

Rural areas in transition: an introduction

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Rural areas are often negatively associated with backwardness in terms of income and employment opportunities, a worsening of services of general interest, the migration of young, skilled people, and a low population density. Although rural areas are not homogeneous and their specific characteristics can differ across countries, but also within a country, rural development poses challenges to public and private actors in all countries. Despite heavy public investments to foster rural economies and improve quality of life in some countries, the best suited policy measures are still under debate, as is the role public, private and collective action should play and how the regions affected will develop in the future.

Against this background the IAMO Forum 2013 was entitled "Rural Areas in Transition: Services of General Interest, Entrepreneurship and Quality of Life". This conference was jointly organised by the Leibniz Institute of Agricultural Development in Transition Economies (IAMO, Halle (Saale), Germany) and the Thünen Institute of Rural Studies (Brunswick, Germany) to provide a platform for academic exchange focusing on future risks and opportunities facing rural areas in the transition economies of Eastern Europe, the former Soviet Union, and Asia, as well as to discuss the opportunities for public and private actors to shape living conditions in these areas. The challenges discussed in the conference covered a wide range of issues, from inadequate infrastructure and declining service provision, low employment and income growth, poor education and training, to higher poverty levels compared to urban areas. Given the rural quality of life and economic prospects, these problems lead to high rates of out-migration, especially among the young, working-age population.

This special issue consists of six selected articles covering a variety of challenges facing rural areas in different regions of Eastern Europe, as well as a variety of methodological approaches that authors used in their studies. Whereas the first three papers focus on collective action approaches in rural development, the fourth paper compares two evaluation methods.

The remaining two papers centre on innovative forms of agricultural marketing and migration. By presenting different examples from East Germany, Romania and Ukraine, the authors examine how the involvement of local authorities and private actors, as well as the design of the projects and policies, can contribute to community-led local development.

More specifically, *Pollermann, Raue and Schnaut* explore opportunities for a **participative approach in rural development** against the background of **East German** historical developments. Based on a comparison of LEADER projects across seven German federal states, the authors analyse the implementation of projects in Mecklenburg-West Pomerania. Two criteria, a) participation, indicating the involvement of local actors, and b) innovation, expressing the degree of application of new approaches, form the foundation of the comparison. Data for Mecklenburg-West Pomerania, a region with a comparatively low per capita income and declining population density, are put in relation to four federal states in West Germany. Generally, results do not suggest great differences across the states analysed. However, Pollermann and coauthors point to the fact that in Mecklenburg-West Pomerania local authorities and the public sector play a slightly stronger role. They conclude with a number of recommendations to arrive at broader and more integrative local strategies.

To get a better understanding of the functioning of an innovative alternative approach for filling the gap in local food marketing that emerged after the breakup of collective agriculture, *Möllers and Birhala* analyse **Community Supported Agriculture (CSA)** projects in **Romania** and explore their potential as a pathway for small family farms in Eastern Europe. In CSA projects consumers pay farmers a fixed fee and receive agricultural products on a regular basis. Data from three subscription CSA projects collected in Timisoara form the empirical base. Consumers have been interviewed as well as farmers. Producers name market access and the beneficial effects of organic agriculture as their most important motives. For consumers, the expectation of positive health effects and the desire for organic food rank as most

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important motives. However, the authors clearly indicate that consumers, as well as the three farmers participating in the CSA cases analysed, are not representative for Romania. The farmers interviewed had no traditional farming background and enjoyed above average education. Similarly, among the consumers interviewed the share of household members with higher education lies far above the national average. Möllers and Birhala conclude that CSA might represent a viable strategy for small farm households with sufficient labour force located close to urban centres, especially if organic supply chains are mostly oriented towards export.

In the third paper, *Kvartiuk* looks at the non-profit options for delivering public goods, that were previously the responsibility of ex-Soviet collective farms. In his paper, *Kvartiuk* investigates the conditions in rural **Ukraine** that would promote the effectiveness and sustainability of **community-based organizations** (CBOs). Based on the qualitative data from semi-structured interviews with development experts and local officials, as well as several community case studies in Kyiv oblast and the Autonomous Republic Crimea, the issues of the relationship between CBOs and local governments and the members' contributions to community development funds are investigated. Particular emphasis of the study is placed on the role of external funding and facilitation of local collective action. The results suggest that the competition among local communities for funding opportunities along with sufficient information flow about grant programs and the implementation of awareness-raising and educational measures about the third sector organizations can contribute to the sustainability of local community-based development.

In their paper, *Meurs and Kochut* investigate the conditions that would contribute to improved outcomes of **local governance performance** under decentralization in rural **Poland**. Using a survey data of rural municipalities in a simple OLS (ordinary least squares) regression the authors examine the relationship between the governance outcomes and the characteristics of rural municipalities such as skills, mechanisms of accountability, and inherited conditions. The study results demonstrate that there is a link between some measures of local government accountability and skill, such as voter turnout, communication with businesses, and securing EU support for projects, although this relationship is not consistent across time and outcomes. The link between government actions and performance is weakened by the strong association with the factors outside the local government control such as location, inherited infrastructure, levels and types of economic activity, and previous performance. Since their findings show that the location and historical conditions can outweigh the government actions, the authors conclude that continued income transfers from central to local governments are needed to mitigate uneven outcomes under decentralization.

Taking a more methodological focus, *Marquardt and Pappalardo* explore strategies to evaluate integrated endogenous **rural development and partnership innovations**. Due to their local specificity and complexity, evaluations of these innovations often rely on qualitative methods and cannot be easily compared across projects. After an extensive review of

existing evaluation approaches *Marquardt and Pappalardo* suggest two approaches based on Multiple Criteria Decision Analysis and Social Network Analysis. The authors present the strengths and weaknesses of both approaches and show that both approaches are preferred to other evaluation methods, as the two methods produce vertically and horizontally comparable quantitative evaluation results. The high demand on data could be mentioned as a drawback.

Török in her paper investigates the changes in **spatial differentiation of migration flows in Romania**. To investigate a spatial pattern of migration flows and to analyse the neighbourhood effects in shaping the migration patterns, the study applies spatial autocorrelation techniques using settlement-level data of net migration. Two migration phenomena are distinguished covering different time periods. The first period, 1990 to 1996, is characterised by rural-urban East-West migration mainly due to the economic restructuring in rural areas. A different migration pattern is observed in the second period investigated, 1997 to 2011, when urban-rural remigration prevailed due to the industrial restructuring leading to urban job losses and a reverse process of the wealthier population moving to suburban places. The analysis shows that the aging population and its low natural increase, along with the underdeveloped economic sectors can enhance the degree of co-influence of neighbouring settlements on their migration rates. In conclusion, the study points out that in addition to infrastructure development, promotion of the tourism sector and attracting foreign direct investments, it is important to take into account the negative spill-over effects resulting from increased out-migration flows.

These six studies present only a few examples of the challenges of rural development in the post-socialist transition countries. Yet, they share the clearly accentuated message that examining the rural quality of life and economic development in the post-socialist regions requires the consideration of a broad range of development goals: from fostering the provision of public goods to rural entrepreneurship, not merely improvement of physical infrastructure or incentives for agricultural producers¹. Overall, by providing a better understanding of the issues of rural development, the papers in this special issue conclude that the targeted challenges are complex, due, for instance, heterogeneity of rural areas, and further research should take these complexities into account to derive policy options on how to best foster rural economic growth and the quality of life.

References

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¹ For a discussion of the role of agriculture for rural development in Central and Eastern Europe see, e.g. the proceedings of the IAMO Forum 2003 (Patrick and Weingarten, 2004) and Wolz et al. (2012).