educated and, as in the Western Isles of Scotland, beginning to play an important part in the development institutions working with their own people. Especially in southern Europe, unemployed migrant workers are returning with additional skills learned elsewhere. There are thus new possibilities for the emergence of more dynamic rural leaders and entrepreneurs.

## Part-time farming

It is significant that in Italy the return of migrant workers has been especially to areas where a large proportion of the people own their land rather than renting it. In such areas almost everyone has access, either directly or through relatives, to a plot of land and its buildings. The land and its produce provide some security, and the buildings a ready opportunity for the installation of small manufacturing plant for part-time industrial employment, as well as construction and service activities. While this type of diffused, informal development of a "submerged" economy has been particularly marked in certain parts of Italy, part-time farming is growing in importance everywhere in western Europe. It is not of course confined to the use of farm buildings for non-agricultural purposes. Many members of farm families, while still living and working on the farm, are employed almost full time in outside activities.

As occurred before during the economic depression of the 1930s, there is a resurgence in "subsistence" production for consumption by farmers and their families. This is not, however, limited to the production of crops and livestock. With high prices for commercial energy, such non-commercial sources as fuelwood and peat have come into their own again. FAO statistics indicate that the long-term rapid decline in fuelwood production in western Europe has come to an end, and that it is now increasing slowly. The advantages of self-help housing construction, often using cheap local materials, are also coming to be more appreciated.

Not all of the increased output of part-time farming is consumed by the producers and their families. In the Friuli Province of Italy as much as a quarter of total marketed agricultural production now comes from part-time farming.

An important feature of subsistence production and part-time farming is that, although the total income may not be large, cash outgoings are generally small. Cash income is principally needed for such things as cars and television sets, which have helped so greatly to mitigate the isolation of rural areas. The actual levels of living of part-time farmers could even be higher than those of their urban counterparts, especially if weight is also given to the increasingly perceived advantages of living in a small, closely-knit rural community instead of a large and amorphous urban one.

Industrial employment in rural areas (especially that based on external investment) is particularly risky at times of economic recession, since it is the branch factories that are usually closed down first. However, part-time farming provides a cushion against this, so that rural workers have much greater opportunities for alternative employment than urban workers if they are thrown out of a job.

Yet part-time farming is still virtually ignored by public policy. It is important to study how this and other parts of the informal economy actually work, and how they are related to the formal economy.

## New problems and opportunities

There are some other less favourable aspects of the recent changes in rural Europe. Much less international capital is now available to give foot-loose industry a base in the EEC. Industrial crisis and urban unemployment have pre-empted government funds, some of which might otherwise have been available for the development of rural areas. The proceeds from newly-exploited oil resources (for example in Norway and Scotland) have done little for the rural hinterland except to create some temporary employment.

At the same time as people are returning to rural areas, the provision of health, education and transport services is often deteriorating. Not only medical practices but also schools (which are often the heart of a rural community) are being consolidated. A neglected aspect of the energy crisis is its effect on transport costs in remote rural areas, and it may be that the EEC may have to reconsider its policy so as to permit transport subsidies in such areas. In general the level of support for the declining number of

European farmers could perhaps be reduced in favour of those providing services for them.

The agricultural lobby, formerly the main rural lobby, has seen its political influence decline almost everywhere in the developed world. Although general agricultural prosperity has seriously deteriorated in most industrialized countries in the last few years, the inequalities between agriculture and industry now receive less attention. There is more emphasis on the inequalities within the agricultural sector itself, and this has even given rise to the accusation that the poverty of small farmers is being used to advance the cause of the bigger farmers.

To some extent the old agricultural lobby has been replaced by new rural lobbies. However, these often mainly represent the interests of urban-based people, including tourists, commuters and those with second houses in the countryside, and also people who have retired there, rather than those of the people actually working in rural areas.

These new rural lobbies have little interest in agricultural infrastructure, and call above all for environmental conservation. They have had the important consequence of once more bringing the rural areas into the centre of public concern. However, conservationist interests sometimes conflict sharply with those of the people living and working in the rural areas and with modern farming techniques.

Especially in some parts of England, where the process of "disurbanization" referred to earlier is at its height, the pressure of competing uses on scarce land resources is becoming acute. It may be necessary to rethink the relative roles of agriculture and industry in such rural areas. Rural people are increasingly asked to sacrifice their own interests. Urban-based governments often see remote rural areas as good sites for such controversial things as nuclear power stations, missile bases and other military installations.

There may therefore be a need for more widely-based rural lobbies or pressure groups. Examples already mentioned are Rural Voice in England and Wales, and the Scottish Rural Forum.

The changes now under way in rural Europe seem unlikely to be only temporary. Unemployment in conventional industrial and related occupations will probably persist. So too will dissatisfaction with life in congested cities. Thus more young

people will stay in rural areas, even though parental expectations may change more slowly than the reality, especially in places like rural Greece, Italy and Scotland where the tradition has long been to move out. This seems bound to alter concepts of both education and development.

Electronics and other developments will entail a reassessment of what constitutes useful and satisfying employment. A significant example of a new approach to employment is the growth of part-time farming and of increased flexibility and plurality in rural occupations. At the same time the use of electronics offers exciting new possibilities for the future. It brings new opportunities for the decentralization to rural areas of many hitherto urbanly concentrated factory and office jobs, both public and private. It could also make possible the improved and more flexible provision of health, education, financial and other essential services in rural areas. The development of small, decentralized rural towns could also help in this.

Europe now faces a crisis not only in employment but also in the provision of social services, where the nature and ubiquitous penetration of the welfare state are much questioned. The changes beginning in the rural areas may therefore have far-reaching consequences for society as a whole. They may well point the way towards new definitions of useful employment and new ways of delivering social and other public and private services.

# V PEOPLE'S PARTICIPATION IN RURAL DEVELOPMENT

So far this report has aimed to set out some of the background for an examination of institutional approaches to rural development in Europe. It remains to look in more detail in the rest of the report at the suitability and effectiveness of the approaches adopted up to now, in the light of this background and especially of the criteria proposed earlier.

This discussion begins with the basic question of rural people's participation in planning and decision-making, and in the formulation and execution of the policies and programmes that directly affect their own lives and those of their children. It is thus mainly concerned in the first place with local community-level institutions around which people's involvement can be focussed.

## Community-level institutions

Rural communities should be able to decide for themselves, in ways that reflect their distinctive value systems, what are their development needs and what outside help they want for meeting them. The first essential is therefore the existence of strong community-level institutions where rural people or their elected representatives can come together to discuss their situation and the possibilities for improving it, to formulate their development requirements, and to organize themselves for effective dialogue with the various government institutions providing assistance for different aspects of rural development.

Such community-level institutions are typically horizontal in nature, covering a particular geographical area without sectoral limitations. Most of them are made up of elected representatives. There is, however, great diversity between different countries and between different areas within them. Ideally such institutions should go down to the level of the smallest village, but this is not always the case. In general it is desirable to look as far down the administrative scale as possible to identify where to find the necessary human potential,[21] and then to provide incentives and assistance to establish or strengthen suitable institutions at that level.

Even where strong community-level institutions once existed, they have sometimes disappeared or have become dominated by

unrepresentative minorities. Rural populations in Europe are now much less homogeneous than before. In many places the most articulate influence is now that of commuters, owners of second homes, retired people, or sporting landlords. In parts of Italy genuine people's involvement is made almost impossible, since the institutions are prey to political bosses and even to such criminal elements as the Mafia.

That rural community-level institutions have been allowed to decay or become dominated by unrepresentative groups particularly reflects (and is reflected by) a widespread lack of interest in local elections and elected office. Holding office is time consuming and draws labour away from the household economy, especially in remote areas where long distances have to be travelled to attend meetings.

Perhaps even more important is the frequent feeling in rural communities that they are powerless to control their own futures. This may result not only from the remoteness of the institutions of central government and their general unresponsiveness to local needs, and the scarcity of field workers with whom to discuss problems, but also from the failure of past efforts at community action. In some cases it may be exacerbated by petty bureaucratic restrictions, such as that forbidding the use of school buildings in Greece for community meetings. Thus in many rural areas people have just got used to leaving things to others and believing that there is nothing they can do to help themselves.

Local government has been reorganized in a number of European countries in recent years. This has generally involved greater decentralization to the regional level, which in part reflects a reaction against the penetration of central welfare and regulatory services. Regionalization potentially allows more innovative approaches in line with local needs, but in practice the response to this challenge has been extremely varied.[22]

Another consequence of local government reorganization is that local government institutions have been regrouped. This has sometimes had the result, as in the United Kingdom, that rural interests have tended to be submerged by predominantly urban ones through the amalgamation of rural and urban local authorities under single district and regional councils.

In terms of rural development, probably the most positive result of the local government reorganization of the mid-1970s in

the United Kingdom has been the establishment of the Western Isles Islands Council (WIIC). The Western Isles of Scotland were previously bisected by a mainland county boundary, and administered by county councils with headquarters in the eastern mainland. Under the original proposals for local government reorganization, they were to be administered from Inverness, the distant mainland capital of the Highland Region. Following pressure from the islands, however, the WIIC (and similar councils for Orkney and Shetland) were established with a special status as unitary authorities. They do not come under a regional council, and also carry out most of the functions usually divided between district and regional councils.

Thus the people of the Western Isles are now much more directly responsible for their own development than in the past. The WIIC has a strong commitment to development, bilingual education and the promotion of Gaelic culture. Together with the activities of the HIDB and imaginative use of the various employment-creation programmes sponsored by the Manpower Services Commission, it has in the space of a few years brought a new spirit to what was until quite recently a very depressed area.[23]

In addition to the local government institutions discussed so far, there is also an important role in people's participation for voluntary institutions built by local groups. These require much more support than they at present receive from governments. Some of them may be extremely simple and established for a single limited purpose such as the construction of a village hall or car park, the organization of children's play groups or school buses, or the preparation of a sportsfield. They are much less visible than the pressure-group type of voluntary institution. However, they may represent a significant beginning of community action and an opportunity for the emergence of rural leaders.

Cooperatives are also a major way for rural people to participate more fully in the development of their own communities. Important recent initiatives in western Europe include the rural production cooperatives in southern Italy sponsored by the *Cassa per il Mezzogiorno*, and the multipurpose community cooperatives developed first in the Gaelic-speaking areas of Ireland and later in the Scottish islands.

## Rural leadership

Especially in depressed and demoralized rural areas, a more dynamic leadership is essential for greater people's participation in their own development. Leaders are needed with the know-how to put together a number of key resources, including both what is available locally and what has to be drawn from outside, in order to get something done.

In the past rural leadership tended to come mainly from a few better-educated individuals, including the local priest, doctor or school-teacher, or sometimes an enlightened large landlord. When such an individual died or moved elsewhere, this often left a vacuum.

One example of a new kind of rural leadership is the professional managers who have usually had to be imported to run community cooperatives. But more and more the leaders will probably be people returning to their original communities, such as educated young people and returned emigrant workers with new skills.

When suitable development institutions exist, young people who have had to go away for higher education and would previously have had to stay away to find employment are now returning to work in influential positions among their own people. This is one of the most encouraging results of the recent rural development initiatives in the Western Isles.

These trends carry with them the danger that new elite groups may emerge. It will be necessary to guard against this, and to ensure that it is not always the same people who end up running everything. One test of community-level institutions will be whether they can withstand such domination.

## Access to land

In many areas, not only in the third world, another crucial requirement for greater people's participation in rural development is more equitable access to land and other productive resources. Agrarian reforms with a ceiling on land ownership were carried out in Ireland after independence and in Italy following the second world war. Elsewhere in western Europe they have generally been limited to a few settlement schemes for smallholders and to the provision of greater security for tenants.

The general tendency of EEC policy (especially the Mansholt

Plan) has been to assist in the consolidation of holdings into larger units. At the same time recent changes in tenancy legislation, such as those in the United Kingdom, appear to have strengthened the security of tenants and their descendants to such an extent as to make landlords reluctant to let farms at all. It has therefore become even more difficult than before for new entrants without large capital resources to gain a foothold in farming. In Scotland an additional land tenure problem is that there is no security of tenure on common or sub-annual grazings outside the crofting areas.

Land is still one of the key resources for rural development in Europe. It must increasingly be seen as providing an economic and social base from which a family can carry out many activities in addition to farming. Particularly encouraging therefore are the measures being taken, especially in France but also in the Federal Republic of Germany and in Italy, to assist young entrants to farming. From 1981 the EEC has also provided special assistance to young entrants for the development of their farms.

## Incentives for participation

Although additional community-level institutions, especially voluntary ones, are still required, the main need would seem to be for the better use of the institutions that already exist. Here a neglected question is that of incentives, both for the assumption of rural leadership (in particular the holding of elected office) and for community-level action.

There is sometimes a financial incentive to play a leadership role or seek elected office. This is, however, unusual outside institutions that are corrupt. Apart from the rare and valuable individuals with a high sense of duty to the community, something more is generally needed to induce people to sacrifice a large part of their time and their usefulness to their own household economies to work for the general good.

One incentive could be greater social mobility. However, whereas in the rural areas of third world countries such as India the holding of local elected office is often an essential step towards a career in national politics, this is seldom so in Europe. Possibly now that the chances of achieving social mobility through urban employment are diminished, the chances afforded by local office may come to be more appreciated.

Probably the most important incentive for leadership and holding elected office is the somewhat intangible reward of enhanced social status and importance in the local community. This will obviously depend to a great extent on the success of the initiatives promoted by the leader and the value placed on them by the community.

There are also occasionally financial incentives for community action in the shape of grants and loans from government institutions, although these are mostly more readily applicable to action by individual farmers and others than to community action in a wider field. Here too, something more than the provision of finance and physical infrastructure is required to motivate people. If rural people are to join together for community action, or even to participate more fully in local elections, they need to feel some emotional and psychological involvement. Most of all they need to believe that they really have some power to change the future of their communities, and that their efforts will not be wasted. Many frustrations are involved in such efforts, especially because of the number of institutions that have to be dealt with and their central location.

People identify very strongly with the place they live in, especially if it is a small rural community. The strengthening of local cultural identity and self-respect can be an important source of motivation for locally initiated changes. Such things as local languages and traditions were in the past seen as a barrier to development, but recent experience in the Gaelic-speaking areas of Ireland and Scotland and in Wales suggests the contrary.

In areas where community action is new, it is necessary to establish its credibility as rapidly as possible. Quick results at the beginning are needed for sustained community action, otherwise people lose heart very soon. The Irish community cooperatives have found it useful to begin with a catalogue of small initiatives that can be easily and quickly accomplished but involve as many people as possible, before proceeding to longer-term and bigger projects. In the rural production cooperatives in southern Italy the first sign of progress has usually been the construction, with a grant, of new physical infrastructure like a cooperative cowshed. Cooperative members are given employment on land improvements to tide them over the gestation period between the pooling of their land and the arrival of income from new production systems.

The decentralization of decision-making and of development functions is often seen as an important incentive for local community action. There are, however, many problems. There must obviously be suitable institutions to which to decentralize. Central institutions see their power reduced by decentralization, and usually manage to attach strict conditions to it. Above all, the effects of the decentralization of tasks may be limited unless sources of finance and thus effective power over them are decentralized as well.

Whereas this is possible where local taxation is the source, it is more difficult with central government funds that are voted by parliament and directly accountable to it. However, there could undoubtedly be greater use of block grants to local government institutions for development purposes. Even if they are very small, such grants can be highly cost effective. But the nature of accountability under this system is still very narrow, being always to the source of funds rather than the clients.

Doubt is sometimes cast on the ability of local government institutions to handle finance from the central government. This of course can only be tested if they are given the opportunity to do so. Certainly the experience of local institutions in administering the employment-creation schemes of the United Kingdom Manpower Services Commission has increased their confidence in handling government money and employing staff.

The "top-down" approach of so many central government institutions providing assistance is generally inimical to more active people's participation in rural development. But there are areas where morale and entrepreneurship have sunk so low that only a strong stimulus from above can start things moving again. The most backward areas of Greece may be a case in point. The community cooperatives in the Western Isles of Scotland could hardly have got off the ground without the initiative of the HIDB, and particularly its local field-workers, in promoting them. Such efforts should start by seeking to rebuild morale and entrepreneurial capacity in the broadest sense.

## VI RELATIONS BETWEEN INSTITUTIONS

So many different institutions are engaged in some aspect or other of rural development that the relations between them are crucial to effective action. A particularly important question is the interaction between the horizontal community-level institutions just discussed and the generally vertical institutions providing assistance. Another is the relations between these latter institutions, and the degree to which their policies and actions are coordinated.

### Interaction at the local level

At least in the early stages, many local community-level institutions require help in organizing themselves to determine their development needs and the assistance they want from outside, and to get in touch with the government institutions that provide such assistance. The potential role of "mediating" institutions has already been mentioned in this regard. It seems important, however, that the local institutions should be encouraged to stand on their own feet as quickly as possible. The mediating institutions should not be seen as a replacement for more dynamic local institutions, and should move on elsewhere after giving the initial stimulus. Indeed a basic criterion by which to judge the success of rural development programmes should be the extent to which they strengthen local institutions and provide incentives for local interaction.

Bureaucratic government institutions and local grassroots institutions inevitably view rural development from different perspectives. But this should not necessarily lead to conflict or be a barrier to their successful interaction. In order to facilitate such interaction, each might usefully make more effort to understand the constraints and problems faced by the other.

Some of the difficulties in achieving the necessary interaction at the local level are illustrated by the experience with the Integrated Development Programme (IDP) for the Western Isles of Scotland. Especially because similar IDPs seem likely to be an important part of the future EEC approach to rural development, this experience is worth examining in some detail.

When the idea of an IDP was first announced, it aroused high expectations in the Western Isles, which had by then become

accustomed to being regarded as a European laboratory for rural development. Some of the initial enthusiasm waned when the elaboration and approval of the programme dragged on for about two years because of the necessary constitutional procedures in both the EEC and the United Kingdom. There was further disappointment when a leaflet describing the IDP finally appeared, for it unfortunately gives the impression that the programme consists very largely of increased grants for the same kinds of agricultural and fisheries schemes as were supported in the past.

The reason for the leaflet's emphasis on the schemes for agriculture and fisheries was that they were administered by the Department of Agriculture and Fisheries for Scotland (DAFS) and the Highlands and Islands Development Board (HIDB), on the basis of schemes which had already been worked out and could be specified in detail, and which were of the kind that individual crofters were most likely to want and be able to take up quickly. Public expenditure of £20 million for five years is envisaged for this purpose, of which 40% would be provided by the EEC agricultural fund (FEOGA). The leaflet does also mention that "the Programme envisages parallel investment by the public authorities on infrastructure and on other economic activities such as Harris Tweed, knitwear, seaweed, tourism, craft industries, mineral exploitation, energy and community cooperatives".[24] But it omits to point out that this investment is in fact much larger, and is expected to amount to about £36 million. This major part of the IDP had to be left flexible and discretionary because of the wide variety of schemes that might come forward under these headings, which (unlike the agricultural and fisheries schemes) had no precedent. In addition, the contributions to it of the other two EEC funds (regional and social) have yet to be determined. But the result was an impression that the IDP was less innovative and more heavily biased to agriculture and fisheries than it was intended to be.

There is also criticism in the Western Isles that the IDP fails to recognize the progress that has recently been made there, especially with institutional development. This refers partly to the desire of the Western Isles Islands Council (WIIC) for greater autonomy in the execution of development projects. But it also concerns the mechanisms used to involve the local people and their institutions in the preparation of the IDP and the determina-

tion of its content.

The DAFS tried hard to consult local opinion, through the media and a series of local meetings. It now has a small project team in the Western Isles with whom applicants for assistance can discuss their proposals. It would obviously have been useful if such a team could already have been on the ground when the IDP was in preparation. However, although EEC funds were provided for the preparation of the programme, neither the legal power nor the funds to employ staff were available until it had been approved by the EEC. Consultation thus had to be done mainly through meetings with local groups and institutions in the traditional hierarchy, which some in the Western Isles thought were not always well chosen.

Some other examples of attempted interaction at the local level are also instructive. In another part of the United Kingdom, the Isles of Scilly have only recently been designated as a less favoured area (LFA) and are now exploring with the EEC the possibility of an IDP. They have attempted to solve the problems of local interaction in advance by bringing together at an early stage the many institutions concerned, including commercial ones. Although, as was the case in the Western Isles, no government funds were available to employ staff, these institutions have between them raised sufficient finance for the preparation of a comprehensive land management and community development programme, with substantial provision for consultation with local people and institutions.[25]

Austrian experience too is different from that in the Western Isles. In an area with numerous factory closures, it was found that consultations with the people affected produced much more positive and innovative proposals than those contemplated by the regional and national authorities.

Although limited, these examples suggest some useful lessons for the achievement of effective institutional interaction at the local level. Local expectations are an important element, and must not be raised too high and then disappointed. It is also necessary to identify and contact the most appropriate local institutions, groups and individuals for interaction with the institutions providing assistance for rural development.

Some local institutions have, as discussed earlier, become weak or unrepresentative. Better understanding is needed of the informal communication systems through which ideas and

information are absorbed in a rural community. This is often mainly through observation and talking. It therefore seems important that new rural development programmes should make it possible for field-workers to be available in advance of their detailed formulation to discuss them with the people whose lives will be affected by them.

## Coordination at higher levels

Coordinated action by the generally vertical institutions providing assistance for different aspects of the wide-ranging task of rural development is required at all levels. At the local level the necessary linkages can be achieved through strong horizontal institutions, provided that these exist and provided that, as just discussed, the vertical institutions take sufficient pains to identify them and work with them. At the national and EEC levels, however, there is as yet very little cooperation or coordination between the different institutions concerned. These institutions are usually compartmentalized on sectoral lines and have little experience of working together across sectors. The rural development effort is therefore fragmented, and there is the danger that policies and actions in different fields may be inconsistent and even conflict.

Effective institutional cooperation and coordination at the national level depends above all on the existence of an overall policy framework. However, no country in western Europe yet has a rural development policy or a separate government department for rural affairs. It is thus very difficult to obtain an overall government reaction to any rural development proposal.

At the EEC level there is no rural development fund. Instead three separate funds (agricultural, regional and social) are supposed to cooperate to finance the IDPs. There is little contact between them, and it has not been easy for those responsible only for the agricultural fund to prepare the so-called integrated programmes without knowing what the other funds would do. A task force has now been set up to prepare the new Mediterranean programmes on which there is heavy emphasis at present, but it is still necessary for the three funds to come together much more closely in both philosophy and operation. The promotion of such cooperation and coordination could provide an important role for the European Parliament, which

has so far taken much more interest in rural development than its national counterparts.

No European country (nor the EEC as a whole) has a policy for part-time farming, or even takes much notice of it, in spite of the recent growth in its importance. The IDP for the Western Isles embodies only a rather general idea of the future envisaged for the area, and in particular for the predominant type of part-time farming based on crofting.

There are probably two main reasons for this rural development policy vacuum. In the first place, as was discussed earlier, it is only in the last few years that rural development, as opposed to merely agricultural development, has come to be seen as a desirable policy aim in Europe. Second, national economic and social planning is today out of favour in most of the countries of western Europe. Such effective planning as is now carried out is principally in financial or physical terms. There is probably some scope for a more flexible type of planning, allowing the maximum possibilities for changes at the local level, rather than the more rigid approaches implied hitherto by national planning.

Better coordination for specific purposes can of course be achieved through committees, such as the steering group set up by the DAFS for the Western Isles IDP. At the national and EEC levels, however, there is no substitute for coherent policies and strong political directives as the best incentives for institutional cooperation.

Without this there is the danger that the policies of different institutions may overlap or even conflict. In view of the new importance of rural development in Europe, it is essential that the interactions and overall effects of the various institutional approaches should be properly analyzed.

In particular, the effects of the EEC price support measures under the Common Agricultural Policy (CAP) should be looked at in relation to the broader rural development measures that have been initiated more recently. The CAP price support measures have distorted price relations by favouring such commodities as milk, sugar and cereals. A study of their regional impact suggests that they have tended to benefit the richer areas that produce a large part of the EEC output of these commodities, and thus probably to widen regional disparities.[26] It is unlikely that the much smaller EEC expenditures on LFAs have gone far to redress the balance, and even less likely that the

LFAs are actually subsidized in relation to other agricultural areas. Although the LFAs accounted for about 32% of structural (guidance) expenditures in 1980, price policy (guarantee) measures absorbed some 95% of the total expenditure of the agricultural fund (FEOGA), and structural measures only 5%.

## VII APPROACHES TO PROVIDING ASSISTANCE

Most of the government institutions providing assistance for rural development are compartmentalized on sectoral lines. This specialization may be inevitable at the national level. However, it does make it difficult to obtain assistance for general rural development programmes covering more than one sector, especially since (as just discussed) the institutions do not have the habit of working closely together.

They may be described as having a "cafeteria" approach to development assistance. Clients must come and apply for the specific kinds of assistance that are on offer, which are usually highly selective and rigid. The behaviour of farmers is thus conditioned by the grants and subsidies that happen to be available. Many probably spend more of their time and intelligence working out how to take advantage of these aids than on applying the latest advances of agricultural science.

The majority of government institutions continue to take a predominantly "top-down" approach to rural development. They do not regard greater people's participation in development as desirable, and for some of them it is even a nuisance. Such attitudes can best be changed by the development of strong local institutions. In future the role of the central institutions should not be so much to guide local communities as to increase their capacity to adapt and innovate by providing information and resources complementary to their own.

The staff of the central government bureaucracies tend to see themselves as accountable mainly to the institutions that employ them, rather than the people who are their clients. Results are measured chiefly in terms of expenditure on projects, to the extent that it may be said that the bureaucrats need development projects more than the local people do.

The sort of assistance that is offered is often chosen principally because it is easy to administer from the top (even though this may sometimes make it difficult to administer at the local level). It is generally highly uniform, and frequently ill adapted to small-scale application. The widespread system of matching grants is criticized because only the better-off can pay their share and it thus tends to widen rural inequalities. However, it seems essential that farmers and other rural entrepreneurs should provide at least some financial backing for their own projects.

Schemes of assistance should make it simpler for individuals and groups to make their matching contributions through their own labour (for example by constructing buildings or erecting fences). Whilst some agricultural schemes allow for this, it is usually more difficult in other rural sectors.

A more valid criticism concerns management grants for cooperatives. These are often withdrawn immediately the cooperative stops losing money, which may be too soon to allow it to become self-sustaining. There is a case for recognizing the wider development role of cooperatives by continuing to support management and other services.

Many of the government institutions now engaged in rural development began with quite different functions. Their original functions were mainly negative and supervisory or regulatory, which tended to divorce them from local communities. They sometimes find it difficult to adapt to their new more positive and promotional or developmental roles, and to change their image in the eyes of these communities. In some cases they are reluctant to give up their old functions and assume new ones that go beyond their former sectoral boundaries, although additional funds and staff have usually proved sufficient temptation for the latter.

## Need for greater flexibility

Above all, the government institutions that provide assistance for the different aspects of rural development need to be more flexible in their approach and coverage. They should be able to adapt readily to diverse regional and local situations, to changing circumstances (including the evolution of local institutions) and to changing aspirations. The changes now under way in rural Europe are so profound that much greater adaptability will be needed in the future.

Sources of finance are needed for general rural development, in terms of requirements defined locally, instead of for a few rigid, usually sectoral categories defined from above. The Interministerial Fund for Rural Development (FIDAR) in France goes some way towards this. Possibly if the EEC pursues its Integrated Development Programme (IDP) approach, it may come to recognize the desirability of integrating itself as well by setting up a unified rural development fund.

There are a number of encouraging recent examples of institutional flexibility in response to changing circumstances. Now that the regional growth pole approach, based on infrastructure and large-scale industry, has begun to be discredited, some regional institutions are (as already noted) paying more attention to rural development and smaller-scale activities.

In the EEC the IDPs represent an important new departure. The designation of less favoured areas (LFAs) was another major change. Assistance for the training of cooperative managers has also recently been introduced in some areas. The proportion of regional (as opposed to Community-wide) expenditure under the structural provisions of the agricultural fund has risen from 12% in 1978 to 45% in 1982.

The Department of Agriculture and Fisheries for Scotland (DAFS) has taken on multisectoral responsibilities for the Western Isles IDP. The Highlands and Islands Development Board (HIDB) appears likely to expand its multisectoral activities, which have so far been virtually limited to the promotion of community cooperatives. It has also devolved greater financial responsibility to its local representatives.

So many different government institutions are already engaged in rural development that (in the absence of fundamental reforms that give more power and autonomy to local bodies) it will clearly be necessary in general to continue to work through the existing system. Thus the DAFS and HIDB were chosen to handle the Western Isles IDP because of their financial accountability to parliament, their staff with experience in approving projects, and the time it would have taken to establish a new institution specially for the purpose.

As rural development gains in importance in Europe, it may also sometimes be necessary to set up new institutions, particularly for multisectoral work. But the main need is to improve the existing institutions.

Bureaucratic isolation has to be reduced, and bureaucrats made more responsive to changing needs. Pressure groups and "parallel" voluntary institutions have an important role in ensuring that people are able to question the bureaucracy. They may even be welcomed by the bureaucrats as a sounding board for ideas. There may also be scope for "infiltrating" certain government institutions by having some local authority representatives on their boards of directors.

The effectiveness of assistance for rural development would be enhanced by the periodic evaluation of its results and the feeding back of the findings to improve the programme. The IDPs in particular should be regularly monitored and evaluated, especially in view of their experimental nature. Useful evaluation, however, depends on the existence of clearly stated objectives. These may be difficult to define for the many measures that are introduced primarily for political motives.

## VIII EDUCATION AND RURAL DEVELOPMENT[27]

Educational institutions are among the most important of those influencing rural development. Change is not possible without education, and it is essential to examine the bearing on education of the development questions discussed so far. Education should not, however, be viewed as coming solely from formal institutions. Rather, it is a lifelong process of learning, no matter where, when or how it occurs.[28]

"Formal" education is the "hierarchically structured, chronologically graded 'educational system', running from primary school through the university and including, in addition to general academic studies, a variety of specialized programmes and institutions for full-time technical and professional training". "Non-formal" education may be defined as "any organized educational activity outside the established formal system — whether operating separately or as an important feature of some broader activity — that is intended to serve identifiable learning clienteles and learning objectives". By "informal" education is meant the "truly lifelong process whereby every individual acquires attitudes, values, skills and knowledge from daily experience and the educative influences and resources in his or her environment — from family and neighbours, from work and play, from the marketplace, the library and the mass media".[29]

### An integrated approach

The approach to education in rural areas needs to be much better integrated in two principal ways. In the first place, the three different types of education have to be seen as an integrated system. Much more importance has to be given to the key role of informal education, which is still often totally ignored, and to how formal and non-formal education can be used to reinforce it. Second, education has to recognize its powerful role in rural development, and to seek to adapt more readily to the changing needs of rural societies.

Education departments, like the government institutions providing assistance for rural development, tend to be vertical in structure and to take a "top-down" approach. Formal education is thus highly centralized and rigid. Especially at the secondary school level, the national examination structure, with its uniform

targets, is the main determinant of the curriculum. This usually discriminates against those who might wish to continue to live in rural areas, by downgrading rural skills and reinforcing the migration model and the tendency to seek white-collar jobs in towns. Even in the Western Isles of Scotland there is no secondary education in agriculture or horticulture, nor any formal teaching at all about the multiplicity of skills (such as fencing, drainage, reseeding pastures, and house building) required for crofting agriculture.

The provision of formal education is deteriorating in many rural areas. Large numbers of small rural primary schools have been closed. Teachers at these schools increasingly live in towns instead of in the communities they are supposed to serve. Part-time support by specialist peripatetic teachers is also diminishing in many rural areas. Secondary schools are mostly in towns, and the reduction of rural transport services has made it more difficult for children in remote rural areas to attend them. Primary schools in such areas could therefore usually go part of the way (say to the age of 13) to the secondary stage. Some thought might even be given to the possibility of transporting children from towns to rural schools.

Basic skills have to be learned at primary schools, but they seem to be less successful than in the past at teaching such fundamentals as the "three Rs" (reading, writing and arithmetic). Thus, in spite of the raising of school leaving ages, older people with only primary education are sometimes more literate than younger people who have been to secondary school. Formal education also has an important role in teaching (though not inculcating) respect for moral values and in developing the imagination, but here too its performance seems to have deteriorated.

Non-formal education is by definition much less rigidly structured. Indeed in some cases better-defined national policies for this type of education are needed. More generally, however, the main requirement is for more innovative methods.

Community education projects and workshops have been successful in many places, but they are typically based on secondary schools, which are difficult to reach from remote areas. Greater use should be made of satellite centres and peripatetic training (as is being done by the Agricultural Training Board in Scotland), and of such innovative practices as "distance learning"

packages for self instruction. Suitable local people, like farmers, crofters, artisans, and emigrants who have returned with new skills, should increasingly be used as trainers. Although non-formal education should pay due attention to social and re-creational aspects, these may sometimes (as perhaps in the Grampian Region of Scotland) be over-emphasized at the expense of vocational training in economic activities, and of creating local learning experience which can help people think out and evaluate local solutions to local problems.

Commercial interests, such as the suppliers of modern agricultural inputs like fertilizers, pesticides, machinery and improved seeds, play a part in non-formal education. While this is useful in imparting new skills, it carries the danger that it is always related to advertizing their own product. Some recent initiatives involving private industry include a liaison programme between schools and industry introduced by the Development Board for Rural Wales to interest school leavers in factory work; and orientation courses for those seeking jobs in new factories in Ireland. Apprenticeship schemes, sometimes with periodic release to attend training courses, are another element of non-formal education, but again these are often based on urban centres inaccessible to rural people.

In spite of the wide ramifications of formal and non-formal education, most people still do most of their learning in the unstructured, informal part of their lives. The key role of this area is usually neglected by those working in the more formal types of education, and as a result little attempt is made to strengthen it as an integral part of the overall learning process. Yet informal education is undergoing far-reaching changes. Whereas it formerly came principally from family and neighbours, daily experience, and reading, it is now increasingly dominated by the media of mass communication.

It is reading that has probably suffered most. The freedom from other distractions in rural areas was once a strong stimulus to reading. Poor people in the rural areas of Ireland, for instance, have traditionally had a tremendous thirst for knowledge, but young people now hardly read any more. Popular journalism, radio and television have displaced serious reading, and make the rural poor more similar to the urban poor. Paradoxically, the mass media may even have decreased interest in the outside world, since their current affairs features and programmes are

much less followed than the entertainment they provide. They also pay little attention to rural problems, although in some countries, such as Austria, Ireland and Scotland, there has recently been an improvement, principally through the development of local radio stations.

It is essential that all types of education, including the mass media, should contribute to rural development, instead of continuing to emphasize urban values. In many disadvantaged rural areas morale is very low, and the education system itself has often been one of the main causes of this. In such areas an essential pre-requisite for development may be for non-formal community education to rebuild the confidence and respect for local traditions of the adult, decision-making community. It is particularly useful if this can be combined with the fairly rapid prospect of economic activities supported by the public authorities, as occurred with the community education and community cooperative projects in the Western Isles.

It is also necessary for the formal education system, directed at the young, to become much less rigid and more adaptable to rural needs. It could make much greater use of the local economy and experience in teaching academic subjects. For example, science could be taught partly through agriculture, or (in fishing areas) mathematics partly through navigation. Such methods would reinforce the knowledge of and respect for the local society and economy. They would help to make possible the more rapid absorption of new information relevant to local change and development, thus strengthening the information base for decision-making. The curriculum, and the examination system on which it is based, need to be sufficiently flexible to allow for such adaptations.

Much closer relations are needed between the institutions responsible for education and for development. In the case of the Integrated Development Programme (IDP) for the Western Isles of Scotland, discussions between these institutions have resulted in proposals for the reorientation of non-formal education through community workshops for learning basic technical skills, and demonstration projects to show how crofters can best make use of the latest technology. In Baden-Wurtemberg (Federal Republic of Germany) the Alb Programme was included in the teaching of local history and geography in many primary and senior elementary schools, and biology and

geography teachers from secondary schools formed a working group to design teaching units for senior classes.[30]

However, there are also dangers in allying education too closely with particular development programmes and allowing it to be used as their instrument. There are possible conflicts between local aspirations for education and those interpreted by development institutions. It cannot be taken for granted that crofters' sons want to learn crofting skills. Many rural parents (and teachers too) still expect children to be educated for white-collar jobs in towns. Rather than imposing a particular development pattern, education should help people to see the diverse possibilities for improving themselves, and open up broad "windows of opportunity" for them.

## Local cultural identity

An important role for education lies in the promotion of local languages and cultural identity. This is a powerful means of helping people to understand their history and environment and to come to terms with them, and thus of reducing the sense of apathy and peripherality still found in many rural areas. The quest for cultural identity may also present a particularly ripe opportunity for learning.

The community and bilingual education projects in the Western Isles have had very positive effects. All primary education is now bilingual, and it is still hoped to extend this to the secondary level as well, although there is less enthusiasm for this. The introduction of Gaelic teaching gave the Western Isles Islands Council (WIIC) a freedom to adjust the curriculum which does not exist elsewhere in Scotland. The WIIC has also provided some support for a Gaelic film project and theatre workshop, and for a bilingual publishing house (Acair).

Also in Scotland, a Gaelic College has been established in the Isle of Skye. This provides a diploma in business studies taught in Gaelic, which should increase the availability of local people for such jobs as community cooperative managers.

Another example is the long-standing policy in Ireland to promote the Gaelic language. In Canada the promotion of the French language and the movement for local autonomy in Quebec appear to have produced a more favourable climate for the discussion of development issues than in the rest of the country.

The promotion of aspects of local culture such as traditional music is also important, although it seems to be increasingly neglected in many areas. There is much scope for the greater decentralization to rural areas of museums and of general cultural activities like concerts.

## Field-workers

Extension and other field-workers are not only a major component of non-formal education but also one of the most powerful institutional influences on rural development. They are, moreover, often in close touch with the processes of informal education. Extension work can have a multiplier effect by reinforcing what is available from all other types of education.

In most rural societies the written word is no substitute for face-to-face dialogue. As far as possible field-workers should originate from and live in the communities for which they are working. Unfortunately this is very expensive in terms of staff, although the organization of discussion groups and other forms of group contact can make it less so. The credibility of field-workers can be enhanced by more local demonstrations and visits (by small farmers and opinion leaders) to research stations.

But the approach to extension work is still too often from the top down. It is necessary to recognize that it is not just a question of diffusing knowledge from the centre, and that most rural communities know more than any single field-worker. Individual field-workers can only be trained in a limited range of (usually sectoral) skills. However, their training should also include sensitivity to the attitudes of rural communities and to the broader needs of rural development.

Most field-workers are isolated, and have little contact with other people doing the same kind of work. There is considerable scope for study tours in other areas, such as the exchange visits recently arranged (partly under the auspices of the Arkleton Trust) between the Western Isles and southern Italy.

## Research

Appropriate research is a key input for education and for rural development as a whole. However, most agricultural research in Europe is directed to the problems of large-scale, commercial farming. Nowhere yet are there experimental farms for small-

scale, part-time farming. Research is often centralized, and divorced from the extension and advisory services, and there is little of the essential two-way communication between research and extension. Research is particularly needed on how to train and make the best use of field-workers for rural development, and on the problems and needs of local non-agricultural, small-scale activities in rural areas.

Examples of research of some relevance to the disadvantaged rural areas of Europe include that of the Mountain Farming Problems Institute in Austria. The Irish Research Institute established a hill land research unit in 1967, but this has been closed because of financial cutbacks. The Swiss National Research Foundation does research on mountain development and diversification from tourism. The Alpine Regional Council (covering parts of Austria, the Federal Republic of Germany, and Italy) has a similar programme. Examples in the United Kingdom include the Hill Farm Research Organization, the Welsh Plant Breeding Station, the Centre for Alternative Technology, and the University of Aberdeen's Institute for the Study of Sparsely Populated Areas.

Research of the more academic type appears to have little impact on disadvantaged rural areas. Academics find it difficult to communicate with rural people. They are discouraged from being of service to neighbouring rural areas by the reward system in their profession.[31] In general the subject of rural development finds little favour with economists and other academics, not only because it cannot be reduced to mathematical models, but also because it is a minority problem in predominantly urban societies and thus tends to be viewed mainly in a negative way.

## IX MAIN CONCLUSIONS

Thus there appear to be many ways in which improvements could be made in institutional approaches to rural development in Europe. There are also many changes going on in the rural areas. If the institutions engaged in rural development can perceive the need to adapt to these changes, they may perhaps be more ready at the same time to make some of the other improvements suggested in this report. A few of these are singled out once again below.

Of all the institutions concerned, the most important are those at the two opposite extremes of the administrative scale. At one extreme are the local community-level institutions (including cooperatives and other voluntary institutions as well as local government ones) through which rural people or their representatives can participate in the decisions affecting their future. At the other are the government institutions (such as ministries of agriculture and development boards) providing assistance for various aspects of rural development. A principal requirement for successful rural development is an effective interaction at the local level between these two types of institution.

Strong and representative community-level institutions are essential. A neglected factor in their viability is the need for incentives for the assumption of rural leadership (especially of time-consuming elected office) and for community action. Both are closely related, for the enhanced social status that is probably the chief incentive for leadership hinges partly on the success of the community action the leader is able to promote. This in turn depends to a great extent on the suitability of the assistance that can be obtained from government institutions. If this is available for small-scale initiatives that can quickly be accomplished, the credibility of community action is more readily established and confidence built up.

The approach of the government institutions providing assistance is also a main determinant of the interaction that can be achieved at the local level. A basic criterion of the success of any rural development programme should be the degree to which it contributes to strengthening local institutions. For the necessary interaction, the institutions providing assistance have to take care to identify and contact the most appropriate local institutions, groups and individuals. New rural development programmes

should make it possible for field-workers to be employed in advance of their detailed formulation to discuss them with the people who will be affected.

Most of the institutions that provide assistance for rural development do so on sectoral lines. They still tend to take a mainly "top-down" approach, and pay little regard to the need for people's participation and for greater accountability to their clients. They are insufficiently flexible in both approach and coverage. Sources of finance are needed for general rural development, in terms of requirements defined locally, rather than only for a few rigid, usually sectoral categories defined from above.

These institutions also need to cooperate much more closely with one another. More coordinated action between them depends above all on the existence of an overall policy framework. In view of the changes under way in rural Europe, it is now time for governments to draw up rural development policies, and possibly even establish separate departments for rural affairs. These policies must recognize the importance of part-time farming as a dynamic component of the informal economy. Land use policies are required that allow better for the resolution of conflicting interests. Land tenure policies should not only provide greater possibilities for new entrants to farming (especially for family farmers), but also recognize that access to small areas of land must increasingly be seen as an economic and social base from which a family can carry out many activities in addition to farming.

A coherent rural development policy, including the encouragement of part-time farming, is also needed at the EEC level. Much closer contact is desirable between the EEC's agricultural, regional and social funds. While the growing interest of the EEC in the broader aspects of rural development brings important new opportunities, it also brings some new problems by adding yet another level of institutions.

The impact of education on rural development suffers from the same problems of a predominantly "top-down" approach, lack of flexibility, and insufficient cooperation between institutions. Much more attention has to be given to informal education, and to the ways in which formal and non-formal education can be used to reinforce it. Education institutions have to recognize their powerful influence on rural development, and seek to

adapt more readily to the changing needs of rural societies.

In many areas where morale is very low, an essential prerequisite for development may be for non-formal community education to rebuild the confidence and respect for local traditions of the adult, decision-making community. Innovative methods may be required for this purpose, including the use of local people as trainers. It is also necessary for the formal education system, directed at the young, to become less rigid and more adaptable to rural needs. Closer relations are needed between the institutions responsible for education and for rural development, although this should never go so far as using education to promote a single pattern of development.

Even the approach of extension and other rural field-workers, who should be so close to the grassroots and to the processes of informal education, is still all too often from the top down. Although individual field-workers can only be trained in a limited range of skills (amounting to much less than what is known by a rural community), their background and training should also include sensitivity to the attitudes of rural communities and an understanding of the broader needs of rural development.

What is needed most of all is a realization of the new importance of rural development in Europe. Once this is seen in proper perspective, it should be easier to make the necessary adaptations in the approaches of the institutions providing assistance, and to ensure that they always aim at strengthening the local institutions that can initiate changes from below.

# NOTES AND REFERENCES

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2 United Kingdom. *First Report from the Agriculture Committee*, House of Commons Paper 41-1, HMSO, London, 1982.

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4 Additional assistance for such areas became available in 1975 under Directive 75/268 on mountain and hill farming and farming in certain less favoured areas (LFAs). Article 3 of the directive sets out criteria for the designation of LFAs: Article 3.1 covers mountain areas where farming is necessary to protect the countryside, especially to avoid erosion and meet leisure needs; 3.2 areas where the maintenance of a minimum population and the conservation of the countryside are not assured; and 3.3 small pockets (not to exceed 2.5% of utilized agricultural area) where farming is necessary to conserve the countryside and preserve tourist potential, or protect the coastline. The main expenditure under the directive is on compensatory allowances for livestock, which are available to farmers with at least 3 ha of utilized agricultural land (reduced to 2 ha for Greece and southern Italy) who undertake to remain in farming for at least five years and are not normally in receipt of a pension. The reimbursement from the EEC agricultural fund (FEOGA) is usually 25% but has been raised to 50% for Ireland and southern Italy.

5 Arkleton Trust. *Schemes of Assistance to Farmers in Less Favoured Areas of the EEC*, Langholm, Dumfriesshire, 1982, p. 8-9.

6 Belgium, France, Federal Republic of Germany, Greece, Ireland, Italy, Luxembourg, United Kingdom. Denmark has not designated any LFAs, and in the Netherlands they are very small.

7 Partly based on: Ian Livingston. On the concept of "integrated rural development planning" in less developed countries, *Journal of Agricultural Economics*, 30(1), January 1979, p. 49-53.

8 Arkleton Trust. *Schemes of Assistance, op. cit.*, p. 15.

9 The agricultural part of the Integrated Development Programme (IDP) for the Lozère Department of France involves total public aid for five years of ECU 30 million, of which 40% would be reimbursed by FEOGA. The rates of grant aid range from 20% for livestock improvement to 100% for farm consolidation. In addition FF 48.9 million (ECU 8.2 million at current market exchange rates) are being sought from the "non-quota" section of the European Regional Development Fund (ERDF) for proposals concerning crafts, industry, tourism and trade. The total cost of this part of the programme would be FF 224 million and national public sector contributions 80 million, leaving 95 million to be found by the private sector. A large training programme, related to the other parts of the IDP, is included for partial financing by the Social Fund.

10 Implementation of the IDP for the Western Isles of Scotland began in September 1982. Public expenditure of £20 million (of which 40% from FEOGA) for five years is envisaged for the agricultural and fisheries parts of the programme, which are to be administered by the Department of Agriculture and Fisheries for Scotland (DAFS) and the Highlands and Islands Development Board (HIDB). Rates of grant are as high as 75% for marketing and processing, and 85% for certain land improvement measures. In addition the much larger expenditure of about £36 million is envisaged for infrastructure and other projects outside the agricultural and fisheries sectors. EEC assistance is expected for this as well, although the contributions of the regional and social funds have not yet been decided. The bulk of expenditure on this part of the programme will be for communications (roads, piers and ferries), but substantial expenditure is also proposed for tourism, energy, exploitation of seaweed resources, Harris tweed, and mineral exploitation.

11 The Agricultural Development Programme (ADP) for the West of Ireland was started in 1980 and runs until 1990. FEOGA funding will total some IR £150 million (ECU 224 million). The programme applies to most of the LFAs of western Ireland. It permits substantial increases in the rate of FEOGA grants for land improvement works, access roads associated with such improvements, farm buildings, fixed equipment, a "calf-to-beef" scheme, forestry development, marketing and processing, private and public water supplies, and electrification.

12 From 1983 an ADP is to be implemented in certain parts of Greece covering about half of the LFAs in the country. The total cost is ECU 420 million, of which almost half (199 million) would be reimbursed by FEOGA. The initial emphasis is to be on priority infrastructure, forest development to control erosion, and training.

13 A Special Federal Programme for the Promotion of Structurally Weak Mountainous Rural Areas was initiated in Austria in 1979. The programme was formulated for a two-year pilot period, and has been extended for a further three years. It aims at the more self-reliant development of peripheral rural areas, based on the fuller mobilization of local resources. Grants are available up to 50% of investment costs, with a maximum of A.Sch. 1 million. From the end of 1980 to July 1982, 32 projects were assisted by grants totalling A.Sch. 21 million (See: Walter B. Stöhr. *Special Federal Programme for the Promotion of Structurally Weak Mountainous Rural Areas in Austria — an Alternative Approach*, paper prepared for 1982 Arkleton Seminar; Bundeskanzleramt. Sonderaktion des Bundeskanzleramtes zur Stärkung entwicklungsschwacher ländliche Räume in Berggebieten Österreichs, Erfahsrungsbericht, *Raumplanung in Österreich*, 2/81).

14 France has a long-standing policy for mountain areas. Since 1979 many rural development measures in mountain and other LFAs have been coordinated through the *Fonds interministériel de développement et d'aménagement rural* (FIDAR). Little "new" money is available from FIDAR, which largely reorganized funds previously distributed by other separate sources. It nevertheless represents an important step towards the administrative coordination of public assistance for rural areas and its adaptation to local needs and circumstances. It also provides increased scope for the support of local institutions, and considerable flexibility in terms of executing agencies. Much of its support is directed through *contrats du pays*, involving coordinated local actions executed by a *maître d'ouvrage* which may be a village, group of villages, district, region, or any other group either existing or formed specially for the purpose. The IDP for the Lozère is to be implemented in much the same way. In 1981 FIDAR allocated FF 332 million, augmented by a further 201 million from specific ministerial funds. The programmes it supports are "integrated" in concept, covering other economic activities, public services, infrastructure, and in some cases architectural restoration, as well as agriculture. The largest programme is for the Massif Central, which received FF 97 million from FIDAR in 1980. The future of the fund is now under discussion. Most of the proposals aim to extend the role of the municipalities and regions and reduce that of the central government, thus strongly linking rural development policy with that for decentralization.

15 There are several special rural development programmes of an "integrated" nature for particular areas in the Federal Republic of Germany. These include the Alb Programme in Baden-Wurtemberg, the Alp Programme in Bavaria, and three recent forest-area programmes for the Black Forest, the Odenwald, and the Swabian-Franconian Forest. They have similar characteristics, which may be illustrated by the Alb Programme. This goes back to 1970 and is now under review. Its objectives are economic, agricultural and landscape development, counteracting migration from the region, and improving incomes through measures involving infrastructure, tourism and job creation. Most of the measures directly affecting individual farmers have concerned the tailoring or promotion of existing State or EEC provisions rather than new ones. The programme was drawn up by the State of Baden-Wurtemberg, in

collaboration with the districts and parishes involved, in the context of a land use plan. It was endorsed by the State Government, which drew up a financing schedule and passed the task of implementation back to the various agencies involved. As with all EEC-assisted schemes in the Federal Republic, both the Federal and State Governments contribute (the latter normally 40%), and share the EEC reimbursement *pro rata*. The programme covers 502 parishes that are disadvantaged according to land capability criteria, with an area of 580,000 ha (of which 294,000 in agriculture and 223,000 in forestry) and a population of 722,000. For an interim assessment of the programme, see: E. Zillenbiller. *Regional structural policy in Baden-Wurtemburg as represented by the Alb Programme*, paper presented at Third Congrèss of European Association of Agricultural Economists, Belgrade, 31 August to 4 September 1981.

16 The *Cassa per Opere Straordinarie di Pubblica Interesse nell'Italia Meridionale*, better known by its shorter title of *Cassa per il Mezzogiorno* ("fund for the south") was established in 1950. Its aim was to help redress the balance between the backward, largely agricultural south of Italy and the more prosperous, rapidly industrializing centre-north. The initial emphasis was mainly on infrastructure and on agriculture, particularly large-scale irrigation and drainage works in the plains. In the 1960s it shifted to big industry and "growth poles", as well as infrastructure. With the changed economic climate since the early 1970s, however, the establishment of large industrial plants has virtually ceased (some have in fact been closed), and the main emphasis is once again on infrastructure. Two of the more recent programmes of the *Cassa* are of particular interest as examples of institutional approaches to rural development. The extension service of the *Cassa* began to promote rural production cooperatives in 1969. These are "joint managements", under which members make over their land to the cooperative for joint use for 30 years, dividing the net income mainly on the basis of the work they perform (80% of the total, as against only 20% for the land made over), and in principle no hired labour is employed. By 1981, some 13,000 plots with an average size of about 1 ha had been consolidated into about 2,500 plots averaging 5 ha in 108 agricultural production cooperatives. Apart from strong motivation and commitment by the cooperative members, the main requirements for success have been guidance by a highly dedicated extension service, and appropriate and timely capital grants from the *Cassa*. Unfortunately the regionalization of the extension services in 1975 appears to have weakened their capacity to provide the necessary encouragement and advice, and there have also sometimes been frustrating delays in the provision of financial assistance (See: Giuliano Cesarini. *Rural Production Cooperatives in Southern Italy*, Arkleton Trust, Langholm, Dumfriesshire, 1979; Giuliano Cesarini, Giuseppe Cocuzzone, Giovanni Simonelli. *La produttività degli investimenti in gestioni associate nel Mezzogiorno d'Italia dal 1969 al 1981*, unpublished manuscript). The *area interne* (inland areas) project of the *Cassa* was approved in 1978. It is an "integrated" project, covering many activities other than agriculture. In practice, however, during the first two years of the project almost all of the funds approved were for public works, and cooperative and private works received only 14% in 1979 and 10% in 1980. *The comunità montane* (mountain communities), established in 1971 following regionalization, have an important role in the planning process for the inland areas. These are groups of municipalities which have been given planning powers, but up to 1981 only one in eight of them had prepared rather limited plans. Thus little has yet occurred to shift the balance of the *Cassa's* work away from the plains, the former main focus of its agricultural activities, towards the more deprived mountainous, inland areas.

17 The special problems of the Highlands and Islands of Scotland led to the establishment of the Highlands and Islands Development Board (HIDB) in 1965, with uniquely wide powers for a development institution in the United Kingdom. Unlike the schemes operated by the Department of Agriculture and Fisheries for Scotland (DAFS) and the Crofters' Commission, which base assistance on specific schemes of

physical improvement, the assistance offered on a discretionary basis by the HIDB is based on a financial assessment of the costs of any development scheme, including working capital requirements. Most of its assistance to farmers and crofters is through subsidized medium-term loans, although it can also give special grants for schemes (or parts of them) that do not receive grant aid from other public sources. The HIDB can also operate special development schemes. These include a series of selective livestock improvement incentives for beef cattle and sheep, a number of marketing schemes, and assistance for agricultural and community cooperatives. The multipurpose community cooperatives are a particularly interesting initiative, and represent the HIDB's first truly multisectoral programme. They were started in the Western Isles in 1977, on the model of those in the Gaelic-speaking areas of Ireland. Their aim is not only to stimulate economic activity of all kinds, but also to rebuild morale and self-confidence in local communities. In 1965-78 the HIDB provided assistance of £53.4 million (at current prices) to private investors, of which £30.4 million as grants, while expenditure on projects undertaken by the board itself amounted to £18.6 million. In 1981 it approved £2.8 million in grants, interest relief and loans to 285 agricultural and horticultural projects, and £7.6 million for projects in fisheries, industry, crafts, tourism, and social facilities. (For a recent assessment of the agricultural work of the HIDB, see: J. Bryden. Appraising a regional development programme — the case of the Scottish Highlands and Islands, *European Review of Agricultural Economics*, 8, 1981, p.475-497).

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21 Michael Tracy. *People and Policies in Rural Development: Institutional Problems in the Formulation and Implementation of Rural Development Policies in the European Community*, The Arkleton Lecture 1982, Arkleton Trust, Langholm, Dumfriesshire, 1982, p.47.

22 In Italy, for example, regions have existed on paper since the Constitution of 1948. Since 1971, when the first regional legislative bodies were elected, the regions have become autonomous bodies with the power to regulate such matters as community boundaries, local police, markets and fairs, health and social assistance, professional training, museums and libraries, town planning, tourism and hotels, regional roads, public works, navigation, thermal and mineral water, hunting, inland fisheries, agriculture, forestry, artisan industry, quarries and peat bogs. They have produced regional development programmes which have started to tackle development from a more local and sectorally integrated perspective. The "special statute" regions (Sicily, Sardinia, Trentino-Alto Adige, Friuli-Venezia Giulia, and Valle D'Aosta) have even wider powers concerning industry and infrastructure.

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## APPENDIX

### List of seminar participants

| | |
|---|---|
| Keith Abercrombie (Chairman) | Trustee and Senior Consultant, The Arkleton Trust, United Kingdom |
| Baburao Baviskar (study tour) | Reader in Sociology, Delhi School of Economics, India |
| Michael Clark | Executive Director, Northern Lights Institute, Helena, Montana, United States |
| Roger Clarke (Rapporteur) | Assistant Director, Scottish Council of Social Service, Edinburgh, United Kingdom |
| Ronnie Cramond | Under-Secretary, Department of Agriculture and Fisheries for Scotland, Edinburgh, United Kingdom |
| Raymond Craps | Director, Agricultural Structure and Forestry, Commission of the European Communities, Brussels, Belgium |
| Arthur Domike | Center for International Technical Cooperation, American University, Washington, D.C., United States |
| Athanasios Kokkonis | Director, Ministry of Agriculture, Athens, Greece |
| Éamon Ó'Cuiv | Manager, Dhúiche Sheoigheach Community Cooperative, Corr na Moña, Co. na Gaillisshe, Ireland |
| Amboobhai U. Patel (study tour) | Professor of Agricultural Extension Education, University of Ibadan, Nigeria |
| Agnes Rennie | Manager, Acair Ltd., Stornoway, Isle of Lewis, United Kingdom |
| Elena Saraceno | Director, Centro Ricerche Economico Sociali, Udine, Italy |
| Walter Stöhr | Director, Interdisciplinary Institute for Urban and Regional Studies, University of Economics, Vienna, Austria |

| | |
|---|---|
| Ian Wight (study tour) | Department of Geography, University of Aberdeen, United Kingdom |

**1982 Arkleton Lecturer**

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|---|---|
| Michael Tracy | Director in the Secretariat of the Council of the European Communities, Brussels, Belgium |

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