

Rurality and rural development in post communist European countries

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1. Introduction

During the last decade EU policies for agriculture and rural development pushed post communist European countries to shift their agricultural policies towards that of EU in particular to achieve a convergence necessary for EU accession. The adoption of the related measures and the implementation of specific training and capacity-building programs (i.e. SAPARD) surely contributed to achieving several improvements not only for Central and Eastern European agriculture but also for the rural world as a whole. These EU policies during the 80s and 90s incorporated, in consideration of the CAP problems and contradictions, a (rather slow) progressive shift from sectoral to territorial development involving several modifications in many operational approaches such as:

- territorial integration among sectoral policies at regional and local level
- decentralization of policies administration and more flexible actions
- a bottom-up approach in rural development
- diversification in rural economic activities
- a major focus on local peculiarities
- improvement of infrastructures
- more emphasis on education and training
- reduction of subsidies in agriculture and increases in strategic investments for new and alternative activities.

The implementation of these important innovations is actually limited by the problem that in practice rather few

Abstract

The peculiarities of the post-communist process in Central and Eastern Europe make rural development issues in these regions not immediately tailored to the traditional EU model. After a decade of "transition", in these regions a developed agriculture lives together with a structurally poor rural world affected by increases in poverty levels, unequal opportunities and resource distribution, progressive decay in the environmental quality and life standards. The identification of the "core" elements of rural development can provide useful contributions to increase compatibility and effectiveness of economic measures to the local social, cultural and environmental systems thus reconnecting economic development to human development. Within this perspective, substantial increases in the quality of life standard, rather than in production growth, should be considered as the most effective measure of the impact of the introduction of intervention actions in rural areas.

Résumé

Les particularités du processus post-communiste en Europe centrale et orientale font que les questions du développement rural dans ces régions ne sont pas immédiatement adaptées au modèle traditionnel de l'UE. Après une décennie de "transition", dans ces régions une agriculture développée coexiste avec un monde rural pauvre du point de vue structurel et affecté par des niveaux croissants de pauvreté, une distribution inégale des chances et des ressources, une dégradation progressive de la qualité de l'environnement et du niveau de vie. L'identification des éléments "clés" du développement rural peut contribuer utilement à accroître la compatibilité et l'efficacité des mesures économiques par rapport aux systèmes sociaux, culturels et environnementaux locaux, reliant ainsi le développement économique au développement humain. Dans cette perspective, il faudrait considérer l'amélioration significative du niveau de vie, plutôt que la croissance de la production, comme étant la mesure la plus efficace de l'impact des interventions dans les régions rurales.

of these concepts have been translated into concrete legislation or operative actions: in many EU countries sectoral interventions and centralized policies still remain the main focus for agriculture and, consequently, for rural development as well¹.

Within this scenario, the role and position of the rural world in post communist Europe seem not yet completely defined due to its peculiar characteristics, not only restricted to the experiences made during the "real socialism", determining those differences, in contrast with the model of the traditional patterns of agriculture commonly adopted within the EU, which are referred to objective (structure of farming, quality of infrastructure, etc.) and subjective (mentality, education, etc.) factors. For many rural districts in the region, rural development processes, in the perspective of an EU accession, are amplified by several problematic conditions which can be grouped in the following problem-areas:

- geographical remoteness of a large number of rural districts from the economic and political heart of the EU;
- macroeconomic weakness;
- institutional and administrative difficulties in implementing the EU policies;
- operational and market problems in identifying products and services for rural world.

¹ Many of the changes in EU policies can be considered as the result of the southern enlargement, the Single European Act in 1986, the CAP crisis and the related Uruguay Round. Such changes have been incorporated into Agenda 2000, the Structural and Cohesion Policies, the LEADER programme and the new Rural Development Regulation.

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These districts thus become “developing areas”, in traditional economic and social terms, which require specific development plan and the definition of strategies directed to create appropriate know-how about methods and paths on which they can be developed. Being developing areas, they are considered residual zones to urban areas which need exogenous actions to support their own development. This condition determines a double faced dimension for rural districts in the region because, in general terms, an economically efficient and competitive agriculture, capable to adopt innovation and technologies in products and processes, has to live together with a widespread structurally poor agriculture which remains far from the main communication networks and crucial trade centers.

These economically “disadvantaged areas” often have to suffer from dramatic marginalization pressures in their agricultural and non agricultural activities, because the involved communities are considered unable: a) to reach adequate productivity levels; b) to cope with the impact of severe reductions or the end of the previous social protection schemes; c) to quickly adapt to the renewed social and economic scenario. In particular, in those regions hit by industrial dereliction and environmental degradation or considered too remote, the large number of social and economic adjustment problems they have to cope with make encouraging entrepreneurship, diversification or the “mentality of risk” in a rural population based on subsistence economy a very difficult task. Unfortunately SAPARD programs do not take into proper consideration the implication and the effects of the social tension underlying the post communism process: social exclusion, high suicides rates, alcoholism, widespread poverty are urgent issues to be solved in the short run in order to create those preconditions for the creation of a sound rural economy and society.

2. Definition and characteristics of rural areas

Rural regions in post communist Europe show high variability in needs and problems due to variable characteristics which can be synthetically summarized as follows:

- zones based mainly on agriculture (high agricultural employment levels and high share in GDP);
- zones based mainly on poor agriculture (high agricultural employment levels and self consumption production);
- zones based on developed agriculture (low agricultural employment levels and high share in GDP);
- zones with important natural resources and protected areas;
- zones tourist-oriented with small scale structures;
- zones tourist oriented with large-scale structures;
- zones with a certain number of small firms;

- semi-urban zones;
- zone with high share of the elder population.

Even if Central and Eastern European countries are complying with more severe environmental standards and gradually harmonizing their institutions and legislation to the current EU framework, these zones are crossed by specific environmental conditions often linked to pollution problems related to:

- inadequate institutional structures for environmental management;
- legal instruments not sufficiently developed and implemented;
- under-funded environmental agencies;
- inadequate personnel’s skills;
- improper agricultural practices;
- inadequate environmental quality monitoring;
- big industrial pollutant sources.

Severe reduction of the share of agriculture in (formal) employment and in GDP generation caused unemployment, poverty and a progressive decay in the quality of life in rural areas with a progressive erosion of a production and cultural context based on agriculture.

Deep modifications in the economic organization are accompanied by parallel modifications in the social structures of the agricultural and rural society and by the effects of a complex “cultural” transformation with potential “identity” problem for the communities involved. Rural development in these districts is thus affected by a lack of a “cultural” counterpart of agriculture, capable to reproduce the culture of the agricultural society and revitalize traditions and heritage of rural communities. This is an essential precondition in order to create an ethic and mental environment necessary for the birth of alternative activities such as small trades and business, services, tourist facilities, etc. These alternative economic activities highly depend on a perspective shift from agricultural to rural space to be considered as a natural and cultural environment which represents, at a local dimension, a complex network of differentiated material (landscapes, environmental systems, agricultural resources, etc.) and non material resources. These non material resources are peculiar aspects of local communities (traditions, culture, religion, languages, etc.) which can be translated into a local material culture such as art heritages, traditional and niche food, artisans’ products, traditional rural architecture, etc. Many alternative economic activities can be based and depend on tangible, non tangible resources or on the strict interconnection of both. The continuing influence of these material/immaterial characteristics can make many economic and social potentials not immediately evident requiring several measures and actions to emerge. For this reason, the identification and integration of those services necessary to support these activities represent a crucial step in order to make them identifiable by potential investors. These resources have to be analyzed

and evaluated in order to identify those factors which can support a sustainable development based on different segments related to possibilities and alternatives in managing this "rural space". In this perspective, rural space overcomes a production dimension (for agriculture or industry) thus becoming a complex framework for multi-level and multi-functional realities where very different activities and actors can be involved and operate.

The complexity of this framework and the large number of intervention levels create many difficulties and problematic conditions also in theoretical approaches. Rural districts are described as "gray areas" sometimes defined by a low population density, sometimes by the fact to be areas outside towns, etc. In fact, the term "rural" is usually related to the number of inhabitants in a defined area (2000-5000 units or less) but when types of economic activities in a given area (agricultural or industrial) are combined to the population density, the resulting definition of "rural area" can highly vary from country to country. If economic parameters prevail, this definition may also encompass "rural towns" and populations of 200.000-250.000 units thus identifying the so-called "quasi-urban" areas or "market towns" which cannot be classified as urban areas. These sites are "market places" with shops, hotels and public offices with developed infrastructures (roads, railways) and a population of 5000 units and more. These centers can usually play an important role for the surrounding villages as crucial places for trade, cultural, educational and governmental activities.

The definition of rural and urban area can change in time and in space creating difficulties for comparisons at international level and in the clear and stable identification of what should be included within non-agricultural rural activities and in the related income. Some non-agricultural incomes can be organized according to their location which can lead to the definition of the following income groups (with different employment implications):

1. incomes earned from non-agricultural activities in rural areas (within the household or outside, in self-employment or wage employment);
2. incomes deriving from non-agricultural activities in small rural towns (in self-employment or wage employment);
3. incomes earned by rural households through jobs in urban centers;
4. incomes obtained from remittances from household members located in cities;
5. incomes obtained from remittances from household members located abroad.

These difficulties in the definition of what should be considered as rural area drive to nourish concrete limits to determine issues, topics, needs, institutional players, interested groups and individuals who may have no (more) relations with agriculture or potential renewed contacts with agriculture through inter-sector links.

3. Approaches to "rurality": a general overview

In general terms, approaches to "rurality" can converge into two macro-categories:

- a) rurality as peculiar type of "locality";
- b) rurality as social representation.

According to point a) rurality is mainly linked to spatial indicators connected to land use and other economic variables which can be geographically represented. This approach drives to the identification of other two following sub-categories:

a.1 spatial dimension

Within this dimension, rural space is identified through distinctive spatial characteristics (usually in opposition to urban areas) related to economic factors (producers, laborers and consumers) which should tend to optimize their location and relations. In this perspective, the rural space is influenced by an efficient/inefficient distribution and presence of goods and services or a conversion/dispersion of growth forces. Generally, the theories based on this approach are focused on the presence of a focal "centre" capable to justify economies of scale and activate advantages in terms of transportation costs. This concentration of economic activities generate a demand for diverse supply of products acting as an externality for the surroundings contributing in the same time to determining an economic specialization. According to this model and its "intensity scale", the longer the distance from the centre, the higher the proportion of non active people, traditional economic and social structures, etc.; this "periphery thus becomes synonym for "rural". The main indicators for a rural district are for example land use, share of agriculture in employment, population density, crime rates, types, characteristics and density of buildings, etc. It should be noted however that the presence of inefficiencies and dispersions can create "irregularities" for example in the population density and job distribution modifying the effects of the intensity of these economic centres.

a.2 territorial dimension

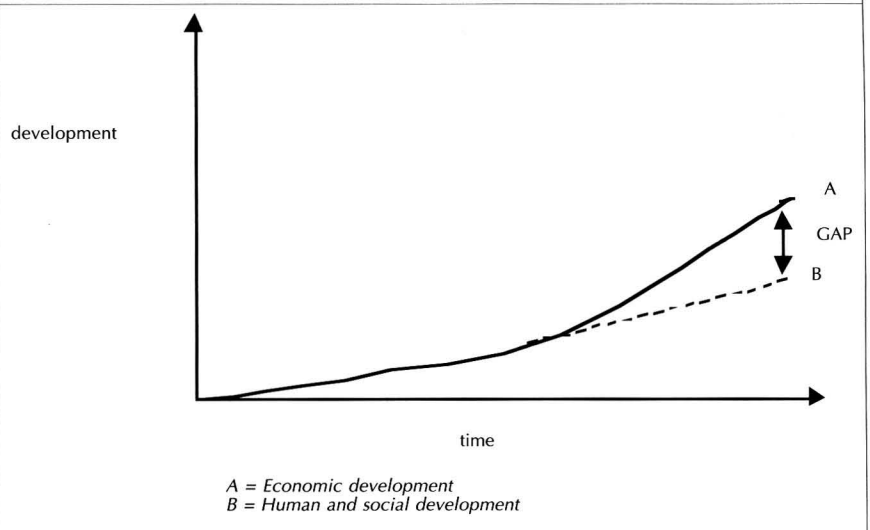
In this perspective, the dichotomies between centres and peripheries, urban and rural areas are less intense due to a preferential emphasis on the economic diversification. It means that the space can be divided into geographical entities which can include local and regional economies, agricultural and industrial activities, services, one or more centres and open spaces. These entities can encompass areas with high population density and big urban centres as well as low populated areas and small villages: the first type of areas can be identified as "urban zones" while the second as "rural zones". This approach considers that between these two extremes, there is a wide range of gradual configurations not related by a link of dependence (as in the relations between centre and periph-

ery) but rather by complex interrelations based on competitions among local economies in a regional, national and international scenario.

Traditional theories on rural development were based on horizontal development flows from centers (usually urban areas) to periphery zones (rural areas) both in the supply of tangible goods (i. e. food or fiber production) and in the supply of non tangible goods (i. e. recreational facilities for urban residents) to meet an urban demand for such goods. The need to overcome this dichotomy towards a partnership between urban and rural areas drove to the definition of rural development strictly rooted in a complex interplay between local and external economies, endogenous and exogenous forces influenced by globalization processes. In this wider context, actors are unavoidably involved in both local and external networks whose size, directions and intensity can highly vary from region to region. The identification and evaluation of these stratified networks, in which economic and social issues are integrated and interconnected, should be directed to the analysis of eventual inequalities and asymmetries within these networks which can produce weakness conditions for the actors involved.

Rural districts in post communist Europe are particularly sensitive to these issues. After a decade of "transition", many rural communities in post communist Europe still face concrete difficulties to solve their economic and social problems often due to inappropriate economic measures and lack of institutional responsibilities. In these regions, the focal problem is how to transform attitudes of apathy and dependency into self-reliance and responsibility, to gain equity, identify viable development

Fig. 1 *Economic and Human development*



trajectories for those social groups unable to generate and manage development and build adjustment capacity in local population.

The creation of these new attitudes surely implies a slow and complex process involving a large number of actors (at national and international level) and measures through the enforcement of partnerships among actors and severe adjustments in the institutional structure. Yet, the essential effort should be directed to the creation, in local communities, of sound emotional binders with the territory in order to transform life styles into ways of life.

4. Rural development and human variables

The human factor is an essential issue for "rurality" as a social representation involving traditions, mentality, power balances among different social groups, ethnicity,

religions, languages, etc. The role and importance of these elements for the rural world in post communist Europe are surely well known. The presence of these crucial factors implies that rural development analyses and choices for these regions should be therefore based on appropriate territorial approaches (linkages among economic activities within a relation network between local, regional, national and international economies) which, involving, in the same time, critical human and environmental variables, can recon-

Fig. 2 *Some indicator on social capital*

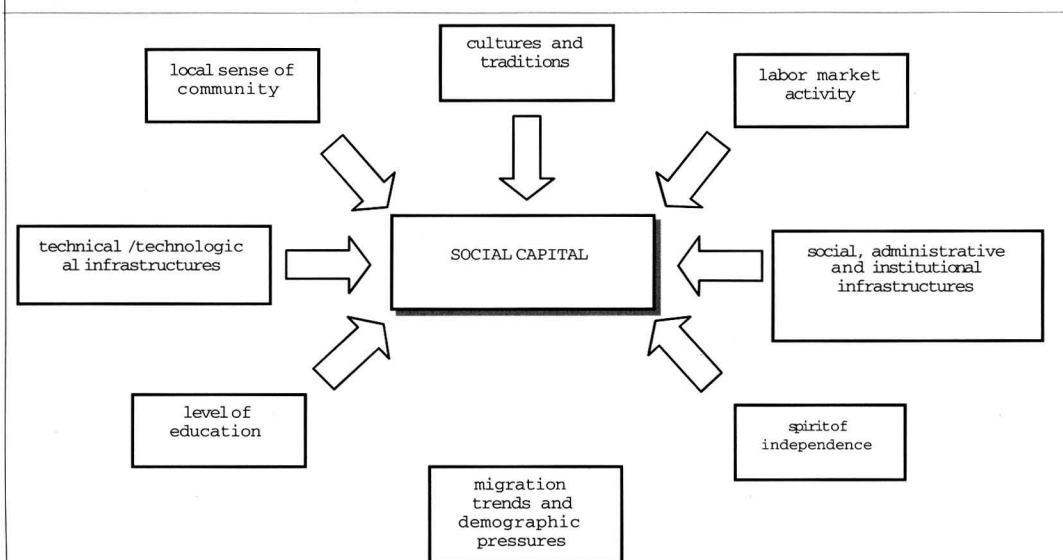
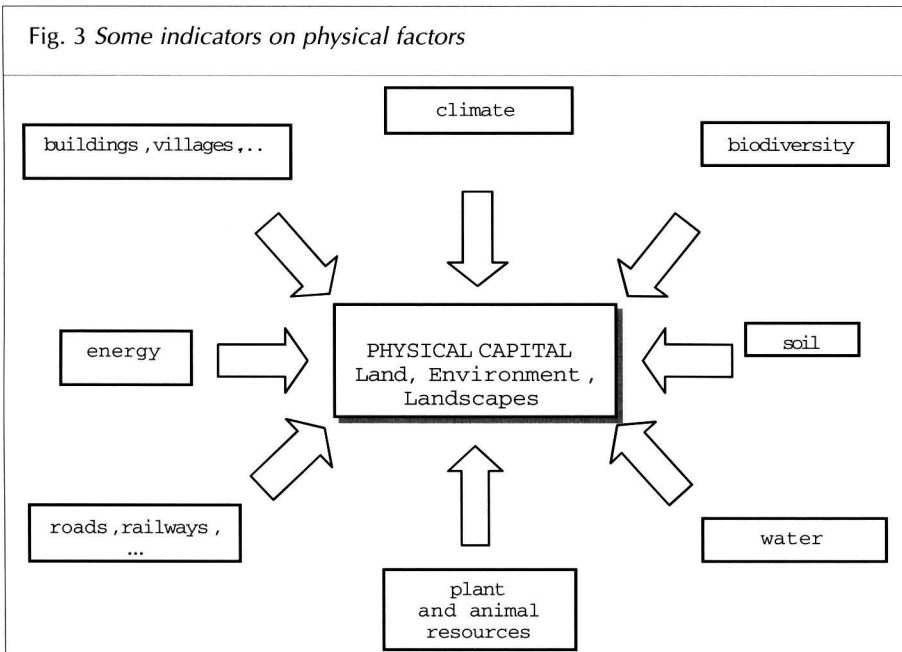


Fig. 3 Some indicators on physical factors



nect economic development to human development. Even in case of potentially efficient districts in economic terms, eventual (private) income increases are not translated into widespread improvements in (public) quality of life standard: it means that economic growth, measured in terms of income increases, proceed in opposition to social and environmental development (fig. 1). This social and economic fabric shows a gap in development and a lack of "vitality" being unable to produce factors essential to its own widespread global development whose variability depends on the action of a number of efficiencies and inefficiencies:

- a) technical and economic efficiencies (inefficiencies);
- b) management efficiencies (inefficiencies);
- c) market efficiencies (inefficiencies);
- d) political and institutional efficiencies (inefficiencies).

Global development can be achieved operating not only on line A (for example by the introduction of economic and financial measures, credit support, etc.) but also on line B (for example by improving the local capacity to quickly adjust and adapt to the impact of these measures and the related changes, improving local social services, reducing corruption, simplifying legal procedures, enforcing social justice and the role of the law) in order to gain a commonly shared path for both curves.

This aspect clearly highlights how rural development is essentially a human development on environmentally sustainable bases related to local

peculiarities and contexts (economic, social, cultural, natural resources, environmental balances, etc.). These elements then become essential for the definition of local comparative advantages directed to the identification of traditional or alternative agricultural/non agricultural activities in rural areas. An evaluation at micro level on "social capital", through some crucial indicators (fig. 2) represents an essential step for the identification of those factors which can play a crucial role within a complex network of vertical flows and local characteristics creating a framework composed of sub-systems where skills, qualifications and abilities contribute to determining local comparative advantages together with physical elements (fig. 3) and economic elements (fig. 4). The interactions of specific physical, economic and social factors (fig. 5) deter-

mine the identification of a "rural district" as a definite unit with its own identity not only according to a static but also to a dynamic point of view. Reciprocal influences and the evolution of the factors involved in different periods of time can even dramatically modify structure and characteristics of a given rural area under the influence, for example, of economic and technological developments: therefore a rural district can be (more or less quickly) transformed or disappear because of physical and economic growth, in a process of adjustment, can push to the transformation of a rural district for example in a suburban area.

Once the local peculiarities and configurations of a given district are identified, a further step should be directed

Fig. 4 Some indicators on economic capital

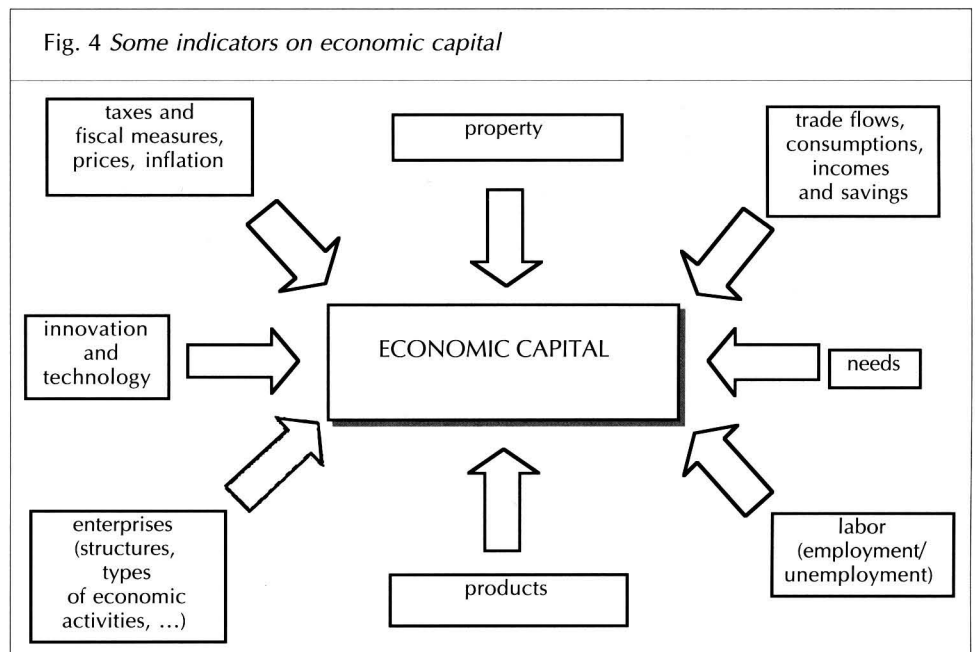
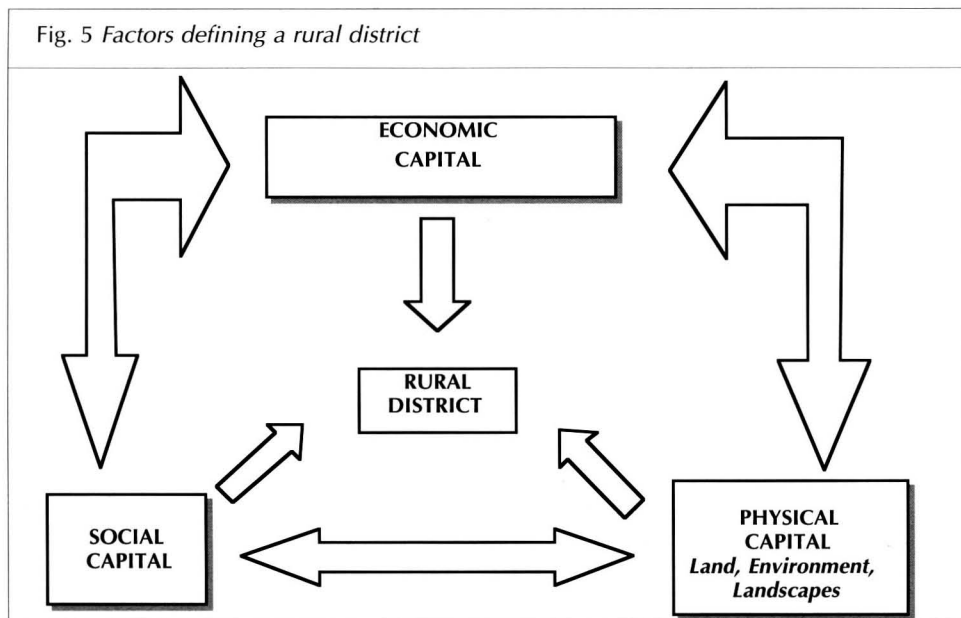


Fig. 5 Factors defining a rural district



to the identification of those problem-areas which contribute to determining its own development in which these resources and components are incorporated. Through the intersection of these factor-groups (fig. 6), it is possible to draw four "interaction zones":

zone 1: it represents the dynamic "core" of a rural district where social, physical and economic factors directly interact (rural district and regional development, well-being, quality of life standard, quality of the environment, etc.);

zone 2: it represents the interaction between social and physical factors which can be translated into communities' conditions, social organization, social ecology, settlement conditions, use of natural resources, etc.;

zone 3: it represents the interaction between physical and economic factors which can be translated into business, types of economic activities, efficiency of economic sectors, new technologies, competitiveness, etc.;

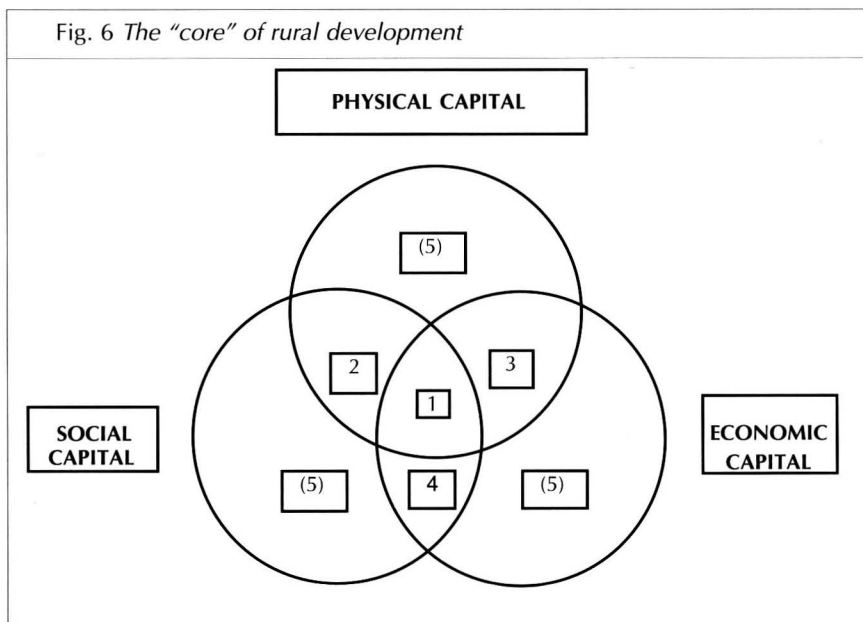
² Through this graphic representation it is possible to identify also a fifth area which includes factors from each resource group non immediately essential for rural development.

zone 4: it represents the interaction between social and economic factors which can be translated into quality of infrastructures, education and training, relations between institutions and communities, social economy, etc.

In particular for Central and Eastern European rural regions, greater attention should be paid to those factors which can be included in zone 1 whose interactions contribute to creating cultural background which operates as essential precondition for the creation of sound ethic bases for economic and social issues (employment, income, alternative activities, etc.) and for rural development as a whole. This zone can include some critical factors such as the above mentioned

binders with the territory of rural communities, families and individuals both in objective terms (influence of the environment, reciprocal social links, space and traditions, etc.) and in subjective terms (emotional attachment towards a place) which rural dwellers in many regions of post communist countries are progressively losing under the influence of western models.

Fig. 6 The "core" of rural development



5. Concluding comments

On these bases, it should be expected that a convergence of post communist rural world into the western European model will be a very difficult task in a very long-term future if economic restructuring and the definition of alternative job opportunities in rural areas are not accompanied by sound social welfare programs, as integrated components of rural

policies for Central and Eastern Europe, capable to reconnect economics to human development. The identification of the critical factors at the base of the "core" of rural development should drive to wide the spectrum of traditional economic analyses directed to increase economic opportunities for rural residents or strengthen rural population retention through the generation of new jobs.

Rural districts in Central and Eastern Europe require not only a local economic development based on diversification or support to medium and small firms, but also a socially and environmentally sustainable rural development path based on equity and social inclusion.

This process unavoidably implies: a) further progresses in CAP rethinking and b) a deep analysis on postcommunism implications and characterizations. Post communism in Central and Eastern Europe represents in fact an essential element of a peculiar historical context embracing economic, political, social and psychological factors. Rural development paths are thus linked to those difficulties related to the analysis of these events in progress making extremely hard the identification of exhaustive answers and solutions to the large number of problems for the involved rural populations. For this reason, "interpretation" should be the first step to make in the evaluation of rural issues in a postcommunist context in order to understand those "differences" whose identification could contribute to the definition of different paths and models to modernization of the whole European rural world on mutual and reciprocal bases. These differences are based on peculiar objective and subjective features involving position of strength (for example educational qualifications, employment experience from the past economic system in non farming activities) and weakness (for example subsistence agriculture, self-consumption and non commercial productions) which cannot be managed only through economic and technical measures from "above" responding to Brussels draconian rules. For a huge proportion of the rural population in post communist Europe, regulations on agriculture and on other rural economic sectors, linked to the adoption of new technologies and innovative methods, complex accounting procedures and strict quality norms, are seen in fact as intrusions, threats and causes for resentments which are often translated into a growing opposition to the accession into the EU in the rural areas.

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