



Yvonne Brodda

**New Regional
Development Concepts
for Rural Peripheries**

**Experiences
from Three European
Case Studies (2001-05)**

RURAL 4

**New Regional Development
Concepts for Rural Peripheries
Experiences from Three European
Case Studies (2001-05)**

by

Yvonne Brodda

Biographische Informationen dern Deutschen Bibliothek

Die Deutsche Bibliothek verzeichnet diese Publikation in der Deutschen Nationalbiographie; detaillierte bibliografische Daten sind im Internet über <http://dnb.ddb.de> abrufbar.

1. Aufl. – Göttingen: Cuvillier, 2010

ISSN 1865-4215

ISBN 978-3-86955-480-8

Veröffentlicht als Band 4 der Reihe RURAL

Herausgeber der Reihe: Prof. Dr. Doris Schmied, Universität Bayreuth

Published as Volume 4 of the RURAL Series

Series Editor: Prof. Dr. Doris Schmied, University of Bayreuth

© **CUVILLIER VERLAG, Göttingen 2010**

Nonnenstieg 8, 37075 Göttingen

Telefon: 0551-54724-0

Telefax: 0551-54724-1

www.cuvillier.de

Alle Rechte vorbehalten. Ohne ausdrückliche Genehmigung des Verlages ist es nicht gestattet, das Buch oder Teile daraus auf fotomechanischem Weg (Fotokopie, Mikrokopie) zu vervielfältigen.

1. Auflage, 2010

Gedruckt auf säurefreiem Papier

ISSN 1865-4215

ISBN 978-3-86955-480-8

PREFACE

Carl Sauer, an early 20th century North American cultural geographer saw geography to be "first of all knowledge gained by *observation*, that one *orders* by reflection and re-inspection the things one has been *looking* at, and that from what one has experienced by *intimate sight* come comparison and synthesis" (SAUER 1956, "The Education of a Geographer", Annals of the Association of American Geographers, Vol. 46).

This quote perfectly describes my approach to the empirical work undertaken for this study, which represents the heart of this thesis. The empirical work, i.e. the collection of the data itself, as well as its preparation and analysis, made the whole endeavour labour-intensive and challenging, when cleaving my way through the jungle of details in three countries and three regions. Nevertheless, it was also most impressing to get an insight into the experiences of so many rural people that are energetically engaged in creating a future for their home areas. But the empirical part does not stand in its own right as it is theoretically informed research that ought to "provide new empirical evidence of the varied and uneven nature of capitalist change" (GOODWIN 2006: 311) in today's rural peripheries.

Two institutions made this work possible in the first place: The roots of this thesis go back to 2001, when Ingo Mose's application to *Deutsche Forschungsgemeinschaft* (DFG) for the project "New regional development concepts for rural peripheries in the EU. Comparing selected case studies in Austria, Great Britain and Scotland" was successful. This thesis would not have been possible without the three years research grant from the DFG, which also allowed for extended research trips to the three case study regions. The University of Vechta, where the project was based, contributed with two important grants, one for a preparatory study prior to the application and another one for the completion of this thesis.

The highlights of the work were undoubtedly the field trips to the Hebrides, Jämtland and the Eisenwurzen, where I not only enjoyed the scenic beauty and cultural treasures, but also the open-mindedness and cooperation of so many people. Not only did they patiently answer all my questions and were willing to discuss, but sometimes took me on tours and shared their experiences with me way beyond my expectations.

Back at the desk, several people supported my work: First of all, my supervisor Ingo Mose, without whom I would have never "gone rural" in the first place and who shared my enthusiasm for the subjects as well as the field trips.

I also owe many thanks to Erik Westholm from Dalarna University and Martin Heintel from the University of Vienna for agreeing to do reviews.

Sabine Menzel, Thorsten Bockmühl and Sabine Meffert helped with many chores, from doing some of the interview transcriptions, preparing the field trips and providing the maps.

Birgit Nolte deserves a medal for reading all the chapters, giving fair comments throughout, helping with the last bits and having an open ear for occasional lamentation.

Yvonne Brodda

CONTENTS

PREFACE	I
CONTENTS.....	III
FIGURES	VI
TABLES	VII
ABBREVIATIONS	VIII
1 INTRODUCTION	1
1.1 THEORETICAL PROPOSITIONS: NEW CONDITIONS AND POLICIES FOR RURAL PERIPHERIES IN EUROPE	1
1.2 OPEN QUESTIONS IN RURAL RESEARCH.....	3
1.3 RESEARCH DESIGN AND CENTRAL QUESTIONS	5
1.4 THE CHAPTERS	9
2 THEORETICAL CONTEXT	10
2.1 OF THE DIFFICULTY TO DEFINE "RURAL PERIPHERIES": APPROACHES TO PERIPHERALITY AND RURALITY.....	10
2.1.1 DEFINING PERIPHERAL: DISTANCE, DEPENDENCY, DIFFERENCE AND DISCOURSE.....	10
2.1.2 DEFINING RURAL: FROM DICHOTOMY TO DIVERSITY TO SOCIAL CONSTRUCT	13
2.1.3 COMBINING RURAL AND PERIPHERAL: CHARACTERISTICS OF RURAL PERIPHERIES IN THIS STUDY	16
2.2 THE TRANSFORMATION OF EUROPE'S RURAL AREAS	17
2.3 REGIONAL POLICY AND RURAL PERIPHERIES	23
2.3.1 STRATEGIES OF REGIONAL POLICY: FROM EXOGENOUS TO ENDOGENOUS ..	25
2.3.2 EU STRUCTURAL POLICY AND RURAL PERIPHERIES	28
2.3.3 THE NEW BUZZ-WORD: INTEGRATED RURAL DEVELOPMENT.....	31
2.3.3.1 THE EVOLUTION OF INTEGRATED RURAL DEVELOPMENT POLICY AT EU LEVEL.....	31
2.3.3.2 DEFINING INTEGRATED RURAL DEVELOPMENT	33
2.3.3.3 RURAL DEVELOPMENT POLICY IN THE EU PROGRAMME PERIOD 2007-2013	34
2.4 REGIONAL GOVERNANCE: THE NEW ACTORS OF RURAL DEVELOPMENT	38
2.5 CONCLUSION.....	44
3 METHODOLOGY	46
3.1 THE MULTIPLE-CASE STUDY AS A RESEARCH METHOD AND THE SELECTION OF THE CASE STUDIES	46
3.2 QUALITATIVE INTERVIEWS.....	50
3.2.1 THE SELECTION OF THE EXPERTS AND THE OBJECTIVE OF THE INTERVIEWS.....	51
3.2.2 DOING THE INTERVIEWS AND PROCESSING THE DATA.....	53
3.3 ANALYTIC STRATEGY AND TOOLS.....	54
3.3.1 THE CASE STUDY SPECIFIC ANALYSIS	56
3.3.2 THE CROSS-CASE SYNTHESIS	56
4 WESTERN ISLES AND SKYE & LOCHALSH, SCOTLAND	59
4.1 STRUCTURES AND DEVELOPMENT PERSPECTIVES	59
4.1.1 LANDSCAPE AND ADMINISTRATIVE STRUCTURE	59
4.1.2 INFRASTRUCTURE AND TRANSPORTATION	61

4.1.3	HISTORY AND CULTURE.....	63
4.1.4	ECONOMY	65
4.1.5	DEMOGRAPHICS.....	67
4.2	THE NATIONAL FRAMEWORK: REGIONAL DEVELOPMENT POLICY IN SCOTLAND..	71
4.2.1	REGIONAL DEVELOPMENT STRATEGIES UNTIL THE 1990s	71
4.2.2	SCOTLAND ON THE ROAD TO DEVOLUTION: THE SHIFT TO AN INTEGRATED RURAL DEVELOPMENT STRATEGY	75
4.2.3	REGIONAL DEVELOPMENT POLICY IN A DEVOLVED SCOTLAND: INTEGRATING FRAGMENTED STRUCTURES	77
4.2.4	IMPLEMENTING RURAL POLICY IN THE FUTURE	81
4.3	DEVELOPMENT STRATEGIES, INSTRUMENTS AND ACTORS.....	82
4.3.1	TAKING THE LEAD? – NEW TASKS FOR THE LOCAL AUTHORITIES.....	83
4.3.2	KEY PLAYER FOR ECONOMIC DEVELOPMENT: THE QUANGO HIGHLANDS AND ISLANDS ENTERPRISE NETWORK.....	86
4.3.3	PROVIDING SPECIAL ATTENTION TO THE FRAGILE: THE PILOT PROJECTS "INITIATIVE AT THE EDGE" AND "DÚTHCHAS"	89
4.3.4	ENCOURAGING BOTTOM-UP WORKING: THE EU-PROGRAMME LEADER+ AND ITS OFFSPRING, THE COMMUNITY ECONOMIC DEVELOPMENT PROGRAMME.....	94
4.3.5	SYMBOL FOR REGENERATION AND INTEGRATED REGIONAL EFFORT: THE UNIVERSITY OF THE HIGHLANDS & ISLANDS PROJECT	96
4.3.6	LOCAL ACTION: "PROISEACT UIBHIST 2000" AND "NORTH UIST PARTNERSHIP"	96
4.4	CONCLUSION	99
5	JÄMTLAND, SWEDEN	101
5.1	STRUCTURES AND DEVELOPMENT PERSPECTIVES	101
5.1.1	LANDSCAPE AND ADMINISTRATIVE STRUCTURE	101
5.1.2	INFRASTRUCTURE AND TRANSPORTATION	104
5.1.3	HISTORY AND CULTURE.....	105
5.1.4	ECONOMY	107
5.1.5	DEMOGRAPHICS.....	108
5.2	THE NATIONAL FRAMEWORK: REGIONAL DEVELOPMENT POLICY IN SWEDEN ..	111
5.2.1	SWEDISH REGIONAL POLICY UNTIL THE 1990S: BETWEEN WELFARE, REDISTRIBUTION AND DEVELOPMENT	111
5.2.2	FROM REGIONAL POLICY TO REGIONAL DEVELOPMENT POLICY	114
5.2.2.1	THE TRADITIONAL RHIZOME	114
5.2.2.2	RECENT POLICY OBJECTIVES AND KEY INSTRUMENTS	117
5.2.3	CONSEQUENCES OF THE NEW REGIONAL DEVELOPMENT POLICY	118
5.2.3.1	REGIONALISATION AND DECENTRALISATION	118
5.2.3.2	THE ABSENCE OF A RURAL POLICY.....	120
5.3	DEVELOPMENT STRATEGIES, INSTRUMENTS AND ACTORS.....	123
5.3.1	EU-PROGRAMMES IN JÄMTLANDS LÄN: THE CONSEQUENCES OF THE STRUCTURAL FUNDS AND THE COMMON INITIATIVES	123
5.3.2	EXPERIENCES WITH THE REGIONAL GROWTH AGREEMENT AND IST RELATIVES	128
5.3.3	THE ROLE OF LOCAL GOVERNMENT IN REGARD TO GROWTH AND DEVELOPMENT.....	133
5.3.4	"LANTLIG JÄMTLAND SKA LIVET!" – LOCAL MOBILIZATION IN JÄMTLAND .	135
5.3.4.1	THE FEDERATION OF SWEDISH FARMERS.....	135
5.3.4.2	THE AGRICULTURE AND RURAL ECONOMY ASSOCIATION	136

5.3.4.3	LOCAL COOPERATIVES AND THE COOPERATIVE DEVELOPMENT AGENCY.....	137
5.3.4.4	JOINING (NOT ONLY) LOCAL FORCES – THE VILLAGE ACTION MOVEMENT.....	138
5.4	CONCLUSION.....	140
6	EISENWURZEN, AUSTRIA.....	142
6.1	STRUCTURES AND DEVELOPMENT PERSPECTIVES.....	142
6.2	THE NATIONAL FRAMEWORK: REGIONAL DEVELOPMENT POLICY IN AUSTRIA...	145
6.3	DEVELOPMENT STRATEGIES, INSTRUMENTS AND ACTORS	150
6.3.1	REGIONAL DEVELOPMENT AGENCIES IN THE EISENWURZEN REGION.....	150
6.3.2	THE <i>EISENSTRASSE</i> : HISTORIC CULTURE AS AN IMPULSE FOR DEVELOPMENT	152
6.3.3	LARGE PROTECTED AREAS AS DEVELOPMENT INSTRUMENTS	155
6.3.4	"THREE EISENWURZEN".....	159
6.4	CONCLUSION.....	160
7	SYNTHESIS	162
7.1	CONCEPTUAL REFORMS OF REGIONAL DEVELOPMENT POLICY	162
7.1.1	DIFFERENT COUNTRIES, DIFFERENT RECIPES: APPROACHES TO REGIONAL POLICY AND RURAL PERIPHERIES.....	162
7.1.2	EXPERIENCES WITH NEW STRATEGIES AND INSTRUMENTS AT THE REGIONAL AND LOCAL LEVELS	164
7.1.3	IMPLEMENTING INTEGRATED RURAL DEVELOPMENT – WORK IN PROGRESS	168
7.2	INSTITUTIONAL REFORMS: REGIONAL GOVERNANCE STRUCTURES.....	170
7.2.1	TYPES OF GOVERNANCE AND THEIR CONTEXT	171
7.2.1.1	REGIONAL DEVELOPMENT AGENCIES.....	171
7.2.1.2	REGIONAL PARTNERSHIPS	175
7.2.1.3	LOCAL VOLUNTARY GROUPS AND NETWORKS	177
7.2.2	THE QUESTION OF POWER: GOVERNANCE AND GOVERNMENT	178
7.2.3	DOES RURAL GOVERNANCE EXIST?.....	180
7.3	RELEVANCE FOR THE DEVELOPMENT OF RURAL PERIPHERIES.....	182
7.4	CONCLUSION AND OUTLOOK	184
8	SUMMARY.....	189
	REFERENCES	192

FIGURES

Figure 1: Research design	8
Figure 2: Case study regions – location in Europe	49
Figure 3: Analytic strategy and result structure	55
Figure 4: Local authorities of Scotland	60
Figure 5: Major transport infrastructure in Scotland	62
Figure 6: Population density in the area of Highlands and Islands Enterprise [population per km ² by LEC Area in 2000]	68
Figure 7: Population change on the Western Isles, 1901 - 1999	69
Figure 8: Population change in Skye & Lochalsh, 1901 – 2001	69
Figure 9: Possible development areas and potential major growth areas in the Highlands and Islands (defined by HIDB in 1968).....	72
Figure 10: Strategic forums under community planning partnership of the Western Isles	85
Figure 11: The Highlands and Islands Enterprise network	87
Figure 12: Support areas in the Highlands and Islands	93
Figure 13: Administrative structure of Jämtlands Län	102
Figure 14: Spatial categories of the Glesbygdsverket	103
Figure 15: Population Changes 1977 – 2002 [%]	110
Figure 16: Population age structure in Jämtlands Län 2002	110
Figure 17: Objective 1 and 2 areas 2000-2006 in Sweden	116
Figure 18: NUTEK's Labour Market Regions	122
Figure 19: EU Structural Funds in Sweden (selection).....	126
Figure 20: Relation between RGP and RDP	129
Figure 21: Structure of the RGP and RDP partnerships in Jämtlands Län...	131
Figure 22: The region Eisenwurzen in Austria	143
Figure 23: Regional managements in Austria	149
Figure 24: LEADER+ and Objective 2 in the Eisenwurzen Region	154
Figure 25: Large Protected Areas in the Region Eisenwurzen.....	157

TABLES

Table 1: Differences between broad and narrow regional policy.....	24
Table 2: Endogenous development strategies (according to HEINTEL 1996) .	26
Table 3: EU Structural Funds.....	30
Table 4: The three objectives of the Structural Funds 2000-2006.....	31
Table 5: Typical measures of integrated rural development	34
Table 6: The four central axes of the EAFRD and of their minimal budgets (percentage).....	35
Table 7: The three objectives of the EU Cohesion Policy 2007-2013.....	37
Table 8: Examples of relevant institutions.....	52
Table 9: Comparative employment profile [percentage of employees in 2001]	66
Table 10: Population age structure in Skye & Lochalsh [percent of total population].....	70
Table 11: Population age structure in Western Isles and Scotland [percent of total population]	70
Table 12: Members of the community planning partnerships.....	84
Table 13: Initiative at the edge, bays of Harris project list.....	91
Table 14: Distances from home to nearest food shop/post office 2001 [percentage of families]	104
Table 15: Economically active population of Jämtland by industry in 2001.	107
Table 16: Total population changes 1895 – 2000 in Jämtlands Län.....	109
Table 17: Demographic indicators for Jämtlands Län 1990 – 2000	109
Table 18: Chronology of Swedish regional policy 1965 - 1985 by relevant (Draft) Bills.....	112
Table 19: Phases of Swedish regional policy 1965 - 1995	113
Table 20: Village action movement's activity profile	139
Table 21: Focal points of the Austrian regional development policy.....	147
Table 22: Chronology of the Austrian Eisenstraße.....	153
Table 23: Self-definition and cooperation of the large protected areas in the region Eisenwurzen	156
Table 24: Key Institutions at Regional Level.....	173
Table 25: Different Types of Regional Development Partnerships	176
Table 26: List of Interview Partners in Scotland.....	211
Table 27: List of Interview Partners in Sweden.....	214
Table 28: List of Interview Partners in Austria	216

ABBREVIATIONS

Abbreviation	English Title	Original Title
	Popular Movements Council for Rural Development	Folkrörelserådet
	Swedish National Rural Development Agency	Glesbygdsverket
	Agriculture and Rural Economy Association	Hushållningssällskapet
ACEHI	Association of Community Enterprises in the Highlands and Islands	
AMV	Labour market administration	Arbetsmarknadsverket
ARGE	Working group	Arbeitsgemeinschaft
BAF	Mountain Action Funds	Bergland-Aktionsfonds
BKA	Federal Chancellery	Bundeskanzleramt Österreich
CAB	County Administrative Board	Länstyrelsen
CAP	Common Agricultural Policy	
CDA	Cooperative Development Agency	Kooperativ Utveckling (since 2005: Coompanion)
CED	Community Economic Development	
COSLA	Convention of Scottish Local Authorities	
EAFRD	European Agricultural Fund for Rural Development	
EAGGF	European Agricultural Guidance and Guarantee Fund	
EQUAL	EU Common Initiative until 2006	
ERDF	European Regional Development Fund	
ESF	European Social Fund	
EU	European Union	
FER	Support scheme for endogenous regional development	Förderungsaktion für eigenständige Regionalentwicklung
FIFG	Financial Instrument for Fisheries Guidance	
GATT	General Agreement on Tariffs and Trade	
GDP	Growth Domestic Product	
HIDB	Highlands and Islands Development Board	

Abbreviations

HIE	Highland and Islands Enterprise	
HISTP	Highlands and Islands Special Transitional Programme	
IDP	Integrated Development Programme	
INTERREG	EU Common Initiative	
LAG	Local Action Group	
LCCP	Local Community Planning Partnership	
LEADER	EU Common Initiative: Links between actions for the development of the rural economy	Liaisons entre actions de développement de l'économie rurale
LEC	Local Enterprise Company	
LEF	Local Economic Forum	
LIFE	Financial Instrument for the Environment	L'Instrument Financier pour l'Environnement
LRF	Swedish Farmers Organisation	Lantbrukarnas Riksförbund
LRP	Local Rural Partnership	
NGO	Non-governmental organisation	
NUP	North Uist Partnership	
NUTEK	Swedish Business Development Agency	Verket för näringslivsutveckling
OECD	Organisation for Economic Cooperation and Development	
ÖAR	Austrian working group for endogenous development	Österreichische Arbeitsgemeinschaft für eigenständige Regionalentwicklung
ÖBV	Austrian Mountain Farmers Union	Österreichische Bergbauernvereinigung
ÖROK	Austrian Conference on Spatial Planning	Österreichische Raumordnungskonferenz
Quango	quasi-autonomous non-governmental organisation	
RDP	Regional Development Programme	Regionalt Utvecklingsprogram (RUP)
RDR	Rural Development Regulation	
RGA	Regional Growth Agreement	Regionalt Tillväxtavtal (RTA)
RGP	Regional Growth Programme	Regionalt Tillväxtprogram (RTP)
RSSF	Rural Strategic Support Fund	

Abbreviations

SALE	Skye & Lochalsh Enterprise	
SDA	Scottish Development Agency	
SE	Scottish Enterprise	
SEDD	Scottish Executive Development Department	
SEELLD	Scottish Executive Enterprise and Lifelong Learning Department	
SEERAD	Scottish Executive Environment and Rural Affairs Department	
SL	Skye & Lochalsh	
SME	Small and medium-sized enterprises	
SNH	Scottish Natural Heritage	
UHI	University of the Highlands and Islands	
UNESCO	United Nations Educational, Scientific and Cultural Organisation	
URBAN	EU Common Initiative until 2006	
VINNOVA	Swedish Governmental Agency for Innovation Systems	
VNÖ	Association of Austrian Nature Parks	Verband der Naturparke Österreichs
WI	Western Isles	
WIE	Western Isles Enterprise	
WISL LAG	Western Isles, Skye & Lochalsh Local Action Group (LEADER)	
WTO	World Trade Organisation	

1 INTRODUCTION

1.1 THEORETICAL PROPOSITIONS: NEW CONDITIONS AND POLICIES FOR RURAL PERIPHERIES IN EUROPE

Contrary to many assessments, rural areas in Europe cannot be viewed as a residual. In 1997, approximately 80% of the land surface of the European Union (EU15) was classified as rural and 17.5% of the total population lived in these areas¹ (cf. TERLUIN 2001, according to EUROPEAN COMMISSION 1996). Moreover, large areas of the East European countries have to be classified as rural, as they display the classic structural characteristics such as a comparatively high contribution of agriculture to the regional product, a lack of non-agricultural employment, a relatively low population density, or ongoing processes of depopulation. As a consequence of the Eastern enlargement of the EU in 2004, the prosperity gap in the Community has widened significantly. As it has been, and will continue to be, a declared aim of the EU policies to balance disparities and to promote harmonious economic and social development within the Union (cf. VORAUER-MISCHER 2004), the rural areas, and in particular the weak rural regions deserve the attention of politicians as well as researchers.

Over the past thirty years the general conditions for rural areas in Europe have changed dramatically, though: Globalisation, i.e. the intensification of the international division of labour and the integration of economies, rationalisation as well as deregulation characterise the ongoing economic, technical and social change. According to the regulation theory, this change corresponds to a specific spatial structure, influenced by both, the tendency towards the globalisation of economy, politics and culture as well as the tendency towards regionalisation (cf. DANIELZYK/OBENBRÜGGE 1993). Striking regional disparities between prospering and structurally weak areas, between innovative and stagnating regions, between centres and peripheries will continue to exist or even increase. Within Europe, especially within the EU15, these disparities are less severe at the large-scale level and today are mainly apparent at the small-scale level.

This situation coincides with an increasing differentiation of rural areas, which vary considerably in their economic structure and development prospects (cf. OECD 1996; SCHWARZ/VORAUER-MISCHER 2003). Likewise, Europe's rural peripheries, which represent probably the most interesting and challenging spatial category in regional development policy, are neither homogeneous nor structurally weak per se. Generally rural peripheries are defined as sparsely populated, remote, less accessible and less innovative areas (e.g. islands, mountain areas, remote hinterlands). Recently, however, significant disparities seem to have increased between rural peripheries, indicating that

¹ Local communities with a population density below 100 inhabitants per km²

they might indeed have a potential for innovation, growth and productivity. While earlier on their remoteness or natural disadvantages (resources, climate) could be considered as main causes for their weak economic performance, these factors fail to explain the lagging development in (post-) modern times. With the differentiation of rural areas, one has to look closely into economic, political, socio-cultural and environmental structures to understand why in some areas the situation has improved, while in others it has even deteriorated.

In view of the far-reaching structural changes in the rural areas, the concepts and strategies of regional policy had been subject of much debate since the 1970s. Increasingly, doubts were being raised about the efficiency of the established measures at European level as well as in various European countries. Eventually, some countries (e.g. Austria) stepped forward in the 1980s and supplemented their regional policy with a range of programmes that rooted in the new paradigm of "endogenous regional development". The main elements of these new programmes were the decentralisation of regional policy and the explicit utilisation of endogenous regional potentials (cf. DANIELZYK 1998: 53ff). However, the individual approaches of the European states differed considerably in regard to instruments, depending on the regional or country-specific situation and – above all – the political will to support them. With the reform of the Structural Funds in 1988, the ideas also found their way into the EU regional policy. Since then, regions have gained a key role in the design and implementation of regional policy, clearly shown by the introduction of the Objective 1 and 5b programmes or the Common Initiative LEADER, which is especially targeted at the rural peripheries. They are designed to enable the regions to focus on their endogenous resources and to develop their strengths and abilities.

Today, the concept of *integrated rural development* is regarded as particularly suited to meet the special problems of rural peripheries. The "Cork Declaration" of 1996 (cf. EUROPEAN COMMISSION 1996) outlines a future EU policy for rural areas that is based on

- a consistent use of endogenous potentials,
- a cross-sector and area-based approach,
- a regional and local implementation level,
- the participation of those concerned,
- the development and use of network structures and partnerships of actors from the public, private and civic sector as well as
- the implementation of regional animation and capacity building, e.g. via a regional management (cf. among others MARSDEN/BRISTOW 2000 and SHUCKSMITH 1998).

These elements already reflect that integrated rural development is not simply an evolution of the strategies and concepts, but is closely linked to the discussion about *regional governance*. It includes an institutional redesign of regional policy whose organisational structures and classic steering instruments have proved to be insufficient. Overall, the nation state has continuously lost influence for the benefit of other levels that appear more

appropriate to address many of the current issues. Responsibilities of the nation state are transferred either "upstream", that is to higher-level authorities, e.g. the European Union, or "downstream" to regional and local authorities. However, the process of regionalisation does not automatically continue and likewise tendencies towards a (re-)centralisation of power can be observed in some European nation states (e.g. Sweden, United Kingdom). At the same time, there are numerous activities and initiatives designed to reform the relationship among government and public administration, private enterprise and civil society, especially at the regional level which can be summarised under the term of regional governance (cf. FÜRST/KNIELING 2002). Core issues of the regional governance debate are changes of administrative structures (e.g. changed responsibilities, the creation of new institutions) and the increased involvement or cooperation of various actors at the regional level (in networks, regional partnerships, through participation, etc.). Established as new institutions of regional policy during the 1990s, regional development agencies, regional conferences, planning associations, regional management institutions etc. illustrate concrete forms of implementation either "top down" or "bottom up" at the national as well as the European level. However, there is a controversial discussion not only as to the legal basis and democratic legitimacy of these institutions but also as to their strategic efficiency and, in particular, their economic effects (cf. NISCHWITZ/MOLITOR/ROHNE 2001 and HALKIER/DANSON/DAMBORG 1998).

1.2 OPEN QUESTIONS IN RURAL RESEARCH

The changes in regional policy outlined above are associated with a number of important issues and questions relevant to rural research. Main emphasis is on the concrete design and implementation of approaches to integrated rural development which is of vital importance for the future development of rural peripheries in Europe. As already mentioned, rural peripheries will continue to be regarded as an important spatial category of European regional policy (cf. EUROPÄISCHE KOMMISSION 1999b). It is, therefore, necessary to document and analyse the ongoing changes as well as to provide appropriate contributions to further develop political strategies and instruments.

So far, however, consistent research focusing on development perspectives of rural peripheries against the background of the changed and changing overall framework conditions of European regional policy has not yet emerged; there are only rudimentary studies available in Geography or related disciplines.

This is especially true with regard to the documentation and analysis of approaches to integrated rural development – despite the increasing attention recently given to such approaches in regional policy. The studies that explicitly focus on the concept of integrated rural development and its implementation are rather limited. The first studies date back to the late 1980s (e.g. MOSE 1993, NEWBY 1988), the majority being individual case studies (e.g. PARKER 1990). More recent works are SHUCKSMITH 1999 and

SHORTALL/SHUCKSMITH 1998, discussing the concept of integrated rural development in a broader regional policy context, but only in regard to the national (Scottish) situation.

More studies exist in connection with the general restructuring of regional policy, especially in regard to processes of regionalisation and the regional governance debate (cf. among others Pütz 2004, FÜRST/KNIELING 2002, LE GALÈS/LEQUESNE 1998, DANIELZYK 1998). Unfortunately, there is a noticeable lack of studies about how rural areas are governed, despite the fact that these are undoubtedly crucial for the understanding the contemporary rural change (cf. GOODWIN 1998). Most of the literature still refers to urban governance, even though rural areas have been deeply affected themselves by these new forms of governance².

This is even more valid for the German rural research: There is a noticeable silence concerning the critical analysis of regional policy structures and organisational conditions for rural development, especially in regard to theoretically informed empirical research. BENZ 2003, SCHARPF 2000 and MAYNTZ 1998 have delivered theoretical approaches to governance, but there is still no consistent empirical research agenda that builds on this foundation by complementing it with a spatial or practical component apart from few exceptions (cf. also PÜTZ 2004: 163ff).

During the last decade, numerous works have evolved that focus on selected new procedures and organisational structures of regional policy, such as the regional development agencies, which have been established in most European countries by now (e.g. HALKIER/DANSON/DAMBORG 1998). This is in fact a central, but not the only innovation in regard to regional policy. Other important changes during the past decade have only fragmentary been examined, for example the transformation of local government (e.g. LYNCH 2001, STRÖM 2000), non-elected agencies that take over the provision of formerly public services (e.g. FAIRLY/LLOYD 1998) or the many forms of autonomous networks and partnerships (e.g. HALHEAD 2004, HERLITZ 1999).

With regard to the European dimension of a new regional policy research stays equally fragmentary or within national boundaries. National changes in regional policy are relatively well-documented, such as the devolution process in the UK and Scotland or the regionalisation process in Sweden (e.g. SHUCKSMITH 1999; BÖHME 2002, FOSS et al. 2000, MODING/ARING 1998), even though much literature is exclusively available in the respective national languages. Another problem is that isolated programme evaluations and individual case studies only allow for a limited generalisation of the empirical results and usually cannot be applied to a pan-European dimension.

Additionally, many of the existing evaluations ignore the experiences of regional local actors, or consider exclusively the quantitative results (e.g.

² That there *are* governance structures in rural areas is undoubted. However, whether governance in rural areas has specific characteristics and differs, for instance, from governance in urban areas, is still unclear (Cf. Chapter 2.4).

BLACK/CONWAY 1996). Qualitative empirical regional studies are rare and again, mainly focus on urban, industrial or prospering regions, but hardly ever on rural peripheries.

"Further studies of losing areas, analysing barriers and obstacles in partnership building and networking are needed", concludes SERI (2003: 144).

Comparative qualitative studies that seek to analyse the interdependencies within regional policy and the complex webs of governance structures may demand extra effort and time in regard to organisation and methodology, but they are necessary to embed the individual findings in the broader – European – context, allowing for prognosis and policy recommendations. HALKIER/DANSON/DAMBORG (1998: 357) state:

[...] given the stupendous number of actors involved, undertaking comparative studies may seem to be a daunting task. The current economic and social importance [...] does strongly suggest that it is also a task that hardly can be ignored.

One exemplary project was the PRIDE research project (Partnerships for Rural Integrated Development in Europe): It was carried out by research teams in six European countries between 1999 and 2001 and is a comparative qualitative study, seeking to explore how and how far rural partnerships promote rural development (cf. MOSELEY 2003b, WESTHOLM/MOSELEY/STENLÅS 1999). Another exemplary project was RUREMPLO, a comparative study which analysed employment dynamics in nine pairs of leading and lagging rural regions in nine EU countries for the period 1980-1997 (cf. TERLUIN 2001, TERLUIN/POST 1999). More studies of this kind of scope and approach are needed.

1.3 RESEARCH DESIGN AND CENTRAL QUESTIONS

Before the background described above, this study intends to approach some of the research deficits in regard to the concept of an integrated rural development and regional governance in European rural peripheries. Using selected case studies from three EU member states, which have recently experienced reforms of their political or administrative system, the study analyses the practical implementation of such approaches at both the regional and local level as well as the national framework for regional policy. It further takes into account the general transformation of regional policy in the EU and the regional governance debate. The main objective is to give an overview of some crucial developments that occurred during the last seven to ten years.

The two main components of the empirical research design are the case study-based comparative analysis and the qualitative approach in the form of problem-centred guided interviews. The interviews with relevant experts at national, but mainly at regional and local level concentrate on experiences

with organisational structures (e.g. different forms of co-operation, networks, public-private-partnerships) and with strategic approaches in the context of integrated rural development.

By that it is intended to monitor the most significant aspects of the concurrent processes, such as the use of cross-sector approaches, the changes in the institutional map at the local and regional level, the increased use of networks and partnerships beyond the formal structures of government, participation of the communities and last but not least the processes aiming at more local/regional activity (like regional management, animation, etc.).

The central research questions are the following:

1. Which *concepts, strategies and instruments* are currently used in regional development policy? What *experiences* have been made with these strategies and instruments at the regional and local levels? Do these concepts, strategies and instruments support an *integrated rural development*?
2. How can the *regional governance* structures that are connected to the investigated strategies and instruments be characterised? How do these *interact* with the government and the administration?
3. Of what *relevance* are integrated rural development and regional governance for the *development perspectives* of the examined peripheries?

The empirical research is divided into three steps, whereas the first two steps are conducted for each of the countries and regions (cf. Figure 1 and cf. also Chapter 3).

The first step is to collect, describe and analyse the main national concepts, strategies and instruments of the current regional development policy in the three selected countries, Scotland, Sweden and Austria. Central issues are:

- In which way have regional policy strategies changed and why?
- Is there a change of paradigm towards concepts of an integrated rural development? And if so, how is this general concept or leitbild transformed to concrete strategies and instruments?
- What are the main important instruments and programmes to foster the development of rural peripheries?
- Which organisational changes go along with the new regional policy?
- In which way have responsibilities shifted? Are there new institutions or have existing institutions been reformed?

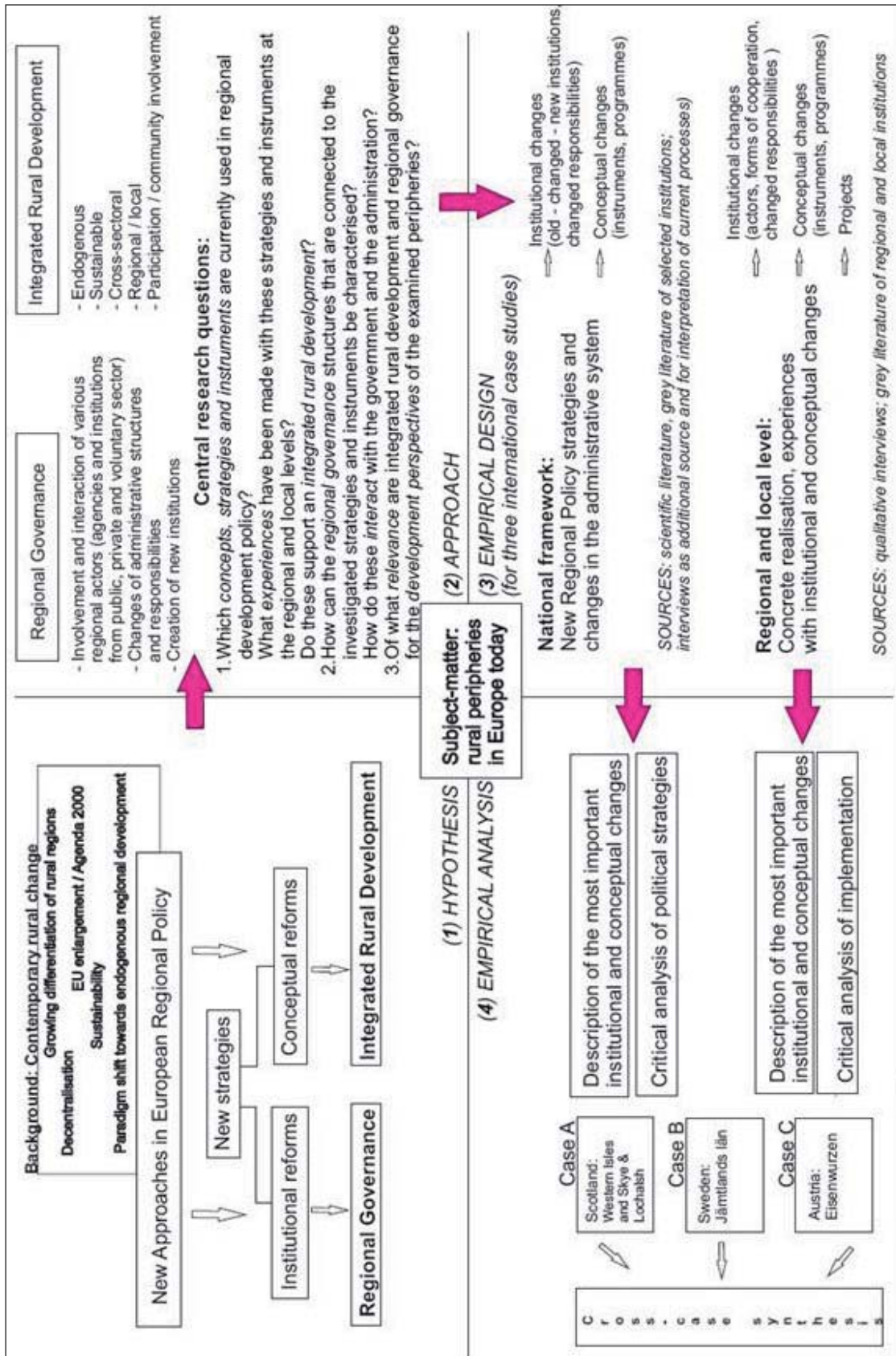
The second step is to collect, describe and analyse all relevant concepts, strategies and instruments of regional development policy that are implemented in the three selected case study areas, Western Isles and Skye & Lochalsh, Jämtland and Eisenwurzen (cf. Figure 3 in Chapter 3). Central issues are:

- Which existing programmes and instruments do support the objective of integrated rural development?
- Which relevance do the European support schemes have (e.g. Structural Funds, Common Initiatives such as LEADER)?
- Which new governance structures, involving agencies, institutions and actors drawn from the public, private and civil sectors, can be identified at the regional and local level?
- What are the responsibilities, competences and resources of the involved actors?
- How does the formal sub-national and local government interact with these new governance structures?

The third step is the international comparison of the identified concepts, strategies and instruments with the aim to identify and further analyse the central components of regional development policies and regional governance at a European level:

- Is there a common pattern in regard to the institutional and conceptual reforms of regional development policies? Is there indeed a shift towards strategies of an integrated rural development?
- Is the concept of an integrated rural development of any relevance in practice? And if so, what are its effects so far?
- What are the strengths and weaknesses of the identified new approaches to regional development?
- Does the evolution of governance structures include a shift of power to the regional and local level? How does the national level interact with the regional and local level? How does government interact with governance?
- Are there certain types of regional governance and what are their contexts?
- How effective are regional governance structures in regard to the development perspectives of rural peripheries?

Figure 1: Research design



Source: Own design

1.4 THE CHAPTERS

After having presented the background, emerging research issues and the research design in this introductory chapter, **Chapter 2** summarizes the theoretical context and formulates central hypotheses on the core issues integrated rural development and regional governance, though not entirely discussing or elaborating the current debates. It also delivers definitions of central terms like "rural" and "peripheral" and gives a brief history of the EU regional policy. Basically, Chapter 2 sketches my point of origin for the whole study.

It is then followed by the description of the research methodology as used for the empirical research. **Chapter 3** describes the methodological components of the work with the case studies, the qualitative interviews, the data processing and finally the methods of data analysis.

The **Chapters 4, 5 and 6**, which describe the results from the case studies, represent the heart of this book. The chapters are self-contained, though following roughly the same structure that consists of three parts: The first part gives an overview of the case study region, its main structures and current development perspectives. The second part elaborates on the respective national framework for regional policy and recent trends in regard to strategies and instruments for rural peripheries. The third part analyses the most important development concepts, instruments, programmes and their organisational structures found in the case study regions.

Chapter 4 presents the results from the Scottish case study, the Western Isles and Skye & Lochalsh. **Chapter 5** presents the results from the Swedish case study, Jämtlands län. **Chapter 6** presents the results from the Austrian case study, the Eisenwurzen region in a more compact way. Austria has longer experience with strategies and instruments in the sense of an endogenous or integrated rural development than Scotland or Sweden. Additionally, Austria has not recently undergone such profound reforms of the state system like Scotland has with the devolution process or Sweden with forms of regionalisation in progress. Consequently, the Austrian structures and instruments of the policy field are arranged more clearly and appear more settled than in the other two case studies.

All three case study chapters function as the foundation for **Chapter 7**, the synthesis. Here, the results of the international comparison are discussed and reconnected to the hypotheses of Chapter 2. Chapter 7 also includes the conclusion and an outlook. The final **Chapter 8** summarises the whole study for the impatient readers.

Last, but not least, the list of all used references and the annex, comprising lists of all interview partners, are placed at the very end of the book.

2 THEORETICAL CONTEXT

This chapter presents the theoretical suppositions for the questions of this study and their critical reflection. It also sums up the current state of research, though not discussing all aspects thoroughly because it primarily serves as the theoretical background to the empirical case studies. The chapter consists of four parts. It starts with the discussion of different approaches to peripherality and rurality, thus defining the term rural peripheries: What are rural peripheries and what are their characteristics today? The second part sketches the ongoing transformation of Europe's rural areas: What has changed and why? The third part deals with the changes in regional development policy over time: What are the strategies to deal with rural change and regional disparities? The fourth and final part reflects the changing modes of regulation in rural areas: What is regional governance and what are its implications?

2.1 OF THE DIFFICULTY TO DEFINE "RURAL PERIPHERIES": APPROACHES TO PERIPHERALITY AND RURALITY

There have been countless attempts to define "peripheral" and even more to define "rural". As definitions – or rather interpretations – strongly depend on the historical context, the perspective (like the discipline) or the perception (like an ideology or tradition of thought), it comes as no surprise that there is no consensus on the meaning of both. Both terms are also relative and the respective counterparts "central" and "urban" are always implied. There is no definite threshold between the pairs, rather on the contrary, the threshold is a matter of interpretation itself and might even be blurred. In fact, the threshold between urban and rural has become increasingly blurred in Europe since World War II.

This chapter will not discuss the evolution of theories about peripherality and rurality over time in the sense of a detailed literature review. It will rather focus on the state of the art and sum up the complementary elements of the different approaches according to FERRÃO/LOPES (2004: 53f), who combine a "comprehensive 4D approach of peripherality with a holistic approach to rurality".

2.1.1 DEFINING PERIPHERAL: DISTANCE, DEPENDENCY, DIFFERENCE AND DISCOURSE

The discussion about the term peripherality is inseparable from the discussion about spatial disparities and inequalities. The unequal distribution of the three factors of production, land, labour and capital, leads to economic differences between and also within all countries and regions. These foremost neutral differences get a subjective component when they are interlinked with the living conditions and opportunities for the individual: In today's

democratic social market economies, which (at least rhetorically) believe in equal opportunities and associate development with economic growth, disparities and especially peripherality have a negative connotation.

The academic discourse on disparities, which includes peripherality, mainly seeks to explain their causes, but also to predict development patterns or give policy recommendations. Four approaches to peripherality can be identified, periphery as distance, dependency, difference and discourse (cf. FERRÃO/LOPES 2004). Individually, they offer insufficient explanations for today's complex spatial patterns; if, however, their complementary elements are combined, they deliver a comprehensive picture.

The traditional way to define peripherality is by spatial parameters, i.e. the (relative) distance from certain places or areas that are considered as centres, usually in terms of markets. Centres are associated with accessibility, and accordingly, peripherality is synonymous with a relative lack of accessibility to economic activity for people as well as goods. In modern times, accessibility does not necessarily correlate with distance measured in kilometres or miles, but is rather the complex product of the transport system with the indicators travel time and travel costs (cf. for example AALBU/SPIEKERMANN 2004). Apart from the distance-cost, access to information and communication with innovators, which – according to various theories – enhance the probability of innovation and therefore economic development, are criteria that complement the concept of spatial peripherality.

Most of the development theories that are based on the spatial definition of peripherality are associated with the principles of neo-classical economics, stressing the market self-regulation mechanisms that would automatically lead to a spatial equilibrium. According to the neo-classical school, peripheral regions are only a transitional phenomenon and therefore expected to "catch up".

During the 1960s and 1970s these assumptions were criticised by several researchers (cf. among others FRIEDMANN/WEAVER 1979, HOLLAND 1976, MYRDAL 1957), leading to an approach that stresses dependency of the periphery from the centre rather than relative distance. In most theories that work with the concept of peripherality as dependency, the view is dichotomous, with centre (or core) and periphery being interdependent counterparts. Two main streams can be identified according to FERRÃO/LOPES (2004), the liberal or functionalist view and the Marxist or structuralist view. Both streams agree that disparities naturally evolve in a capitalist system and generally associate peripherality with backwardness or under-development. While in the Marxist view, however, that leads to opposition to the capitalist model as a whole, the other theories believe that countermeasures (e.g. creating growth poles in the periphery) are sufficient to prevent the deepening of the disparities. It is here where the roots of the development policies lie, and in fact did many European countries introduce publicly financed development programmes for the first time during the 1960s (cf. Chapters 4 and 5).

The dichotomous view of the core-periphery concepts that reflect the Fordist way of production gave way to a more differentiated, non-hierarchical view on regions during the 1980s and 1990s. The unexpected success stories of regions like the "Third Italy"³ or of rural regions like the Emsland in north-western Germany (cf. DANIELZYK 1998) triggered a discussion about the accuracy of the existing models. From various examples it became clear that there are differing degrees of centrality and peripherality, that there is no pre-determined path for the regions to take, and that therefore no region is condemned to stay peripheral or dependent forever.

The theoretic discourse of this time reflects the changing technological, economic and social-political conditions, which, according to the regulation theory⁴, also correspond to a specific spatial structure (cf. Chapter 2.2). Within this approach every development model is characterised by three interlinked dimensions, the industrial or technological paradigm, the predominant regime of accumulation and the dominant mode of regulation (cf. DANIELZYK 1995). It is assumed that the era of Fordism, associated with mass production and consumption, currently gives way to an era of post-Fordism, associated with flexible accumulation. However, neither concept can currently be unambiguously applied to Western Europe, so that it is more accurate to talk of an era of transition (cf. GOODWIN 2006).

Whatever the name, the most striking feature of this new era is that there is a simultaneous tendency towards the globalisation of economy, politics and culture and towards regionalisation in the sense that regional and local modes of regulation gain importance in a regime of flexible accumulation (cf. DANIELZYK/OBENBRÜGGE 1993). The processes associated with this new regime, such as the intensification of the international division of labour and the integration of economies, rationalisation as well as deregulation, have consequences for all regions. With flexibility and innovative ability becoming important assets, some regions gain unexpected chances, while for others it causes severe challenges or problems. The result is the currently observable heterogeneity and ongoing differentiation of regions or, as WOODS (2007: 12) puts it:

Different dynamics of globalisation elicit different responses; similar pressures from globalisation will have different consequences in different localities; and the reconstitution of place involves the interaction of global and local actors. [...] Globalisation is not homogeneous, neither is it homogenizing.

³ The "Third Italy" represents the emergence of new industrial areas with highly specialised, flexible production systems based on SMEs, proving that there are more forms of organisation of production and markets apart from the centre-periphery model. Other new spatial types were high-tech regions like the Silicon Valley and traditional industrial regions under reconstruction like the Ruhr region in Germany.

⁴ The regulation theory is not a complete theory of social and economic restructuring, but rather an analytical approach which congregates multiple perspectives. It seeks to explore the modes of regulation, i.e. the "continuous, contested and highly variable set of processes" within a regime that evolves in specific historic and geographical contexts (cf. GOODWIN 2006).

This is not only restricted to economic structures: While on one hand there is a notable trend towards the global homogenization of society and culture⁵ (lifestyles, consumption patterns, cultural codes, etc.), there is on the other hand a definite revival of regional cultures, despite the sometimes popular perception of a threatened diversity of European cultures, traditions and dialects.

Taking into account that internal regional economic, social and cultural dynamics are in complex relationship with the global world, it implies the acknowledgement of the endogenous component of development. Peripherality loses the negative connotation of "underdevelopment" and the distinctiveness or uniqueness of regions is stressed instead – despite the sometimes severe problems may persist. The endogenous regional development policies that became fashionable in the 1980s in some European countries are based on these assumptions (cf. Chapter 2.3.1).

Today, peripherality is not alone defined by objective characteristics but also by the social meaning that is attributed to it, what is called "periphery as discourse" by FERRÃO/LOPES (2004: 41ff). During the last decade the trend to look upon peripherality favourably has even been aggravated as issues like environmental sustainability, cultural diversity and regional identity have gained importance. Facing economic and cultural standardisation and continued environmental problems, an intact nature, authenticity and originality as well as regional identity and heritage have (re-)gained value. Very often peripheries have or are connoted with exactly these attributes, which makes some of them attractive for investors or immigrants. However, the changed perceptions in society will not necessarily lead to sustainable changes in all peripheries alike, especially in regard to their economic situation.

2.1.2 DEFINING RURAL: FROM DICHOTOMY TO DIVERSITY TO SOCIAL CONSTRUCT

As with peripherality, there is no single or complete definition of rurality or rural space. Instead, various definitions co-exist, complement or contradict each other, reflecting also the changing conditions for rural areas over the last 80 years. Whilst until World War II the dichotomous differentiation into "urban" and "rural" reproduced the predominant agricultural function of rural areas, this is no longer valid for today's rural Europe which has become a mosaic of areas with very different structures. Not only have large parts of the countryside been urbanized in terms of the settlement pattern as well as the life-style, but have become increasingly differentiated in terms of economic structures and performance.

In rural studies, three significant theoretical approaches to rurality can be identified according to TERLUIN (2001), the spatial approach, the territorial approach and the constructionist approach, while CLOKE (2006) differentiates

⁵ Homogenization of society and culture only applies geographically, while at the same time there is an increasing differentiation of social and cultural milieus and lifestyle patterns.

between functional and political-economic concepts and social constructions of rurality.

In the spatial approach definitions of the rural are based on a functional specialization of spaces and are thus closely interlinked with models of spatial economics (e.g. the models of von Thünen or Christaller and Lösch). Many spatial definitions are characterized by a hierarchical or dichotomous vision of space, whereas the rural is associated with the peripheral and/or the agricultural, and whereas the rural society itself is often associated with a poor standard of living and backwardness.

The functional concept by CLOKE refines the rather simplistic spatial approach. Within this concept functional elements of rural places, landscape, society and existence, are selected in order to define rural areas, presuming that rural areas are a category with certain characteristics. CLOKE and PARK (1984, in CLOKE 2006: 20) generalise that within this theoretical frame, rurality is usually defined in terms of areas which

1. are dominated (either currently or recently) by extensive land uses, notably agriculture and forestry;
2. contain small lower order settlements which demonstrate a strong relationship between buildings and extensive landscape, and which are thought of as rural by most of their residents;
3. engender a way of life which is characterized by a cohesive identity based on respect for the environmental and behavioural qualities of living as part of the extensive landscape.

All spatial or functional definitions – or rather descriptions – of rural areas "are based on the assumption that a clear geographical distinction can be made [...] on the basis of their socio-spatial characteristics, as measured through various statistical indicators" (WOODS 2005: 5).

However, even the most sophisticated models that work with several indicators are not satisfactory as the indicators must be arbitrary and are implicitly underpinned by assumptions about the dichotomous relationship between urban and rural (cf. CLOKE 2006). On one hand the differences between cities and the countryside tend to be over-emphasized, although they in fact might have many processes in common, while on the other hand the diversity of the countryside tends to be under-emphasized.

Like the spatial or functional approach, the territorial approach denotes the rural as space, using spatial classifications based on land-use forms and/or socio-economic variables. Space is divided into territorial entities which cover a local or regional economy, including one or more centres and open space. The view on rurality is non-hierarchical and non-dichotomous as it works with different degrees of rurality – or abandons the "rural" completely as suggested by HOGGART (1990) and others during the late 1980s localities debate in Britain (cf. CLOKE 2006). As a consequence research changed to political-economic perspectives that focused on general processes of

restructuring and sectoral processes that affected all territories, rural or not. However, there were still researchers, like MOSELEY (2003a), who insisted on a "rural dimension", meaning that common structural problems often manifest differently in rural areas. Accordingly, FERRÃO/LOPES (2004: 52f) comment:

[...] it makes no sense to speak of rural societies. As an alternative, it does make sense today to speak of rural societies as a way of describing and understanding spaces which, despite their diversity, continue to share certain characteristics such as low population density and the economic, social and symbolic significance of natural resources.

Based on a territorialized view, they suggest to use seven dimensions that help to understand the economic development conditions and processes in rural areas: environment and landscape; settlement pattern and the demographic dynamics; quality of life; human and social capital; economic profile; institutions; territorial integration into broader spaces.

A third, and today's dominant approach to rurality in (theoretical) rural studies, is constructionist, in which rural space is seen as a social representation, being detached from geographically functional space (cf. CLOKE 2006, WOODS 2005 and TERLUIN 2001). The mental constructs of the rural vary among actors (permanent dwellers or temporary users, as well as politicians or academics) and depend on place, time and social groups, leading to various and complex rural identities and social spaces that occupy the same territory. Rural in the constructionist sense means rather social, moral and cultural values than territories with precisely drawn boundaries or essential characteristics of the rural society.

Despite the swan songs in the 1980s and the constructionist view of rural as mere social representation, "the rural" as a category managed to survive: On one hand, practical concepts of rurality are commonly used by national governmental agencies and planning departments⁶ or transnational organisations such as the EU or OECD⁷. On the other hand, the rural is still eminent in the perception of the general public as well as in the academic debate. So far rural studies have not been abolished by their own researchers, but are still an arena for vivid debates about how to conceptualize rurality after the cultural turn and its social constructionism. While at first sight the constructionist view and its preoccupation with "immaterial processes, the constitution of intersubjective meanings and the outworking of identity politics" (CLOKE 2006: 22) seems to be incompatible with (empirical) rural research in the more traditional, social-economical way, some researchers call for a "holistic approach to rurality" (cf. FERRÃO/LOPES 2004) or a "theoretical hybridization which can combine, for example, the

⁶ Concepts of rurality vary not only among the European states but also within. According to WOODS (2005), there are, for example, over 30 different official definitions of rural areas in the UK alone. Therefore, it was decided not to present or discuss any of these official definitions, but to focus on the academic debate.

⁷ Cf. European Commission 1988,1991 and 1999a, OECD 1994 and 1996

concerns of the cultural turn with those of political and economic materialism" (CLOKE 2006: 26). Or, in other words, rural studies should continue with their concern for socio-economic change, but also incorporate the new insights of the cultural turn. Especially important – and widely neglected until recently – is a critical analysis of the power relations, institutional forces and policy contexts in rural areas, which is partly attempted in this study.

2.1.3 COMBINING RURAL AND PERIPHERAL: CHARACTERISTICS OF RURAL PERIPHERIES IN THIS STUDY

As elaborated in Chapter 2.1.1, there are four dimensions to peripherality that, combined with each other, represent a comprehensive and nonetheless clear definition: Peripheries are thus structurally weak areas that are relatively⁸ distant, badly accessible or dependent, but also have distinctive features with development potential and are perceived not only in a negative way. Defining "rural", on the contrary, is like trying to square the circle: The growing diversity among non-urban areas and the different social representations of "rural" prevent a clear definition based on socio-spatial characteristics, as was discussed in Chapter 2.1.2.

Combining the two is somewhat easier: Rural areas that are peripheral, i.e. structurally weak, distant, badly accessible or dependent, usually possess the classic rural characteristics, such as extensive land uses and a high share of open land, a low population density, small settlements and a high (economic, social and symbolic) significance of natural resources. These areas are also perceived as rural, by their inhabitants as well as outsiders. In this regard, rural peripheries can be defined as peripheral regions that also have a traditional rural dimension.

If the spatial or functional approach was chosen in order to define "rural peripheries", there would be innumerable types of rural peripheries, in each case depending on the indicators selected. As aforementioned, there are various examples of quantitatively based typologies of rural areas, taking into account different parameters, different thresholds and using different geographical areas. One way to select the case studies could have been to define certain criteria (for example "weak economic performance"), described by certain data or sets of data (for example GDP per capita), and to define certain thresholds (for example below 75% of the EU average).

The selection of the case studies in this research project, however, is not bound to purely quantitative parameters, but rather combines the commonly used key characteristics, such as a low population density, a great distance to centres and low accessibility and a weak economic performance with the acknowledgement of the new rural diversity and the changed perception of rural areas. Additionally, the existence of certain political structures and

⁸ In relation to an average, e.g. within a country or other spatial entity

schemes was a prerequisite for the selection as a case study (cf. Chapter 3.1).

Consequently, the case study regions share a number of common characteristics that reflect the approaches to peripherality as well as rurality:

Distance and accessibility:

- a relative great distance from national and European agglomerations
- a low accessibility (high travel time and cost) due to insufficient infrastructure, the physical landscape or both

Economic performance:

- a lower GDP per capita than the national average
- a vulnerable economic structure (low diversity, low competitiveness and innovation and/or economic crisis with long lasting effects)
- agriculture and forestry have lost importance for employment or income, but still dominate land-use
- high percentage of employees in public service sector
- higher costs for service infrastructure per capita than national average
- receiving subsidies and/or target area for national and/or European development schemes

Demography:

- a very low population density (below 40 inhabitants per km²)
- persistent out-migration and/or negative population change
- unbalanced age structure, with overrepresentation of the age group 60 and older compared to the national average

Cultural and/or natural distinctiveness:

- high percentage of open land (wilderness, forests or under cultivation)
- distinctive cultural heritage or cultural landscape
- political, social or cultural marginalisation in the past and/or present

2.2 THE TRANSFORMATION OF EUROPE'S RURAL AREAS

Today the regions of Europe form a "mosaic of unevenness" (SCHWARZ/VORAUER-MISCHER 2003: 30), which includes a combination of "winning and losing rural areas" (SCHMIED 2005: 5). Rural areas in Europe have always differed in terms of features like the relief, landscape, climate, settlement pattern, cultural heritage, land use forms and, of course, economic structures. In regard to the latter, however, during the last thirty to forty years the heterogeneity has increased to an extent that even the refined classification of rural areas into "peri-urban areas under strong development pressure", "dynamic and productive rural areas" and "declining and isolated peripheral areas" (SCHMIED 2005: 5; cf. also BBR 2000, ARL 1994) does not sufficiently describe the complex picture.

Most development theories (e.g. the neo-classical approach, the polarisation theory) fail to explain this heterogeneous development of the European regions: Neither is there a core-periphery development with a concentration in the core pentagon, nor do all structurally weak regions catch up (cf. SCHWARZ/VORAUER-MISCHER 2003). Sometimes winning and losing regions with similar economic structure and prerequisites can be found in close proximity to each other, mystifying politicians and researchers alike in their quest for explanations.

What has happened in particular to the rural areas during the last four decades, resulting in such a fuzzy picture? Taking a closer look at their actual functions and structures some major observations can be made⁹:

Restructuring of the agricultural sector

The agricultural sector of Western Europe has been transformed profoundly during the 20th century and has become especially integrated into the capitalist economy since World War II. Intensification, industrialization and global market pressure have diminished agricultural employment in all European rural regions. As agriculture has lost its position as a main employer and generation of income in most regions, the second and third sector have necessarily gained in importance in the rural economy, although there might be still strong links of the new activities to agriculture (e.g. food processing industry, marketing of local produce or quality brands, agro-tourism, etc.). Nevertheless, agriculture still is a dominant form of land use in most areas and therefore of fundamental importance for the conservation of Europe's cultural landscapes. Additionally, agriculture continues to be a highly regulated and politically sponsored sector with the national governments as well as the EU being major actors. Lately, agricultural policy and practice have incorporated new functions for the agricultural sector, addressing problems that have occurred as side-effects of the productivist agriculture. These comprise the extensification of production, countryside stewardship, farm diversification and measures that ought to enhance the value of agricultural outputs, like regional branding of quality products (cf. WOODS 2005: 54ff).

New functions for rural areas

Today rural areas fulfil a range of new and sometimes conflicting functions, reflecting the social and economic restructuring that takes place alongside the diversification of the rural economy and the spatial polarisation of agriculture. The service sector has become the dominant sector in most rural regions, profiting from macro-economic developments such as flexible production, out-sourcing and sub-contracting, technological innovations and also in-migrants that create new demands in housing and personal or household services.

⁹ The following paragraphs only give a broad overview of major trends, which are in fact more complex. For a more detailed analysis see amongst others MARSDEN et al. 1992, SCHMIED 2005, WOODS 2005, CLOKE et al. 2006.

With diverse interest groups, local actors as well as actors from outside the rural areas, the representations of rurality (cf. Chapter 2.1.2) and ideas about the appropriate function(s) of rural space are more and more complex. By offering amenities like cultural landscapes, scenic beauty, heritage, etc., rural areas increasingly become "landscapes of consumption" (CLOKE 2006: 19) with tourism, leisure and other recreational functions. Additionally, ecological functions in form of protected areas, reservoirs or wildlife corridors have emerged with environmentalism, often colliding with agriculture, tourism or with disputable infrastructure such as waste disposals or power plants (nuclear, hydroelectric or, lately, wind farms).

Employment change

Differences between rural and urban regions in the sectoral structure of employment have decreased along with the decline of agriculture (cf. TERLUIN 2001: 31). Both show the same sectoral shift of employment from the primary and manufacturing sector to the services sector, although not all rural regions could successfully generate enough jobs to compensate the losses in the primary sector. Still, unemployment rates in rural areas are not generally higher than in urban areas: If classified by population density, the unemployment rate of all rural areas of the EU15 is about the same as of all urban areas, while the intermediate areas have a considerably lower rate¹⁰ (cf. GREEN 2005: 27). In terms of employment figures rural areas are very diverse, with a clear correlation between economic indicators and unemployment rate: Those regions with a relative low GDP per capita and/or a low average income per capita usually show relatively high unemployment rates (ibid: 27), emphasizing once again the differentiation of rural areas in winning and losing areas. Generally, the GDP per capita in rural areas tend to be lower than in urban regions, although the differences might be levelled if the purchasing power is taken into account (cf. TERLUIN 2001: 214).

Demographic change in rural areas

As with employment there is no rural – urban pattern in terms of population growth. In some European countries rural areas tend to have a higher growth rate than the urban areas, in others it is the opposite, yet in others the intermediate areas have gained most population (cf. TERLUIN 2001: 32). The analysis of SCHWARZ/VORAUER-MISCHER (2003) has shown that also structurally weak rural areas in the EU15 have gained population during the 1990s. Some rural areas have even seen substantial in-migration, and in some countries (like England) a significant urban-rural shift is expected to take place during the next 20 years.

Naturally, the picture gets more complex the smaller the scale; and the most remarkable fact is probably that there has been no common pattern for the rural areas or even peripheries during the last fifteen years. Suburbanisation, counterurbanisation, in- and out-migration of different scales and quality happen simultaneously in Europe's rural areas. In some countries or regions small country towns gain population, while the remote hinterland loses

¹⁰Urban areas 10.1%, intermediate areas 7.8%, rural areas 9.9% of the labour force in 1999

population. In others rural areas with good transport links to metropolitan regions benefit, while even adjacent areas lose. Yet in others scenic peripheral areas attract incomers, while less "idyllic" or less marketed areas do not.

Additionally, migration has very different impacts on rural areas, depending on the groups that immigrate or emigrate. Most commonly, peripheral rural areas suffer from a selective out-migration of young people seeking higher education or high-qualified jobs, which has further negative impact on the natural population development. But also immigration affects the social processes and power relations among the rural population. It often initialises social change and introduces lifestyles and values that depend on whether the immigrants are young or retired, returning migrants or affluent urban dwellers seeking the "rural idyll". For example, many rural communities are being gentrified by middle class incomers (permanent and temporary dwellers), which can inflate the local property prices or even lead to a property shortage for the local (low income) households.

Changing patterns of rural service provision

Most European rural communities have experienced declining levels of goods and service provision throughout the last century. Although the actual levels vary between the different European countries due to different consumer habits and political traditions and systems, they generally share tendencies towards maximising profits in the private sector and minimizing costs in the public sector through concentration and rationalisation (cf. Woods 2005: 91ff). The concentration process started in the 1920s and 1930s with the introduction of public transport and accelerated after World War II with increased car ownership, shifting employment patterns and economic rationalisation. Recent years have seen further concentration of facilities and public services, again caused by better infrastructure and higher individual mobility, but also by the establishment of large greenfield shopping centres and supermarkets. The wider dispersion of consumers and producers in rural areas causes higher transportation and transaction costs for goods as well as higher costs for public services per capita, so that under the pressure of competition often even expanding villages and country towns lose retail facilities and services.

Frequently it is stated that the new IT technologies pose new opportunities to the rural or remote areas also in terms of service provision. However, crucial services such as postal service, banking and the provision of daily consumer goods can only be partly replaced by online services, especially as they will only be accessible to certain groups, excluding others, for example, many of the elderly. Moreover, online services are still restricted by the limited provision of IT infrastructure in rural areas.

In some cases, community based initiatives take over otherwise ceasing services, running local shops and pubs or organising services like childcare. In other cases, newcomers step into the breach. For most rural communities, however, there will be less local facilities and services; this also means that personal interaction on a daily basis is less likely to happen. Interaction will

thus become more privatised, fragmented and interest-driven than geographically bound – just like in cities.

As stated above, neither the neo-classical nor the polarisation approach succeeded to predict the regional development in Europe comprehensively. There is neither a general convergence between all regions and a polycentric development with diminishing disparities, nor is growth entirely concentrated in the central agglomerations (of the EU pentagon), leaving the peripheries behind (cf. SCHWARZ/VORAUER-MISCHER 2003). Instead, reality is somewhere in between the two poles: The central agglomerations have indeed grown further, but so have some – but not all – peripheries. In conclusion, both approaches have failed to explain the actual picture of differentiated regional development, of winning and losing regions in all spatial categories and geographic areas (cf. *ibid*).

In order to gain comprehending explanations for the heterogeneous development of the rural regions, the observed trends need to be interlinked with the general change of economies and the corresponding institutional structures. As explained in Chapter 2.1.1, characteristics of the transition phase from Fordism to post-Fordism are manifold, comprising globalisation, i.e. the intensification of the international division of labour and the integration of economies, rationalisation and regulation, but also deregulation of international and national markets. Through developments in communication technology and innovations in transport the mobility of capital, goods and people and the speed of information have increased rapidly, leading to "shrinking distances" in the global markets.

Regulation theory points to the fact that the above-mentioned global processes are interrelated and that varying development tendencies, the differentiation of spatial structures and thus also the diversity of rural change, happen concurrently (cf. DANIELZYK 1995: 84ff). However, the theory is mainly "centred around an overall analysis of accumulation as a socially embedded, socially regulated process" (GOODWIN 2006: 311) and cannot "provide a complete explanation of the changing character of the rural state" (*ibid*). For this, new empirical evidence is necessary.

Against this background, SCHWARZ/VORAUER-MISCHER (2003: 30ff) have tried to give multidimensional explanations for the heterogeneous pattern of development in the EU15:

Firstly, they state that due to a growing diversification of economic activities and an increased specialisation in the services sector, regional potentials and location factors other than the classic ones become (re-)valuated. Additionally, due to an increased spatial, even global division of production ("lean manufacturing", outsourcing of company sections) differentiated and sometimes very specific sets of location factors for specific functions (e.g. administration, research and development, distribution) are sought after by large companies.

Secondly, counter-parts to the increased global integration are innovative regional milieus which can be found all over the EU. Despite a lack of cheap production costs and classic location factors these regions are successful with specialised, highly innovative activities and business networks. Often the reasons for their success are connected to qualitative factors like socio-cultural processes, institutional networks, qualification of labour force, innovative capacity, tacit knowledge, soft location factors, etc.

Therefore, SCHWARZ and VORAUER-MISCHER conclude that the classic location factors (like natural resources, transport costs, etc.) do not determine the regional development any longer and even modern location factors have become somewhat exchangeable. Instead, regions deal with a complex spectrum of location factors whose effects or importance for a future development is unpredictable. However, even despite this increasing differentiation and exchangeability of location factors regions depend on a minimum set of basic location factors (like technical and transport infrastructure or human resources) in order to stay competitive.

TERLUIN'S (2001) analysis of development factors for rural areas in Europe, which included 18 case studies of leading and lagging regions, supports these conclusions about the changing location factors. Important findings were the following (ibid: 212ff):

The most interesting finding, however, was the important role of the capacity of local actors (mainly policy makers and entrepreneurs) and the strength of internal and external networks:

One of the main differences between leading and lagging case study regions seems to be related to the degree of mobilisation and organisation of local actors, be they private or public. Leading case study regions tend to be characterized by a development process, which is organized and experienced in a democratic, bottom-up process, involving a wide range of local actors (ibid: 216).

Consequently, the development process of rural regions is obviously linked to the interplay of the global economic, social, political and cultural forces with the local or endogenous responses. The latter depend to a large degree on the local actors' capacity to identify opportunities and to act accordingly, and their ability to cooperate effectively in internal and external networks. Hence, the local responses also depend on the structural and institutional make-up of the community, its history and the local leadership. Naturally, the interplay of local and global forces is filtered through the national level, as the national governments still provide infrastructure and education, redistribute financial resources and implement macro-economic policy as well as regional policy measures.

Surprisingly enough, the local or regional level is not powerless in the view of the global forces, instead there seems to be room for regional and local actors to manoeuvre – a perception that is apparently shared by the EU and is widely reflected in the evolution of their development policy paradigms.

2.3 REGIONAL POLICY AND RURAL PERIPHERIES

It is obvious that regional disparities in regard to economic opportunities and living conditions between prospering and structurally weak areas, between innovative and stagnating regions, between centres and peripheries continue to exist. Therefore, regional policy strategies to provide compensation or re-balance are still on the political agenda in all European states and a declared basic principle of the European Union.

MAIER/TÖDTLING (2002: 178-182) identify three groups of reasons – economic, social and ecological – that are commonly used by scientists and politicians arguing for regional policy measures¹¹. The most important rationale behind regional policy is to "correct certain spatial consequences of the free market economy" (VANHOVE 1999: 57, cited in TERLUIN 2001: 39) that are considered to become counterproductive and economically inefficient or might even lead to social disquiet in the long run and risk the functioning of the national economy at the whole. Equally important in the European market economies has been the principle of social justice and equal living conditions for all citizens in all regions, although in recent years these goals have often been less ambitious and downgraded to "equal opportunities" or even questioned *per se*¹². This is not only due to the neo-classical economic dogmas back in fashion, but also to the persistent regional disparities despite the political efforts in the last four decades.

Regional policy can thus be defined as public interventions that have a certain spatial dimension, aiming at economic growth and social distribution at the same time (cf. MAIER/TÖDTLING 2002, TERLUIN 2001, HANELL/AALBU/NEUBAUER 2002, FOSS et al. 2000). Naturally, most policies affect the development perspectives of regions in one way or the other, and therefore, the distinction between narrow and broad regional policy, as common in the Scandinavian countries, makes sense. According to HANELL/AALBU/NEUBAUER (2002) and FOSS et al. (2000) the term narrow regional policy describes all particular efforts that are made to contribute to the development of weaker regions or to solve certain regional problems. In contrast, the term broad regional policy summarizes all sector policies which have an impact on regional development (e.g. agricultural policies, education policy, transportation policy, etc.), but do not aim at regional problems explicitly.

Measures of narrow regional policy can be direct financial incentives as well as indirect development incentives, ranging from subsidies and tax incentives to grants or funds that are channelled through certain organisations. Some examples for measures in the sense of narrow regional policy are given in Table 1.

¹¹For the different arguments and discussions in detail see among others ARMSTRONG/TAYLOR (2000), VANHOVE/KLAASEN (1999), SCHÄTZL (1994).

¹²In Germany, the principle is safeguarded by the constitution. In 2004, 14 years after reunification, the German Federal President Horst Köhler, a former high-rank economist, questioned in an interview the feasibility and necessity of "equal living conditions" (*gleiche Lebensbedingungen*) throughout Germany.

The main actors in regional policy are still the national governments, their respective ministries or the federal governments and ministries in federal states like Germany or Austria. However, the number and background of actors has widened since the 1980s, including now supra-national actors such like the EU as well as regional, local and even private actors. This change will be described in this and the following chapter and empirically expatiated in this study.

Table 1: Differences between broad and narrow regional policy

Broad regional policy	Narrow regional policy
Infrastructure	Localisation grants
Agricultural policy	Agricultural policy in specific regions
Labour market policy	Grants to sparsely populated areas
Education	Employment grants
Defence	Transport grants
General welfare policy	Reduced pay-roll taxes
Other index regulated expenditures	Other grants

Source: Foss et al. 2000: 4

For long, rural peripheries have been the targets of regional policy measures by the nation states as well as the EU. However, hardly have they been the targets of a *rural* policy in the sense of integrated rural development policy (cf. Chapter 2.3.3), which became an issue only recently. Instead, rural policy was widely understood as being synonymous with agricultural policy, dominated itself by a restricted number of "policy communities" (WOODS 2005). Regional policy targeted rural peripheries as structurally weak areas (despite most of them being rural), while agricultural policy targeted rural areas, though only one sector and for the profit of few. As a consequence, many core rural issues, for example rural poverty, infrastructure or conservation, as well as non-agricultural actors have been widely neglected in this construction (cf. WOODS 2005).

Dealing with rural peripheries that do not have a strong agricultural sector and struggle to develop other sectors nevertheless, this study empirically focuses on regional policy in the narrow sense, whilst agricultural policy and other policies that are effective in the rural case study areas are not considered. Additionally, this study stresses the programme and the organisation perspective. State budget and legal framework analysis are only marginally considered as focus lies on the paradigm change, on the governance structures and the experiences with the new strategies and instruments at different levels in different countries. To weight these new strategies and instruments and find out how important (also in currency) they are compared to other policies, it would certainly call for a broader empirical approach. However, it would have made this work simply not manageable as it would have covered three complete state budgets and national policy frameworks.

2.3.1 STRATEGIES OF REGIONAL POLICY: FROM EXOGENOUS TO ENDOGENOUS

Strategies of regional policy can be defined as combinations of instruments and measures with a certain goal, which are usually based on development theories and have been influenced by different economic schools (cf. Chapters 2.1.1 and 2.2). As regional policy never takes place in a vacuum, but is connected to economic trends and developments as well as social change and ideologies, new strategies have evolved regularly, though not necessarily replacing the existing strategies entirely. Ideally, strategies are consistent and can be clearly separated from each other by the different underlying paradigms. However, in practice, the picture is blurry and different strategies with different theoretical assumptions might be applied at the same time, contradict each other or even interfere with each other.

The most important approaches that have been applied since the 1940s can be divided into two groups: The exogenous development strategies, such as neo-classical, Keynesian and growth pole strategy, stress the external development impulses; the endogenous development strategies stress the mobilisation of existing regional resources and actors for development and innovation (cf. MAIER/TÖDTLING 2002 and TERLUIN 2001 for detailed description of theories and strategies).

From World War II until the 1970s, the exogenous strategies were common sense in the European countries. For rural areas this often meant inward investment, in form of (subsidised) branch plants or the relocation of firms, but also in form of new infrastructure or the decentralisation of government services. However, the 1970s recession showed the vulnerability of such strategies in general (e.g. to global market trends or to external decision-making), and further proved that they were not successful in igniting a sustainable, this is long lasting, economic development in rural peripheries (TERLUIN 2001: 41). As shown in Chapter 2.2, the exogenous development theories fail to explain the structural change and the differentiation of rural areas, therefore, it comes as no surprise that development strategies based on exactly these theories also tend to fail. MAIER/TÖDTLING (2002: 192) summarize the commonly uttered criticism of the 1970/80s to the following central points:

- Unfavourable structural effects of externally controlled branch plants with standardized production;
- Created jobs usually have a low qualification profile;
- Low persistence of (re-)located firms and high vulnerability of created jobs to economic cycles;
- Few intraregional linkages and multiplier effects;
- Windfall gain.

In addition to the criticism of the strategies themselves, two factors contributed to a paradigm shift in regional policy: the beginning process of globalisation, which narrowed the nation states' room to manoeuvre and the changing social values, supporting the formation of civil movements. Citizens showed growing resistance to large-scale, state-initiated measures and

claimed participation in decisions that concerned the development of their regions. Gradually, strategies that seek to develop the existing resources and make use of the regional potentials under consideration of the regional characteristics gained in importance, eventually leading to a reform of regional policy in many European countries.

It is quite difficult, if not impossible, to distinguish between different endogenous development strategies. On one hand there are innumerable variants of terms (cf. HEINTEL 1998); on the other hand the different variants are understood differently by different authors. Despite this, HEINTEL (1998) crystallizes three main variants that have emerged since the 1970s: self-contained regional development at the end of the 1970s, endogenous development in the mid-1980s and sustainable development in the 1990s.¹³ Table 2 gives a brief overview of the main differences. Still, neither of the variants is to be seen as a coherent, actual policy conception, but rather as a collection of principles.

Table 2: Endogenous development strategies (according to HEINTEL 1996)

Strategy	Self-contained regional development	Endogenous development	Sustainable development
Theory/Basis	Holistic, alternative to traditional regional policy	Bottom-up, no isolation, economic orientation	Eco-system as basic principle, long-term oriented, holistic
Objectives	Projects related to education and culture, "soft" economic development	Regional business cycles, networks, learning	Controlled use of resources, securing life of future generations

Source: HEINTEL 1998: 43 (excerpt, own translation)

The early endogenous strategies of the 1970s and 1980s were clearly designed in opposition to the traditional regional policies and were primarily applied in rural peripheries (cf. among others MAIER/TÖDTLING 2002, HAHNE 1985, BRUGGER 1985, STÖHR/TAYLOR 1981). They stressed the "soft" location factors like regional culture, quality of living or regional identity and called for "alternative" measures, for example in the educational or cultural sector. These factors had hardly been considered so far, but were now thought to additionally enhance the regional competitiveness and improve the regional actors' ability to solve the existing problems. In this regard, the new approach certainly also reflected the increased importance of the "soft" location factors in the fading industrial age.

However, the new strategies did not have a pure economic background, but were social-politically motivated to a large extent, at least in the beginning:

¹³ Original German terms: eigenständige Regionalentwicklung, endogene Entwicklung, nachhaltige Entwicklung

Need satisfaction and quality of living for the population were considered to have priority, including also greater political influence at the regional level and increased democratic participation of the regional and local population (cf. among others HEINTEL 1994, MOSE 1993, STIENS 1992, BRUGGER 1985).

Such holistic, normative approaches, which consider economic, socio-cultural, political, ecological and democratic aspects in equal measure, have somewhat ceased. Today, the functional economic motivation has come to the fore, though still stressing the diversity and quality of the regional economic structure and thus developing regional business networks, value-added chains, innovative clusters, etc. (cf. THIERSTEIN 1997). HEINTEL (1994: 22) summarizes the most important features of endogenous regional policy measures:

- Mobilisation of regional potentials
- Structural policy rather than employment policy
- Transfer of information and knowledge rather than transfer of capital
- Support of human capital rather than support of real capital
- Support of cooperation rather than support of single companies
- Development of decentralized structures in addition to the central structures

Especially the development of decentralized, mostly referred to as regional structures, proves to be difficult in practice. The regional level continues to be comparably weak, despite having gained strength and influence during the last decade in most, even centralized countries like the United Kingdom, Spain or Sweden. However, regions are still constructions that cut across existing political-administrative boundaries and with it across responsibilities and interests. As a consequence, the newly established regional institutions and their actors often have only consultative functions (cf. Chapter 2.4 for discussion about the growing importance of the regional level).

Overall, it is difficult to say whether endogenous development strategies have been more effective than the exogenous strategies in regard to the successful development of peripheral regions. In practice, different variants or sometimes just single elements were introduced in the European countries and usually, there is a mix of exogenous *and* endogenous strategies and instruments to be found anyway. Numerous case studies have shown that important qualitative changes can indeed be initiated better and cost-effective through endogenous strategies – especially in rural areas (cf. for example MOSELEY 2003a, DANIELZYK 1998, HEINTEL 1998, MOSE 1993). The quantitative effects, however, are usually modest, especially in peripheral regions with a very low potential of businesses, institutions and qualified actors. It is thus unlikely that large-scale, extreme disparities will cease entirely with the exclusive help of endogenous strategies, without providing further public assistance for the weakest areas that are unable to profit from "help for self-help".

In this regard it gives cause of concern if endogenous strategies are used "as justification for the withdrawal of state aid from 'uneconomic' localities"

(WOODS 2003: 158) suggesting that all responsibility for success or failure lies in the hands of the regions or local communities. With a view of rural areas, he even argues (ibid.):

However, bottom-up, or endogenous, rural development is not a panacea for all rural ills. Not all rural localities are equally able to regenerate themselves through the enhancement of their endogenous resources, and not all rural communities are equally equipped to compete successfully for external funding and support. As such, the paradigm shift in rural development can, in fact, be argued to have contributed to the production of a new geography of uneven rural development.

Furthermore, MAIER/TÖDTLING (2002: 195) point to the theoretical weakness of the endogenous approach, without however further specifying it. Even if this is true, one has to consider that there is not *one* endogenous strategy, but rather something like a "conglomerate of normative principles", which naturally cannot be based on one, all-embracing economic theory. Therefore, this apparent weakness might as well be a strength: In a Europe of increasingly heterogeneous regions a flexible, but unspecific approach might be more adequate – if more concrete, nationally and regionally adapted strategies follow in close course. Still, a lack of information about the mechanisms of most endogenous development principles is palpable, and future research should engage more to close these gaps.

2.3.2 EU STRUCTURAL POLICY AND RURAL PERIPHERIES

The principle of balanced growth among all regions of the European Community was already laid down in the preamble of the Treaty of Rome (1958), but only with the creation of the European Funds for Regional Development (EFRD) in 1975 part of the member states' budget contributions were redistributed to the poorest regions. However, the funds were mostly used to support the member states' individual regional policy measures, whereas a genuine cohesion policy was only installed in 1989. After the accession of the southern states (Greece 1981, Spain and Portugal 1986) and in the course of preparation for the single market, it was agreed that measures and instruments were necessary to reduce structural deficits and support peripheral and lagging regions. Furthermore, in its paper "The future of rural society" (EUROPEAN COMMISSION 1988) the Commission formulated the intention to use regional policy measures for a more integrated territorial approach to rural development in order to reduce the structural deficits of the rural peripheries.

As a consequence, the regional policy and Structural Funds were reformed according to the following principles that are basically still valid today (cf. MAIER/TÖDTLING 2002: 214):

- Principle of concentration (concentration of funds on most lagging regions)

- Principle of programming (Structural Funds bound to multi-annual regional development programmes and financial schemes)
- Principle of additionality (match-funding in order to prevent national aid being replaced by European subsidies)
- Principle of partnership (all government levels, commission, nation state and region, co-operate)
- Principle of subsidiarity (decision making on the lowest possible level)
- Principle of evaluation (in order to test effectiveness of programmes)

Today, more than a third of the budget of the EU is devoted to regional development and economic and social cohesion, which clearly shows the significance of the common EU regional policy. There are four Structural Funds, each with a specific thematic area (cf. also Table 3), the European Regional Development Fund (ERDF, since 1975), the European Social Fund (ESF, since 1961), the Guidance Section of the European Agricultural Guidance and Guarantee Fund (EAGGF-Guidance, since 1964) and the Financial Instrument for Fisheries Guidance (FIFG, since 1993). Other financial instruments exist in addition to these Structural Funds, including notably the Cohesion Fund (since 1993) that is designed to assist the least prosperous countries¹⁴ of the EU, and the Common Initiatives (since 1989).

In March 1999, a year before the next programme period was to start, a comprehensive reform of the Structural Funds named "Agenda 2000" was agreed in order to meet the upcoming challenges, such as the eastward enlargement, the economic and monetary union and the increasing global competition. Regional policy finances were to be concentrated and hence, the objectives of the Structural Funds were reduced from previously seven to three (cf. Table 4). Additionally, the Common Initiatives were reduced from previously 13 to four, INTERREG III, LEADER+, URBAN II and EQUAL, which together comprised 5.35% of total fund.

The Common Initiative LEADER, which aimed at "integrated territorial development strategies of a pilot nature based on a bottom-up approach" (ec.europa.eu 2006e) and was funded through the EAGGF, was the only programme of the EU Structural Funds that specifically targeted rural areas and their development. Nevertheless, rural areas have profited immensely from the Objectives 1 and 2 and to a lower extent also from the Common Initiative INTERREG, which aimed at the international cooperation (cross-border, transnational and interregional) of local actors and was funded through the ERDF.

¹⁴To qualify, regions must have a per-capita income under 90% of the EU average. During the 1994-99 programme period Spain, Portugal, Greece and Ireland received financial aid from the Cohesion Fund. During the 2000-06 programme period aid continued for all (Ireland only until 2003); since 2004, the 10 new member states have received one third of the funding for the Cohesion Fund in that programme period.

Table 3: EU Structural Funds

<p>ERDF</p> <ul style="list-style-type: none"> • productive investment leading to the creation or maintenance of jobs • infrastructure • local development initiatives and the business activities of small and medium-sized enterprises <p>ESF</p> <ul style="list-style-type: none"> • training measures for the unemployed and disadvantaged groups • support for systems of recruitment assistance <p>EAGGF-Guidance</p> <ul style="list-style-type: none"> • rural development measures and aid for farmers, mainly in regions lagging behind in their development <p>FIFG</p> <ul style="list-style-type: none"> • support for adapting and modernising the fishing industry

Source: EUROPEAN COMMISSION 2006a

In the understanding of the European Commission regional development comprises rural development, but in practice rural areas are specifically targeted mainly through the sectoral (and therefore one-dimensional) Common Agricultural Policy (CAP). With the publication of the paper "The future of rural society" in 1988 and the introduction of the LEADER programme in 1991 though, the announced shift towards a more integrated territorial approach to rural development has gradually gained momentum (cf. the following Chapter 2.3.3).

Although the EU regional policy in its core is still based on exogenous development strategies and inward investments (e.g. infrastructure, transfer of technology), it increasingly integrates also endogenous elements, such as the compulsory regional development programmes, networks of local actors, support of innovation and education, which further indicates a shift from a sectoral to a more territorial policy and to governance structures.

While relatively few is known about the economic effects of the regional policy measures in smaller regions (e.g. Objective 2 regions or former Objective 5b regions), macroeconomic evaluations have shown that the effects in Objective 1 regions and in countries eligible for aid through the Cohesion Fund are considerable in regard to investments, growth and employment (cf. MAIER/TÖDTLING 2002: 227ff). The most prominent examples for such successful structural change are Ireland ("the Celtic Tiger") and Spain, which both profited enormously from the Cohesion Fund. Still, within the countries profound disparities between prospering urban areas and poor rural peripheries continue to exist. It remains to be seen whether the reformed elements of the EU regional policy will be able to tackle the problems of these regions successfully, too.

Table 4: The three objectives of the Structural Funds 2000-2006

<p>Objective 1: to develop the least favoured regions of the European Union</p> <ul style="list-style-type: none"> • summing up the former Objectives 1 and 6 • comprising 69.7% of total fund • financed from all four funds • regions must have a GDP of 75% or less the EU average, or a population density of fewer than eight people per square kilometre <p>Objective 2: to revitalize areas facing structural difficulties, including industrial, rural, urban and fisheries-dependent regions</p> <ul style="list-style-type: none"> • summing up the former Objectives 2 and 5b • comprising 11.5% of total fund • financed from ERDF and ESF • qualification criteria depend on the area type; rural areas must meet two out of the four following criteria: a population density less than 100 inhabitants per square kilometre, a rate of agricultural employment equal to or higher than double the Community average, an unemployment rate higher than the Community average or a decline in the population <p>Objective 3: to support education, training and employment</p> <ul style="list-style-type: none"> • Summing up the former Objectives 3 and 4 • Comprising 12.3% of total fund • Financed from ESF • all regions not covered by Objective 1 are eligible under Objective 3

Sources: EUROPÄISCHE KOMMISSION 1999b: 5; EUROPEAN COMMISSION 2006a

2.3.3 THE NEW BUZZ-WORD: INTEGRATED RURAL DEVELOPMENT

2.3.3.1 THE EVOLUTION OF INTEGRATED RURAL DEVELOPMENT POLICY AT EU LEVEL

Apart from the EU regional policy and their more general development measures, the second strand of the EU rural development policy is the Common Agricultural Policy (CAP), aimed at the agricultural sector and launched in 1972. During the 1980s, critique of the CAP emerged and discussions were led about a new approach to rural policy. While the regional policy was reformed in 1988 and the development of rural areas was explicitly recognized as a part of economic and social cohesion in the Maastricht Treaty of 1992 (BRYDEN 2002: 2), the CAP underwent some changes, too: In 1992, so called "Accompanying Measures" – agri-environmental measures, afforestation on farms and farmer retirement – were introduced. Interestingly, these were clearly measures of structural character, but nevertheless were financed under the EAGGF Guarantee Section (normally devoted for market and price policy) and, contrary to other measures of the Guarantee Section, to be co-financed by the member states (cf. TERLUIN 2001: 47).

During the 1990s, external pressures, such as the WTO trade negotiations and the EU agreement to reduce subsidies, as well as internal pressures, such as the upcoming eastern enlargement, eventually resulted in further

reforms of the CAP (cf. BRYDEN 2000, p. 28 for details). The discussions culminated in the Cork Declaration, named after the Cork Conference in November 1996, which was a call for a multidisciplinary and multi-sectoral rural development policy with a clear territorial dimension (cf. EUROPEAN COMMISSION 1996). The declaration offered a more holistic than pure agricultural view on rural areas, as it recognized the multifunctionality of agriculture, sought for a multi-sectoral and integrated approach to the rural economy and suggested more flexibility in support for rural areas as well as transparent legislation and management programmes. Moreover, it included the proposal for a new, separate Rural Development Fund.

The principles of the Cork Declaration, primarily aimed at fitting the needs of differentiated and diverse rural space, were the following:

1. Priority of EU policy for rural development
2. Integrated approach: multidisciplinary, multi-sectoral and territorial
3. Support for the diversification of economic and social activity
4. Sustainability
5. Subsidiarity or decentralisation and a "bottom-up" approach to development
6. Simplification and coherence
7. Programming and transparency
8. Synergies in finance between public and private sector funding
9. Support for the enhanced management or administrative capacity of regional and local authorities
10. Evaluation and research

However, the declaration was not approved by the EU Council of Ministers and evoked strong opposition from farming organisations as well as other groups that rejected the idea of "priority for rural areas" (cf. BRYDEN 2002). The "Agenda 2000" constituted a compromise insofar, as it introduced the so called "second pillar" to the CAP, containing rural development measures laid down in the Rural Development Regulation (RDR). Nevertheless, it remains firmly attached to the agricultural policy as hardly any of the measures are directed at another than the agricultural sector. Apart from the existing agricultural structural policy measures and the accompanying measures (see above), only the so called Article 33 measures address issues beyond agriculture. BRYDEN comments:

The measures which relate to the wider rural economy, few though they are, are all within Article 33, but these are receiving a very low priority, with less than 10% of the overall budget in all cases examined. If this turns out to be the general case, then it means that less than 1% of CAP spending will be devoted to non-agricultural aspects of rural development within the RDR – hardly a 'second pillar'! (BRYDEN 2000: 30)

Is there an integrated rural development policy at EU level at all? The situation is confusing: On one hand there is the CAP and the RDR, which, however, hardly deserves this name, while on the other hand there is the EU

regional policy that, apart from the LEADER programme, does not target rural areas specifically, despite rural areas profit enormously from it. Until now, there have been strong tendencies to anchor rural development within the agricultural sector policy and to keep spending for integrated, multi-sectoral measures marginal, instead of following the suggestions of the Cork Declaration. In this regard, an integrated rural policy at EU level is more rhetoric than actually being delivered at the moment (cf. MARSDEN 2003, BRYDEN 2000). Whether the European rural development policy will become more than an annex to the CAP will have to show. The challenge to integrate 12 mostly rural member states during the new programme period and to stick to the goal of economic and social cohesion will put the present arrangement to the test.

2.3.3.2 DEFINING INTEGRATED RURAL DEVELOPMENT

Despite the absence of an integrated rural development policy at EU level so far, there are nevertheless signs that a paradigm change in rural policies has taken place in various countries (cf. BRYDEN 2000¹⁵, OECD 1999). This will be elaborated for Scotland, Sweden and Austria in the Chapters 4, 5 and 6, so that no further examples are given here.

TERLUIN (2001) summarizes in her study about rural regions in the EU:

The current practices in planning and implementing rural development policy [...] mainly refer to emerging shifts towards enhancing the local development potential, towards emphasizing a multifunctional role of agriculture and towards a cautious territorial integrated policy, whereas in governance much attention is paid to the bottom-up approach. This approach emphasizes the involvement of local actors in planning and implementing policy, the creation of new institutional arrangements with partnerships of public, private and voluntary sectors, and tailor-made policies for individual areas. (Terluin 2001: 224)

This corresponds with BRYDEN (2000), MARSDEN/BRISTOW (2000), SHUCKSMITH (1999) and SHORTALL/SHUCKSMITH (1998) who define integrated rural development concepts by using the following core features:

- a territorial (area-based) approach,
- a cross-sectoral approach to rural issues through a coordination of policies at all levels,
- a consistent use of endogenous potentials, including the areas' respective natural and cultural specialities,
- decentralisation of policy administration and implementation to the regional and local level,
- the participation of those concerned through bottom-up development initiatives,

¹⁵ BRYDEN mentions Canada, USA and Spain, Finland, Ireland and Scotland.

- the development and use of network structures and partnerships of actors from the public, private and civic sector as well as
- capacity building and animation, e.g. via a regional management.

In comparison with the concepts of endogenous and sustainable development it can be stated that there are several similarities, for example the use of endogenous resources, the holistic way of thinking or the bottom-up approach. In practice, all concepts resemble each other even more (cf. Table 5). New, however, is the explicit focus on the rural perspective, and – more importantly – a multidimensional rural perspective. Hence, integrated rural development is thought from another direction than the traditional regional policy, with its main concern of balancing existing disparities, equal living conditions and overall economic growth. It on the other hand lacks the ecological point of view of the sustainable development concept.

The most important difference is yet its emphasis on necessary changes in the policy and institutional framework, which are intrinsically tied to the concept and will be discussed under the term regional governance in Chapter 2.4.

Table 5: Typical measures of integrated rural development

- | |
|--|
| <ul style="list-style-type: none"> • strategic investments rather than subsidising single or declining sectors and thus aiming at the diversification of the rural economy • restructuring of agriculture towards multi-functionality (intensification, extensification in less productive areas, quality production of niche products, etc.) • creation of local products and specialities linked to natural and cultural "capital" (food, crafts, art, but also services) • investments into quasi-public goods, e.g. transport and communication infrastructure, which support enterprise indirectly • support of education and training • business assistance and support of entrepreneurship • search for alternative ways of providing public services in rural areas • participatory community planning or regional development plans |
|--|

Source: BRYDEN 2000: 31

2.3.3.3 RURAL DEVELOPMENT POLICY IN THE EU PROGRAMME PERIOD 2007-2013

The new programme period brings another comprehensive reform of both, the EU regional policy and the rural development section of the CAP. The most important structural change is the transfer of the EAGGF-Guidance/Guarantee and the LEADER axis away from the regional policy to the CAP, being thus transformed into the new European Agricultural Fund for Rural Development (EAFRD)¹⁶. The creation of the first exclusive fund for rural development in 2005 was followed by the "Community Strategic

¹⁶Council Regulation (EC) No 1698/2005 of 20 September 2005 (http://ec.europa.eu/agriculture/rurdev/index_en.htm)

Guidelines for Rural Development"¹⁷, the first coherent, strategic policy for rural regions at EU level. The guidelines comprise six priorities:

1. Improving the competitiveness of the agricultural and forestry sectors
2. Improving the environment and countryside
3. Improving the quality of life in rural areas and encouraging diversification
4. Building Local Capacity for Employment and Diversification (LEADER-approach)
5. Translating priorities into programmes
6. Complementarity between Community Instruments

The first four priorities represent the core thematic axes of the CAP's second pillar during the new programme period (cf. Table 6). They comprise a spatial and integrated approach, represented mainly by Axis 3 and Axis 4, the latter being the now "mainstreamed" LEADER approach, which also incorporates the "bottom-up" element into the CAP.

Another innovation is the decentralisation of strategic planning in rural development: The Member States will prepare their national rural development strategies on the basis of the six priorities and additionally, there will be regional development programmes, being formulated in cooperation with relevant regional actors and institutions.

Table 6: The four central axes of the EAFRD and of their minimal budgets (percentage)

Axis 1: Competitiveness of agricultural and forestry sectors (≥ 10 %)	Axis 2: Improvement of environment and land management (≥ 25 %)	Axis 3: Improving quality of life and encouraging diversification (≥ 10 %)
Axis 4: LEADER Building local capacity for employment and diversification (≥ 5 %)		

Source: NISCHWITZ et al. 2007; own alterations

The EU regional policy, stripped-down of its rural development elements, has been reformed considerably as well. Main issues of the reform were simplification, decentralisation (subsidiarity) and concentration of funds. According to the "Community Strategic Guidelines on Cohesion 2007 to 2013"¹⁸ and in line with the renewed Lisbon strategy¹⁹, programmes co-financed through the cohesion policy should seek to target resources on the priorities of growth, employment, innovation, competitiveness and improved living conditions.

¹⁷Council decision of 20 February 2006
(http://ec.europa.eu/agriculture/rurdev/index_en.htm)

¹⁸Council decision of 6 October 2006
(http://ec.europa.eu/regional_policy/sources/docoffic/2007/osc/index_en.htm)

¹⁹ http://ec.europa.eu/regional_policy/themes/lisbon/lisbon_en.htm

From 2007 on, there are three objectives, the convergence objective, the regional competitiveness and employment objective and the European territorial co-operation objective (cf. Table 7). The former Common Initiatives will not be continued as separate programmes any longer, although elements will be incorporated into the three objectives ("mainstreaming").

Highest priority (82% of allocated funds) is given to the convergence objective. As a consequence, support is mostly deferred to the East-European member states, apart from some regions in the southern member states Portugal, Spain, Italy and Greece and parts of East Germany. In contrast to the convergence regions, which qualify on the basis of the indicator GDP per capita (cf. Table 7), the EU renounces to preselect regions within the other two objectives. Instead and in line with the attempt to decentralise the EU regional policy, the member states themselves suggest eligible (urban and rural) regions within the regional competitiveness and employment objective.

In comparison with the former programme period there is now a clearer separation between the CAP and the regional policy in regard to the responsibility for rural development.

The main focus of regional policy is now again the convergence of the European regions. It integrates structural policy, employment policy, social policy and also environmental issues, which is an explicitly spatial approach to regional policy, but does not integrate rural development any longer. Nevertheless, regional policy will doubtless continue to be important for weak rural areas – even after the exclusion of the instruments relating to rural development. Indeed, the strategic guidelines contain the aim of economic revitalisation and diversification of rural areas.

The creation of the EAFRD and the formulation of the strategic guidelines for rural policy are both quite remarkable, as they represent the first attempt for a coherent rural development policy at EU level. It is also remarkable that various integrated rural development elements, such as decentralisation, a area-based approach, the use of partnerships, participation and capacity-building, have found their way into the guidelines, which are, however, more or less confined to Axis 3 and 4. In this respect, the CAP will obviously keep up with its habit to keep the spending for non-agricultural, integrated, multi-sectoral measures marginal. Additionally, the guidelines are rather vague as they on one hand lack concrete goals, instruments and indicators and on the other hand do not reveal possible connections to other EU policy areas. How the second pillar of the CAP is supposed to be coherent and integrated with them, remains unclear.

Table 7: The three objectives of the EU Cohesion Policy 2007-2013

PROGRAMMES AND INSTRUMENTS	ELIGIBILITY	PRIORITIES	ALLOCATIONS
Convergence objective			81.7% (EUR 251.33 bn)
Regional and national programmes (ERDF, ESF)	Convergence Regions: GDP/head <75% of average EU25	<ul style="list-style-type: none"> • innovation; • environment/ risk prevention • accessibility; • infrastructure • human resources; • administrative capacity 	57.6% <i>EUR 177.29 bn</i>
	Phasing-out Regions (statistical effect): GDP/head <75% of EU15 and >75% in EU25		4.1% <i>EUR 12.52 bn</i>
Cohesion Fund including phasing-out	Member States GNI/head <90% EU25 average	<ul style="list-style-type: none"> • (sustainable) transport • environment • renewable energy 	20.0% <i>EUR 61.42 bn</i>
Regional competitiveness and employment objective			15.8% (EUR 48.79 bn.)
Regional programmes (ERDF) and national programmes (ESF)	Competitiveness and Employment Regions: GDP /head >75% of EU25 Member States suggest regions (NUTS I or II)	<ul style="list-style-type: none"> • innovation • environment/ risk prevention • accessibility • European Employment Strategy 	15.5% <i>EUR 38.4 bn</i>
	Phasing-in Regions (growth effect): GDP/head >75% of EU15 (Objective 1 2000-06)		3.4% <i>EUR 10.38 bn</i>
European territorial co-operation objective			2.44% (EUR 7.5 bn.)
Cross-border and transnational programmes and networking (ERDF)	Border regions and greater regions of transnational co-operation	<ul style="list-style-type: none"> • innovation; • environment/ risk prevention • accessibility • culture, education 	<i>of which:</i> 77.6% <i>cross-border</i> 18.5% <i>transnational</i> 3.9% <i>interregional + ENPI</i>

Source: EUROPEAN COMMISSION 2006f; own alterations

In summary it can be stated that rural development policy has been separated from regional policy and is now clearly anchored with the CAP and thus not truly integrated in the sense of a cross-sectoral approach. Its implementation over the next years will reveal whether the announced

broader approach to rural development is really integrated with or will be marginalised within the CAP.

2.4 REGIONAL GOVERNANCE: THE NEW ACTORS OF RURAL DEVELOPMENT

Rural areas have not only changed in regard to their functions, social mixtures and performance, but also in the way they are governed. In view of the profound structural changes and increasing international interdependencies, the classic steering instruments of the central or nation state often happen to be insufficient – in rural areas as elsewhere. Instead, other levels or other forms of interaction appear to be more appropriate to address many of the current issues. Moreover, social innovations and the emancipation of civil movements also contributed to new governing styles.

As a consequence, many responsibilities of the nation state have been transferred either "upstream", that is to higher-level authorities, e.g. supranational bodies like the European Union or the WTO, or "downstream" to regional and local authorities. The probably best example for the retreat of the nation state is the "regionalisation of the structural policy" at the end of the 1980s, when the EU started to encourage endogenous development strategies and regional initiative through the programme requirements²⁰ (cf. Chapters 2.3.1 and 2.3.2).

Also, governing is increasingly not operated exclusively "through the apparatuses of the sovereign state" (WOODS 2005: 164), and formal, institutionalised government "has been transformed into a complex system of governance, which involves a range of agencies and institutions drawn from the public, private and voluntary sectors, operating through a variety of structures" (GOODWIN 1998: 6/8).

Processes that contributed to the rise of the regional level as well as to the evolution of such governance structures are manifold and complex (cf. among others PÜTZ 2004, BENZ 2003, WERLEN 1997, RHODES 1996). They reach from the ongoing globalisation, the financial crisis of the welfare state, deregulation and privatisation to the shift towards a knowledge-based service society, newly valorised regional cultures and changed social priorities such as sustainability and environmentalism, to name but a few new. Some of the aspects and their relevance for rural areas have already been discussed in the previous chapters, so that they will not be elaborated here.²¹

Processes that particularly influenced the evolution of governance structures in rural areas are, according to GOODWIN (1998),

²⁰With the beginning of the new programme period the regional state aid has even been further restricted by the EU Commission – and with it the opportunity for the EU member states to shape regional policy at the national level (cf. NISCHWITZ et al. 2007 and http://europa.eu.int/comm/competition/state_aid/regional).

²¹The interdependencies between regimes of accumulation and particular modes of regulation, between globalisation and regionalisation are well explained by the regulation theory. Cf. especially GOODWIN (2006) for reflection of the regulation approach in context with rural studies, and DANIELZYK (1998) for reflection of the regulation theory in context with regionalisation and regional studies.

- the general decline of the post-war Keynesian welfare state coupled with a more specific decline of agrarian-based economic and political power, in favour of new forms of public sector support and a diversification of discourses and actors (cf. also WOODS 2005: 161-163);
- the rise of the neo-liberal paradigm fostering deregulation and privatisation (cf. also FÜRST 2003: 53, who speaks of the "activating state");
- the evolution of local initiatives, which have often been encouraged by European development programmes such as LEADER or national schemes (cf. also FÜRST 2003: 53).

But what exactly are governance structures, and how can regional governance be defined? First of all, governance is rather to be understood as an analytic perspective than a theoretical concept and has to be combined with different contexts, e.g. territorial contexts of public policy (cf. BENZ 2003: 27). Hence, discourses²² have evolved around global governance, corporate governance, multi-level governance and – important for this study – regional governance.

But there is not even a clear-cut, general accepted definition of *regional* governance, and therefore, several attempts to describe or generalise this multi-faceted phenomenon co-exist. One could say, researchers agree that there is doubtless "something out there", even if research has so far been unable to nail it down.

PÜTZ (2005: 34²³) presents some examples for definitions of regional governance that show the existing variety, but at the same time the common denominator:

- "the way regional actors interact" (BOGUMIL 2003)
- "loosely organised, network-kind structures of cooperation" (BENZ 2001)
- "coordination and steering of regional processes in complex structures" (BENZ 2003)
- "weakly institutionalised, rather network-like forms of cooperation of regional actors for purposes related to regional development" (FÜRST 2001)
- "an instrument for the implementation of a strategic process in the direction of sustainability and social-ecological transformation" (NISCHWITZ 2002)

None the less, it is agreed that "the regional level is particularly receptive" to governance structures, because it is less institutionalised than the local (authorities) or national (state) level (FÜRST/KNIELING 2001: 6). Of course, the degree of regionalisation varies considerably among the European states, reaching from federal states like Germany and Austria to states with strong regionalism like Spain, to states with weaker regionalism like the

²²For an overview see especially PÜTZ (2005) and BENZ (2003). Cf. also KOOIMAN (2003), MAYNTZ (1998), RHODES (1997).

²³Original in German; own translation

Scandinavian countries or the UK²⁴. Thus, regional governance has different attributes in different countries or systems, due to its interplay of governance with the institutional background and multi-level government (cf. FÜRST/KNIELING 2001 and the case studies of this study).

In an effort to generalise despite the complexity and variety, FÜRST (2003: 50²⁵) summarises some characteristics of regional governance:

- cooperation of actors of different backgrounds (territorially oriented public actors, such as politicians, and functionally oriented private actors, such as entrepreneurs or civil representatives)
- crossing the borders and responsibilities of the subsystems (government/administration, private sector, civil society)
- self-organised networks
- horizontal interaction through arguing and bargaining (not power and enforcement)
- linked to self-imposed (negotiated) regulation systems, which canalise the interaction formally, lower transaction costs and heighten the reliability of expectations
- high degree of reflective rationality (learning processes are very important)

In addition to these first general criteria, regional governance is always voluntary, collective and non-hierarchical action – as opposed to hierarchical regulation. Accordingly, its grade of institutionalisation is weak, i.e. that the main focus is on processes rather than on organisational structures. But it is also agreed that to some degree institutionalisation is necessary to secure the functioning of such governance structures (cf. PÜTZ 2005, BENZ 2003). FÜRST (2003, cited in PÜTZ 2005: 35) names as basic necessities firstly, an "organisational core" as administrative infrastructure, secondly, a defined leadership in order to represent the region inwardly and outwardly, and thirdly, the availability of financial resources. Still, defining an "ideal" degree of institutionalisation is impossible as some contexts require weaker, others stronger forms and as different actors prefer different kinds of institutionalisation. Also, governance structures tend to change over time – and with them the form of institutionalisation, so that the question of the adequate institutionalisation will always be a dilemma.

Another important point is that, although regional governance is characterised as self-organised and sticks in between the established decision-making structures, it is nevertheless interlinked with them. Influences (not interventions though!) from institutions are ubiquitous via financial support or administrative procedures. Moreover, actors in most cases act as representatives for their organisations. That means that multi-

²⁴BALCHIN (1999) distinguishes between unitary states with powers substantially devolved to the municipalities (the Scandinavian countries) and unitary states with powers devolving to the regions (UK, France).

²⁵Original in German; own translation

level processes are involved in regional governance, though not within the interactions of the networks themselves at regional level.

Besides the aspects of regulation and institutionalisation, what is the purpose of regional governance? Again, it is almost impossible to give a general answer as there is a confusing diversity of concrete forms in regard to their combination of actors, their need for action and their situative conditions²⁶ (cf. SCHARPF 2000). Nevertheless, one can distinguish two basic types of regional governance, those with a primarily territorial approach and those with a functional approach. FÜRST (2003) states pragmatically that there are mostly functional governance structures that evolve around "issues" (social, ecological, economic, infrastructural, etc.) and related problems or projects. At the same time, he distinguishes regional governance clearly from "project management" or "regional working groups" that are restricted to one specific problem or project and thus rather short-lived. This implies that there can be more governance networks in one region, and indeed, spatial overlap or multiple memberships are common in practice (- as will be shown also in the case studies).

However, regional governance is far from being embraced as an all-round solution for the crisis of the central state. Quite the contrary, there are several aspects that are criticised (cf. for example WOODS 2005, MOSELEY 2003b, FÜRST 2001):

Exclusivity and intransparency

Generally, the governance networks are open to all kinds of members and usually represent a wider range of actors than the formal bodies of government and administration. In practice, however, there might be an over-representation of the local elite that concentrates power, so that the network becomes exclusive and sometimes also intransparent. Despite the (theoretical) open access, they might also fail to coordinate and represent the diverse interests in communities and especially the interests of groups that are marginalized in society anyhow.

Legitimacy

Linked to this is the question of legitimacy: While government bodies are legitimated through a democratic mandate, governance bodies draw legitimacy only from the wide range of involved actors. Thus, they suffer from a democratic deficit by design, though in a different way from the deficit of exogenous top-down strategies or decisions.

Accountability

As governance bodies are not democratically elected, they are only accountable to the involved organisations and funding bodies. Accountability to the general public has become even more difficult with the increasingly blurred responsibilities, since the social economy and private companies have taken over many traditional tasks from the formal government.

²⁶Original German terms *Akteurkonstellation*, *Handlungsbedarfe*, *situative Rahmenbedingungen*

Unequal resources and power

Although governance bodies are non-hierarchical bodies, their members represent different organisations which have different resources at their disposal. This concerns financial resources as well as non-material resources such as time, knowledge or professionalism. Actors from the public sector tend to dominate the networks, while on the other hand it tends to be difficult to include actors from the private sector, particularly in rural areas.

Instability and overlapping

Many governance structures seem to have short life spans due to their weak institutionalisation and the necessity to secure funding in order to continue work. Additionally, spatial and sometimes thematic overlapping can cause confusion for the regional population, thus causing a further decline in accountability.

Geographical unevenness

With more and more tasks transferred to governance bodies, questions arise whether this might create a new "geographical unevenness" (WOODS 2005: 170), dividing regions into those that have the capacity to set up effective partnerships and networks and others that lack the potential to do so. This is even more important in connection with the future strategies and instruments of a rural development policy.

Efficiency and effectiveness

Finally, not much is known about the efficiency and effectiveness of governance structures in comparison to the classic, hierarchical regulation, as empirical research still lags behind considerably in this regard. But there is evidence for the lack of a strategic orientation in favour of project delivery and spending the money.

Although research has long focused only on urban, industrial or prospering regions (cf. SERI 2003), regional governance structures have become prominent in rural areas as well. Throughout the 1990s partnership-arrangements between governmental and non-governmental organisations as well as inner- and inter-regional networks of various actors have evolved throughout Europe. This is not only the result of the above explained overall institutional changes and the shift from government to governance, but also part of the applied political strategies for the rural areas (as discussed in Chapter 2.3.3 about integrated rural development).

WOODS (2005: 164f) speaks of "two key interlocking components" in relation to rural governance, the "partnership working and community engagement and active citizenship". He distinguishes three types of partnerships, the strategic partnership, the delivery partnership and the consultative partnership, of which only the first two would qualify as being a "true" forms of regional governance according to FÜRST (2003). But as these three types will be used in order to structure the empirical findings of the case studies, they are briefly portrayed here (WOODS 2005: 165-168):

Strategic partnerships: aimed at coordinating the policies and initiatives of the various state agencies operating at different scales or in different sectors; in some cases involving other stakeholder groups (e.g. farmers' unions, business confederations, voluntary sector representatives)

Delivery partnerships: formed at a local level to manage the implementation of a particular policy or initiative, often a rural development project, for which partnerships are increasingly a requirement; normally involving local government as a key partner and others, like funding bodies, local development agencies, civic or residents' associations

Consultative partnership: operating on a range of scales as mechanisms for engaging communities in the governing process; enrolling community groups, such as residents' associations, civic societies and village amenity societies, in partnership organisations or engaging directly with local residents through the use of surveys, appraisal exercises and public meetings

Evidently, regional governance does exist in rural areas and is of growing importance. However, there is a lack of empirical evidence whether governance structures might be different or more difficult to set up and run. FÜRST (2003: 61) presents some assumptions in this connection:

- The establishment of regional governance structures is more difficult in rural areas since regional planning here often plays a less significant role and is not a central organisational core, around which governance structures can evolve.
- They are rather initiated top-down, e.g. through European or national programmes.
- The private sector is less involved as there are mainly SMEs in rural areas that do not have the capacity to take part in partnerships.
- Regional networks in rural areas are less compatible: Several different sectoral support schemes develop different regions or the actors of the networks are functionally integrated with different regions (as they represent different institutions).

Due to the different settings of rural areas it is questionable whether these assumptions can generally be applied to *all* rural areas²⁷. Nevertheless, they might be applicable to peripheral rural regions, which will be scrutinised in the case studies and taken up again in Chapter 7.

²⁷ The use of the term "rural governance" is misleading as it implies that there is a specific style of governance in all the different types of rural areas. Hence, the term was avoided in this study, in favour of the term "regional governance" that does not refer to a certain type of space but more appropriately to the policy level.

2.5 CONCLUSION

In this chapter it was shown that the future of rural areas depends on various factors, such as macro-economic forces (globalisation, structural change), macro-economic policies (welfare state, public spending on infrastructure, European domestic market), demographic change (higher life expectancy, less births, migration) as well as social and cultural trends (shifting values, lifestyle patterns) that influence individual decisions. The impact of specific regional and rural policies is therefore restricted and depends to a large extent on the mentioned broad developments.

National governments and EU have so far reacted to these changed circumstances with a mix of strategies and instruments, reaching from classic investments and infrastructural programmes to newly adopted measures in the sense of an integrated rural development. At the same time, agricultural policies undergo a paradigm change towards multi-functional rural development policies. This is, however, a highly contested process and will have to compete with the maintenance of an agro-industrial model of agricultural development.

Still, under the changed circumstances, neither rurality nor a peripheral location is an equivalent to structural weakness, and even the latter is not an unchangeable fate. With an increased exchangeability of location factors and a growing functional and spatial differentiation of the economy the creation of successful regional milieus is possible even outside metropolitan areas. Thus, the changed conditions also allow for more options in regional and rural policy, while at the same time they also call for more creativity and tailor-made measures as "one size fits all policies" do not meet the highly differentiated economic structure in Europe any longer. Any development policy that is purely based on one or another macro-economic theory is bound to fail as economic development is not a linear process, but a highly individualised process with innumerable factors contributing to it. The picture becomes even more complex, if the term development is not restricted to the economy (in our free-market economy usually equivalent to growth), but widened by other perspectives like cultural, ecological or social values.

SCHWARZ/VORAUER-MISCHER (2003: 33-34) conclude in their quantitative analysis of regional economic development in the EU between 1988 and 2000:

Besides providing modern infrastructure, the classical instrument of regional policy, it will be necessary to build up decentralised structures (like regional managements, local initiatives, regional centres for start-ups, etc.) in order to mobilise the endogenous potentials for a regional development.

[...] Such an integrated approach to development [...] will successfully build up those flexible structures (institutional networks, cooperation of companies, clusters), which form the basis for successful, innovative regions that offer unique services that cannot be copied and that are independent to factor-costs.

Yet, little is known about the implementation, functioning and effectiveness of these decentralised (governance) structures. More importantly, one central question remains unanswered: If more funds are directed towards local and regional initiative and self-help or are even tied to the existence of networks and partnerships, what will happen to those regions that are unable to provide exactly these?

3 METHODOLOGY

3.1 THE MULTIPLE-CASE STUDY AS A RESEARCH METHOD AND THE SELECTION OF THE CASE STUDIES

As laid out in the introduction, the international comparative approach based on selected case studies is a major component of the research design. The decision for this research method was made for various reasons:

Firstly, the study deals with very contemporary phenomena that have not been well documented, so that a collection of primary data is inevitable.

Secondly, it deals primarily with organisational processes and policies, thus complex issues that could not be explored sufficiently with surveys alone. Above that it is the very nature of regional governance structures that the relations of actors are not clearly defined and its forms can hardly be predicted. It therefore needs a case study in order to break down the many different forms of governance that exist in reality.

Thirdly, as there is a lack of comparative qualitative studies that seek to analyse the interdependencies within regional policy and the complex webs of governance structures, a multiple-case design is preferred in order to embed the findings in the European context. Furthermore, the analytic generalisation of the empirical results is more robust with more than just a single case (cf. Yin 2003: 31ff). Each of the three case studies was selected carefully, applying criteria that are described in the following.

A preparatory study sought to put the subject matter in concrete terms and to search for suitable case study areas. As the concept of integrated rural development is closely linked to the general transformation of the EU regional policy and as the implementation and influence of the European programmes is of central interest for this study, only EU member states were considered. Additionally, only countries with areas that can be defined as rural peripheries (cf. Chapter 2.1) came into question, thus excluding for example Luxemburg or densely populated countries like the Netherlands.

Three EU member states appeared to be of particular interest from the perspective of ongoing changes in regional policy, namely Scotland, Sweden and Austria. All countries are currently undergoing restructuring processes in the field of regional development policy and the related institutional setting. In this regard decentralisation of governmental responsibilities, reorganisation of public administration and the formation of new institutions, which are placed between the public and private sector, can be observed.

Scotland: As part of the devolution process in the UK, a range of powers was granted to the newly formed Scottish Parliament and Government in 1999, which also brought changes in the field of regional development policy. The

rural peripheries have taken centre stage within the Scottish policies, entrusting them with more influence on their future development.

Sweden: Since the country joined the EU in 1995, there has been intense debate about the pros and cons of decentralisation, the traditional regional policy and the value of a rural policy. The "regional growth agreements", introduced in 1997, reflect a progressive regionalisation of regional structural policy at the level of the provinces (län) and suggest that the goal of interregional balance is questioned.

Austria: The country has several decades of experience with endogenous development concepts for its rural areas and innovative instruments of regional policy. After joining the EU in 1995, the already installed development agencies, regional managements and other initiatives have gained even further importance.

Finally, pragmatic reasons tipped the scales for the selection of these countries: The qualitative interviews, which ought to be a major source of information, should preferably be led in German or English due to the researcher's own language skills. As the proficiency of English is generally high in Scandinavia, these countries were prioritized instead of the mediterranean countries.

In a next step, three case study regions were selected in the above-mentioned countries, Skye and Lochalsh and the Western Isles in Scotland, Jämtlands län in Sweden and the region Eisenwurzen in Austria (cf. Figure 2). All regions represent rural peripheries²⁸ with (infra)structural deficits and profound economic problems, though with different geographical features and historical structures and landscapes.

Three considerations were crucial for the selection: Firstly, those types of regions were selected, for which the European regional policy has declared a special call for action: the peripheral coasts and islands of Europe, the Scandinavian peripheral north, and the mountain regions of the Alps (cf. EUROPEAN COMMISSION 2001 and 2000a).

Secondly, their designation as target areas of measures that can be described as a "new regional policy" or "integrated rural development policy" as well as the existence of governance structures related to these policies, were key selection criteria. Thirdly, all case study areas show first signs of reactivation, economically, culturally, socially or in regard to political decision-making:

Skye and Lochalsh District and **Western Isles Council** (together 5,600 km², 38,600 inhabitants) represent a region of extreme peripheral location in national as well as in European context. The historical development of the Hebrides is characterised by emigration and economic decline over many centuries, as natural, infrastructural and socio-economic – "classic" –

²⁸For the definition of the spatial category "rural peripheries" confer Chapter 2.1 and also the portraits of the case study regions in the Chapters 4, 5 and 6.

disadvantages had led to a persistent structural weakness of the region. Nevertheless, an endogenous Gaelic language and cultural tradition can still be found, which represents one, but not the only important basis for socio-economic reactivation. Approximately 15 years ago, a successive reactivation of the region began that is founded mainly on the basis of innovative projects within the service sector (tourism, telework, education). Several institutions, all related to the "new" Scottish regional policy, play a crucial role for the implementation of development approaches. One of these institutions is Highlands and Islands Enterprise that was established in 1992 as a "Quango" (= Quasi-autonomous non-governmental organisation) for the assignment of regional economic development. In addition, there are many more important regional actors which act as promoters besides the contribution of the European regional policy (Objective 1, LEADER).

The Swedish province **Jämtlands län** (around 50,000 km², ca. 128,000 inhabitants, 58.000 living in the capital Östersund) represents the scarcely inhabited, extreme periphery of the Scandinavian north (2.6 inhabitants per km²). The small number of inhabitants in the northern provinces of Sweden is a result of the area's natural conditions and its infrastructural and economic deficits. After a dramatic loss in population until the middle of the 1970s, Jämtlands län has been reactivated by various innovative development schemes in education, information and communication technology and tourism. However, population dramatically dropped again in the late 1990s. Still, the European regional policy (Objective 6, Objective 1 LEADER) was an important impulse, while more recently the instrument *tillväxtavtalen* (regional growth agreement) played a central role alongside with several local initiatives. An interesting aspect is also the relocation of national agencies by the Swedish government, like the Glesbyggsverket (= national agency for rural development) in Jämtland. The current situation is characterised by both, great expectations in regard to a socio-economic reinvigoration of the region on the basis of the named instruments and profound insecurities in regard to the progress of the regionalisation process.

Located in the geographical triangle made up of Lower and Upper Austria and Styria, the **Eisenwurzen region** is a historic iron mining area. This east alpine periphery is characterised by a scarce, stagnant or declining population and severe and persistent structural problems. The case study area has been restricted to 84 municipalities (8,051 km², ca. 496,000 inhabitants), where four LEADER Local Action Groups have been formed since 1996. In addition to the European regional funding, there have also been other important impulses for the development of this region: These include development concepts for several large protected areas, the *Oberösterreichische Landesausstellung* (Upper Austrian Exhibition) in 1998 and furthermore the nationwide introduction of a regional management. The co-action of all these different development approaches in the context of the Austrian regional policy is considered to be a possible "model" for the reactivation of alpine peripheries, characterised also by a decided "regional approach for action" and the inclusion of many regional actors.

Figure 2: Case study regions – location in Europe



Source: Own design; cartography S. Menzel

It is obvious, that, although having certain aspects in common, quite different "paths of development" or "alternative models of regionalisation" could already be identified prior to in depths research. Besides, the varying geographical expanse of the case study areas is eye-catching and is related to the fact that the processes of regionalisation occur on very different scales – and above that not necessarily within administrative boundaries. As a consequence, only one case study area is also an administrative region (the province of Jämtland). Nevertheless, it is assumed that regardless of different geographical, political, socio-economic and cultural conditions many similarities between the regions can be identified in regard to the research questions.

Additionally, the programmes and instruments of interest for the research do not in all cases fit the defined "boundaries" of the case study regions, but instead apply to larger areas or smaller sub-regions, often even local areas. The same applies for the actors and institutions that are examined, but cannot be avoided due to the very nature of the phenomena "regional governance". There is an especially close linkage between the regional and local level since the concrete implementation of regional development instruments often occurs at the local level or is initiated by actors acting locally. Primarily, focus stays at the regional level, with local projects, initiatives and actors posing as examples for implementation if expedient or in case they unfold regional impact.

3.2 QUALITATIVE INTERVIEWS

Besides scientific and grey²⁹ literature as major source of information, not standardised, focused interviews with relevant experts are a decisive component of this study. As the research questions focus on very recent policy changes, evolving organisational structures and the implementation of instruments or programmes, hence information that is either based on experiences or unlikely to be sufficiently documented, qualitative interviews pose an adequate research method³⁰. The expertise of the interviewees in this study is based on their respective functional context, which is a professional knowledge or institutionalised competence. This means that the specialised knowledge eclipses the biographic or personal information, though their views on the issues in question are important.³¹ Therefore, the experts were not selected according to a sampling logic like in quantitative surveys, but according to the theoretical propositions laid out in the research design and their (presumed) competences in regard to their function or position.

²⁹ Governmental papers, policy documents, reports of agencies, brochures, etc

³⁰ Various researchers in geography or regional sciences share this perception (cf. DANIELZYK 1998: 408ff, HALKIER/DANSON/DAMBORG 1998: 357). Several studies that deal with similar questions are also (partly) based on conducting qualitative interviews (e.g. MOSE 1993, HEINTEL 1998, FIEZKO 2001, PÜTZ 2004).

³¹ For the definition of the term "expert" and methodological discussion of the tool "interviews with experts" see among others MEUSER/NAGEL 1991 and BOGNER/LITTIG/MENZ 2002.

3.2.1 THE SELECTION OF THE EXPERTS AND THE OBJECTIVE OF THE INTERVIEWS

According to the research questions and design of the study, the focus of the interviews at national level differed from that at regional or local level: At national level, the emphasis was on the transformation of the regional policy framework and the political and administrative system as a whole. Here, all recent national strategies, instruments, programmes and pilot projects were collected that are of relevance for the rural peripheries in question, and it was discussed how they reflect the national strategies and ongoing political discussions (cf. Figure 1 and the first step of research as described in Chapter 1.3).

Consequently, a separate short interview campaign was conducted a few months prior to the actual field work in the case study areas, during which relevant national institutions were visited (e.g. governmental departments, national agencies, national headquarters of NGOs, etc.). These had been identified through the study of literature and naturally varied between the countries due to the different political and administrative systems (cf. Table 8). Additionally, informal discussions were led with researchers working in the same field. These aimed at getting a better insight into the latest political and academic discussions in the respective countries and at identifying further key interview partners or institutions in the case study areas. Last but not least, these journeys provided the opportunity to do literature research on site and to collect grey literature that would not have been accessible otherwise (e.g. policy statements, portfolios, programme descriptions, evaluations, reports and other internal documentation, etc.).

In contrast to the interviews led at national level, the main topics at regional and local level were the implementation of these instruments and programmes as well as the aims and relevance of autonomous grassroots initiatives. Besides, the interviews concentrated on organisational structures (e.g. different forms of co-operation, networks, public-private-partnerships) and on experiences with current strategic approaches in the context of integrated rural development (cf. Figure 1 and the second step of research as described in Chapter 1.3).

The selection of the experts at regional and local level – cf. Table 8 for examples – is based on various sources, such as scientific literature, the collected grey literature, recommendations by other researchers or interviewees at national level and the internet. In many cases key actors were not to be revealed as such until the actual interview campaign was being conducted. It could be recommendations by other interview partners, newly collected material or even on-site observations that led to their "discovery". As this had been expected to happen, the schedule of the field trips had been kept flexible enough in order to carry out interviews with these actors.

During the selection process it was often impossible to clearly assign relevant programmes and related organisations to just one level, as organisationally

two or even three levels were involved. This was for example the case with the Scottish pilot programmes *Dúthchas* and the *Initiative at the Edge* or the LEADER programme. The solution in such cases was to interview at least one key person from each level, for example the national coordinator or somebody from the responsible government department, plus the regional or local coordinators or chair persons.

Table 8: Examples of relevant institutions

	Scotland	Sweden	Austria
National level	SEERAD, SEELLD, Highlands and Islands Enterprise, COSLA	Ministry of Industry, NUTEK, Glesbygdsverket, Folkrorelserådet	BKA, ÖROK; federal state administration
Regional level	Skye & Lochalsh Enterprise, Western Isles Council	Jämtlands län County Administrative Board, Kooperativ Utveckling, LRF	LAG Steirische Eisenstrasse, Regionalforum Steyr-Kirchdorf, Naturpark Eisenwurzen
Local level	Harris Development Ltd., Gaelic College, Proiseact Uibhist 2000	Mitthögskolan, Agendum, Östersunds Kommun	Geo-Dorf Gams, Nationalparkgemeinde Großraming, vfe Steinbach

Source: Own design

Another problem with the selection was related to the very nature of the governance structures with actors drawn from all levels and institutions. Examples are partnerships and networks like the partnership for Jämtland's *Regional Growth Programme* or the *North Uist Partnership* on the Western Isles. Pragmatically, it was decided to interview only the chairpersons or other key actors because an evaluation or the internal cooperation and performance of such partnerships were not the main topic. This decision was also necessary to keep time and effort of the research manageable. Nevertheless, if it became clear during an interview that the interviewee had been involved in such a partnership, the topic was certainly picked up.

The tables in the annex show all interview partners, for each case study and broken down in the different levels. Approximately two thirds of the interviews were made with regional and local actors.

3.2.2 DOING THE INTERVIEWS AND PROCESSING THE DATA

The interview campaigns were carried out in three successive years and each year was dedicated to one country³². The interview campaigns that focused at the national level took between 7 and 10 days and were carried out several weeks before the field work in the actual case study areas. This assured that the gained information could also be used for planning the following study trips.

As already mentioned, focused interviews were chosen as the main data generating tool. These are not to be understood as structured queries, but rather as guided conversations along a theoretically based interview guideline. The basic principle of this interview type is in contrast to standardised queries that the interviewees may formulate, develop and prioritise their own ideas, what is called "subjective adequacy" by LUCKMANN (1999: 398). This means that the interviewer needs to be both, responsive to the topics that are brought up by the interviewed expert as well as competent in regard to the overall topic. During an interview, the interviewer consequently needs to be flexible and adaptive to different interview situations: Sometimes he/she may be an interested but quiet listener, sometimes active dialogue-partner, sometimes he/she needs to stimulate or insist, sometimes he/she may even contradict. By doing this, unexpected or so far undervalued aspects of the topic might be opened up, which is the real strength of this research method and proved to be absolutely adequate and valuable during this study.

Over three years a total of 110 experts were interviewed, 45 in Scotland, 43 in Sweden and 32 in Austria. All followed an interview guideline, but – as explained – varied depending on the interviewee. The actual interviews lasted between 45 and 90 minutes, but discussions could proceed way beyond this time or could be even followed by little tours or field trips. Generally, there was a good cooperativeness in all case study areas to contribute to the study, and the interviews were predominantly fluent and conversational.

In Sweden, most of the interviews were led in English (three in German) and in five of them language-related difficulties arose. It was, however, still possible to discuss the central issues, even if differentiated descriptions sometimes had to be put aside.

The majority of interviews was recorded and transcribed. In ten cases a recording was technically not possible or refused by the interview partners, so that notes had to be taken.

All texts were filed in databases and further processed with the aid of MAX.QDA, a database software for qualitative data analysis.

³² 2002: Western Isles and Skye & Lochalsh, Scotland; 2003 Jämtlands län, Sweden; 2004 Eisenwurzen, Austria

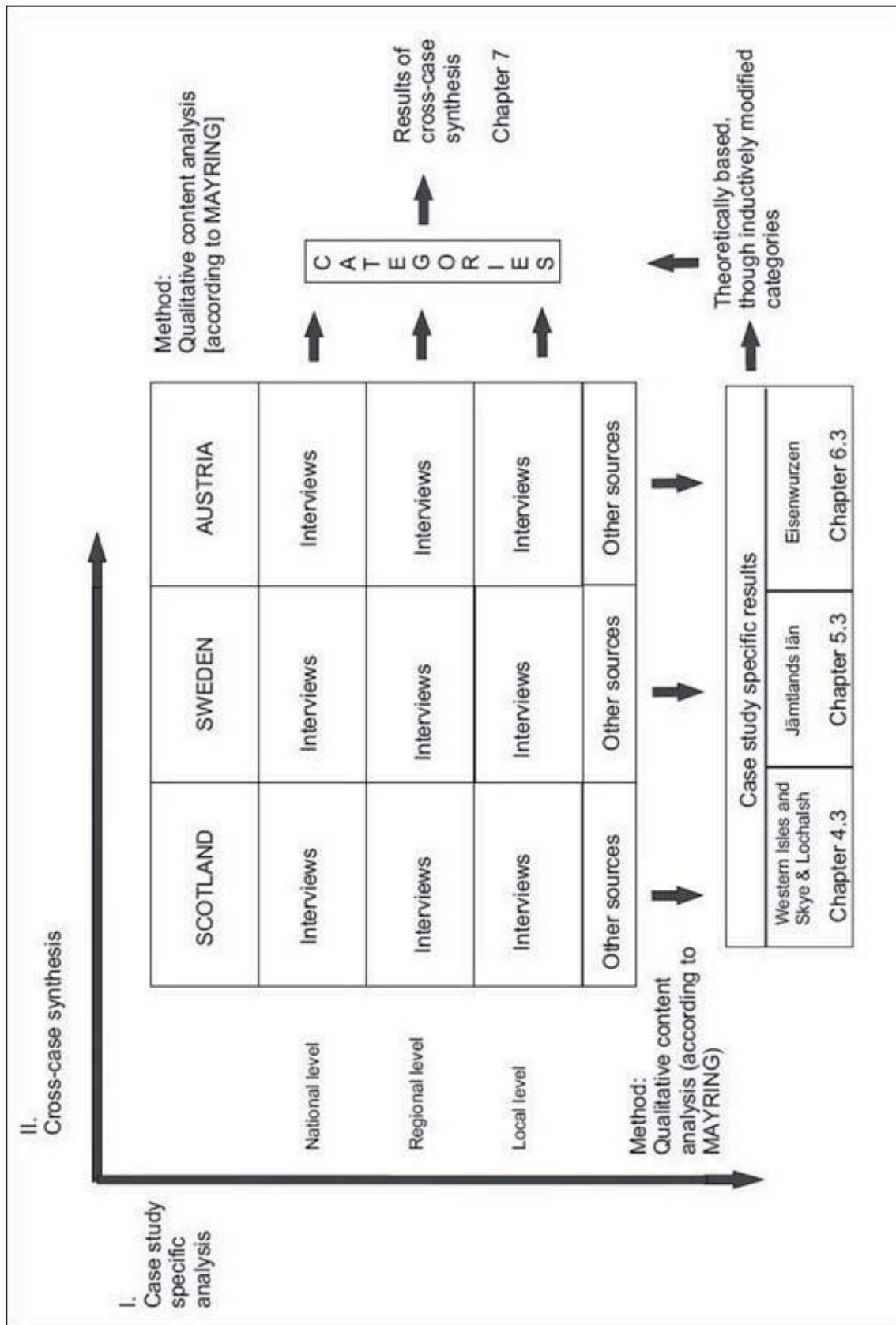
3.3 ANALYTIC STRATEGY AND TOOLS

The analysis of the empirical data was carried out according to the principles of qualitative research (cf. among others LAMNEK 1988: 201ff and MAYRING 1999: 13ff). While quantitative methods need to reduce complex issues to a few variables, qualitative research has a more holistic approach, incorporating the contexts of the subject matter, which becomes already apparent in the research design and the research questions (cf. Chapter 1.3). Describing the issues in their contexts is an important step in order to inductively win hypothesis instead of testing (falsifying or verifying) them. Still, this does not mean that there are no theoretical pre-structures; it just emphasizes the openness and flexibility of qualitative research that modifies the primary assumptions after the first observations and further develops them during the whole research process.

In contrast to quantitative research the data is not classified and based on a sampling logic, but rather interpretative and explicative. Looking for similarities and structures, the predominant aim is to create types and hypotheses that evolve from analytic generalisation, not from a statistical one.

In this study, the data won at the national, regional and local level of examination was analysed in two phases. The first phase was a (vertical) case study specific analysis, which was followed by the (horizontal) cross-case synthesis. The obtained two-axis result structure is schematically presented in Figure 3.

Figure 3: Analytic strategy and result structure



Source: Own design

3.3.1 THE CASE STUDY SPECIFIC ANALYSIS

The case study specific analysis focuses on the linkage of the three levels of examination, national, regional and local level, in the respective countries. It describes, explores and interprets the experiences gained with conceptual and institutional changes by relating the information to its contexts, such as the national political framework and the historical development of the case study regions. Therefore, also written sources (apart from scientific literature also sources like evaluations, reports, policy statements, etc.) were used in addition to the interviews. During this phase of analysis, all case studies were examined individually, however applying the same research questions (see questions of step one and two in Chapter 1.3 as well as Figure 1) and analytical methods.

Once the data collection of one case study and all transcription had been finished, the text material was prepared according to the first step of MAYRING's content analysis (1999), the summarisation. This first step was applied to reduce and categorise the huge amount of textual material by summarising it - methodologically controlled - into "units of the same sense"³³. This allowed, first, to standardise and then, step by step, to raise the level of generalisation of the material. Thus, the increasing abstraction level was achieved by integrating, paraphrasing and filtering text passages (MAYRING 1999: 73).

Subsequent to the text preparation, the qualitative content analysis was used (MAYRING 1999: 91) to develop a theory-founded and material-based category system. Appropriate selection criteria were determined for the formulation of categories that were inductively derived as the material was being worked through.

During the case study specific analysis the mapping exercise of the different institutions, instruments and programmes, their description and interrelations were in the focus of attention. Consequently, the category systems of the three case studies differ noticeably. Within and across these categories, the statements from the different levels were collected and compared, allowing the development of so called concepts and, ultimately, an interpretation with the additional help of the mentioned written sources. The results of this phase are presented in the Chapters 4, 5 and 6.

3.3.2 THE CROSS-CASE SYNTHESIS

The final phase of this study is the comparative cross-case synthesis, for which the triple case study specific analysis serves as a basis. Here, similarities and differences in regard to the use of the applied concepts and instruments are in the centre of attention.

³³ Original German term: *Sinneinheiten*

YIN (2003: 135) stresses the advantage of a multiple case study compared to single case studies:

The analysis can start to probe whether different groups of cases appear to share some similarity and deserve to be considered instances of the same "type" of a general case. Such an observation can further lead to analyzing whether the arrayed case studies reflect subgroups or categories of general cases – raising the possibility of a typology of individual cases that can be highly insightful.

But he also utters an important caveat as

[...] the criss-cross synthesis relies strongly on argumentative interpretation, not numeric tallies. [...] A challenge [...] is therefore to know how to develop strong, plausible, and fair arguments that are supported by the data. (ibid: 135/137)

This challenge is met by the analytical strategies and methodological tools: Subsequent to the earlier case study specific analysis, the qualitative content analysis was used again for the international comparison. The whole material was worked through a second time, this time with the help of a different hypothetical category system that had been developed from the research questions of step three (cf. Chapter 1.3) as well as from the results of the case study specific analysis. In this regard, the second category system is theoretically based, but inductively modified, especially as the categories were reviewed again after about the half of the material. Results were finally determined by the inductively derived categories and concepts, as appropriate text passages, being typical for individual aspects, were selected, thus filtering a meaningful structure out of the material (cf. MAYRING 19991: 91ff). The results of the cross-case synthesis are presented in Chapter 7.

THE CASE STUDIES

The following chapters (Chapter 4, 5 and 6) present the empirical results of the three selected case studies in Scotland, Sweden and Austria. According to the previously discussed methodology, each case study was analysed separately, considering national, regional and local policy levels. Each of the chapters follows the same outline:

It starts with a geographical portrayal describing the main features of the region's historical development, present structures and development perspectives. The described features have been reduced to those factors which characterise the region as a rural periphery: location and accessibility as the classical factors, regional economic factors, demographic factors, cultural and political factors (cf. Chapter 2.1).

The geographical introduction is followed by a section featuring the national political framework in each country, focusing on the regional development policies and their main actors, which pose the background of actual processes in the case study regions.

The third and most important section is the analysis of the regional development concepts and their organisational structures in the empirically examined regions.

As these concepts and structures differ profoundly from country to country, also the chapters' headlines differ. Nevertheless, the basic structure remains the same: All chapters start with an analysis of the EU programmes or the national instruments that are effective in the region, then describe the most important regional initiatives and finally present a selection of local schemes that interact with the regional level.

4 WESTERN ISLES AND SKYE & LOCHALSH, SCOTLAND

*And there will return the stock of the tenantry
who were driven over the sea ...
And the cold, ruined stances of houses
will be built on by our kinsmen.
Mary MacPherson (1880)*

4.1 STRUCTURES AND DEVELOPMENT PERSPECTIVES

The Western Isles and Skye & Lochalsh areas, located on the north-western rim of the United Kingdom, represent an extremely peripheral region in a national as well as in a European context. In particular the islands are characterized by a great distance to urban centres, bad accessibility and very low population densities. The region had been suffering from out-migration and economic decline for centuries, both caused by natural and infrastructural disadvantages as well as by political neglect, socio-economic disequilibrium and, since the 20th century, by a severe structural change and the crisis of the traditional industries. On the other hand, elements of a cultural (Gaelic) distinctiveness are deeply rooted in this area and form an important (but not the only) basis for the socio-economic reactivation of the Hebrides that began in the middle of the 1980 and is mainly based on the development of the service sector.

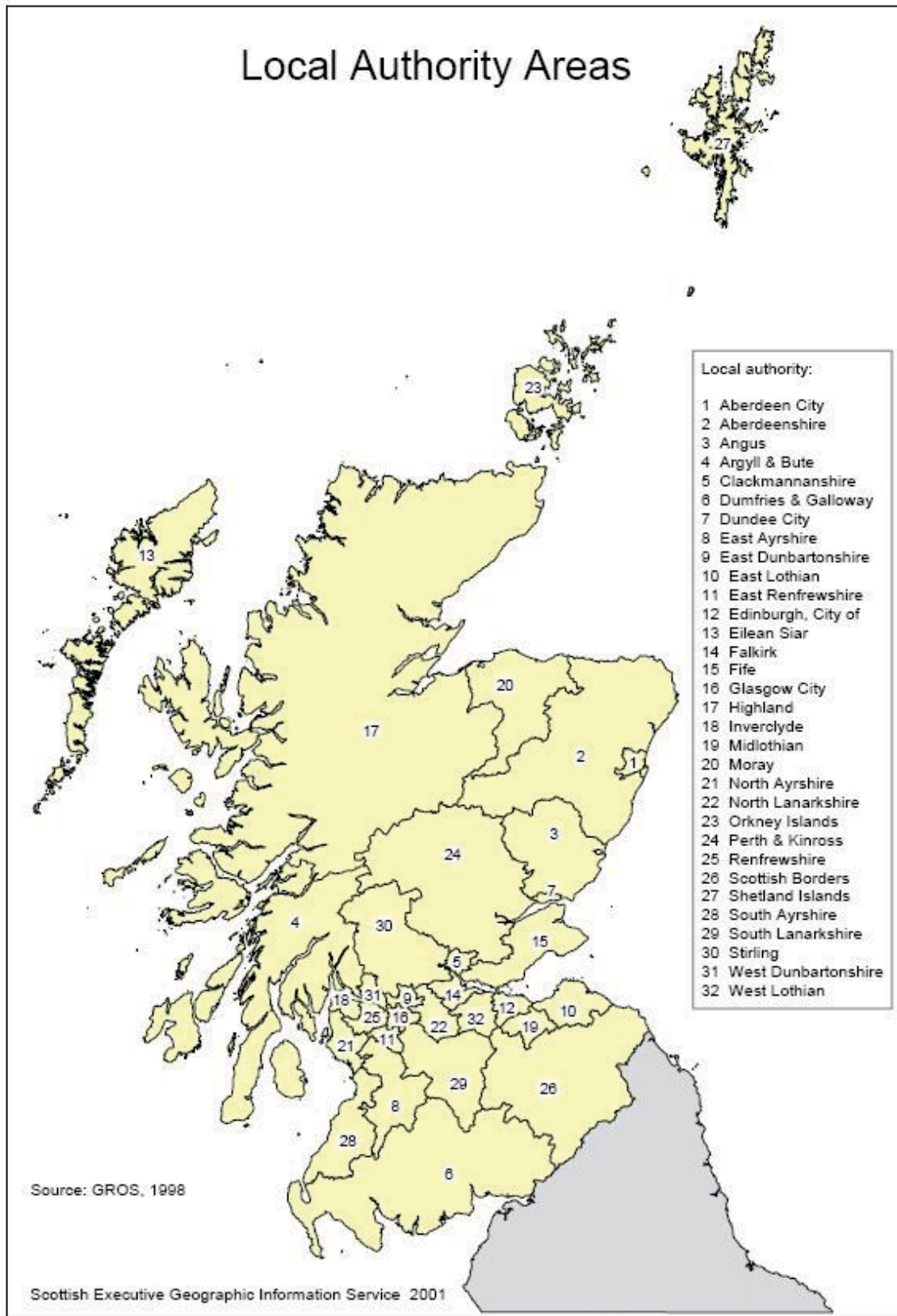
4.1.1 LANDSCAPE AND ADMINISTRATIVE STRUCTURE

The case study area (cf. Figure 5) comprises two administrative areas, the Western Isles Council and the former Skye & Lochalsh District. The total landmass of this area is 5,605 km², 2,898 km² in the Western Isles and 2,707 km² in Skye & Lochalsh³⁴.

The Western Isles Council is one of three island authorities in Scotland with its administrative centre and main town Stornoway on the Isle of Lewis (cf. Figure 4). The Western Isles, also named Outer Hebrides or Eilean Siar in Gaelic, are a chain of over 200 islands to the west of Northern Scotland of which only 12 are inhabited. The total length of the coastline is 2,100 km, reflecting the many islands and long fiord-like sea lochs along the east coast. The landscape consists of distinct types of terrain: hilly moor and little woodland in most of the interior, machair, sandy beaches and dunes along the west coast, rocky shores and cliffs along the east coast, and hundreds of inland lochs especially on Lewis and the Uists.

³⁴Source of data: Skye & Lochalsh Enterprise and Western Isles Enterprise in HIE 2002: 58 and 60. The figures for the Western Isles area vary; in other sources 3,070 km² (Unitary Authority 1995) or even 3,134 km² (Census Scotland 2001) are given.

Figure 4: Local authorities of Scotland



Source: General Register Office for Scotland 1998

The Isle of Skye, part of the Inner Hebrides, and the area of Lochalsh on the Scottish mainland once formed the Skye & Lochalsh District (1974 to 1995). Since 1994 Scotland has been divided into 29 unitary authorities and 3 island authorities following the Local Government (Scotland) Act, and Skye & Lochalsh falls within the local authority of the Highland Council, the biggest council in Scotland today (cf. Figure 4).

Its administrative centre is located in Inverness, but there is an Area Office in Portree on Skye (cf. Figure 5). The landscape of Skye is dominated by its mountain ranges, the Black and Red Cuillins in the west and the Trotternish Ridge and the Quiraing on the Trotternish peninsula in the north. The latter are famous for their rock formations such as the Old Man of Storr or the Kilt Rock. The western coast has little coves and white beaches while the southern landscape on Sleat peninsula comprises woodland and pasture. The Lochalsh coast is rugged with fiord-like sea lochs that are surrounded by high peaks such as the famous Five Sisters of Kintail and the South Glen Shiel Ridge.

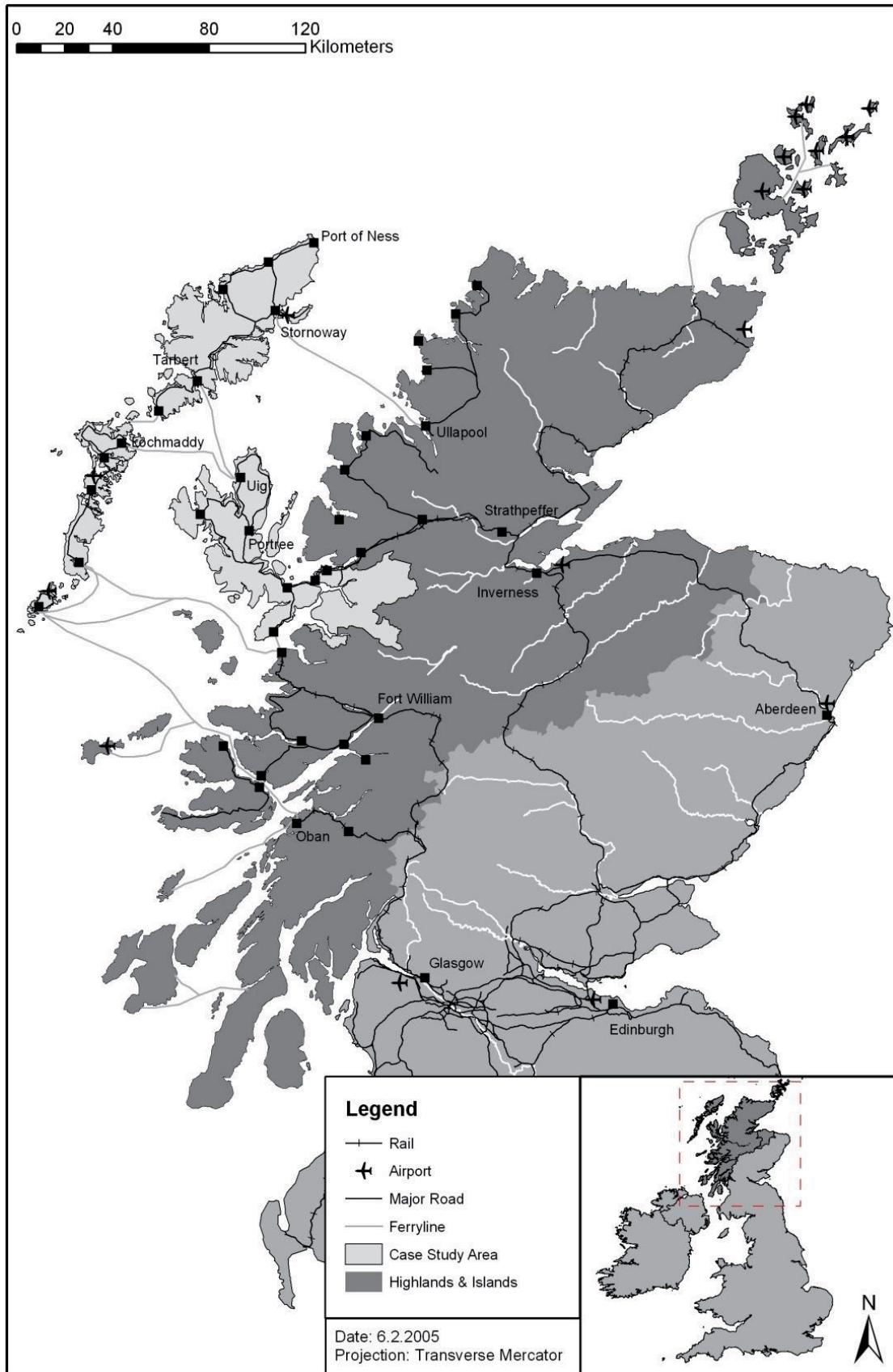
4.1.2 INFRASTRUCTURE AND TRANSPORTATION

Due to the remote location, physical infrastructure and transportation facilities are amongst the key issues for development of the region. Although there has been some improvement especially in the road network, poor accessibility and high transport costs still remain the main difficulties.

Until today car travelling in the area is significantly slowed down as many roads remain single track and the topography often makes routes circuitous. Local bus services are infrequent and expensive; rail connections in Lochalsh remain poor. In addition, ferry connections further add travel time and costs to journeys. One recent strategy to come up against these transport difficulties has been the investment in broadband technology and the promotion of telework. The necessary transport by ferry or plane also increases the costs of importing raw materials and exporting local products. Still, the principal reason for complaint of the local industry is the higher price level of fuel in comparison to the mainland.

Figure 5 shows the main important ferry links between the Scottish mainland and the Western Isles and also in between the islands. Ferry rides to the Western Isles take about two hours from the Isle of Skye (Uig – Tarbert or Lochmaddy) and considerably longer from the mainland. The journey from Oban to Lochboisdale, for instance, takes five hours and 20 minutes. *Caledonian MacBrayne*, a limited liability company wholly owned by Scottish Ministers, operates all ferry services with the help of subsidy as the normal market forces would not ensure a sufficient service level to island communities all year round. Nevertheless, ferry traffic is reduced frequently during the winter months, sometimes even interrupted for days because of heavy storms.

Figure 5: Major transport infrastructure in Scotland



Source: Own design; cartography: S. Menzel

In recent years, some of the ferry links were replaced by bridges or causeways; the most important is the Skye Bridge between Kyle of Lochalsh and Kyleakin, which was opened in 1995. On the Western Isles, air services from Stornoway and Benbecula airport have gained importance for securing mobility despite the persisting high costs of airfares.

4.1.3 HISTORY AND CULTURE

The current economic and social problems are linked to a century-long process of marginalisation and colonisation of the whole Highlands and Islands. With the introduction of feudalism by David I in the 11th century the Highlands and Islands began to lose their autonomy bit by bit until finally the "Lordship of the Isles" fell to the Scottish Crown in 1493. This date marked the end of a period when kingship had been dispersed among a whole variety of potentially competing kin-groups or clans. Now, the feudal system of patronage was introduced in the Highlands and Islands, a system of political and landed power which

...was based on the contractual relationship between the Crown and the nobility whereby powerful, loyal nobles were granted feudal charters over extensive estates in return for political, military and financial support. (WIGHTMAN 1999: 16)

Nevertheless, older Celtic traditions and kinship relations lived on even though clan chiefs by that time legally were feudal landowners like their counterparts in the Lowlands. But feudalism prevailed also ideologically, and by the end of the 16th century most of the land of the Crown and the Church was controlled by a small aristocratic elite. One hundred years later, even the vast commodities had been redefined as a form of private property in a series of Acts of the Scottish Parliament with far-reaching consequences until today.

Suppression of the Gaelic culture, language and clanship, which were considered as backward, uncivilized and somewhat threatening to the cohesion of Scotland accompanied this period of territorial integration of the Scottish state (cf. HUNTER 2000a). Oppression worsened after the Union of Scotland and England in 1707, and further accelerated into persecution after the Jacobites were defeated in the Battle of Culloden in 1746.

After that, chieftains were legislatively deprived of their traditional powers by the British government, but regained their clan lands about forty years later and

...completed the transformation on which they had begun to embark some decades previously. They became, in effect, full members of the southern establishment which their ancestors, in lots of instances, had battled against. [...] The beneficiaries of this measure [...] had not the slightest interest in reinstating clanship or promoting Jacobitism. They simply wanted to have the chance to turn the estates in question into money-generating assets. (HUNTER 2000a: 210-212)

The restructuring of the traditional agriculture into profitable sheep farming or large sporting estates culminated in the Highland Clearances between 1810 and 1880: The tenants of the estates, who had no rights whatsoever, stood in the way of extensive grazing grounds for the sheep. Many were forced to emigrate, and others were resettled from the inlands to the coasts and the islands. There they were assigned small parcels of mostly poor ground, so called crofts, which could not support large families. Therefore, the crofters were forced to do fishing, produce kelp³⁵ or other kind of work in addition to agriculture. Because of the unbearable living conditions and some famines after crop failures thousands emigrated overseas and to the Scottish and English urban centres. Finally, after the founding of a number of political organisations campaigning for a land reform and several riots, the Crofters' Holdings Act became effective in 1886, which is still valid in wide parts today. It granted crofters security of tenure, controlled rent and the right to compensation for improvements made to the croft, but did not change the distribution of land itself.

As a consequence, today's Scotland has the most concentrated land ownership of any western society: Two third of the private land is owned by 1,252 landowners or 0.025% of the population, whilst 87.7% of the rural areas are private property (cf. WIGHTMAN 1999: 27). In some parts of the Highlands & Islands the concentration is even more extreme (cf. WIGHTMAN 1996). During the last century many old-established families sold their estates to affluent non-residents who did value the prestige of their purchase more than the actual economic or even agricultural performance of the estate. Lately, shareholder or off-shore companies have entered the market whose interest is purely monetary or fiscal, thus also preventing development projects that serve the communities or crofters in the first place. A conflict of interest between land-owners and communities are inherent and examples are numerous: Land owners oppose or prevent industries or businesses from being established, setting up new housing projects is often difficult and expensive and projects for tourism fail. Additionally, because of the unbowed demand for landed estate property prices remain so high, that locals usually cannot afford to buy land while crofters are hardly interested as their tenancy is so low³⁶.

In this manner, the feudalisation of the Highlands and Islands, which goes back to the early medieval times and has never been challenged by a revolution or undergone a major reform as in other European countries, still affects the development prospects of the Western Isles and Skye & Lochalsh. Therefore, a land reform has been high on the political agenda of the Scottish government since the referendum in 1997. The new law (Land Reform (Scotland) Act) became effective in three stages until 2003 and comprises three main reformed parts: greater access rights for the public, the community right to buy and the crofting community right to buy. It gives communities (under certain circumstances) the pre-emption on land that

³⁵Kelp is the ash of burnt seaweed, which was needed for the glass and soap industry.

³⁶For a more detailed descriptions of the mechanisms and interrelations cf. SCHMIED 2001 and WIGHTMAN 1999

comes to market and guarantees an independently valuated price³⁷. In order to back up the law, the Scottish Land Fund was founded in 2001 which supports the communities to raise the financial means for buy-outs.

Still, the current land reform does neither include any measures that encourage or even enforce land-sales nor policies that would really change the current inequalities of land ownership, such as land taxation or residence requirements. In this regard, it will show effects only locally and in the long-term as it trades feudal law for market-economy, but leaves the existing balance of power untouched.

4.1.4 ECONOMY

The sheep farming that was introduced on large scale in the early 19th century was not very fruitful for long, and due to foreign competition it started to decline already in the late 19th century, being partially replaced by deer stalking. But even during this short period, the Highlands and Islands had become a devastated environment with physical resources run down and most native leadership eliminated (TURNOCK 1974: 7f). Until the 1960s economic stagnation with lack of employment, low pay structures and high unemployment rates characterised the Western Isles and Skye & Lochalsh area. The economic crisis was accompanied by a further degenerating private and public infrastructure (transportation, education, culture, health care etc.), which led to further out-migration especially of young people.

A turning point was the establishment of the *Highlands and Islands Development Board* in 1965, which marked the beginning of a regional development strategy for the Scottish north by the British government (cf. Chapter 4.2.1 for further details). First steps of industrialisation were taken, but the efforts concentrated on few development centres like Inverness and the Moray Firth, and excluded the Hebrides and most of the Highlands. The same applies for the industrialisation efforts that followed the discovery of the North Sea offshore-oil fields at the end of the 1960s. This time it was the northeast of Scotland to benefit most as the development of an oil-related industry led to more employment opportunities for the regional population. In the western Highlands and Islands, however, the traditionally rural industries like weaving (e.g. the famous "Harris Tweed"), fishing and fish farming and Whisky distillery became starting points for economic diversification and reactivation.

While fishing and fish farming is still an important industry in comparison with the Scottish average, agriculture plays only a minor role as an employer (cf. Table 9). On the one hand, this reflects the dominance of large estates, which create only few jobs in agriculture (crofting estates, sheep estates) or hunting (sporting estates). On the other side it reflects the historically grown crofting system, which "[...] continues to be a multi-economic strategy with

³⁷Crofting communities are more privileged as they can buy their rented land at any time and even against the will of the owner.

agricultural earnings supplemented by a wide variety of other jobs". (ARNASON/LEE/NIGHTINGALE 2004: 11)

Table 9: Comparative employment profile [percentage of employees in 2001]

Sector of employment	Skye & Lochalsh	Western Isles	Scotland
Agriculture and hunting and forestry	3.5	1.56	2.20
Fishing	5.3	5.89	0.31
Mining and quarrying	1.0	1.12	1.29
Primary Sector	9.8	8.75	3.80
Manufacturing	5.3	9.09	13.65
Electricity and gas and water supply	1.0	0.92	1.02
Construction	9.3	10.80	7.76
Secondary Sector	15.6	20.81	22.43
Wholesale & retail trade and repairs	11.8	10.76	13.30
Hotels and restaurants	15.0	5.36	4.95
Transport and storage and communication	6.9	8.22	6.89
Financial intermediaries	1.3	1.38	4.74
Real estate, renting business activities	7.6	7.73	11.42
Public administration and defence and social security	5.4	8.72	7.23
Education	9.0	8.21	7.42
Health and social work	11.1	15.42	12.63
Other	6.6	4.82	5.18
Third Sector	74.7	70.62	73.76

Source of data: www.scrol.gov.uk 2004

The majority of the approx. 5,000 crofts, which comprise 77% of the Western Isles' surface and are mainly directed to the production of sheep, vary in size only between 3 and 5ha and are therefore not likely to provide a full-time farmer with an economically viable income (cf. SCHMIED 2001: 185f). Consequently, most of the crofters have a main occupation or a secondary source of income, very often in the tourism business. Nevertheless, the income gained from the crofts is of substantial importance for many families as well paid and permanent employment is hard to find.

Public services and administration, distribution, health and education provide a large share of jobs while tourism has undergone a dynamic development since the beginning of the 1980s and has even become the largest employment sector on the Isle of Skye. Here, recent years have seen the expansion of the creative industries and of organisations involved in education and personal development, such as *The Columba 1400 Centre*, *Skye & Lochalsh Further Education Centre* and the Gaelic college *Sabhal Mor Ostaig* in Sleat, the latter being part of the *University of the Highlands and*

Islands network (cf. Chapter 4.3.5). On the Western Isles, renewable energy technologies are of growing importance besides fish farming and tourism.

In both areas small and medium-sized enterprises are predominant, and there is a growing number of self-employed teleworkers facilitated by enforced broadband technology.

Despite the recent development of new sectors, the Gross Regional Domestic Product (GRDP) per capita is considerably below European average: In 2002, it was 79.5% for the NUTS 3 region Lochaber, Skye & Lochalsh, Argyll and the Islands, and 78.8% for the Western Isles (in relation to the EU25-average)³⁸.

The unemployment rates, 4.9% in Skye & Lochalsh and 5.05% on the Western Isles, are a little above Scottish average (3.97%). However, they are considerably higher among the youth and the elderly: 15.17% for the age group 16-24 and even 32.74% for the age group over 50 (figures only available for Western Isles)³⁹.

A speciality of the whole case study area is the distinct culture and the high proportion of Gaelic speakers. 59.8% of the resident population on the Western Isles and 34.0% in Skye & Lochalsh speak this language, which is newly valued as a strong potential for social cohesion and economic development. Recent activities centre on Gaelic broadcasting and other media as well as on promoting the Gaelic culture and heritage for tourism.

4.1.5 DEMOGRAPHICS

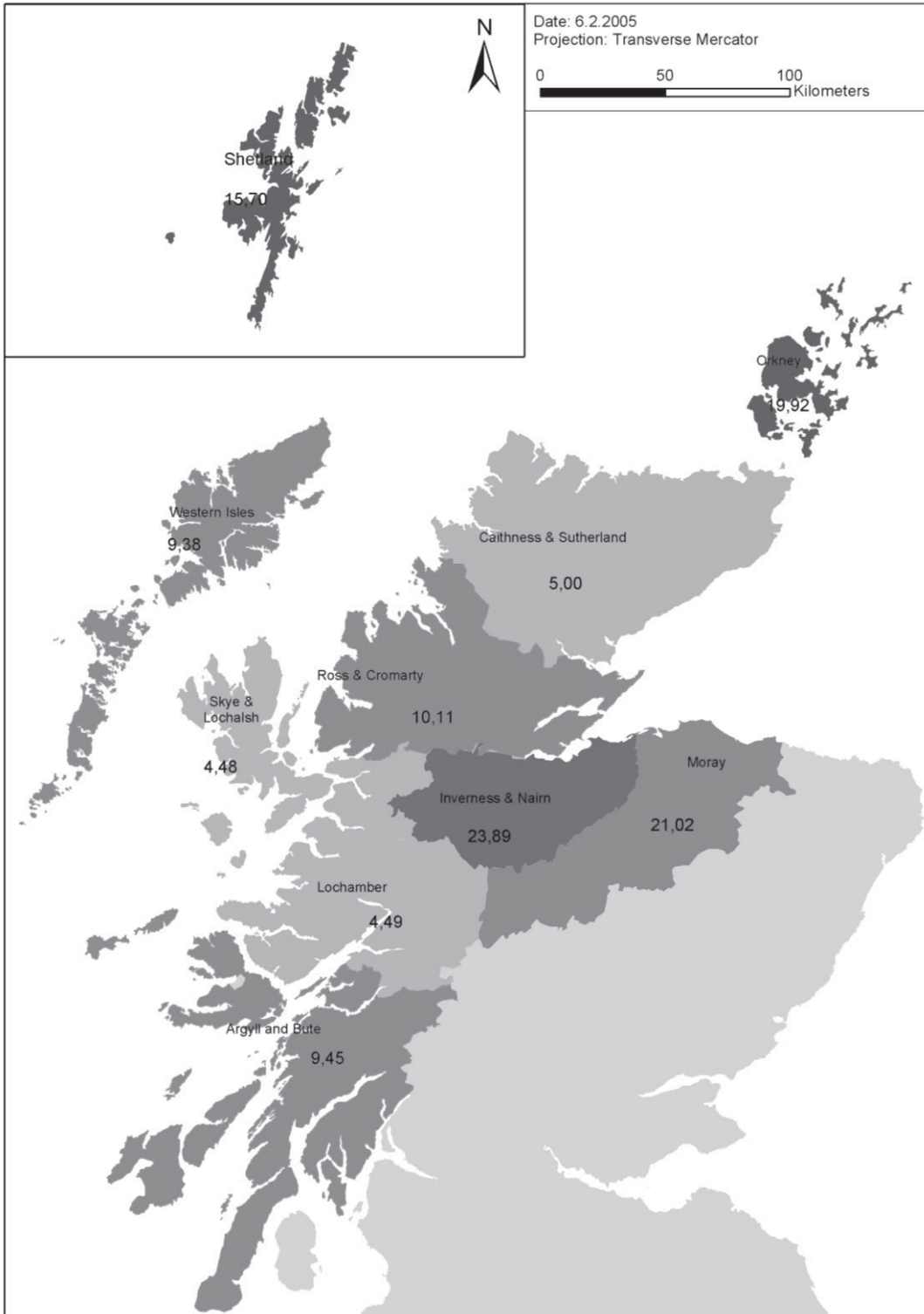
Ongoing depopulation, disproportionate age structure and an uneven distribution of settlement and services are the most important challenges in this case study area. Keeping up private and public infrastructure is difficult and cost-intensive. In 2001, the total population of the Western Isles area is 26,502, which gives a population density of 8.6 inhabitants per km². The total population of the Skye & Lochalsh area is 12,136, which gives a population density of 4.5 inhabitants per km². Both are significantly below the Scottish average population density of 65 inhabitants per km² and currently the lowest in Scotland⁴⁰.

³⁸ Source of date: Eurostat 2002 (<http://epp.eurostat.cec.eu.int>, 01.04.2005)

³⁹ Source of data: Scotland's Census 2001 (www.scrol.gov.uk/scrol/common/home.jsp, 19.10.2004).

⁴⁰ Source of data: Scotland's Census 2001 (www.scrol.gov.uk/scrol/common/home.jsp, 19.10.2004).

Figure 6: Population density in the area of Highlands and Islands Enterprise [population per km² by LEC Area in 2000]

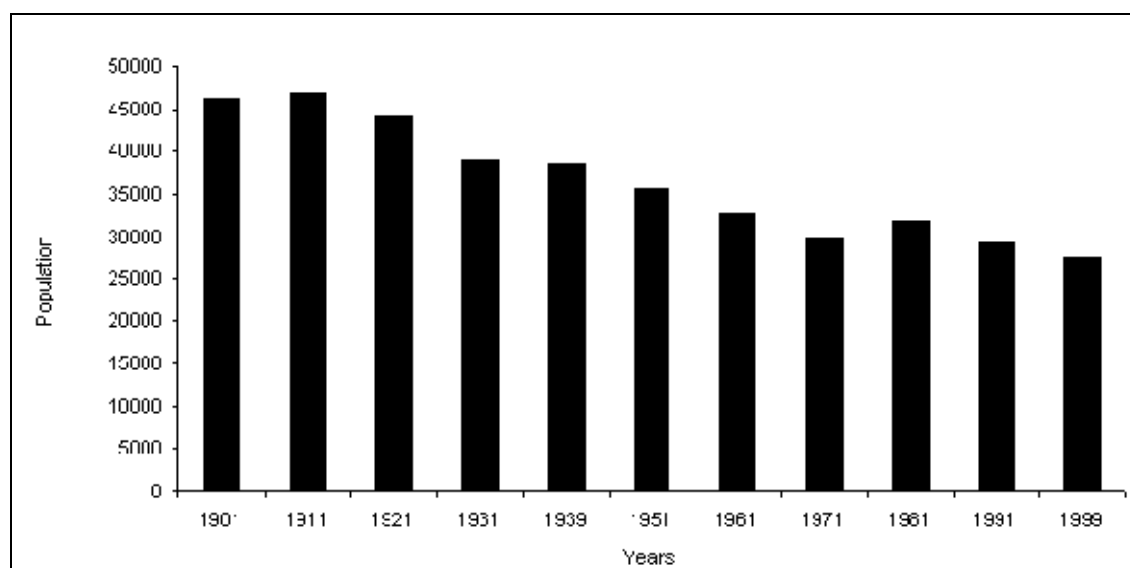


Source of data: HIE 2002: 99; own map design; cartography: S. Menzel

Figure 6 gives an overview of the population density in the area of Highlands and Islands Enterprise for the year 2000. However, considering that a high proportion of the population within these areas lives in the main towns, the "real" population density is even below the here given average (about 2,000

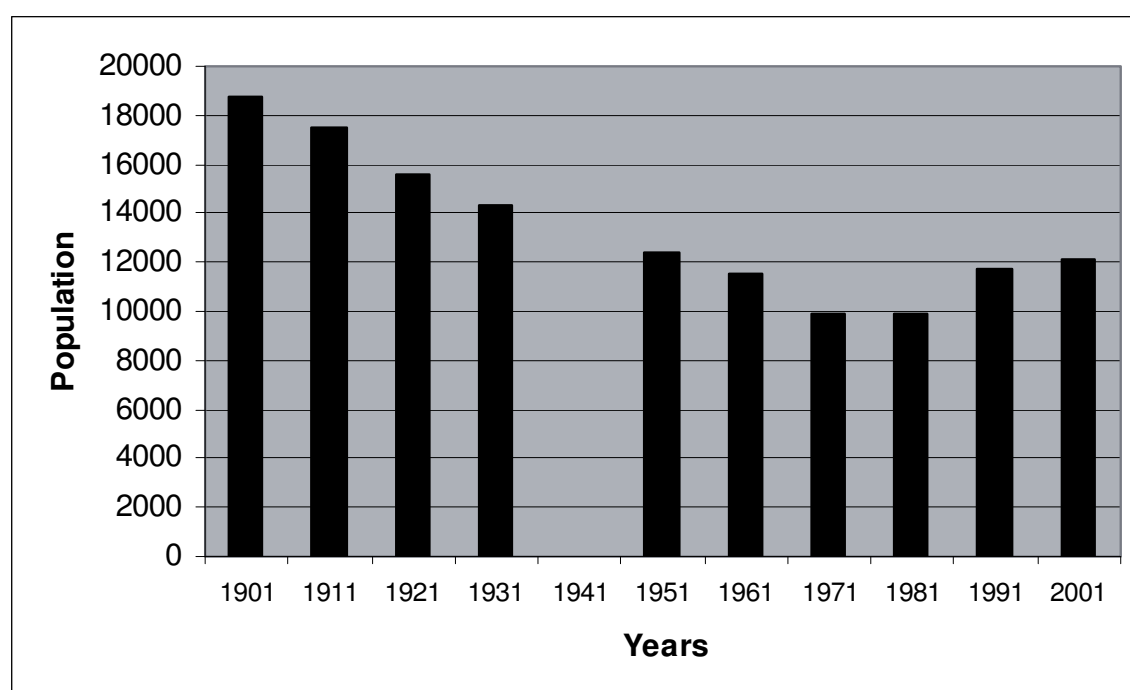
or 25% of Skye's inhabitants live in Portree and about 8,000 or 30% of the Western Isles' inhabitants live in Stornoway).

Figure 7: Population change on the Western Isles, 1901 - 1999



Source: www.w-isles.gov.uk 2004

Figure 8: Population change in Skye & Lochalsh, 1901 - 2001



Source: Historic census data (provided on request by Highland Council)

Over the last fifty years, both areas have suffered from substantial out-migration and an almost constant loss of population (cf. Figure 7 for Western Isles and Figure 8 for Skye & Lochalsh). At least in Skye & Lochalsh this downward trend has obviously been stopped: In the 1970s, the population almost stagnated, while it started growing by 18.2% between 1981 and 1991 and by 3.3% in the following decade. On the contrary, the downward trend

has not been turned around on the Western Isles where the population has further decreased by 10.47% (or 3,098 inhabitants in total) between 1991 and 2001.

Both, Skye & Lochalsh' latest growth and the Westerns Isles' further decrease, are mostly caused by migration. Table 10 and Table 11 show that in both areas the age group 16-24/29 is underrepresented while the pensioners' age group (60 and older) has a greater share than in overall Scotland⁴¹. This pattern is typical for rural peripheries: Young adults leave for higher education and qualified jobs in the urban centres, while those who stay or move in are retired or close to retirement age. The highest percentage of population aged 60 or over (26%) in the whole of Scotland is to be found in the Western Isles. It is also quite remarkable that the share of the age group 45-64 in Skye & Lochalsh has risen by 6.2% between 1991 and 2001 (cf. Table 10), which obviously reflects the "retirement immigration" from all over Britain to the Isle of Skye.

Table 10: Population age structure in Skye & Lochalsh [percent of total population]

Age	2001	1991
0-4	5.3	6.2
5-15	14.6	15.3
16-24	8.2	10.7
25-44	26.3	28.0
45-64	28.3	22.1
65-74	9.0	9.2
75-84	5.9	6.4
85+	2.4	2.1

Source of data: Scotland's Census 2001

Table 11: Population age structure in Western Isles and Scotland [percent of total population]

Age	Western Isles 2001	Scotland 2001
0-4	4.9	5.5
5-15	14.0	13.7
16-29	13.8	17.5
30-44	20.5	23.0
45-59	20.9	19.3
60-74	16.3	13.9
75+	9.6	7.1

Source of data: Scotland's Census 2001

⁴¹ The age groups that have been defined for Skye & Lochalsh in the Census 2001 differ from those for the Western Isles and the whole of Scotland. Therefore, the data is shown in a separate table.

4.2 THE NATIONAL FRAMEWORK: REGIONAL DEVELOPMENT POLICY IN SCOTLAND

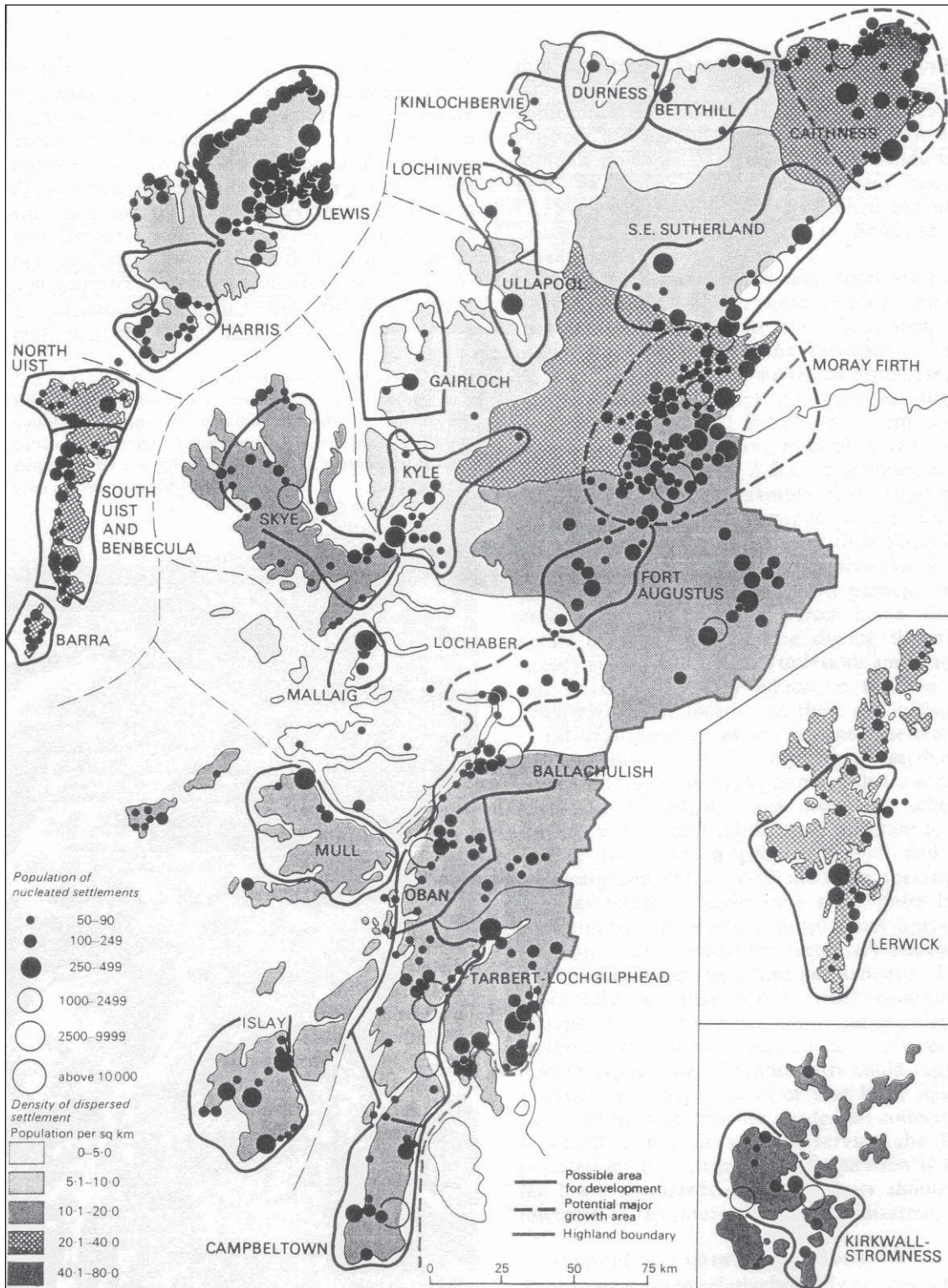
Disparities in Scotland are still considerable today. In 2002, the ratio of GDP per capita in the wealthiest area (City of Edinburgh) to the poorest (Caithness and Sutherland) was 2.9 times. It has been the objective of regional development policies implemented by different actors since the 1960s to overcome or at least level these disparities, targeting among others the area of the Western Isles and Skye & Lochalsh. While Chapter 4.1 outlined the region's main problems and their causes, this chapter will describe the central features of regional policy at the national level along general lines.

4.2.1 REGIONAL DEVELOPMENT STRATEGIES UNTIL THE 1990S

Despite the long lasting and severe problems in the Highlands and Islands, they received little political attention until the mid-1960s. Action was more or less limited to declarations of intent like the designation of the Moray Firth coastlands as the "Highland Development Area" in 1949 and thus was the first rural area in Britain to receive a "Development Area" status. Although later the whole Highlands and Islands became a Development Area eligible for regional assistance, they ranked behind the so called "Special Development Areas" in the Scottish central belt and in England. Here, development prospects seemed more promising due to existing industrial structures, basic infrastructure and services and the necessary concentration of population or labour (cf. WEHLING 1987: 42).

It was only the establishment of the Highlands and Islands Development Board (HIDB) by the British government in 1965 that marked the introduction of a systematic regional policy for Scotland's north. While until then investment was largely left to private initiatives, the HIDB was the first regional agency of government with – albeit limited – own financial resources (cf. TURNOCK 1974: 39ff). Yet, the development strategies called for in the Scottish Plan of 1965 by the Scottish Office did not substantially differ from earlier strategies. They still favoured major growth poles where investment seemed worthwhile, also for the sake of the overall Scottish or British economy. The only concern was that the new industrial centres would attract population from the crofting areas on the west coast and thus hinder economic recovery in these areas later on. As a consequence, 25 development areas were chosen in 1968 (cf. Figure 9) where local infrastructure and labour market seemed suited to facilitate some minor industrial growth, however still leaving out about 10% of the population (cf. TURNOCK 1974: 44).

Figure 9: Possible development areas and potential major growth areas in the Highlands and Islands (defined by HIDB in 1968)



Source: TURNOCK 1974: 33

Nevertheless, the policy of prioritising the major growth centres continued and in the 1970s HIDB selected three areas, which seemed suitable for a large-scale industrial growth: the Moray Firth area with Inverness and

Invergordon, Lochaber with Fort William and Caithness with Wick and Thurso. Examples for such ambitious plans to industrialise and urbanise the Highlands are the set-up of the fast breeder nuclear reactor at Dounreay in Caithness⁴² and the aluminium smelter at Invergordon on the Moray Firth, and also the North Sea oil developments in the northeast. Unlike the former two, both symbols of failure of regional policy, the oil-related industries were more successful, however mostly concentrated around Aberdeen and partly in the Moray Firth area. Although these measures indicated that there was some attention to the problems of the Highland and Islands, they were relativised by the fact that, in 1974, the whole of Scotland with the exception of the Edinburgh-Leith area, became a Development Area. In the same year, the returning Labour government set up the Scottish Development Agency (SDA) as a counterpart to the HIDB, and made it responsible for the economic development of lowland Scotland.

The interventionist economic development strategy of HIDB during the 1960s and 1970s met with approval but also faced criticism: While it was generally acknowledged that the institution gave special attention to a remote area, it was doubted by many that a market-led strategy was appropriate for an area whose structures were so heterogeneous (cf. SHUCKSMITH 1998). TURNOCK (1974:45) wrote as early as 1974:

Local problems are extremely variable and complex for there is no smooth socio-economic surface sloping across the Highlands but instead an irregular pattern which frustrates generalization. Yet because of the extended settlement and the indirectness of communications these local problems are more important in the Highlands than they would be in a more compact region where better interconnection would bring a wider range of opportunities to each settlement. [...] An integrated regional approach scaled down to community level is called for, but planning skills have not always been attuned to this dimension.

Still, it was a long way to an integrated approach. Despite passing mention of endogenous resources in the few "left over" areas that were not suitable for industrial developments, there was not a real development strategy for them but rather neglect. In those areas the existing sectors fishing, forestry and agriculture were to be maintained and combined with part-time work in tourism, merely hoping that self-regulation would suffice to keep the communities alive.

Attitudes changed again during the 1980s recession which had a devastating impact on the Scottish industries. The Conservative government, in power since 1979, ended the interventionist policy of Labour, favouring a strategy of privatisation, deregulation and cut backs in public spending, not only in the

⁴² The nuclear facility is to be decommissioned over the next 30-40 years, which will cost estimated 4.3bn Pounds. Ironically, the process of decommissioning is now being used as a resource for development. Caithness and Sutherland Enterprise are developing a strategy for retaining the expenditures within the local economy and developing expertise in nuclear decommissioning for a global market (cf. BLACK 2004: 67, in NEWLANDS/DANSON/McCARTHY 2004).

Scottish peripheries but all over the UK (cf. KEATING/LOUGHLIN/DESCHOUWER 2003 and SHUCKSMITH 1998). This consequently meant a reduction in regional policy support and a shift to policies that focused on economic regeneration through activation of the private sector.

Significant support was given only from outside the UK, when the European Community approved financial support for the Outer Hebrides via its Integrated Development Programme (IDP) in 1982 (cf. WEHLING 1987: 42). Along with the Luxembourg Province in Belgium and Lozere in southern France, the Western Isles became a pilot project from 1982 until 1987, bringing together different measures like improvements in infrastructure, agriculture and fisheries but also training and advisory services (cf. RENNIE 1993: 74). This was the first time that the problems of rural peripheries were to be tackled in an integrated manner, and it was the first time that the Western Isles were recognized as an area where (endogenous) development could be a viable option. RENNIE states that despite many practical difficulties "[...] possibly the greatest success of the IPD was to encourage a shift in public and institutional opinion in favour of more integrated approaches to rural and community development measures" (ibid: 74).

However, besides the IPD there were hardly any targeted programmes of assistance in Scotland during the 1980s, with the exception of the Fisheries Development Scheme and a scheme that supported community-based cooperative enterprises. On the contrary, the UK government decided to reduce investments in local business concerns, so that HIDB mostly had grants and loans to allocate. The deregulating policy also led to the reconstitution of the HIDB as Highland and Islands Enterprise (HIE) and the SDA as Scottish Enterprise (SE) in 1990, both being transformed into "Quangos", quasi-autonomous non-governmental organisations. They were further partitioned into so called Local Enterprise Companies (cf. Chapter 4.3.2) which reflected the new decentralised, local approach but also the stronger emphasis of the private sector and the reorientation to a market-led regional development policy.

Maybe as a reaction to this vacuum, the grassroots sector experienced considerable growth during the 1980s, just like in other European countries. In Scotland, the voluntary and semi-autonomous organisations concerned with rural issues improved their organisational structure by establishing umbrella groups and networks (cf. RENNIE 1993: 74ff). In 1982, Rural Forum Scotland was founded in order to better represent rural issues and thereby influence decision-makers. In 1985, the Scottish Crofters' Union and the Gaelic Association followed as representative bodies for the crofting communities and the Gaelic speaking population, respectively. In 1987, the cooperatives of the Highland and Islands joined the Association of Community Enterprises in the Highlands and Islands (ACEHI) in order to provide central support. These organisations became important spokespersons for a revised rural policy in the following decade.

4.2.2 SCOTLAND ON THE ROAD TO DEVOLUTION: THE SHIFT TO AN INTEGRATED RURAL DEVELOPMENT STRATEGY

Scotland experienced a change of paradigm in its regional development policy even prior to its regained autonomy in 1999. The "Scottish Office Rural Framework" (1992), the first comprehensive national strategy on rural areas since the Report "Land Utilisation in Rural Areas" (1942), marked the introduction of a decided integrated rural development policy, which was elaborated and backed up by several reforms during the 1990s.

The time was favourable for such an initiative as the whole Highlands and Islands had been designated Objective 5b (declining rural area) under the EU Structural Funds in 1991, and additionally LEADER I had been implemented on Western Isles and Skye & Lochalsh in the same year. In 1994, the Highlands and Islands became Objective 1 area (lagging regions), and LEADER II was to be continued until 1999 (cf. Chapter 4.3.4). Together with the National Lottery Fund that was also inaugurated in 1994, there was more money for available for rural development projects than ever before.

The probably most important statement found in the "Rural Framework" was that "[...] tackling rural issues in a sectoral manner does not work" (SCOTTISH OFFICE 1995: 2).

In the following, the Rural Focus Group was set up and its members, representatives of the Scottish Office, the main Government agencies, the Convention of Scottish Local Authorities (COSLA), the local authorities and the private and voluntary sectors, were to take forward the ideas contained in the "Rural Framework". Three years later, and after a public consultation throughout Scotland on the future of rural policy, the Scottish Office published the White Paper "Rural Scotland" (1995). This document was setting out the overall aims of rural Scotland and already contained the proposal of integrated rural development policies. Key elements of the proposal were

- a bottom-up approach, which should encourage individual initiative and strengthen grassroots local institutions,
- local decision-making within the major agencies,
- capacity-building in the rural communities,
- strengthening partnership working at a more local level,
- further decentralisation by restructuring of local government.

While central government and the Scottish National Rural Partnership (the successor of the Rural Focus Group) ought to provide the framework, rural development should be driven by priorities of local people and be carried out in partnerships.

For this purpose the White Paper introduced the "Scottish Local Rural Partnerships Scheme", which was set up in 1996 to promote development in rural areas and can be considered as the most far-reaching element of all included proposals. Local Rural Partnerships (LRP) were intended to bring together the public agencies and the rural communities in order to gain

community-level representation, facilitate community capacity building and eventually meet local needs better (cf. BROWN 2000, HALHEAD 2001). The installation of the Rural Partnership Fund, which combined a number of existing small grant schemes⁴³, backed the Local Rural Partnerships by granting financial support to small projects and covering administrative costs, e.g. the initial costs for establishing a new partnership or the employment of development workers (SCOTTISH OFFICE 1995: 84ff). Examples for such LRPs can also be found on Skye or the Western Isles, such as "Portree Regeneration Partnership", "Harris Development Ltd", "Ness Development Ltd" or "North Uist Partnership" and "Uist 2000" (cf. Chapter 4.3.6 for more details).

Until 2001, 49 partnerships had been registered all over Scotland, thus representing only a small percentage of all existing partnerships. Strongly promoted by the Scottish Office already during the 1980s and also required by EU funding programmes like the Structural Funds or LEADER, partnerships had been formed under various schemes for various purposes. A new aspect was, however, that they were now regarded as a tool to adjust the activities of the public bodies with the local needs, to assure local input into decisions, to encourage local initiatives and thereby support (local) rural development (cf. HALHEAD 2001).

Shortly after the publication of the White Paper, the major reform of local government underlined the reorientation of the Scottish policy towards a more decentralised and integrated strategy in regard to rural development and service delivery. With the transformation of 53 District and nine Regional Councils into 29 Unitary Councils and three Islands Councils in April 1996, structures and responsibilities of local government were simplified – and further decentralised (cf. also Chapter 4.3.1). All new councils were required to develop schemes for decentralisation by April 1997 and enforce working in partnerships by consulting community councils in their area and other interested parties (cf. SCOTTISH OFFICE 1995: 82).

The Government believes that these bodies have a significant and worthwhile contribution to make to the running of local affairs: one which, founded on close proximity, can provide a more focused and accurate reflection of local needs and aspirations and engender even greater community self-confidence and unity. (SCOTTISH OFFICE 1995: 82)

Arrangements for local decision-making were not restricted to the new councils, but were wished for also in other major agencies, such as Highlands and Islands Enterprise. In 1996, the same year as the local government reform, the objective of strengthening communities regained importance within HIE after it had been neglected organisationally and financially over

⁴³It brought together three different funds, comprising £3.8 million in total: The Rural Strategic Support Fund (for core costs like staff or equipment of newly established LRPs or for existing groups that wish to promote rural community capacity building), the Rural Challenge Fund (for rural communities groups that seek to tackle specific rural problems; the most innovative ten projects are selected and receive support for three years), and the Local Capital Grant Scheme (e.g. for buildings like Community Centres).

the past years. According to SHUCKSMITH (1998), the revised "Strategy for Enterprise Development" of 1996 was the first hint "[...] at a shift towards the third, 'social capital' approach to rural and regional policy" (SHUCKSMITH 1998: 6).

Indeed, this strategy has been followed and gained importance ever since (cf. Chapter 4.3.2). Still, HIE was predominantly thought to encourage enterprise and foster economic development even in the remotest areas. In this context the White Paper stressed "[...] that the economic potential of rural areas extends beyond traditional industries and traditional methods of working" (SCOTTISH OFFICE 1995: 55).

Therefore, HIE should "[...] respond to local needs in a flexible and responsive way and deliver individually tailored packages of economic development, environmental improvement and training services to match the varying economic needs of rural areas" (ibid: 53).

This meant that – in sharp contrast to formerly applied strategies – a high priority was given to fragile, remote areas that were neither suitable for interventionist industrialisation nor for independent market-led development. As a matter of fact, additionally to the efforts of HIE two small-scale "demonstration projects" were initiated in remote and isolated regions of the Highlands and Islands, designed to promote an integrated rural development: The *Initiative at the Edge* was launched in 1997 and *Dúthchas* started a year later in 1998 (cf. Chapter 4.3.3).

4.2.3 REGIONAL DEVELOPMENT POLICY IN A DEVOLVED SCOTLAND: INTEGRATING FRAGMENTED STRUCTURES

The ongoing process of devolution in Great Britain has led to a radical restructuring of the state system. One consequence was that Scotland has been granted partial autonomy and has its own elected parliament since 1999. Still, several policy areas⁴⁴ stay reserved to the UK government, and a number of policy areas are overlapping and interlinked. The Scottish Parliament itself is responsible for most aspects of domestic policy in Scotland that were previously the preserve of the Scottish Office⁴⁵. In this regard, devolution means rather "different institutional arrangements for designing and implementing powers" than new powers (cf. LYNCH 2001: 16). Hence, the responsibilities for issues related to regional development policy have moved from the Scottish Office to different governmental departments that dispose of their own budgets.

The main responsible body for rural matters at national level is now the Scottish Executive Environment and Rural Affairs Department (SEERAD), which reflects – in its name at least – the ongoing change of paradigm.

⁴⁴ Reserved matters are defence, foreign affairs, currency, macroeconomic management, immigration and nationality, trade, energy, employment and transport.

⁴⁵ Devolved policy areas are agriculture and fisheries, economic development, education, environment, health, local government, social work, civil law, criminal justice, tourism, the arts, etc.

However, the major part of the staff continues to be involved in agricultural policy, which has a strong lobby at the national level. This becomes apparent in the "Rural Development Plan for Scotland" of 1999 which was formulated by SEERAD in cooperation with representatives from various agencies and organisations and which deals almost entirely with agriculture and forestry. It becomes even more apparent in the budgets: Under the rural development expenditure the only measure that is not for farming is for local rural partnerships (with about 4 million Pounds ca. 2-3% of all spending). Similarly, the whole annual budget for HIE is less than the agricultural subsidies that go to the Highlands and Islands.

At least rhetorically, the rural development policy as outlined in the 1995 Scottish Office White Paper has been continued, which is evidenced by documents like "Rural Scotland – A New Approach" (2000) by the Ministerial Committee on Rural Development or the "Inquiry into Integrated Rural Development" (2003) by the Parliamentary Select Committee on Rural Development. Based on the analysis of the current potentials and problems, the former outlines the vision for rural Scotland and aims for various areas, such as economic development, opportunities for young people, access to services and natural and cultural heritage.⁴⁶ This is clearly an endogenous and cross-sectoral approach, reflected also in the composition of the Committee that consists of Ministers and Deputy Ministers from fields like transport through to education, social inclusion etc. Additionally, instrumental focus remains on working in partnerships – at national level as well as at local and regional level – and on involving the communities in the development of the policies. This is witnessed, for instance, by the continuation of the Scottish Rural Partnership Scheme, by the invigorated role of the local authorities and the new tool community planning (see below). However, there are many barriers to realise integrated rural development, as stated by the Rural Development Committee itself:

Among the concerns raised in evidence was the lack of effective integration between the policies of the statutory agencies. The tendency for each organisation to pursue its own agenda, with its own targets and strategies, has led to a piecemeal approach to development, which is at best fragmented and at worst contradictory. The Committee frequently heard evidence expressing great frustration at the difficulty in obtaining information and help from public agencies, and believes that these agencies need to work more closely together. (PARLIAMENTARY SELECT COMMITTEE ON RURAL DEVELOPMENT 2003: paragraph 100)

Besides the unclear responsibility for coordination at local and regional level, the Committee sees further difficulties in regard to the national policies:

⁴⁶ Strikingly, hardly any of the described areas falls under the responsibility of SEERAD.

This is often compounded by inconsistencies between the national policies established to encourage integrated development, and the work required at a local level to implement these policies. (ibid: paragraph 11)

Inconsistencies become most obvious in regard to the responsibilities for instruments that aim at the development of the less favoured rural areas such as the Highlands and Islands. Besides SEERAD, two more governmental departments are involved: The Scottish Executive Development Department (SEDD) is responsible for the management of the EU Structural Funds, for local government and planning, including the community planning process. The Scottish Executive Enterprise and Lifelong Learning Department (SEELLD) is responsible for economic development, regional selective assistance (e.g. the Initiative at the Edge) and Scottish Enterprise and HIE, including the Local Enterprise Companies. Hence, even though Scottish Parliament and its committees have formulated a rural policy strategy for Scotland and its fragile areas, three departments decide on the major funds to be allocated and on the structures of the main actors, the HIE and the Councils.

Institutional fragmentation goes back to the UK policy changes and associated restructuring of the economy since the late 1970s (see chapters above). It is neither restricted to the economic development policy field nor to the Scottish Executive (cf. DANSON 2004, LLOYD/ILLSLEY 2004, RENNIE 2005). The policy landscape today consists of various new actors and also enhanced powers and activities for existing agencies. DANSON (2004: 89) states that

[...] by the time the Scottish Parliament has been re-established in 1999, the infrastructure landscape for economic development in Scotland had become somewhat crowded. [...] As well as local authorities and LECs, enterprise trusts, chambers of commerce, area tourist boards, higher and further education institutions, and a host of other agents with a legitimate role to play in the economy were also vying for influence and resources.

Among all these actors, the local authorities and the LECs have functioned as the key institutions in regional development so far, notwithstanding the fact that their inter-relationship as well as their role among all actors within the respective region remains somewhat diffuse. LLOYD (1999, in LLOYD/ILLSLEY 2004: 167) talks of a "considerable strategic vacuum in terms of managing the subnational economy" which frequently leads to confusion, overlap and duplication and also tensions.

Two new tools have recently been introduced in order to streamline the efforts and responsibilities of the various interacting institutions and agencies, community planning and the Local Economic Forums.

Community planning goes back to an initiative of the Scottish Office and COSLA in 1995 and became more concrete after the election of (new) Labour

in 1997, when a working group was set up to develop an instrument that would co-ordinate all existing partnerships and to ensure strategic streamlining. Community planning is intended to

- encourage *joint working* of public agencies, voluntary and private actors,
- *engage communities* to get involved in decision making and possibly also service delivery,
- better *link national priorities to local priorities*, and to
- provide a mechanism for the development of *strategic visions of all Council areas*, reflecting their special economic, political and social conditions, organisational relationships and communities' needs.

According to these declarations of intent the community plans are to be developed in coordinated working of all relevant agencies and with full consultation of the communities themselves as well as the voluntary and the private sector. These plans would set out the priorities for a five to ten years period with an annual review of what the individual partners achieved.

After the installation of five pathfinder projects in 1999/2000, which functioned as a first test run, a national task force was established in order to prepare the statutory basis for community planning. The Local Government (Scotland) Act became finally effective in April 2003, indicating a significant change in powers of the local authorities as they are to take the lead part in the community planning process, but also making cooperation obligatory for them. While the leading Councils have the duty to initiate and facilitate the community planning process and to ensure consultation and cooperation with community bodies, the Act also includes the duty for the agencies, such as National Health Service, SE, HIE, Police, etc., to participate.

At this stage, there is not enough information to make a conclusive statement about the implementation of community planning, and the extent to which it leads to a more holistic or more efficient delivery of local services. There is some scepticism whether local authorities will be able to fulfil the expectations or whether it might be nothing but a further burden on them (cf. DANSON 2004 and LLOYD/ILLSLEY 2004): Will they be able to build consensus between the diverse, often opposing interests of the involved actors? Do they have enough capacity for innovation? And, probably most important, will their skills and resources be sufficient for the enhanced leadership role? The pathfinder projects already showed tensions when the involved institutions came to the point to actually deliver the expectations set out in the community plans (cf. LLOYD/ILLSLEY 2004: 163). But they also showed a promising diversity of approach and plan outcomes, reflecting the unique issues, challenges and also actors of the respective area (cf. Chapter 4.3.1).

A second attempt to better integrate the fragmented economic development landscape is the establishment of the Local Economic Forums (LEF) which are supposed to act as a major contributor to the economic dimension of the community planning process. They were introduced by the Scottish Executive as a response to a cataloguing of all local economic development services in

Scotland by the Enterprise and Lifelong Learning Committee in 1999/2000, which showed considerable "confusion" and "overlap" of responsibilities and services. The Forums are partnerships with representatives from public institutions and the business sector. Their first task was to develop local economic development strategies by 2003 in order "to eradicate wasteful duplication in business support services and enhance overall service delivery" within their respective area (SCOTTISH EXECUTIVE 2005). All 22 Forums, whose geographical scope is consistent with the LEC boundaries, have formulated such documents, varying significantly in scope, content and coverage, but generally being in line with the national economic strategy "Smart Successful Scotland". However, similar to the weaknesses of the community planning process, the national progress review of all LEF strategies states an overall "absence of consideration of affordability and achievability" (ibid). The coming years will show whether the aspirational plans can be delivered and how much commitment the partners will show when it comes to realisation.

4.2.4 IMPLEMENTING RURAL POLICY IN THE FUTURE

Aside from the UK devolution process Scotland itself has experienced a considerable decentralisation since the 1990s, by restructuring of the local government and by enhancing the role of local and regional partnerships. Community planning is thought to strengthen the role of the local authorities and therefore could become the basis for regional strategic guidance, for the delivery of services as well as the provision of infrastructure. In this regard, community planning could act as a counter balance to the current fragmentation in local/regional governance and its many public bodies, agencies, partnerships and organisations by tying the individual partners to a commonly developed regional agenda.

Lately, a lot of attention has been paid to the coordination of the structures in the field of economic development, but less to the implementation or effectiveness of the envisaged structures in regard to reducing the economic and social disparities in Scotland. There is the potential danger that many regional, participatory and endogenous strategies are produced without being matched by adequate regional resources. Some of the Scottish areas will not be capable of economic self-sufficiency, and therefore will need continued intervention. Consequently, there is the need for a national economic development strategy that functions as a framework and clearly addresses the core needs of the rural as well as other structurally weak communities. DANSON and MCCARTHY (2004: 172) suggest a "context-specific set of programmes" instead of a "top-down, nationalised regional framework that risks preventing the emergence of innovative, bottom-up approaches". They see the tendency towards the (re-)centralisation of Scottish regional policy with standard support packages of the type "one-size-fits-all" being favoured (e.g. cluster strategies). RENNIE (2005: 115) puts it the following way:

In Scotland we lack a national co-ordinating structure that attempts to integrate issues of rural interests vertically (community - government) and horizontally (between sectors). We have sectoral efforts, and a few localised cross-sectoral fora, but the notion of "rural proofing" governance, in the way that it is scrutinised for compliance with gender and equal opportunities issues, is noticeably absent.

As rural issues have moved far beyond agricultural ones and problems show an increasing heterogeneity, the national vision for the rural areas needs to be just as heterogeneous. The White Paper "Rural Scotland" needs to be backed up by a similar national economic strategy that considers the regional particularities. The policy emphasis on creating opportunities rather than redistribution, on social inclusion and sustainability does not necessarily discriminate rural regions. But it has to be clear that different solutions have to be found for rural problems to achieve the same level. Given the large number of interest groups, finding a consensus on such a national economic strategy will be a huge challenge, and it remains to be seen whether Scotland will meet this challenge in the next years.

4.3 DEVELOPMENT STRATEGIES, INSTRUMENTS AND ACTORS

Several institutions play a crucial role in the implementation of regional development strategies. This chapter presents some of the central actors and programmes, using mainly the empirical data drawn from the interviews.

There are two key institutions in regional economic development: The local authorities Highland Council and Western Isles Council, who are now to take the lead in the community planning process (cf. Chapter 4.3.1), and Highlands and Islands Enterprise with the respective local enterprise companies (LEC), Skye & Lochalsh Enterprise and Western Isles Enterprise (cf. Chapter 4.3.2). Besides these institutions and the related partnerships (Community Planning Partnership, Local Economic Forum, Community Economic Development Partnership, etc.), temporary local development programmes such as "Dúthchas" and "Initiative at the Edge" have been initiated, which have an experimental, but also exemplary character (cf. Chapter 4.3.3). Special account is taken of the opportunities offered by European regional policy, as is shown by the long-standing activity of the common Western Isles, Skye & Lochalsh LEADER group (cf. Chapter 4.3.4).

Above that, selected institutions outside the context of the regional policy are key regional innovation actors. One of the most exciting examples for such regional engagement is the network of the University of the Highlands and Islands which is working in partnership with colleges on Skye (The Gaelic College) and Lewis (Lews Castle College) (cf. Chapter 4.3.5). Finally, numerous grass-roots groups operate at the local level, sometimes set up with the help of the mentioned European (e.g. the LEADER LAGs) or national programmes (e.g. Initiative at the Edge), but also independently or as a follow-up, as two examples will show (cf. Chapter 4.3.6).

4.3.1 TAKING THE LEAD? – NEW TASKS FOR THE LOCAL AUTHORITIES

Since the 2003 reform of local government that abolished the regions and districts, there have been only single-tier authorities in Scotland. Apart from the three island councils that were already created in 1974/75, there are councils based on former regions – like the Highland Council – and those based on former districts. Accordingly, the new conformity is merely an outward one as the council areas are indeed very different in terms of population, territory and tax base. The Western Isles' population, for example, is only about one tenth of the Highland Council's population. Due to the large territory of the Highland Council, there are eight area committees and area management offices that replaced the eight former district councils, of which Skye & Lochalsh is one.

Even though the Local Government Act has formally strengthened the role of local authorities, it did not reform or decentralise finances. In fact, this issue has been largely ignored so far, and funding is still operated on the restrictive pre-devolution arrangements. As a consequence, about 80% of the councils' spending is centrally financed and calculated by complicated funding formulae. The other 20% of spending originate from the annually determined council tax that was introduced in the early 1990s (cf. LYNCH 2001: 209ff). As Scottish Executive is able to set limits on local authority budgets and tax-raising abilities, the councils cannot act independently. The budgets are restricted and also bound to their purposes, which – according to many councillors – makes it sometimes difficult for the councils to find match-funding for EU-projects. This is even more valid for the local area office Skye & Lochalsh, which itself depends on budgets to be devolved from Inverness. Although many planning decisions are made by the local council in Portree, the area relies entirely on the assistance of the Highland Council in cost-intensive issues like infrastructure or health services, etc. This is not likely to be changed even with the new – rather strategic – tool community planning.

Since 2003, partnerships, whose members are shown in Table 12, have developed community plans in both council areas.⁴⁷ The Western Isles Community Planning Partners published their plan in 2004 and presented a rather broad vision what to achieve in the future. Apart from identifying some key issues in the fields "Economy", "Community Well Being", "Lifelong Learning" and "Our Culture and Heritage", the plan is neither specific nor practice-oriented. Nevertheless, it is too early to judge whether community planning on the Western Isles might become a "talking shop to the agencies" or whether it will be turned into action.

As the Highland Council participated in the pathfinder project, the Highland Wellbeing Alliance already published two community plans, the first one in 2000, and a second one in 2004, which covers the years until 2007. Compared to the Western Isles Community Plan it gives more specific priority

⁴⁷ When the field work was carried out in 2002, community planning had not been introduced, so that no empirical data about its actual realisation can be incorporated here.

areas⁴⁸, which will be further specified by the Local Community Planning Partnerships (LCPP) in each of the eight administrative areas, such as Skye & Lochalsh, until 2007.

Table 12: Members of the community planning partnerships

Members of the Western Isles Community Planning Partnership	Members of the Highland Wellbeing Alliance
Careers Scotland	Highland Council
Community Councils	Highlands and Islands Enterprise
Comunn na Gaidhlig	NHS Highland
Comunn nam Parant	Scottish Natural Heritage
Cothrom Ltd.	Northern Constabulary
Jobcentre Plus	Communities Scotland
Lews Castle College	Highlands and Islands Fire Brigade
Northern Constabulary	Representative from the private sector
Proiseact nan Ealan	Representatives from the voluntary sector
Scottish Environmental Protection Agency	
Scottish Natural Heritage	
Scottish Water	
Tighean Innse Gall	
Volunteer Centre Western Isles	
Western Isles Association of Councils for Voluntary Service	
Western Isles Chamber of Commerce	
Western Isles Council	
Western Isles Enterprise	
Western Isles NHS Board	
Western Isles Tourist Board	
Western Isles Youth Council	

Source: Western Isles Council 2004: 3; Highland Wellbeing Alliance 2004: 3

⁴⁸ There are seven priority areas: Developing a strong, sustainable and competitive economy; encouraging lifelong learning and developing community capacity; improving health and wellbeing; improving transport; enhancing cultures, heritage, the Gaelic language and the natural environment; developing safe, strong and attractive communities.

These local plans are to be facilitated by the Council's Area Managers, who ought to give much attention to the views of the local communities, represented by the community councils. Quite outstanding is the view on other existing partnerships:

Existing local partnerships will need to be rigorously examined to decide how they can best interact with the LCPP, or indeed whether they can be dissolved and their agenda absorbed into the LCPP. (HIGHLAND WELLBEING ALLIANCE 2004: 56)

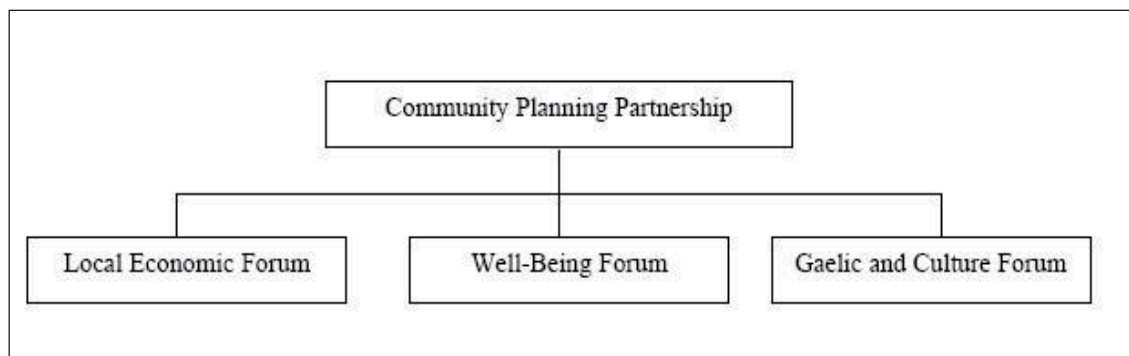
Whether the communities will be engaged successfully, whether there will be enough guidance on the side of the Area Managers to do so, and whether other partnerships will be willing to interact remains to be seen. At least it is a serious attempt to streamline the "partnership landscape" locally.

As already described in Chapter 4.2.3, the Local Economic Forums are thought to provide the economic development dimension to the community planning (cf. Figure 10) and to develop local economic development strategies with strong involvement of the local private sector. In both areas, the LEFs produced such strategies along with Action Plans between 2001 and 2003. Members derive from the two most important institutions, the Local Enterprise Companies and the local authorities, and other agencies and business associations that are related to economic development, such as

- Western Isles Tourist Board, Lews Castle College, Chamber of Commerce, Employment Service, Federation of Small Business, Western Isles Aquaculture Forum on the Western Isles and
- Highlands of Scotland Tourist Board, the Gaelic College, Skye & Lochalsh Council of Voluntary Organisations, Employment Service, Federation of Small Business in Skye & Lochalsh.

In a way, the Forums formalised already existing informal networks, which might be the reason why the Forum initially faced some opposition in Skye & Lochalsh.

Figure 10: Strategic forums under community planning partnership of the Western Isles



Source: Western Isles Local Economic Forum 2001: 6

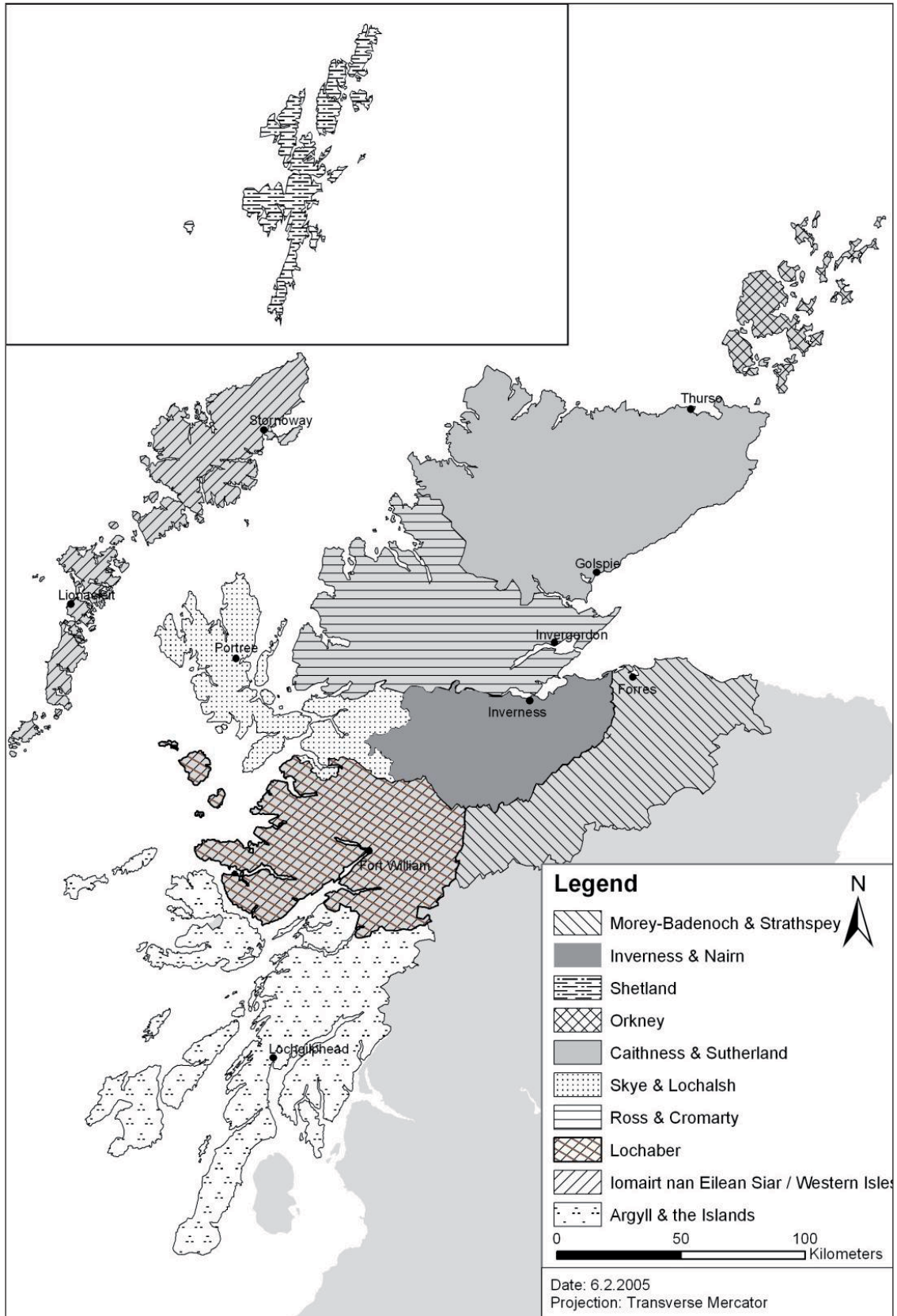
Both Forums conducted mapping exercises in order to identify potential overlap between the agencies in terms of services available to the local business. In the longer run the aim is to improve the service delivery through more inter-agency cooperation and compatibility. Interestingly, the mapping exercise identified only few cases of overlap, and those were usually not considered as a problem but rather complementary by the business community (cf. SKYE & LOCHALSH LOCAL ECONOMIC FORUM 2003 and WESTERN ISLES LOCAL ECONOMIC FORUM 2004). Nevertheless, through the Forums, efforts have been made to make available support schemes and services more transparent and accessible by introducing for example single entry points or cohesive information packages. In regard to better coordination and closer joint working between the local authorities and the LECs, the Forums surely have made a contribution. Still, even after the course of some years it remains a problem to engage the local business community at the strategic level, and the Forums keep to be mainly driven by these two institutions.

4.3.2 KEY PLAYER FOR ECONOMIC DEVELOPMENT: THE QUANGO HIGHLANDS AND ISLANDS ENTERPRISE NETWORK

Established as a "Quango" (= quasi-autonomous non-governmental organisation) in 1990 through the Enterprise and New Towns (Scotland) Act, Highlands and Islands Enterprise (HIE) took up its activities in April 1991 and since then has become the main agency for economic development in the Highlands and Islands. HIE is organised as a network, consisting of a headquarter in Inverness and ten so-called Local Enterprise Companies (LECs) that geographically follow the former District Council boundaries (cf. Figure 11). The decentralised organisational structure already reflects HIE's endogenous development strategy: While the headquarter signs responsible for general strategy development and larger projects, the area-based LECs shall improve the local development capacities by involving various local actors (cf. HIE 2001 and 2002).

Unlike the sister organisation Scottish Enterprise, HIE also has a commitment to social concerns and aims to integrate economic and social objectives. In 1998, the special division "Strengthening Communities" was established – in addition to the two other divisions "Developing Skills" and "Growing Business" – to pursue this objective further. So far, especially this service profited from EU funds such as LEADER or the Transitional Programme (cf. Chapter 4.3.4). HIE's strategy is based on the conviction that the diversification of the economic structure – which means setting up companies and establishing businesses – can only be achieved, if local communities are enabled to develop their own solutions. For this purpose it is thought necessary to adopt qualification programmes and to encourage a sense of self-confidence in the citizens' own abilities, not least by promoting the Gaelic culture.

Figure 11: The Highlands and Islands Enterprise network



Source: Own design; cartography: S. Menzel

Within the area of the case study, Skye & Lochalsh Enterprise (SALE) and Western Isles Enterprise (WIE), whose committees consist of representatives of local enterprises and authorities, are responsible for the delivery of national and regional economic development programmes in their respective local context. The activities of both LECs include the provision of business support services, the delivery of training and learning programmes, assistance for community and cultural projects and measures for environmental renewal. These measures are mainly aimed at supporting the growth sectors of the rural economy while agricultural assistance plays only a marginal role in HIE services, since SEERAD is responsible for the delivery of all crofting and agricultural programmes. Generally, the division of work between the local institutions delivering economic development services is clearly defined, with the LECs being the lead bodies and main provider of business support services.

However, there is some potential – and actual – overlap between the LECs and the local authorities, as the latter deliver some local market services to individuals, businesses and communities to help them realise their economic, social and cultural potential. Additionally, some other agencies and associations offer (specialised) advice and assistance, such as the tourist boards, the business federations or environmental organisations.

SALE and WIE co-operate with different partners that vary according to the respective project (local authorities, businesses, rural communities, civil society groups and also individuals). In some cases, these are still informal, project-specific partnerships, but many have been formalised through the Local Economic Forums and community planning (cf. Chapter 4.3.1). Usually, both, the LECs and the local authorities are represented in the major partnerships, which often have a similar make-up and sometimes lack the dedicated involvement of actors outside the agencies.

SALE and WIE regard themselves as service institutions, as points of contact for people with project ideas who look for assistance. The LECs increasingly assist in preparing the funding applications for the actual applicants. The vast number of programmes and funds along with the complexity of the formalities generally prove to be the major hurdles for starting projects. Recently, also HIE's often criticised internal funding structure has been under review in order to reduce and to simplify the 64 programmes of its own. Another point of criticism is that HIE and its LECs are largely reactive, instead of being pro-active in order to reach the most disadvantaged regions that lack the social capital and critical mass to get started on their own. Here, especially the appointment of regional managers would be desirable.

Another recurrent point of controversial discussion is that the LECs (and HIE as a whole) are not democratically legitimated, thus raising some mistrust in HIE's "independence". But this is rather an issue in the academic or political discussions than in the regions themselves. Similarly, the concerns about the overlap of the LECs and the local authorities have been softened in the SALE and the WIE areas after a mapping exercise in connection with the Local

Economic Forums (cf. Chapter 4.3.1). Despite this, efforts continue to achieve a better co-ordination between the two institutions.

4.3.3 PROVIDING SPECIAL ATTENTION TO THE FRAGILE: THE PILOT PROJECTS "INITIATIVE AT THE EDGE" AND "DÚTHCHAS"

Both, the Initiative at the Edge and Dúthchas are time-limited, supra-regional demonstration projects initiated to explore ways of sustaining fragile rural areas in the Scottish Highlands and Islands. Despite similar objectives, the projects have different motivations and thus followed different courses of development.

Dúthchas is closely linked to the development of community planning in Scotland (cf. Chapter 4.2.3). First ideas for community planning appeared in the early 1990s and can be regarded as a counter-movement to the Councils' considerable loss of power under the Thatcher administration. After new Labour had come to power, it became a tool of the government's devolution agenda. A "Community Planning Working Force" was set up in 1997 to work out the general principles and legal bases. Their recommendations based on four principles:

- Community leadership provided by the local council,
- a strategic vision for the whole area,
- community consultation and involvement,
- partnership between public sector organisations and the private and voluntary sector.

At the local community level (below the Councils), the preparation of local community plans was envisaged which should be integrated in the so-called "strategic area plan".

From 1999 to 2000, five so-called "pathfinder projects" were launched, one of which was run by the Highland Council. In close co-operation with five further public authorities and a forum of local organisations, but without the participation of local people, the "Community Plan for Highland 2000" was prepared. The first "local community plans" will concentrate on two Dúthchas areas, North Sutherland and Trotternish (cf. Figure 12).

In retrospect, the Dúthchas Project has to be considered as a pilot project establishing the needed framework for drawing up other local community plans – although this was not the intended purpose and Dúthchas never was an official government programme. Originally, the Dúthchas Project was initiated by Scottish Natural Heritage (SNH)⁴⁹ who in the early 1990s had been instructed to develop a new nature reserve category, which, however, was not followed up. Soon afterwards, the Planning Department of the Highland Council took up this idea. Influenced by the sustainability discussion and the Agenda 21, the Council modified the approach by adopting a broader strategy, which was designed to develop sustainable uses of resources in

⁴⁹ Scottish Natural Heritage is a non-departmental public body, responsible for environmental issues and nature conservation.

close co-operation with local people ("sustainable rural development"). The novel aspect of this project was the spatial, integrated approach to development, focusing on the specific needs of a defined area. This approach involves giving local people as well as national institutions and interest groups the opportunity to set out their views and priorities for the area. Prior to Scottish autonomy, this was an unusual approach in Great Britain which is largely dominated by top-down structures. After a one-year, two-stage selection process based on previously established criteria, three areas were selected to participate in this pilot project: North Uist on the Western Isles, Trotternish on the Isle of Skye, and North Sutherland in the Highlands (cf. Figure 12). From 1998 to 2001 Dúthchas was funded by the EU Life Environment Programme (cf. DÚTHCHAS 2002).

Main results of the Dúthchas Project are, firstly, detailed strategies for the pilot areas developed in collaboration with local people and partner institutions and, secondly, a comprehensive documentation of the whole Dúthchas process, including a manual intended to generalise the concrete experiences in order to apply them in the community planning process. And herein lays the dilemma: Because primarily designed as a demonstration project to develop widely valid sustainable strategies the results are rather "theoretical" and presented in form of professional brochures. The majority of local actors is, however, disappointed at the theoretical overload; they would rather have seen the project ideas realised that were developed in lengthy decision-making processes – but this was not possible within the three-year term of Dúthchas. The practical use of Dúthchas will only crystallise in the coming years when it will be evident how the single sector areas manage to cope with their strategy. In North Uist a successor organisation was formed with the intention of implementing the objectives of Dúthchas (cf. Chapter 4.3.6).

In the same year as Dúthchas, the Initiative at the Edge project was instigated by ministers of the then still existing Scottish Office to concentrate attention and effort on tackling the problems of the most peripheral and structurally weak regions in the Highlands and Islands. Eight areas were selected as pilot areas: Uig and Bernera, Bays of Harris, Lochboisdale and Eriskay on the Western Isles, and Ardnamurchan, Colonsay, North Sutherland on the mainland and Westray/Papa Westray on the Orkneys (cf. Figure 12). The initiative was based on the premise that the public and private sectors cannot cope with the serious problems faced by these areas alone and that therefore the local people need to be involved. The guiding principles are sustainability, participation and involvement of all important institutions. In this respect, Initiative at the Edge is defined as a programme to provide "help for self-help" within the partnership model and to develop, compile and assess ideas. The Local Development Officer plays a central role: She/he is in charge of the groups, instructs them and provides support for the preparation of applications and the realisation of projects. Jointly financed by HIE, the Rural Challenge Fund, the Scottish Executive (Social Inclusion Fund) and European Rural Development Fund (cf. EKOS 2001), Initiative at the Edge can only contribute minor amounts for the initial financing of projects. Further funding sources have to be found to realise the projects.

After the initial funding period 1998–2001, the programme is being managed by the Scottish Executive Enterprise and Lifelong Learning Department (SEELLD). The eight designated areas were originally planned to leave the scheme in 2002, but the participating communities protested and no exit strategies were developed for them by 2003. Finally, funding for the "old" areas continued until April or September 2004, when ten new communities, among these Lochs in the Isle of Lewis and Barra & Vatersay in the Western Isles, entered the scheme⁵⁰.

Unlike Dúthchas, the project "Initiative at the Edge" was launched without a defined long term strategy, as it was established rather spontaneously by the individual initiative of a few politicians. Consequently, neither selection criteria based on objective data to determine the priority areas nor training programmes for the Local Development Officers were available. Despite this, in most cases local groups were formed and various projects initiated. In Lochboisdale & Eriskay, for example, realised projects are a Community Centre, a Gaelic-speaking nursery school and a Youth Centre. In Bays of Harris, the project's scope is larger, ranging from tourism, the fishing industry and harbours to agriculture and social issues such as housing and leisure-time activities for young people and senior citizens (cf. Table 13).

Table 13: Initiative at the edge, bays of Harris project list

Creating employment	<ul style="list-style-type: none"> • Provide speculative workspace for offices and light industry • Research and develop renewable energy opportunities
Tourism	<ul style="list-style-type: none"> • Directory of accommodation • Restoration of old Corn Mill
Fishing	<ul style="list-style-type: none"> • Refurbishment of piers and jetties • Develop small-scale kelp project
Crofting and land use	<ul style="list-style-type: none"> • Plans for diversified use of croft land • Explore possibility of Crofter Forestry
Local Produce	<ul style="list-style-type: none"> • Development of small smoking facility • Identify crofts which could be used for horticultural purposes

Source: Own selection based on Bays of Harris Association 2002: 6-10

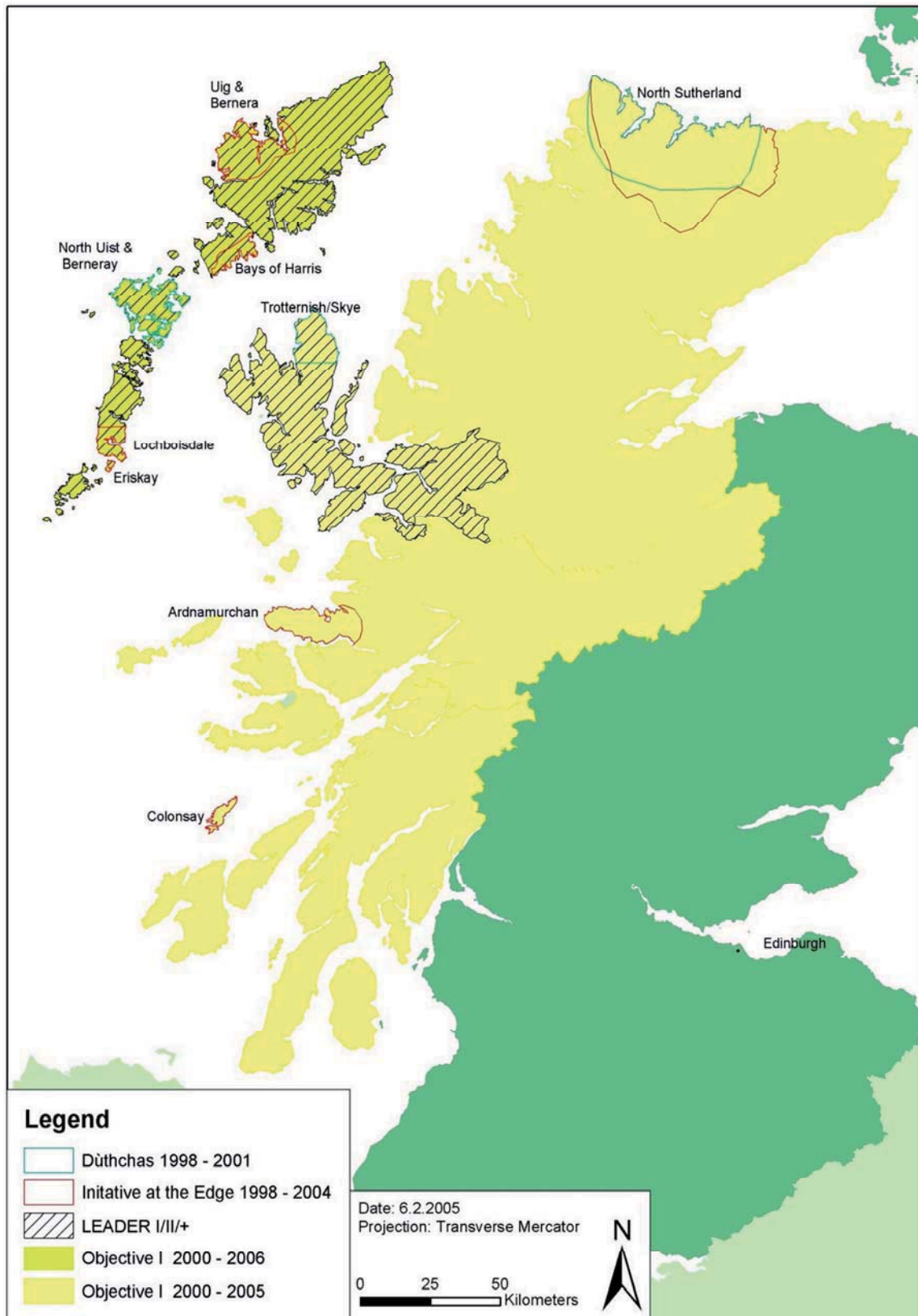
Based on the results of the 2000 interim evaluation, some adjustments were made in the overall programme design of the Initiative. In the future the participating communities will be required to prepare a Local Development Plan and an Action Programme, and, in addition, training programmes shall

⁵⁰ The others are Northmarine and Yell, Unst & Fetler in the Shetlands, Eday & Stronsay and North Ronaldsay & Sanday in the Orkneys, Glenelg & Arnisdale in the Highlands, Southeast Caithness, the Isle of Jura and the Isle of Coll in Argyll.

be provided to qualify the Local Development Officers. Moreover, the roles and responsibilities of the different actors from all levels were defined more clearly. However, it cannot be determined yet how well Initiative at the Edge will perform in practice, especially as the results will most likely vary a great deal between the areas. Similar to the case of Dúthchas, local criticism focuses on the inherent disappointment potential: In a complicated procedure, the local communities - assisted and advised by Project Officers or Local Development Officers - prepare a "wish list", which, however, can only be realised in the very long term, and for which considerable funding is needed. But once the "wish list" is completed, the advisor leaves - the person who is most familiar with the funding landscape and the application formalities. It remains to be seen whether the announced exit strategy will solve this problem.

The experiences made with Initiative at the Edge indicate that it is problematic to encourage local initiatives without integrating them into a comprehensive concept and without establishing concrete objectives. The sustainable strengthening of peripheral regions must be based on a national strategy, which clearly outlines what is expected of the local actors. Moreover, a comprehensive and clear objective is essential to bring into line the institutions and authorities involved and to urge them to support local initiatives and networks. Otherwise, the own business plan will remain predominant and an awareness for local problems cannot be raised. In this respect, Dúthchas was more thought-out, but the participants could, however, not cope with the theoretical overload and complicated decision-making processes. This shows impressively that practical results and a sense of achievement are essential to motivate the people involved. In the end, it depends on finding the right balance - particularly with regard to the time factor - between strategy development and planning on the one hand, and activities and project realisation on the other.

Figure 12: Support areas in the Highlands and Islands



Source: Own design; cartography: S. Menzel

4.3.4 ENCOURAGING BOTTOM-UP WORKING: THE EU-PROGRAMME LEADER+ AND ITS OFFSPRING, THE COMMUNITY ECONOMIC DEVELOPMENT PROGRAMME

LEADER is a European Community Initiative to enhance sustainable rural development. Based on a "bottom-up" approach, it seeks to encourage the implementation of small-scale, innovative and experimental projects. So-called Local Action Groups (LAGs) are comprised of a selection of partners drawn from various public and private sectors (e.g. communities, development agencies, voluntary and interest groups). They are designed to be responsible for drawing up and implementing their own rural development strategies. The LEADER+ programme runs from 2000 to 2006 and applies in Scotland in the former Objective 1 areas under the EU Highlands and Islands Special Transitional Programme (cf. Figure 12). It builds on the previous programmes LEADER I (1991 to 1994, for Objective 1 and 5b areas) and LEADER II (until 1999, for Objective 1, 5b and 6 areas). All three European Funds (ESF, ERDF and EAGGF) financially contribute to LEADER+, thus emphasising the integrative approach of this programme.

In the case study area, the Local Action Group consists of the following organisations: WIE, SALE, Western Isles Council, Highland Council, Commun Na Gaidhlig, Scottish Natural Heritage (SNH), Association of Western Isles Councils of Voluntary Service, Skye & Lochalsh Council for Voluntary Organisations, two youth delegates and two women delegates. This shows that the Western Isles, Skye & Lochalsh Local Action Group (WISL LAG) is not isolated from other initiatives in this region, since all partners are embedded in further programmes such as, for example, the pilot projects mentioned in the previous chapter or community planning and Local Economic Forums. Moreover, LEADER+ has been designed to be complementary to and work alongside other programmes (cf. WISL LAG 2002: 3/35).

In the understanding of the WISL Local Action Group (WISL LAG 2002: 3), LEADER+ is not just a continuation of the previous LEADER programmes:

It is a programme geared towards ambitious pilot initiatives aimed at encouraging integrated rural development strategies based upon the fundamental needs of the area. It additionally places greater emphasis on local co-operation and networking.

Apparently, these goals are achieved in the WISL LEADER area because many interview partners stress the central role this programme has played in developing and establishing partnerships between different local and regional actors also beyond the funding period. The project work with LEADER has strengthened the self-confidence of the new actors, thus enabling them to develop innovation capabilities and professionalism. Decisive factors to achieve this were to finance community appraisals, to involve LEADER Officers and, in particular, to focus on small-scale projects with a special emphasis on social or qualifying issues. Obviously, LEADER filled a gap in the Scottish funding landscape and provided a kind of "springboard function" to

set up similar programmes, such as the Initiative at the Edge. According to various actors, the existing institutions like HIE have undergone changes as a result of the co-operation with the "grass-roots sector" associated with the LEADER projects. In this connection, particularly two effects are stressed: The established institutions are more willing to support projects outside the standard repertoire, and it is now widely acknowledged that social and economic development are inseparably linked.

These assumptions are impressively confirmed when looking closer at the changes occurring in HIE network after LEADER II ended. There has been stronger support for the process of local capacity building and developing stable local communities, as indicated for instance by the establishment of the Community Economic Development (CED) Programme. The programme has been fully operational in all LEC areas since 2001 and uses support, available until 2006, under the EU Highlands and Islands Special Transitional Programme (HISTP). It builds upon the local initiatives and co-operations undertaken through LEADER by assisting the established LAGs and by further stimulating and promoting innovative projects. The CED Partnerships are likewise represented in the LAGs to ensure close co-operation and streamlining.

Just as LEADER, the CED Programme aims to enhance the ability of more fragile communities to develop and implement their own local priorities. Therefore, it supports community-based activities reaching from community appraisals in order to assess the existing local resources and to prioritise the needs, to activities that aim at the improvement of the local infrastructure or training facilities. Eligible are community groups, small businesses, organisations or even individuals that can apply for project funding up to 100,000 Pounds, whereupon 50% of the entire project costs have to be co-financed by other funds, (e.g. the Lottery Fund, Scottish Executive, trusts, etc.).

The establishment of the CED Programme within the HIE Network shows two things: Obviously, the implementation of the LEADER-programme has led to a higher acknowledgement of the local level and its various actors as the central drivers of rural development. For the Western Isles CED Plan, for example, intensive consultation has been undertaken with Community Councils as well as already existing community development groups (Iomairt Nis Ltd, Harris Development Limited, Initiative at the Edge, Uist 2000, Appraisal Groups, etc.).

Moreover, there is common agreement within the Enterprise network that projects based on a bottom-up approach and supported by private and civic individuals need professional know-how and, above all, assistance in fund raising in order to be continued for a longer period – also beyond the programme duration. In this sense, the CED Programme, which will be continued after 2006 by HIE, is not to be understood as a programme duplicating existing support mechanisms but complement them by enhancing and continuing what has gone before or is in existence.

4.3.5 SYMBOL FOR REGENERATION AND INTEGRATED REGIONAL EFFORT: THE UNIVERSITY OF THE HIGHLANDS & ISLANDS PROJECT

The idea to establish a university in the Highlands and Islands originated in the region: In 1990 the Highland Regional Council proposed to set up a "University of the Highlands and Islands" designed to integrate the existing regional "Further Education Colleges" in a network that is based on the latest telecommunications infrastructure and further local learning centres. Three years later, the UHI-project was initiated, and in 2001, it was granted the Status of Higher Education. Today, 15 colleges and research institutes contribute to the "UHI Millennium Institute" with a total of 5500 students. It is scheduled that the University of the Highlands & Islands will achieve full university status by 2007.

Considered to be a key economic development project for the region, the university project is designed to give decisive impetus to the regional infrastructure and the regional labour market. It is expected that 800 jobs will be created by both, direct employment and indirect effects like spin-offs. In particular, it seeks to tackle the major problems facing the region: the migration of young people, the one-sided economic structure, and the dependence on the primary sector. It is assumed that these objectives will only be attained if the profile of the future university reflects the existing strengths and resources of the region, thus offering unique characteristics. Some of these approaches have been successfully implemented: Multidisciplinary study programmes are now offering degrees in Gaelic Studies and Rural Development Studies. Many graduate students have already found an employment and work in regional institutions, European programmes or local initiatives. And the Colleges themselves are engaged in development projects (e.g. Gaelic Television, digital broadcasting or issues like crofting and wind power). In addition, providing local people with easier access to better training opportunities and thus encouraging their self-confidence, initiative and innovative thinking will result in "indirect" development effects.

The network approach was deliberately chosen: On the one hand, it is designed to the needs of this peripheral and sparsely populated area, in particular the islands, and, on the other hand, built on existing potentials. Moreover, a network of Colleges benefits from co-ordinating the individual programmes, including an increased use of modern communication technologies ("e-learning"), which is more efficient than 15 colleges offering similar programmes and competing for a small number of students.

4.3.6 LOCAL ACTION: "PROISEACT UIBHIST 2000" AND "NORTH UIST PARTNERSHIP"

Local initiatives are not a new invention in the Highlands and Islands. Rather on the contrary, voluntary work has a long tradition and has never faded completely, even during the hardest years. A new quality is, however, that voluntary groups, community initiatives and even the ideas of individuals

receive more attention and also funding by the agencies since the 1990s. It is widely accepted among them (as already described in the previous chapters) that economic progress is more likely to achieve with citizens who are confident and believe in the future of their communities. As a consequence, most of the above presented programmes emphasize local capacity building, local involvement and community consultation. The second new quality is that, alongside the stronger involvement of the local level, there is a close link between economic regeneration and the Gaelic culture. The most successful example is surely the Gaelic College on the Isle of Skye which has developed from a small college with a few dozen students in the 1980s to a well-reputed, education and research institution which fuels the economic, social and cultural development of the whole region. There are numerous local projects that were initially aiming at reviving the Gaelic culture and language, but over the years have developed beyond their cultural core by triggering also social and economic effects, e.g. the local radio station Cuillin FM, the arts and exhibition centre Taigh Chearsabhair or the fèisean, festivals and competitions of Gaelic music and dance.

The two local initiatives to be described more detailed in this chapter have a broader scope than those cultural ones, as they both aim at the diversification of the local economy. Neither of the groups has been set up by or is embedded in a particular programme, despite making use of some. They represent rather typical settings and problems of bottom-up development work in the case study area.

The formation of Proiseact Uibhist 2000 dates back to 1993 when the Royal Air Force base on Benbecula was to be closed and, consequently, the already weak economy faced further difficulties. Organised bottom-up by local businesses and working in partnership with local people, a strategy was developed aiming to diversify the economic structure by the year 2000. Published in 1995 as the "Uist 2000 Strategic Plan", it led to the establishment of Uist 2000 Ltd. – the predecessor of Proiseact Uibhist 2000. In the same year, the Scottish Office set up the Rural Strategic Support Fund (RSSF) that caused Uist 2000 Ltd. to set up further partnerships with organisations and interest groups, e.g. with Western Isles Council, Highlands and Islands Enterprise, Scottish Natural Heritage, Uist Council of Voluntary Organisations, Scottish Agricultural College. For three years, from 1996–1999, Uist 2000 Ltd. received funds from the RSSF and was co-financed by the WI Council, WIE and LEADER II.

To be able to continue the ongoing projects, Uist 2000 was re-organised into the non-profit organisation Proiseact Uibhist 2000, which was funded until 2003 by the National Lotteries Charities Board as well as by WI Council and WIE. These funds provided payment for three project managers whose function was to assist and administrate projects within the three sector areas "Land & Natural Resources," "Language & Culture," "Tourism & Marketing". Ongoing projects, for example, focus on the organisation of local produce markets, the implementation of regional quality trademarks and value-added chains in the meat production and fishing industry as well as on the organisation of cultural events with regional relevance. By self-definition,

Proiseact Uibhist 2000 is "[...] a catalyst for the development of local community-based initiatives working to promote and stimulate projects which will diversify and strengthen the social and economic base of the Uists" (PROISEACT UIBHIST 2000: 3). The Steering Group, which is responsible for selecting and prioritising the projects, is open to anyone who wishes to participate.

North Uist Partnership (NUP) is also an informal, local initiative, but, unlike Proiseact Uibhist 2000, it is a loose, and not a formally constituted network of existing organisations, such as Crofters Union, North Uist, Berneray Community Council, and North Uist Historical Society. After the end of the Dúthchas project, NUP was established in North Uist with the aim of implementing the sustainable community development strategy. NUP also successfully applied for three-year funding through the Rural Strategic Support Fund (RSSF). However, another year went by before co-financing approval through Scottish Natural Heritage and WI Council was obtained. In 2002, it was possible to employ a full-time project manager dealing with the project development in the fields of "tourism" and "local produce", as foreseen in the action plan. The project manager is responsible for the co-ordination between the participants, the completion of administrative tasks (applications, documentation etc.) and the supervision of ongoing projects.

Both initiatives have in common that they try to use and enhance local resources via cross-sectoral co-operations, namely under local management in accordance with a bottom-up approach. Furthermore, both the initiatives appointed full-time project-managers engaged in preparing the funding applications, in supervising the projects and in handling administrative tasks. The employment of project-managers is motivated by the otherwise time-consuming burden on the voluntary actors with that almost all bottom-up initiatives struggle. During Dúthchas, for example, it took more than three years to draw up the strategic and action plan which required an extensive commitment of time and effort from the participants – and left them quite dissatisfied as it did not lead to immediate effects or practical results. The participating partners of the NUP therefore decided to appoint a person who is now responsible for the realisation and implementation of the projects that had been so laboriously agreed during Dúthchas. They succeeded in getting funding for the post through the RSSF, nevertheless, another problem emerged which is very typical: Generally, these posts are temporary, lasting only for a few months or years and, consequently, often serve as a springboard for career advancements. The high staff fluctuation, however, implies that project continuity is not always maintained and that, in the longer run, also the establishment of a qualified service centre can be affected negatively. The general difficulty is that funding for personnel/salaries is usually linked to time-limited projects and cannot be obtained independent of a specific project. For pragmatic reasons, projects are then sometimes chosen according to the available funds instead of according to thematic requirements.

This could be avoided by adopting a broadly based regional development strategy at an early stage, which sets out clearly defined development aims,

as now realised for community planning or the CED. Another successful counter measure to this problem could be to set up permanently funded, locally based development offices that function as access points for locals and coordinating bodies for all local activities. Such offices could be similar to those set up in Lewis and Harris (Ness Development Ltd. and Harris Development Ltd.), where staffing nonetheless still depends on different funding schemes from various agencies (e.g. LEADER, WIE, the local authority, the SE Rural Partnership Scheme).

4.4 CONCLUSION

At present, Scotland undergoes a phase of "regional policy experiments" in which regional, national (Scottish) and European steering instruments (still) have little integrative effect, even though some interaction is noticeable. In regard to the institutions involved in economic development there is considerable fragmentation of responsibilities that often causes confusion, overlap and duplication.

The focus of regional policy in Scotland is on the country's peripheral, most disadvantaged rural areas, the Highlands and Islands. For this purpose, several development programmes have been drawn up and implemented from both "top-down" and "bottom-up". Many projects could only be realised through funding from European programmes, including those projects which otherwise would not have received national funding priority (like the funding of Dúthchas through the LIFE-Programme). In addition to the financial aspect of the European instruments, Scottish regional policy and its institutions were particularly influenced by LEADER, which was the first programme that explicitly adopted a "bottom-up" approach and "forced" the established institutions and agencies to integrate local private and civil actors. The establishment of the Community Economic Development Partnerships, for instance, clearly shows the impact LEADER had on Highland & Islands Enterprise as the key institution.

More importantly, the paradigm change towards participation, regionalisation and the so-called joined-up government is inseparably connected to the devolution process and Scottish autonomy. Institutions and authorities now allow, even ask for, greater involvement of local communities, voluntary groups and their representatives as these actors represent the social capital that is considered crucial for development. Yet the questions are how strong the political will for a more equal and transparent division of power really is and whether greater involvement also leads to real empowerment. There is the imminent danger that such participatory concepts only mask the real conflicts of interests that have evolved around the new development concepts such as community planning and fundamental issues like the land reform. Whether community planning can function without community land but with remaining rights of the landowners and without decentralisation of finance is questionable.

Additionally, it has to be noted that a co-ordinated strategy is (still) lacking in Scottish regional policy. Until recently there have been only a few attempts to streamline programmes according to national priorities for rural development and to systematically create structures to facilitate local development efforts. The fact that agencies and authorities are often reluctant to cooperate with non-institutional actor groups relates to lacking resources for partnership work. Even though it is the official postulate and a reality in most projects, "working in partnerships" still has an informal character. Tensions and difficulties arise from different priority concerns, but also result from divergences between strategic planning and local participation.

What is true for the vertical integration is equally true for the horizontal integration: The policy of an "integrated rural development" is being pursued and applied in projects on the regional and local level, but there is still a great gap between theory and practice on the national level. Local Rural Partnerships account for only 2–3 % of the total funds for rural development – agriculture still receives the lion's share. It is, therefore, important to develop efficient mechanisms to integrate selected political issues which are relevant to the peripheral rural areas.

Community planning attempts to co-ordinate and to integrate these various approaches. In contrast to the local and regional initiatives as well as the Initiative at the Edge, which pursues a spatial rather than a strategic approach, community planning is designed to set the strategic framework in the context of an integrated approach between institutions and the people. Thus, its function is to achieve both a horizontal – between the different political issues – and a vertical integration. Whether these ambitious goals will be realised remains to be seen.

5 JÄMTLAND, SWEDEN

*A part of Sweden is being absorbed
in the new global reality.
Another part stays behind.
Increasingly surreal.
Kerstin Ekman*

5.1 STRUCTURES AND DEVELOPMENT PERSPECTIVES

Jämtlands län is a scarcely populated Swedish county. Due to its very peripheral location in northern Scandinavia it has continuously been struggling with infrastructural and economic deficits.

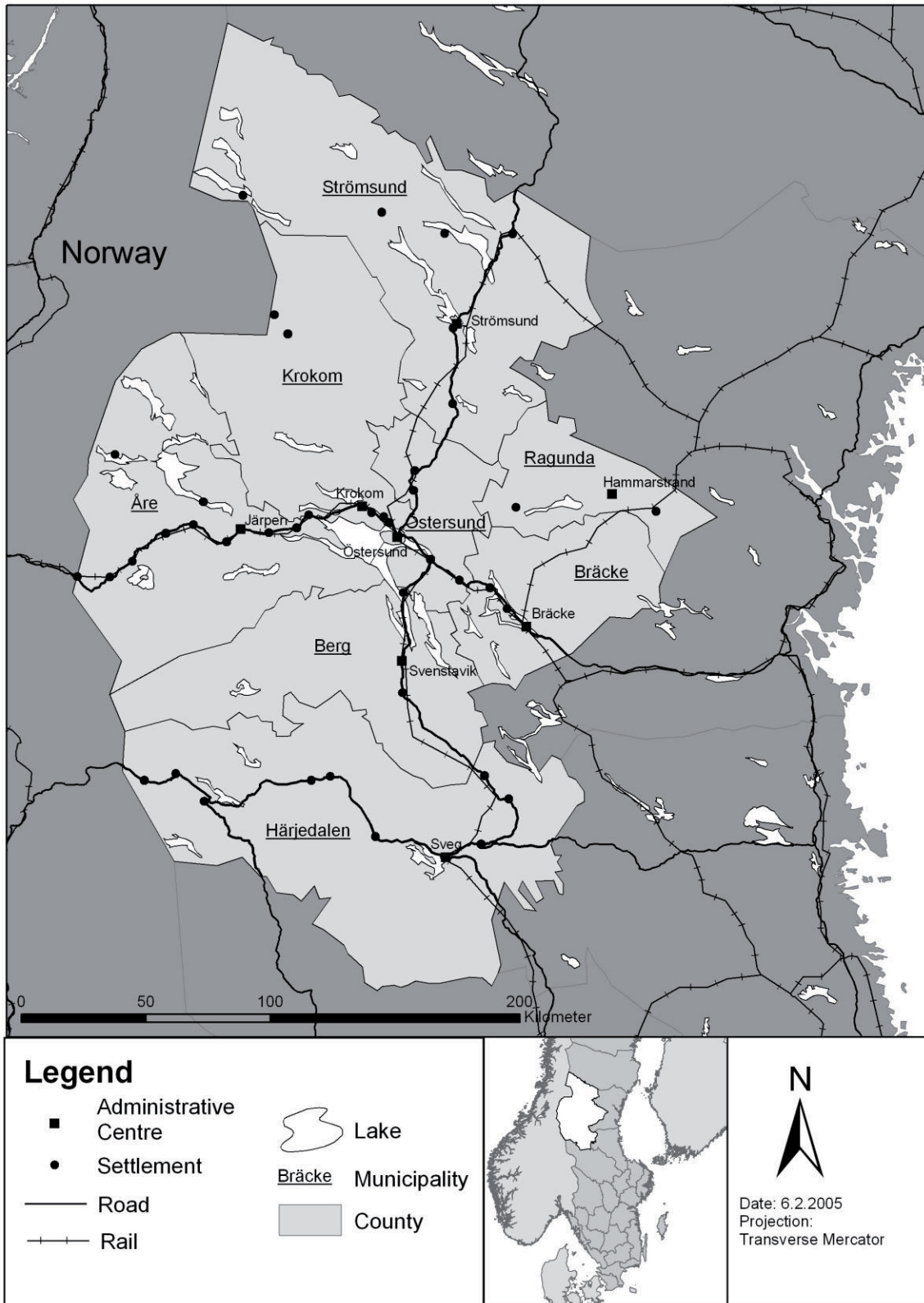
After a steep decline in population during the 1950s and 1960s and further losses since the mid-1990s, various innovative development schemes in education, information and communication technology and tourism have been initiated. The European Structural Policy (former Objective 6 funding, LEADER I and II, Objective 1) gave an important impulse, while recently the Regional Growth Agreement/Programme has been playing a central role. Originally, Jämtland was scheduled as one of five model regions for the trial run of a new "regional level" in Sweden, but opted out in the end for various reasons. The current situation is characterised by both, great expectations in regard to a sustainable socio-economic reinvigoration of the region on the basis of the named instruments on the one hand and profound insecurities in regard to the progress of the nation-wide regionalisation process on the other hand.

5.1.1 LANDSCAPE AND ADMINISTRATIVE STRUCTURE

At the regional level Sweden is subdivided into 24 counties (*län*) of which Jämtland is third⁵¹ in size with 49,443 km² or 12% of the national territory. All counties are headed by a County Administrative Board (*länstyrelsen*), the state authority at regional level. A second regional body is the County Council (*Landsting*), which is elected by the county's inhabitants and mainly responsible for the public health service and other regionally important matters, such as transport, culture, tourism and the support of small enterprises (cf. EUROPEAN COMMISSION 2000b: 17). Jämtlands län comprises eight municipalities (*kommuner*), Berg, Bräcke, Härjedalen, Krokom, Ragunda, Strömsund, Åre and Östersund, the latter being the county capital (cf. Figure 13).

⁵¹ after Norrbottens län (98,911 km²) and Västerbottens län (55,401 km²)

Figure 13: Administrative structure of Jämtlands Län

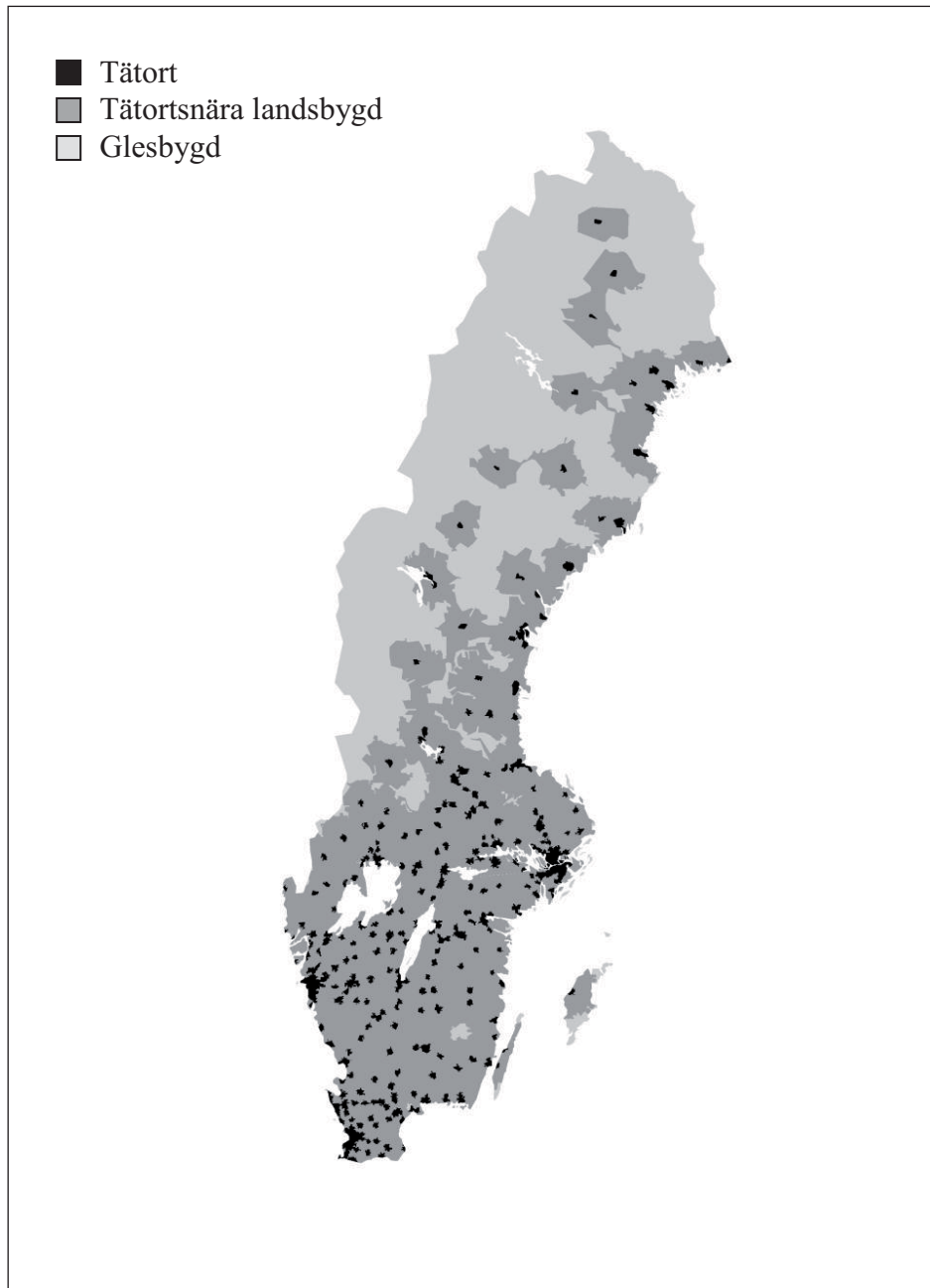


Source: Own design; cartography: T. Bockmühl

About 50% of the land surface is covered by forest and subalpine woodland, especially dominating in the eastern part of the county, followed by 25% mountain areas, mostly in the west along the Norwegian border and in the

southern part of the county, Härjedalen. Another dominating landscape feature is the *Storsjön*, the fifth biggest lake in Sweden with 456 km².⁵² About 10% of the land (5,090.37 km²) is protected as nature reserves, including the National Park Sånfjället in Härjedalen municipality.

Figure 14: Spatial categories of the Glesbygdsverket



Source: Glesbygdsverket 2003: 19

According to the definition of the *Glesbygdsverket* (Swedish National Rural Development Agency) the County of Jämtland falls into the category of the inner forest provinces (*skoglänens inland*). Most of the area is defined as *glesbygd* (sparsely populated area), only the surroundings of Östersund and

⁵²The lake is home to *Hydrogiganta Monstruoidae Jemtlandicum*, a relative of the Scottish Nessie. The Storsjö monster has even been protected by law since 1986.

Strömsund are defined as *tätortsnära landsbygd* (rural area close to a central place) (cf. Figure 14).⁵³

5.1.2 INFRASTRUCTURE AND TRANSPORTATION

Jämtlands län belongs to Mid-Sweden; the distance to the North Cape is still about 1000 km, while the distance to Stockholm is about 500 km. Figure 13 shows that the main road and rail axes cross the county in north-south and east-west direction, all meeting in the county's capital Östersund. The main road 45 runs between Gothenburg and Karesuando while the E14 runs between Sundsvall at the Baltic to Trondheim in Norway at the North Sea. The Main Northern Railway Line comes from the south and the Mid-Sweden Line from the east coast, both crossing Jämtland in east-west direction and ending in Östersund. The connection between Östersund and Trondheim has recently been reactivated with two departures per day in each direction. The Inland Line, an important freight line, passes the county in north-south direction and is also used as a tourist line during the summer season. There are direct passenger links to the three main Swedish cities, Stockholm (ca. 6 hours), Gothenburg and Malmö. Östersund's airport offers scheduled flights to Stockholm, Umeå and Luleå, the small airport in Sveg has direct flights to Stockholm.

While connections by public transport from Östersund to the urban centres outside Jämtland are quite frequent and fast, travelling within the county is more difficult as the settlement structure is disperse. Table 14 shows the average distances to basic services in Jämtland in comparison with Sweden.

Table 14: Distances from home to nearest food shop/post office 2001 [percentage of families]

Distance [km]	Food shop Jämtland	Food shop Sweden	Post office Jämtland	Post office Sweden
Below 10	92.6	98.2	81.7	94.3
10 - 20	5.7	1.6	9.3	4.8
20 - 30	1.4	0.1	5.4	0.6
30 - 40	0.3	0.0	2.2	0.2
More than 40	0.0	0.0	1.3	0.1

Source of data: County Administrative Board of Jämtland 2003b: 29

The distances have generally increased in Sweden since the beginning of a concentration process in the food retail sector in the 1950s, but were especially drastic in the *glesbygd* area. Even between 1996 and 2001 the number of stores has sunk by 12% despite subsidies for single-shop owners

⁵³ Definitions: *glesbygd* = more than 45 min drive to the next locality with more than 3000 inhabitants; *tätortsnära landsbygd* = 5 to 45 min drive to the next locality with more than 3000 inhabitants; *tätort* = localities with more than 3000 inhabitants or in reach within 5 min drive (GLESBYGDSVERKET 2003: 18)

or cooperatives (LÖFFLER 2004: 22/24). Facilitating factors are growing out-migration and an increased mobility or willingness to travel longer distances.

Needless to say that car ownership in Jämtland is higher than in Sweden (506 compared with 454 cars per 1,000 inhabitants⁵⁴). The road network is generally well developed and in good condition, but gravel roads and snow make travelling relatively slow, especially in the mountainous areas. On the other hand, crossing the lake in winter may be quicker as the ferry services are substituted by ice-ways.

Because of the low population density (2.6 inhabitants per km²) and higher transport costs public services and goods supply are more expensive and regularly subject of discussion. Municipality gross costs of 2001 show that the overall spending per inhabitant in Jämtland exceeds the Swedish average by ca. 3000 Euro⁵⁵. While costs for elderly and disabled, for infrastructure and for schools are higher than the Swedish average, the spending for child care, individual and family care, culture and recreation is considerably lower - probably also a consequence of more money being bound to the former items.

School closures did not occur in great numbers over previous year as had been feared, but will be more likely in the future due to low birth rates (cf. Chapter 5.1.5).

5.1.3 HISTORY AND CULTURE

The first settlers came to Jämtland between 7000 and 6000 B.C., and as early as the 13th century great parts of the county were settled, whereas especially the shores of the Storsjön with their fertile soil and relatively mild micro-climate were preferred for permanent settlement. During medieval times the Storsjön area profited from its favourably geographical location alongside the main trade route and pilgrimage to Trondheim. The 14th century, however, saw a drastic reduction in population figure because of the Black Death and also deteriorated soils due to overpopulation.

Politically, Jämtland represented constant source of conflict between Sweden and Norway throughout centuries. Since Christianisation during the 11th century, there was some Swedish influence represented by the church, but the political circumstances remained unclear and Jämtland stayed – despite Norwegian administration – relatively autonomous until the 16th century. Beginning with the Seven Years' War in 1563, Jämtland entered a 100 years period of wars between Denmark/Norway and Sweden and as a consequence alternated in being either Danish/Norwegian or Swedish territory several times. Finally, in 1645 Sweden acquired Gotland, Halland and also Jämtland from Denmark by the Peace of Brömsebro and in the following introduced several measures (e.g. introduction of the Swedish language as lingua

⁵⁴ Source of data: County Administrative Board of Jämtland 2003: 29

⁵⁵ Source of data: County Administrative Board of Jämtland 2003: 32

franca, Swedish schools) in order to turn the population of Jämtland into Swedish subjects. Alongside these cultural measures the road network and the postal system were improved, meaning that they became stronger oriented towards the Swedish territory and Stockholm. The Jämtish population was reluctant to these measures, especially when the Swedish authorities tried to re-orientate the traditional western trade routes towards Sweden. Perhaps, being the bone of contention for such a long time adds to the strong regional identity that find its expression today in the survival of the regional dialect/language *Jamska* and also in the – humorous – "Liberation movement" which claims the autonomous "Republic of Jämtland" once a year.

Under the utilitarian policy during the 18th century, Jämtland flourished. Between 1750 and 1850 the population more than doubled from 16,500 to 45,000 inhabitants, with immigrants being allured by various beneficiaries from Dalarna, Värmland, Frostviken in Norway and even Finland. Settlement was extended to the so far uninhabited areas, especially in the northern and inner woodlands, and in 1786, the garrison town Östersund was founded by King Gustav III. Permanent settlement in those parts was only possible through the combination of agriculture during the short vegetation period in summer and forestry during the winter months. The former common forest had been privatised and been given to the farmers until 1820, and a growing demand for timber led to the formation of numerous small sawmills. This rather decentralised structure changed in the middle of the 19th century: During 1858 and 1868 one third of the farmers' forests were leased to incoming sawmill companies, which in turn employed the former owners as lumberjacks during the winter months. Most of the lots were leased for 50 years, but many were sold thereafter. Both brought the farmers a high and stable income, but at the same time made them dependent on the timber industry. Additionally, the timber was mostly processed outside the county until finally in 1882 the railway to Trondheim was inaugurated. As a consequence, some sawmills were founded in western Jämtland.

The railway initiated a rapid growth of Östersund and also facilitated the start of a new business – tourism. But it also initiated a radical change of the agricultural structure: Grain from southern Sweden could now be imported and was cheaper than the grain produced by the farmers in Jämtland, while at the same time the demand of regional dairy products and meat increased because of the higher numbers of workers and civil servants. As a consequence, most of the fields and even woodland were turned into pastures, creating a land use structure that has persisted until today.

All in all, the combination of agriculture and forestry had been functioning for centuries and perfectly matched the regional conditions. Until the 1950s the majority of the economically active population worked in the primary industries, which led to severe problems when mechanisation and industrialisation were introduced to the area. Consequently, unemployment and migration figures sky-rocketed for a whole decade (cf. Chapter 4.1.4 and 5.1.5) and many farms were abandoned, turning Jämtland into a "problem area".

5.1.4 ECONOMY

Like in most rural regions in Western Europe, the first sector has lost its central importance as an employer in Jämtland: Only 4.2% of all employees work in this sector, compared to 19.9% in the second and 74.2% in the third sector (cf. Table 15).

Table 15: Economically active population of Jämtland by industry in 2001

Industry	Employees [%]
Agriculture, forestry, hunting, fishing	4.2
Primary Sector	4.2
Mining and manufacturing	13.0
Energy and water supply, sewage	1.3
Construction	5.6
Secondary sector	19.9
Trade, transport, storage, communication	15.6
Credit institutes, property management, business services	11.5
Civil authorities, defence, international org.	7.3
Research and development, education	9.3
Personal and cultural services	8.1
Health and medical care, social services, vets	22.3
Third Sector	74.2
Industry unknown	1.7

Source of data: County Administrative Board of Jämtland 2003b: 26

Due to a less favourable climate and the relatively short vegetation period (170 days) the cultivated land is limited to only 1% of the total area of the county. There is only some minor cultivation of oats, potatoes, vegetables and strawberries, while the agricultural land use is dominated by ley and pasture (ca. 80%). A relatively large amount of food processing is carried out in the county. The dairy industry has the biggest share, and recently, small-scale food processing of local raw materials (especially of goat cheese but also meat products and berries) has been revived and is further supported by a number of organisations. Of all livestock, reindeer outnumber all others: 95 registered companies in Jämtland herd more than 40,000 animals in the mountainous areas of the county. The reindeer industry is dominated by the Sami people whose right to land and water and to husband reindeer is guaranteed by the Swedish constitution, but nevertheless is sometimes threatened by competing land uses (especially forestry, tourism, hunting) and by private land-ownership. Naturally, this type of business does not generate a high number of jobs and many of the herdsmen have additional forms of income (e.g. in tourism specialised in Sami culture). Economically,

forestry and wood processing play a bigger role than agriculture, being responsible for the largest net exports of the county's total industries. Nevertheless, 66% of the wood leaves the county unprocessed (cf. FEDERATION OF SWEDISH FARMERS et al. 2001: 6). Typically, forestry does not generate a large number of jobs anymore because it is highly mechanised.

Within the Third Sector about one third of the employees works in social services or health care which is quite typical for the rural regions of Sweden. Tourism⁵⁶ is another important and growing area of employment – although not specifically indicated in Table 15. With 25% and 14% tourism-related employment in the municipalities of Åre and Härjedalen is well above the Jämtland and Sweden average of 10% and 8.5%. However, one has to take into account that tourism employment in Åre mainly relies on – seasonal - ski-tourism.

In 1995, the GDP per capita was 132.3% (figure in relation to EU25-average in 1995), but has been sinking constantly ever since. In 2002, the GDP was 112.4%, still above the European average, but below the Swedish average (135.9%); only in Södermanlands län and Gotlands län the GDP was lower than in Jämtland⁵⁷. Another striking characteristic of the economic structure is that 95% of the companies have less than 10 employees.

The unemployment rates in the county are not considerably higher than the Swedish average: In 2002, 4.7% of the men and 2.7% of the women were unemployed compared with 3.8% and 3.0% in the whole of Sweden. These figures do not include persons taking part in labour market measures, though, which exceed the national average and show the relative importance of these schemes in the peripheral Swedish areas. In 2002, 4.5% of the men and 3.2% of the women in Jämtland were involved in different labour market measures, whereas it was only 2.3% and 2.0% in Sweden. All together, male unemployment in Jämtland exceeds the national average by 3.1%, the female unemployment only by 0.9%. This is probably related to the fact that significantly more men work in the classic industries of the first and second sector, while women occupy more jobs in the public services (esp. health and social care, education).

5.1.5 DEMOGRAPHICS

The most eye-catching feature of the Swedish case study is the low population density of 2.6 inhabitants per km² which is representative for the Scandinavian and Swedish north. About one half (58,156) of Jämtland's 127,947 inhabitants lives in the regional capital Östersund which is a first indicator for the uneven settlement pattern within the county⁵⁸. Most of the

⁵⁶ Related sectors given here are retail trade, hotel and restaurant business, zoos, nature reserves, botanical gardens, funfairs, cultural sites, skiing facilities etc.

⁵⁷ The GDP levels in the northernmost counties are relatively high due to mining, processing industries (pulp and paper) and hydroelectricity plants. Despite the high economic turnover, problems are severe as those branches are not labour-intensive, and the public sector is generally the most important employer.

⁵⁸ Source of data: County Administrative Board of Jämtland (2003: 3), figures for 2002

settlement is concentrated in the Storsjö area and along the main road axes in the municipalities of Östersund, Krokoms and Åre.

Out-migration and disproportionate age structure are also challenges in this case study area. Table 16 shows the total population changes during the last century until today. After a temporary low in the 1960s, which was connected to the structural change in agriculture and forestry, the total population change was slightly positive until 1994. But the second half of the 1990s witnessed severe out-migration plus a negative natural population change (cf. Table 17). Jämtlands län was among the worst hit regions in Sweden between 1995 and 2000, and the negative trend has not been stopped as in 2002 the population has even further decreased to 127,947.

Table 16: Total population changes 1895 – 2000 in Jämtlands Län

1895:	104,259	1955:	144,880	1980:	134,934
1910:	118,115	1965:	131,000	1990:	135,726
1945:	143,213	1970:	131,289	2000:	129,566

Source of data: www.statoids.com 2005 (1895-1965);

County Administrative Board of Jämtland 2000: 10 (1970-2000)

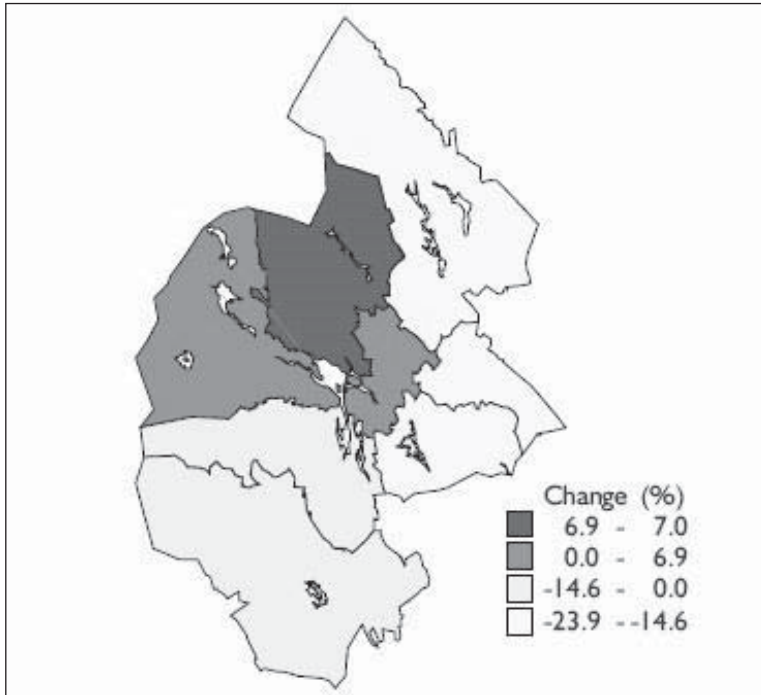
Table 17: Demographic indicators for Jämtlands Län 1990 – 2000

Total pop. change, annual average,		Total pop. change, annual average, ‰		Natural change, annual average, ‰		Net migration, annual average, ‰	
1990 -94	1995-00	1990-94	1995-00	1990-94	1995-00	1990-94	1995-00
+302	-1,123	+2.2	-8.4	-0.1	-3.7	+2.3	-4.7

Source of data: Nordregio 2002:101

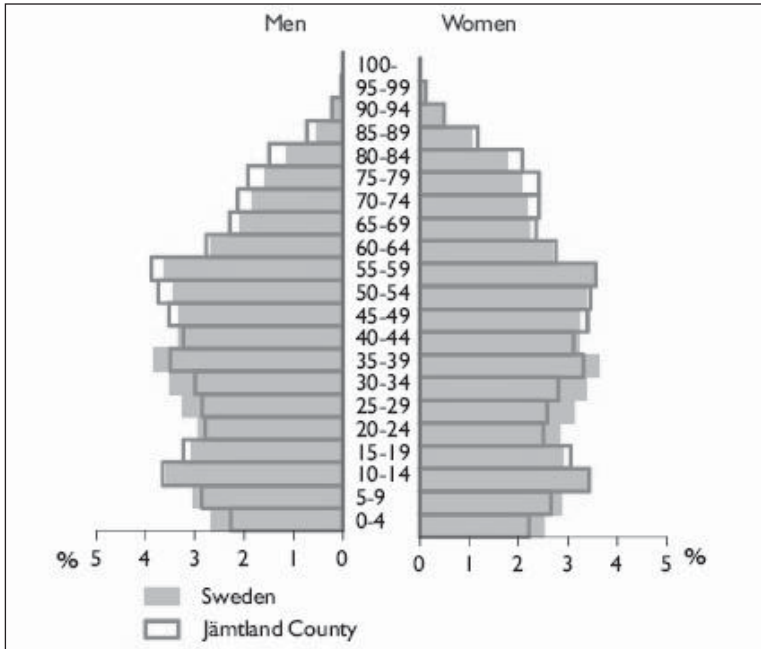
Figure 15 shows that the municipalities with more concentrated settlement gained population between 1977 and 2002, which was largely due to county-internal migration towards the regional centre Östersund and its adjacent areas. In fact, Östersund managed to act as a barrier to regional population loss until the mid-1990s, but after that was no longer able to stem the tide. Until the early 1990s Östersund had a positive migration balance that turned negative at the end of the decade (cf. HANELL/AALBU/NEUBAUER 2002: 22).

Figure 15: Population Changes 1977 – 2002 [%]



Source: County Administrative Board of Jämtland 2003b: 11

Figure 16: Population age structure in Jämtlands Län 2002



Source: County Administrative Board of Jämtland 2003b: 9

Selective demographic losses add further pressure to the already unfavourable age structure in Jämtland. Figure 16 shows clearly that the age group between 20 and 39 is underrepresented, while the age group 60 and older is overrepresented compared with the Swedish average. This is obviously due to selective out-migration of the young, seeking tertiary education or gainful employment outside the county. As this age group is

also the reproductive one, it is not surprising, that children under 6 are also underrepresented in Jämtland.

5.2 THE NATIONAL FRAMEWORK: REGIONAL DEVELOPMENT POLICY IN SWEDEN

Since the 1950/60s Swedish policy has first and foremost aimed at reducing the disparities between regions and at providing equal opportunities to all citizens throughout the large country. Indeed, Sweden remains the country in the EU with the smallest regional differences. The sparsely populated areas in the north used to be the main "problem" regions, but this pattern started to change in the 1970s when some industrialised regions suffered a major economic crisis. The vast expansion of the public sector during the 1970s and 1980s levelled the growing regional imbalance for some years, but this was not an option in the economic crisis of the 1990s. In fact, this structural heritage turned into a problem in many regions when services were increasingly privatised. While Chapter 4.1 outlined Jämtland's main problems and their causes, this chapter will describe the central features of regional policy at the national level in general terms.

5.2.1 SWEDISH REGIONAL POLICY UNTIL THE 1990s: BETWEEN WELFARE, REDISTRIBUTION AND DEVELOPMENT

Swedish regional policy dates back to the middle of the 1960s, when the severe structural change during the 1950s had led to an imbalance in the development of expanding industrial districts in the southern part of Sweden on one hand, and of emptying rural regions in the northern parts on the other. Strongly influenced by economic stage and growth-pole theories, the Swedish government introduced the concept of "localisation policy" in the form of direct support of industry in regions that were "lagging behind" (cf. FOSS et al. 2000, HÄRTLING 1988). Although the crisis in the secondary sector was already looming, support was restricted to manufacturing, while general infrastructure, education and research were ignored. Another negative aspect was that companies from stagnating industries used the financial support to relocate. For innovative firms it was hardly attractive as they depended on highly qualified employees.

At the beginning of the 1970s, the term "regional policy" was officially introduced, and the concepts of growth-oriented policy were extended to a policy "oriented towards distributing and transferring public expenditures" (Foss et al. 2000: 10). Regional planning – although centrally regulated by the national government and its agencies – was intended to be complementary to the direct support of industries, which had not shown the results that were hoped for. This led to the spatial classification of two, and later three, different zones that were eligible for subsidies (cf. Table 18). One of the new measures was the relocation of several branches of governmental agencies to (previously categorised) regional centres which were supposed to function as growth poles, just like the supported industries.

In other words, the intra-regional balance was de-prioritised at the expense of regional balance (Foss et al. 2000: 10).

Table 18: Chronology of Swedish regional policy 1965 - 1985 by relevant (Draft) Bills

Year of Introduction	Content of Bill	Spatial Classification
1964	Aim: equal living-conditions and economic growth; for the first time direct support of industry and tourism	General Support Zone (whole Northern Sweden)
1970	Continuation of economic assistance, introduction of the term regional policy	Differentiation between Inner Support Zone (inland of Northern Sweden) and Outer Support Zone (coastal areas)
1972	Definition of regional policy and spatial planning; introduction of special support for <i>glesbygd</i> as part of the regional policy	Definition of a third support zone called Grey Zone (1973)
1975/76	Creation of special regional labour market regions; improvement of social services	
1978/79	Decentralisation of regional policy: County Administrative Boards obtain more rights	Differentiation of six Support Zones
1981/82	Introduction of Regional Policy Funds in responsibility of County Administrative Boards	Reduction to three Support Zones (A-C)
1984/85	More emphasis on reduction of regional disparities; special support for education, research and endogenous regional development	

Source: HÄRTLING 1988: 101 (own translation)

During the cyclical stagnation of the 1970s, when the steel, ship-building and textile industries were hit hard, state intervention, welfare and redistribution policy remained undisputed despite a shrinking budget. As a consequence, measures were extended to the affected regions in southern Sweden and regional and labour market policies were more closely interlinked. In addition, educational and vocational training facilities such as universities and technical centres were introduced in the north of Sweden (e.g. in Umeå, Luleå, Östersund and Boden).

The year of 1979 marked an important change in Swedish regional policy. As a reaction to the economic crisis and recession, criticism of the conventional regional policy, which had focused on manufacturing industry, became louder. Like in other European countries, strategies evolved that were to be based on a profound analysis of the regions' problems and their endogenous potentials. As first steps six different support zones were classified (cf. Table 18), while more rights to influence regional development were granted to the County Administrative Boards. The latter measure was subject of controversial discussion, even though final control and overall responsibility for regional policy did stay with the Ministry of Industry. Different schemes were combined in the newly introduced Regional Policy Funds that were administered by the County Administrative Boards which were accountable to the Ministry for the application of funds and had to write an annual *länsrapport* (provincial report) in cooperation with the municipalities, the County Council and other agencies.

In addition, pay-roll tax reductions in some northern regions were to compensate for higher transport costs and therefore stimulate the demand for labour and in the long run the shift to more service-oriented activities.

Table 18 gives an overview of the regional policy bills and the related classification of support zones between 1965 and 1985.

Between the 1960s and 1980s, the basic aims of Swedish regional policy had been to increase welfare and equality for all citizens in terms of income, access to the labour market, education, healthcare etc. Even though different phases of regional policy can be identified in terms of strategic emphasis (cf. Table 19), state intervention in all policy fields and redistribution of means in order to support weak regions had been the general consensus and were not questioned. Spatially, the Swedish regional policy was concerned mainly with the northern – particularly inland – parts of the country. Nevertheless, a certain regionalisation of industrial policy can be observed from the late 1970s, although it was not consistently implemented until the mid-1990s (cf. QUIOGUE 2005, ÖSTHOL/SVENSSON 2002).

Table 19: Phases of Swedish regional policy 1965 - 1995

1965 – 1972	Localisation policy oriented towards industrial policy, inter-regional balance
1972 – 1976	Central place policy where regional planning is a central ingredient, inter-regional balance
1976 – 1985	Employment policy – regional mobilisation of jobs, integration of local labour markets, intra-regional balance
1985 – 1994	Upgrading of human capital, regional competence development, inter-regional balance
since 1994	EU-adjustment, regional growth policy, inter-regional cohesion

Source: Foss et al. 2000: 11

During the early 1990s, Sweden experienced its worst state budget crisis since the great depression of the 1930s and the pattern of disparities became more fragmented, both inter-regionally as well as intra-regionally. This led to a diminished budget for regional policy confronted with a more complex situation, seriously questioning the redistributive role of the state. At the same time, Sweden was aligning its policies to EU regulations in order to join the Union in 1995 and was therefore forced to reduce state expenditures and those measures (e.g. direct subsidies) that were in conflict with the EU free market rules. Additionally, adequate administrative structures became necessary for the implementation of the EU Structural Funds (cf. MORGAN/SOL 2002, WESTHOLM 1999: 143ff).

The government proposition of 1993/94 marked the paradigm shift from a regional policy that is mainly concerned with regional balance to one that is oriented towards national growth. Instead of emphasizing the equalisation among regions, often through direct support of particular industries and branches, growth and development of all regions to benefit national growth were now being promoted. The model of a strong, fatherly state that redistributes the means and sets the rules had developed into a model where all regions are to initiate an endogenous, individual development process, facilitated mostly by their own resources and by various regional actors.

Surely inspired by the outcomes of the first programmes financed by the EU Structural Funds, this strategy was continued and complemented with the so-called Regional Growth Agreements (RGA) in 1998. The counties – represented by the County Administrative Boards or the experimental forms of regional self-government in the counties Skåne, Västra Götaland, Kalmar, Gotland (cf. Chapter 5.2.3.1) – were invited to develop regional programmes in cooperation with various actors, such as municipalities, private firms, volunteers associations. The three-year contracts with the government included regional priorities and intended measures. Broad public-private partnerships and business involvement at the regional level were particularly emphasized, intending "[...] to improve and better coordinate the use of already existing resources within industrial, regional and labour market policy on the basis of regional needs and priorities" (ÖSTHOL/SVENSSON 2002: 89/90). As no additional financial resources were provided for the RGAs, they were primarily a state-led, coordinating instrument. By 2000, growth agreements had been created in all 21 counties and implemented soon afterwards, until they in turn were replaced by the Regional Growth Programme (RGP), which has now become the key instrument of Swedish regional policy (see below).

5.2.2 FROM REGIONAL POLICY TO REGIONAL DEVELOPMENT POLICY

5.2.2.1 THE TRADITIONAL RHIZOME

Despite the modern sprouts Swedish regional policy still has a traditional rhizome. The Ministry of Industry, Employment and Communication, headed by three ministers (Industry and Trade; Communications and Regional

Policy; Employment), is responsible for the narrow regional policy and also for a range of related policies, such as labour market policy, infrastructure, transport, tourism, research and development, business development etc. With the emergence of the RGAs the former Ministry of Trade and Industry was restructured itself, reflecting a broadened understanding of regional policy.

Today, regional development has still a separate budget (SEK 3.5 billion in 2005), consisting of

- direct financial incentives (e.g. investment grants, seed financing, co-funding of EU Structural Fund programmes),
- indirect development incentives (e.g. support for soft investments in single companies, development projects for local authorities and rural villages), and
- subsidies for operating costs (e.g. transport, employment).

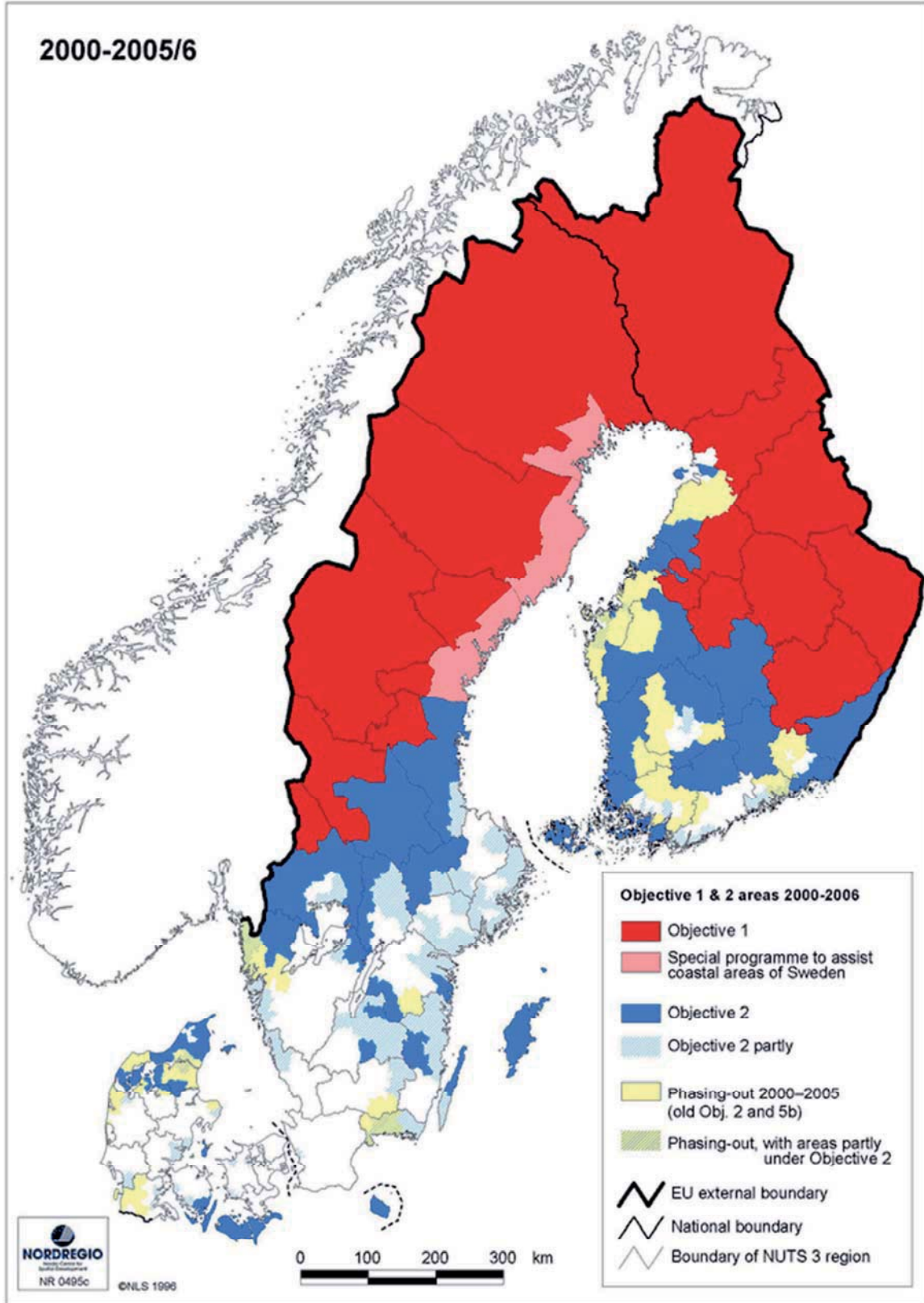
Additionally, there are tax incentives in form of reduced social security contributions for companies in peripheral regions (cf. HANELL/AALBU/NEUBAUER 2002: 43).

Currently, two national support zones are designated for public investment aid, awarded in two different grant schemes, the Regional Development Grant and the Employment Grant. *Stödområde A* comprises the sparsely populated northern Swedish inland and *Stödområde B* the adjacent areas along the coast and parts of the industrial restructuring areas of central Sweden. These areas correspond closely with the Objective 1 and 2 areas of the European Structural Fund programme 2000 – 2006 (cf. Figure 17).

The main implementing body for regional policy measures and for Structural Funds coordination at the national level is the Swedish Business Development Agency (NUTEK – *Verket för näringslivsutveckling*). The Swedish central state administration is divided into ministries and subordinated government agencies, like NUTEK, whose status is relatively autonomous. While the ministries prepare government bills and develop the general policy goals, the agencies conduct research in their respective fields of responsibility, make proposals and contribute to the implementation of the policy by processing sovereign tasks as control and regulation. Their weight becomes quite obvious in the number of employees: In total, all state agencies have about 250,000 employees compared to the ministries with approximately 2,000.

Apart from the regional incentive support, the fiscal redistribution system between the municipalities is worth mentioning: Operated by the Ministry of Finance, this is by far the most important mechanism for promoting equity between the regions, all together ca. SEK 70 billion per year.

Figure 17: Objective 1 and 2 areas 2000-2006 in Sweden



Source: Nordregio 1996

5.2.2.2 RECENT POLICY OBJECTIVES AND KEY INSTRUMENTS

Although the traditional measures targeted on the described support areas still exist, their importance and scope have diminished in recent years, including a significant decline of financial allocations. As already stated, the emphasis of Swedish regional policy has shifted from equalizing living conditions and supporting weak regions to encouraging economic growth and better functioning of all regions. While before regional policy was understood as a "redistribution of wealth", it is now seen as "help to enable self-help", involving several actors who share responsibilities in form of networks, partnerships and clusters. While before firms were the main addressees of direct support, support is now being provided indirectly by strengthening the business climate and entrepreneurship.

The most recent Government Bill "*En politik för tillväxt och livskraft i hela landet*" was passed in September of 2001, merging the "regional policy" and the "regional industrial policy" into "regional development policy", expressing a broader regional policy understanding. The overall objective of the 2001 Government Bill is the achievement of "well functioning and sustainable local labour market regions with an acceptable level of service in all parts of the country" (MINISTRY OF INDUSTRY 2001a: 5). This objective is to be achieved through:

- *Horizontal policy objective*
Government bodies are to aim at achieving the objective of regional development in their activities.
- *Clearer regional responsibility in some policy areas and developed overall view*
The policy should be implemented primarily in policy spheres where investment and other activities are very important for regional development, such as regional development policy, trade and industry policy, labour market policy, education policy, transport policy, innovation policy, rural development policy, cultural policy.
- *Clear distribution of responsibility between government and local authorities*
This is linked to the Government Bill on regional organisation (2001/02:7) which allows the creation of municipal cooperation bodies within county boundaries from 2003 on. These bodies are to draw up Regional Development Programmes which include the Regional Growth Programmes and regional infrastructure planning (see below and Chapter 5.2.3.1). Central government also aims at working in partnerships.
- *Learning processes and programmes as instruments for development*
Knowledge and experience should be used more methodically to renew development policy and cross-sectoral working methods, programming and benchmarking is encouraged.
- *Regional comparison as a driving force for change*
National and international comparison between regions is thought to strengthen their own development work.

These implementation strategies show that the new policy is a whole-country approach (cf. QUIOGUE 2005) and a decentralized, competitive approach at the same time. It applies to all regions regardless of their characteristics and is thought to be then adapted to the regional differences and conditions.

Consequently, it was considered necessary to adapt also the policy instruments to the conditions in the regions. Therefore, the Regional Growth Agreements were extended until 2003 in 2001, and with the start of a new programme period, they became the Regional Growth Programmes that were implemented in 2004 and will run until 2007. As their predecessors, the Regional Growth Programmes are primarily an instrument of policy coordination and strategic planning at county level and act as a binding framework for regional funds whilst they are not associated with any specific funding themselves. They focus on business, including analysis, objectives, regional priorities, a plan for financing, implementation and evaluation. Additionally, the Regional Development Programmes (RDP) have been introduced, an umbrella document for various forms of development measures without any allocated funds, "that must be taken into account by the RGPs, county plans and national programmes" (QUIOGUE 2005: 17).

5.2.3 CONSEQUENCES OF THE NEW REGIONAL DEVELOPMENT POLICY

5.2.3.1 REGIONALISATION AND DECENTRALISATION

The regional reform debate evolved concomitantly with the state budget crisis and the discussion about necessary changes in regional policies. Preparing for EU-membership further accelerated the change of perspective, from a national to a European, or even global, one. In this new perspective, all Swedish regions as well as Sweden as a whole appeared to be peripheral, struggling to persist in the international competition. Therefore, the debate about regionalisation and decentralisation has been strongly connected to the question of how to make the Swedish system and regions fit for the European market (cf. JOHANSSON 2000: 150). Regionalisation in Sweden is therefore rather a consequence of a regional policy reform initiated by the national level than a bottom-up process. Already in 1991 a public commission was formed to suggest alternative models for regional government, but until today a reform has not been accomplished as there is a strong determination across all governmental levels to preserve the Swedish unitary state. Even if regional self-government does not necessarily have to threaten or undermine central government, there is, however, a feeling that it would be the first step in the direction of strictly opposed federalism.

Within this process, the RGAs and RGP themselves increased the pressure for a regional government reform as they put the institutional arrangement around regional policies to the test and especially triggered a debate on the democratic legitimacy of the County Administrative Boards. In the beginning, however, the RGAs were not matched with any type of institutional change that would determine the conditions for the sector-coordination called for (cf. ÖSTHOL/SVENSSON 2002: 237). They were often criticised for their informal

character in regard to the decision-making process and the lack of devolved powers as well as clear objectives and substantial resources. ÖSTHOL/SVENSSON (2002: 237) further state:

As a consequence of the top-down character of these initiatives and the contested 'regional leadership', regions generally failed in involving the traditionally important local level in the strategic partnership process.

On the other side, it was problematic to integrate the various national agencies, such as NUTEK, VINNOVA and especially AMV⁵⁹, in the partnership process at regional level. MORGAN/SOL (2002: 30) criticise:

The co-ordinating role of the national agencies in the RGA process has been ambiguous. They seem to have focused on providing information to the project partnerships but their role in guiding or providing funding to the RGAs appears to have been minimal.

The national agencies obviously missed out on developing a clear set of objectives regarding the RGA process, let alone objectives that are consistent with the RGA aims. They seem to contribute to the partnership process – as long as it fits their own agenda and business plan. Consequently, clear tasks, roles and responsibilities of the participating organisations and actors still need to be developed.

Unlike the RGAs that were mainly coordinated and formulated under the guidance of the County Administrative Boards (CABs), the RGP is linked to an important institutional and legislative change: In 2001, a new bill on regional cooperation and governmental regional administration (*Regional samverkan och statlig länsförvaltning*, 2001/02: 07) introduced the option for all municipalities to form a cooperative body by unanimous agreement, which would take over regional development functions from the CAB and also tasks from the County Council. These new bodies, which are based on the elected municipalities, would be democratically accountable and also closely tied to the local political process. In 2003, five counties adopted this model, though none of them in the northern part of Sweden.

The creation of the municipality cooperation bodies is based on the experience of the "Kalmar model", the obviously favoured one of the four administrative pilot schemes that were introduced in 1997 and extended to 2006 in 2002. Four counties, Kalmar, Skåne, Västra Götaland and Gotland, have implemented three different types of regional self-government, testing alternative models for the organisation of the intermediate level of government⁶⁰.

⁵⁹ NUTEK: Swedish Business Development Agency; VINNOVA: Swedish Agency for Developing Innovation Systems; AMV: Labour market administration

⁶⁰ Kalmar model: municipality-based regions with an indirectly elected assembly of 45 representatives and an executive regional board of 13 members appointed by the municipalities; Skåne and Västra Götaland: directly elected Regional Councils with 149 representatives; Gotland: municipality as the region, special solution for the island counties; confer also GLIBMANN 2004, KRANTZ 2002, JOHANSSON 2000, STRÖM 1999

So far, the Swedish unitary state system has power substantially devolved to the municipalities, but not to the regional level (cf. BALCHIN/SÝKORA 1999). Here, the CABs act as a non-elected, multi-sector state agency with an appointed governor, responsible for the implementation of national and EU-schemes. The elected regional body, the County Council, is mainly responsible for health care, regional transport and education issues but has hardly any saying or budget in matters of regional (economic) development. The strong and autonomous municipalities have a monopoly in spatial planning and are responsible for the provision of most basic services (primary and secondary education, caring services, physical infrastructure, etc.). Additionally, they usually give much weight to the support of economic development, which sometimes made them reluctant to the introduction of or contribution to regional self-government primarily for this purpose. The Swedish Association of Local Authorities though, strongly supports the establishment of the municipality cooperation bodies, stating, however, that the idea is welcomed quite differently throughout the country: While in southern Sweden municipalities pleaded early – in some cases, like in Kalmar, even before EU-membership – for cooperation and a strengthened regional self-government, in northern Sweden they seem to fear fragmentation as it could mean the fading of the long-lived financial support (cf. interviews with OTTOSON and WESTMAN, February 26 and 28, 2003).

At the moment it cannot be foreseen how these new bodies will work in practice and whether they might indeed be the first steps in direction of regional self-government, taking over responsibilities for regional development and service provisions from the other two regional players, the CABs and the County Councils. However, their future status and democratic foundation are still unclear as they are established in parallel with these two institutions – which most likely will plead for their influences and survival. Therefore, the establishment of the municipality cooperation bodies could mean a "duplication of effort".

5.2.3.2 THE ABSENCE OF A RURAL POLICY

Initially, the RGAs were intended to be an instrument by which the influence over the state budget was to be regionalised and sector coordination realised in order to make more efficient use of the existing funds. But as stated in the above chapter, the various governmental agencies involved had their own particular goals which did not necessarily coincide with the regional priorities. Therefore, even if many local and regional partners agreed, conflicts often arose with the national agencies. Consequently, sector coordination through integrating parts of the state budget at the regional level is not a key issue of the RGP any longer. Instead, two national programmes came into existence in 2001/02 representing the again more centralized approach of government to regional development policies: Regional Enlargement and the Cluster Innovation Systems Programme. Alike the RGAs and RGP, these programmes underline the government's attitude in applying the same – growth – policy for all regions, avoiding the term "rural" and dismissing indeed a rural policy.

Growth issues, with regional development policy at the core, must be given priority for several years to come in order to prevent the country falling further behind. Strong regions must become stronger at the same time as the weak ones are provided with good conditions for growth. (NUTEK/ALMI 2002: 9)

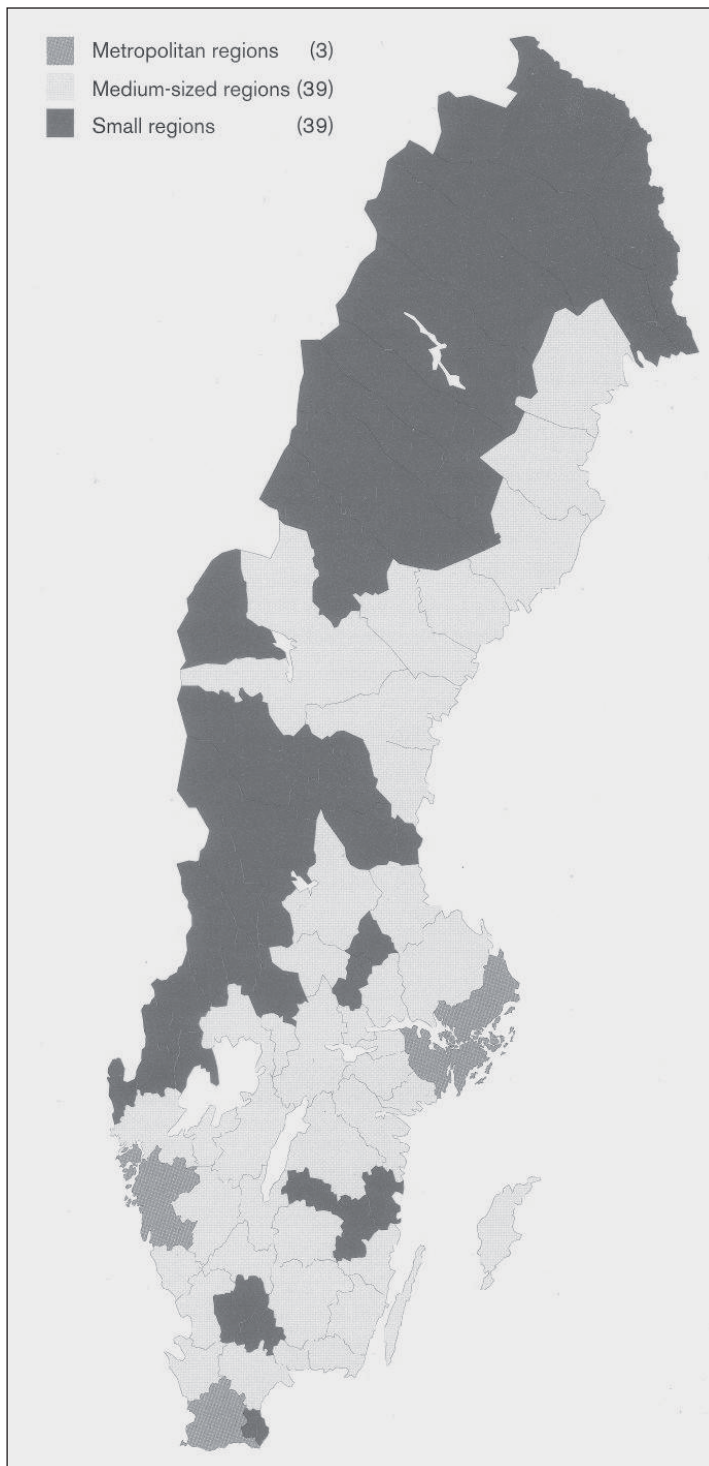
Both programmes are based on the creation of (enlarged) functional regions, "linking together previously separate labour-market regions to form a new, large region by means of increased commuting, a process that allows increased specialisation of labour, trade and industry" (ibid: 11). Additionally, the creation of regional clusters is strongly encouraged and supported, being defined as "companies that are geographically concentrated and share a common vision, together with other players who are essential to dynamic development, such as industry bodies, educational institutions and other public-sector players" (ibid: 28).

The 81 labour-market regions (cf. Figure 18) were built from actual commuting patterns and classified into three different types, metropolitan, medium-sized and small regions, the latter category being almost identical with the *glesbygd*. Interestingly, although generally the same policy should be applied to all three types of regions, it is acknowledged that ongoing support will be inevitable in some areas as "[...] it is not realistic to expect fully complete clusters to be able to develop in sparsely populated regions. The critical mass required for synergy effects to arise simply does not exist" (ibid: 19).

This seems to express certain helplessness towards the severe problems of the rural, sparsely populated regions, which are not treated specifically in these programmes any more, although, as WESTHOLM (interview September 2, 2003) states, "growth is not the most likely scenario" for them. WESTHOLM further criticizes the concept of regional enlargement to be "a tool for certain interests to reinforce certain policies and power relations [...] that have been used to change the focus from the periphery towards the centre, and from welfare policies, social and economic sustainability to only economic sustainability" (ibid).

Still, it is a rather theoretical construction because neither the Structural Funds nor the national regional policy measures relate to the labour market regions. Furthermore, the institutional change has not touched the historic boundaries of the counties so far as, for instance, even the municipal cooperation bodies are restricted to the existing county boundaries.

Figure 18: NUTEK's Labour Market Regions



Source: NUTEK/ALMI 2002: 14

Consequently, there is no rural policy in sight in the near future, although the rural communities might be in favour of it⁶¹. The only state institutions that deal with rural issues are the Ministry of Agriculture and the Glesbygdsverket.

⁶¹ Rural issues had a little comeback after 2003: In October 2004 the *Landsbygdskommitté*, a parliamentary based commission, was established with the assignment to develop a national strategy for rural development. The report is due in December 2006.

However, the Ministry of Agriculture so far has hardly made any move towards a differentiation of its policy as encouraged by the Cork Declaration; it merely applies agricultural policies in a strict sectoral manner. Glesbygdsverket, whose status if not existence has been under consideration lately, is primarily responsible for analysis, information, monitoring and evaluation of programmes in the sparsely populated rural areas, but does not have any influence on the policy design and does not allocate any funds itself.

Obviously, the Swedish regional policy is lacking clear goals at the moment, rolling rather indecisively between economy-centred growth policy and the traditional value of regional balance. But what exactly is regional balance? What are liable visions for the northern regions in terms of settlement structure, service delivery, and economic basis? How can the specific problems of the rural, sparsely populated regions be approached? What is a realistic aim for them in the face of present changes in agriculture and forestry and the ongoing process of depopulation? These are questions that might be discussed in the regions themselves. However, they are not on the national agenda in Sweden at the moment.

5.3 DEVELOPMENT STRATEGIES, INSTRUMENTS AND ACTORS

In Jämtland, actors involved in regional development are mostly defined by the national framework. Like everywhere else in Sweden, the County Administrative Board is currently the key institution for implementing national (cf. Chapter 5.3.2) as well as European schemes (cf. Chapter 5.3.1) at the regional level. Nevertheless, it has many partners in the region, such as the elected County Council, regional branches of large interest organisations or national agencies, the municipalities (cf. Chapter 5.3.3) and a – growing – variety of local groups and initiatives. Among the latter, traditional and newly founded cooperatives, mainly of the social economy sector, have gained importance by keeping up services in the rural communities. Lately, they have been discovered also as possible innovators and entrepreneurs (cf. Chapter 5.3.4).

5.3.1 EU-PROGRAMMES IN JÄMTLANDS LÄN: THE CONSEQUENCES OF THE STRUCTURAL FUNDS AND THE COMMON INITIATIVES

When Sweden and Finland entered the EU in 1995, adjustments of the existing Structural Funds framework were required as both countries had insisted on assistance for their remote and sparsely populated northern regions which did not fit the traditional Objective 1, 2 and 5b categories. Consequently, the tailor-made Objective 6 was introduced in order to promote the development of regions with fewer than eight inhabitants per km².

During the 1995-99 programme period Jämtland fell into this category, which meant a financial contribution of significant size as the Objective 6

programme in Sweden added about 40% to the national regional policy effort (cf. AALBU/HALLIN/MARIUSSEN 1999: 59). In the following programme period 2000-06, when the seven Structural Fund Objectives were merged into three, Jämtland fell under the new Objective 1 category (which integrated the former Objective 1 and 6 areas). Together with Västernorrland and parts of Dalarna, Gävleborg and Värmland Counties it forms the "Södra Skogslänsregion" (cf. Figure 19).

Additionally, Jämtland is currently part of the INTERREG IIIA programme, which seeks to initiate, develop and strengthen the Swedish-Norwegian cooperation in the border regions and improve the economic and social conditions in the long run. The whole area is divided into four sub-areas, with Jämtland participating in two, the "Nordic Green Belt"⁶² and the "Åarjelsaemien Dajve" (south Sami region)⁶³.

In general, the main principles of the European Structural Funds proved to have great influence on the Swedish regional policy and its implementation structures. Since 1995 programme-based working, partnerships and the concept of subsidiarity have become common throughout the country (cf. ÖSTHOL/SVENSSON 2002, AALBU/HALLIN/MARIUSSEN 1999, WESTHOLM/MOSELEY /STENLAS 1999). The EU Structural Funds were introduced at a time when decentralisation of policy measures and administration was being considered anyway. This led to the (ad-hoc) installation of a separate decision system, solely established for their implementation: The decisions regarding EU funding were made by so called regional decision groups consisting of municipal (majority) and regional politicians of the County Councils, while the CABs hosted a secretariat and decided on co-financing.

This system that relied on the cooperation between the governmental and the newly established bodies was rather complex, but also transparent, decentralised and secured local democratic influence (cf. AALBU/HALLIN/MARIUSSEN 1999). However, this was to be abolished with the new programme period: The new decision groups were replaced by boards set up at the CABs (see below), meaning a back transfer of power from regional and local politicians to the state civil servants at regional level who are also responsible for the implementation of the national regional policy measures. This shows very clearly that the national government so far strongly opposes any constellations that could undermine the existing administrative system.

At present, the managing and paying authority of the Objective 1 "Södra Skogslänsregion" is located at the CAB of Jämtlands län. The Structural Funds Committee (Strukturfondsdelegation) has the ultimate responsibility for administering and implementing the programme for all involved counties and selects projects in accordance with the criteria described in the programming supplement. Within the five eligible counties there are smaller

⁶² Jämtland together with Nord- and Sör- Trøndelags fylken in Norway

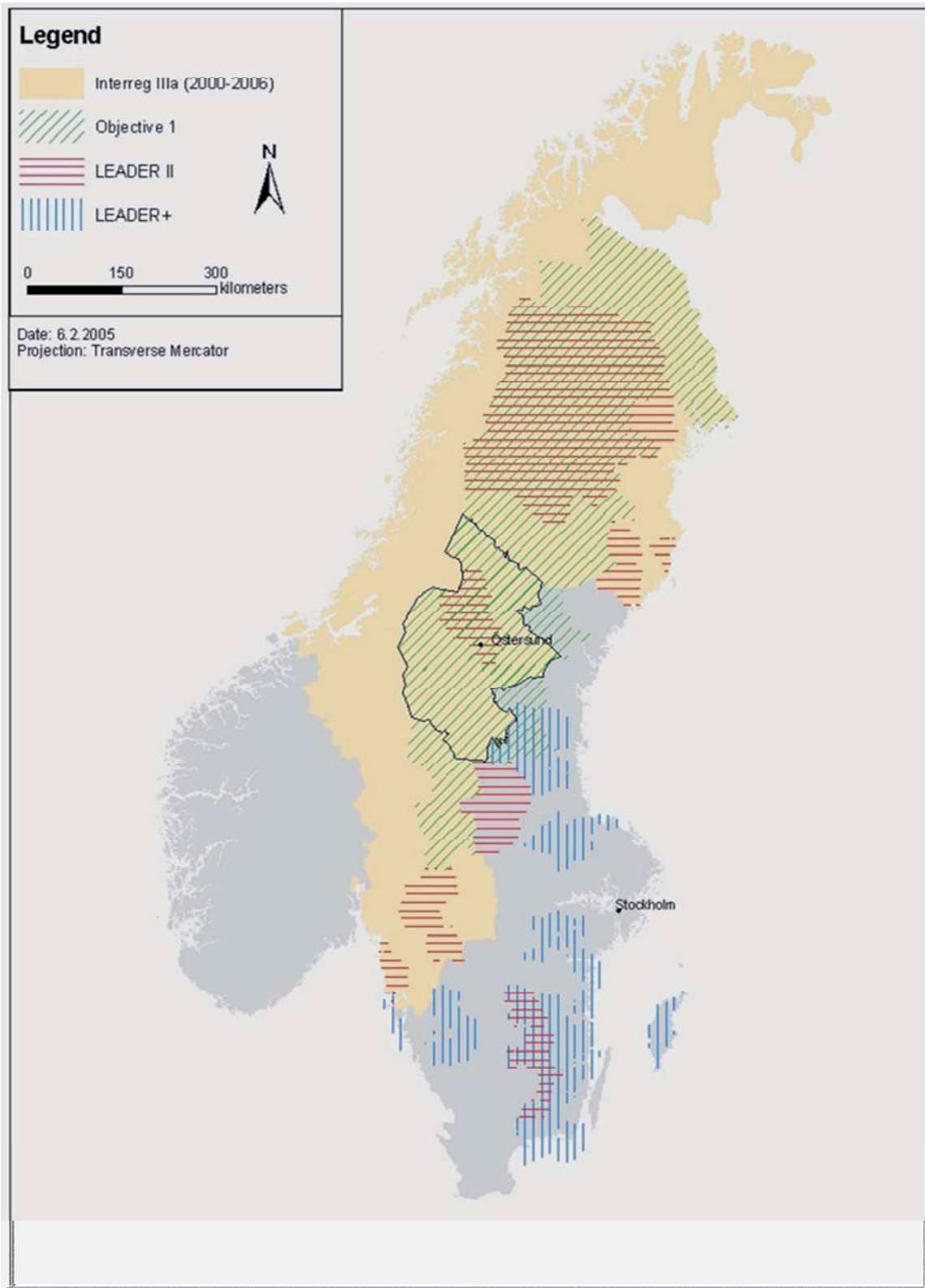
⁶³ Jämtland and Idre nya sameby in Dalarna, Sweden together with Nord- and Sör- Trøndelags fylken and Elgå reindeer pasturage in Hedmarks fylke, Norway

decision groups that discuss the project applications at an earlier stage on the basis of their Regional Development Programmes (Regionalt Utvecklingsprogram, cf. Chapter 5.3.2). Each of these boards now consists of 13 members, seven from the respective County Council and six from the regional state authority, including the governor who is also chairperson with a veto right. Still, the civil servants of the CAB occupy an important role as they are the ones who prepare the project drafts for the decision groups, so project applicants actually rely on the CAB's goodwill three times, for the draft, in the decision group and finally in the Structural Funds Committee.

However, only few actors in Jämtland complain about a dominance of the CAB in regard to the Objective 1 funding. These criticise that the administration tends to "own" most of the Structural Funds projects by giving preference to recruitment instead of using external consultants from regional organisations and thus integrating the existing regional know-how. Nevertheless, most state that cooperation is good.

Another criticism that is raised more frequently is the tendency of the Structural Funds Committee to interpret the EU rules stricter than necessary and handle things in a rather bureaucratic way. Project proposals were sometimes denied with the argument that they would not be "proper for the system" (interview with H. NILSSON, June 30, 2003). One explanation that is given in this connection relates to the fact that the Structural Funds Committee performs developing work *and* control functions at the same time. The other explanation concerns the "working culture" of Jämtland's administration, whose working procedures had to be revised in order to fit the rules of the Structural Funds. Cooperation and partnerships between the public and the private sector were entirely new and unusual for the administration, and their introduction was experienced as a "culture clash" by some.

Nevertheless, most EU procedures have been successfully adopted, such as target definition, concentration on key subjects, analysis of regional structures, supervision and evaluation – and of course the partnership approach.

Figure 19: EU Structural Funds in Sweden (selection)

Source: Own design; cartography: T. Bockmühl

The INTERREG decision structures are similar to the one of Objective 1, with some minor differences. Jämtlands län's CAB also hosts the secretariat for the INTERREG IIIA Sweden-Norway, which is divided into four sub-regions

with their own budgets and steering committees. In contrast to Objective 1 the members of the committees are mostly municipal politicians, while only one member is from the CAB. That means that INTERREG is rather anchored in the municipalities than at regional level. The project owners are widely spread from all kinds of organisations, institutions and communities and many of them also participated in the formulation of the programme.

Notwithstanding the fact that it could have been interesting to compare the partnership process and the cooperation of INTERREG to the experiences made with Objective 1 and 6, it was decided to not further focus on INTERREG in this empirical study for two reasons. Firstly, INTERREG plays only a minor role in Jämtland in regard to regional development, financially but also because of its main focus on cross-border cooperation. Secondly, the main research interest is not an evaluation of implementation processes in single programmes, but a general analysis of newly introduced instruments for regional development. As INTERREG has a similar structure and was introduced at the same time as the already described programme Objective 1, it can be assumed that experiences and consequences resemble each other.

In contrast to INTERREG, LEADER deserves more attention. The introduction of the Community Initiative LEADER had far reaching consequences, although very little money was involved. LEADER's explosive force obviously lies in its approach to activate independent local groups.

In 1995 women of three different organisations, *Hushållningssällskapet*, *Kooperativ Utvecklingscentrum* and *Lantbrukarnas Riksförbund* (cf. Chapter 5.3.4) initiated a Local Action Group (LAG) in Jämtlands län. The area "Storsjöbygden" (cf. Figure 19) comprised Krokom municipality and parts of Östersund, Berg and Åre, where a number of different interest organisations, village groups, an agricultural college and private companies formed project partnerships⁶⁴ and took part in the LAG. The "Storsjöbygden" LEADER II plan focused on qualifying issues, networking and communication with a thematic emphasis on processing agricultural products, (agro-)tourism and the use of information technology in a sparsely populated rural area as well as for transnational communication (cf. SWEDISH NETWORK FOR LEADER II 1999: 7/8).

The LAG was ready to continue its work in the next programme period of LEADER+, starting in 2000, but was denied by the Swedish government, which planned to concentrate all LEADER+ areas in southern Sweden in order to avoid overlap of LEADER and Objective 1 areas (cf. Figure 19). The government suggested that the northern LAGs continue their work as "LEADER-like groups", being financed under Objective 1. However, this did not happen in Jämtland. Public co-financing was not granted to the LAG's projects by the regional authorities, and instead went to other projects under Objective 1. As a result the LAG was dissolved.

⁶⁴ LEADER requires representatives from all three societal sectors - public (for co-financing), private and non-profit - in every partnership.

Cooperation of the LAG and the regional authority had not been easy during LEADER II either. Partly, this was due to the complicated administrative procedures of the Swedish LEADER organisation, which had the same structure as the Structural Funds organisation (see above). A common critique among many Swedish LAGs was that this structure made decisions on projects bureaucratic and slow (cf. LARSSON 2000: 10). Additionally, there was a power struggle between the CAB of Jämtland and the LAG "Storsjöbygden": Although far from being the only ruling authority anymore, the CAB was accustomed to be "in the centre of attention" where all traces merge, either via its status as managing and paying authority (Structural Funds, national regional policy allocations) or as guiding authority within the new strategic instrument RGA. Accordingly, the "uncontrolled growth" of independent local groups which gained know-how without any guidance was not welcomed. The relationship between CAB and LAG deteriorated even further when the LAG started bypassing the regional authorities and negotiated directly with Stockholm or Brussels.

But conflicts did not only arise at the regional level. The LAG also faced opposition at the local level as they managed to integrate new actors and therefore stood outside the established municipal structures. Financial support from the EU and successful fund raising of these "private" networks threatened the power and the influence of the municipalities that were hard-pressed for money themselves. While the LEADER projects consisted of at least three partners due to regulations, the municipalities did not have any experiences with networking. In the past they had allocated seed-money for small projects (e.g. enterprise development), but these projects had operated separately and never questioned the formal structures.

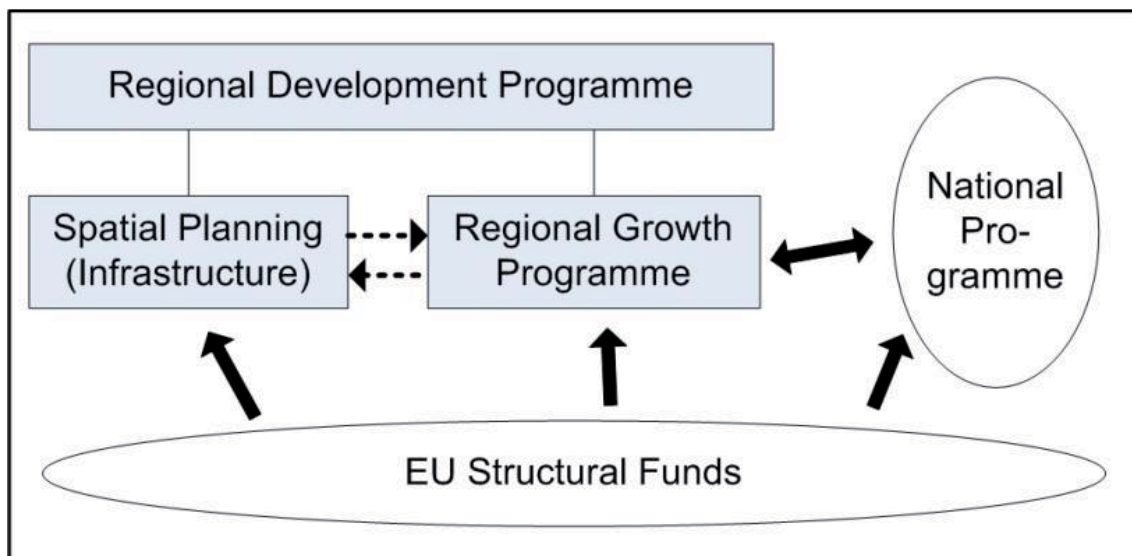
Many of the initial problems have diminished during the LEADER + programme as the organisational structure has changed and public authorities have become better acquainted with the EU procedures and working in partnerships. Unfortunately, LEADER + was neither continued in Jämtlands län, nor fully replaced by Objective 1, especially in regard to the local processes that had been initiated by LEADER II.

5.3.2 EXPERIENCES WITH THE REGIONAL GROWTH AGREEMENT AND ITS RELATIVES

Over the last ten years the leading actors in Jämtland formed different partnerships in order to work on four programmes – even five, if one also counts the documents required for the EU Structural Funds. All these programmes are concerned with a future strategy for the county. Starting point was a regional initiative called "*Tankekraft*" ("Brain power") which assembled regional, municipal and civil actors for the first time in order to develop a vision until 2010 and which had been initiated by the then governor. Just after the presentation of the results in 1998, the Swedish government initiated the country-wide process for the creation of the RGAs. As a result the "*Tankekraft*" document was not used much in the following as the RGA process was also started in Jämtland (cf. WESTERDAHL 2005). The

RGA Jämtland was finalised in November 1999 and ran for three years until the end of 2003, when the new RGP became effective, which will run until the end of 2007. The forth document is the *Regionalt Utvecklingsprogram RUP* (Regional Development Programme RDP), which is currently being developed by four regions as part of a pilot-project under the guidance of NUTEK⁶⁵. One of them is Jämtlands län where the process started in 2004 and a draft document was presented in the summer of 2005. The RDP is supposed to formulate the general strategy for the region, meeting national interests by including compulsory elements like RGP, Structural Funds, infrastructure planning and voluntary elements like culture and environment. It thereby functions as an umbrella for other plans and constitutes a wider approach than the RGA or RGP (cf. Figure 20).

Figure 20: Relation between RGP and RDP



Source: County Administrative Board of Jämtlands län 2003a: 7; own translation

As all of the interviews in Jämtlands län were conducted in the year 2003, the RGA was consequently in the centre of attention. The results to be described in the following paragraphs are based mainly on the empirical work, while the statements about RGP and RDP rely on written sources like evaluations or papers.

The RGA of Jämtlands län consists of a broad analysis of the regional strengths and weaknesses in regard to economic development, examining all kinds of aspects that have an influence on the regional development. In this sense it identifies the regional development capital and sets aims for a three years period with focus on three themes: education/qualification for the labour market ("*lärande*"), business development ("*företagsutveckling*") and quality of life ("*livsmiljö*").

⁶⁵ The main purpose of the pilot-project is to develop methods for the implementation of the RDP, not only writing the programme as such. The results are thought to "lit the spark" for the development of RDPs in other regions.

The preparation process was initialised in top-down manner by the CAB as they appointed the participants for ten thematic groups, which were then thought to discuss and develop the aims. Many groups and interest organisations showed interest and willingness to cooperate, in fact more than planned by the CAB. Its usual way of working was challenged in many ways: Additional groups (e.g. from the social economy sector) insisted on participating, and after the dialog had started, there were complaints about the predetermined thematic structures. All in all, about 200 people were involved in the ten months period of meetings, generally being pleased with the work in the groups, but criticising that in the end only some of their proposals were accepted by the CAB, while others went missing. There are also complaints about a lack of transparency during the final stage and about the dominance of the CAB.

Additionally, two points are criticised retrospectively. Firstly, it is stated that the RGA was primarily thought to form the basis for the projects to be realised under Objective 1. As a matter of fact, parts of the RGA were implemented in form of Objective 1 projects. This, however, prevented achieving many – integrated – goals formulated in the RGA as it had actually led to a strict separation of the single projects due to EU regulations.

Secondly, it is stated that to a large extent the RGA failed to involve the local level – especially the municipalities – and to integrate private businesses. The few local actors that were involved pointed out the difficulties with "different cultures" in such a partnership in regard to language, ways of working or simply time schedules. Also, it seemed to be difficult to bridge the "natural gap" between the more developing, process-oriented viewpoint of the political or administrative bodies and the commercial, result-oriented viewpoint of the private businesses.

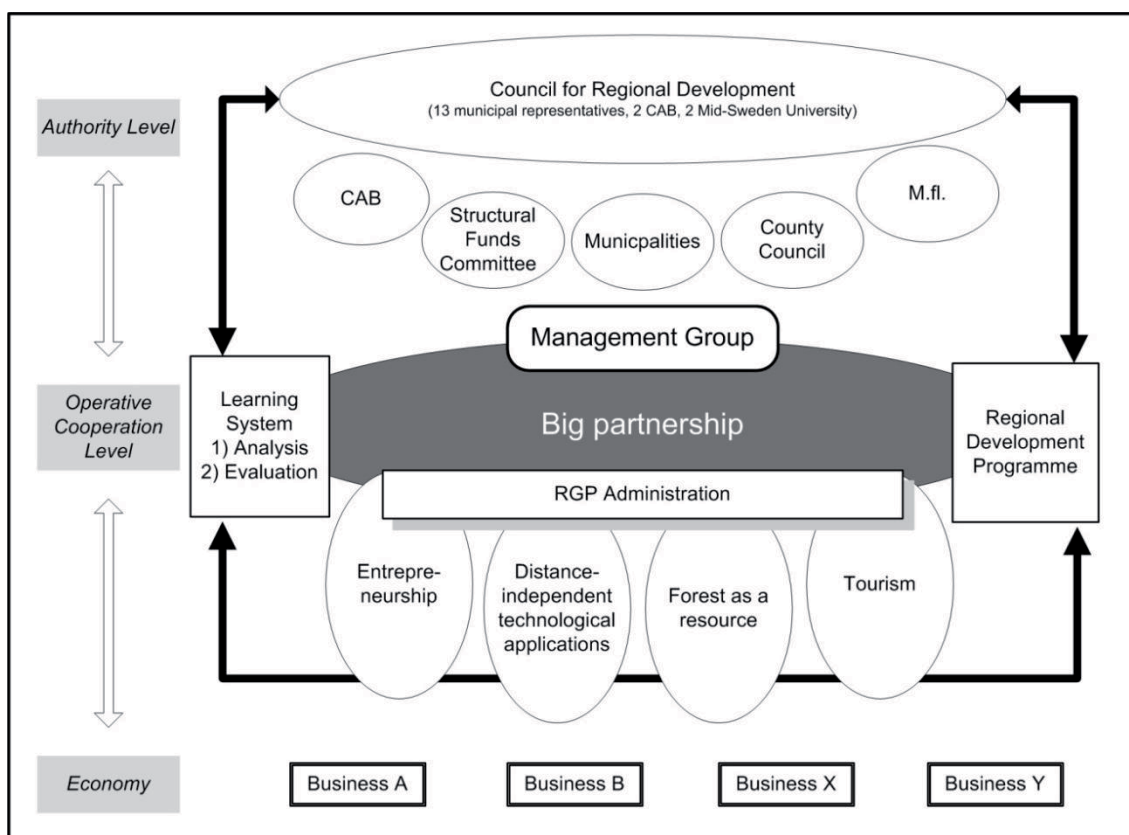
Even though the RGA ended up being rather a regional development programme than a plan for growth, there are also practical success stories. Five companies that produce different sorts of outdoor equipment now share a new distribution system, which has the potential to develop into a new outdoor cluster. Additionally, companies of the tourist sector jointly conduct projects through their shared platform "Jämtland Härjedalen Tourist Organisation", companies of the IT-sector have founded "IT-Jämtland" and food processing firms formed networks with the assistance of the Swedish Farmers Organisation (LRF). The RGA has surely contributed to their formation.

Compared with the RGA, the content of the successor programme RGP has been sharpened. It is more precise and process-oriented than the RGA as the different project stages planning, realisation and evaluation are interlocked with each other and thus embedded in a "learning system". It also reflects the shift from sector integration and coordination of different regional funds to regional economic growth as the main intention. Four working groups were established in Jämtland for the RGP process that alone show the slightly changed focus (cf. also Figure 21): "tourism" ("*upplevelsenäringarna*"), "forest as a resource" ("*skogen som resurs*"), "distance-independent

technological applications" ("*distansoberoende tjänster*") and "conditions for entrepreneurship" ("*entreprenörskap och företagandets villkor*").

As already stated above, the RGP is thought to be a part of the broader RDP and therefore the organisational structures of both overlap to a great extent. Although formally the CAB signs responsible for the RDP, another partnership was established that is organised in 16 working groups to make preparatory work for the document. De facto responsible body is the "Council for Regional Development" (*Rådet för regionalt utveckling*, cf. Figure 21), yet the forth body that is involved in regional development issues besides CAB, the County Council (*Landsting*) and the Regional Federation of Municipalities (*Kommunförbund*).

Figure 21: Structure of the RGP and RDP partnerships in Jämtlands Län



Source: County Administrative Board of Jämtlands län 2003a: 86; own translation

The Council for Regional Development was formed when the formation of a municipal cooperation body (cf. Chapter 5.2.3.1) failed⁶⁶. It consists of 13 representatives of the eight municipalities and the *Kommunförbund*, eight representatives of the County Council and two representatives of the CAB and the Mid-Sweden University. At the moment it has neither formal authority nor financial resources but only advisory function within the RGP and RDP processes.

⁶⁶ Originally, Jämtlands län was planned to become the fifth pilot region for testing regional self-governing from 1997 onwards. But one municipality disagreed and therefore the experiment was not realised.

The RDP process has not been finalised so far, but WESTERDAHL (2005: 6), the appointed "follow-researcher" in the pilot-region Jämtland, presented some findings on the progress made until October 2005. He states:

The core problem was to mobilise representatives of the region and civil servants and politicians in the municipalities. Their willingness to struggle with these tasks was limited, as the Growth Program work was recently finalised. To involve the regional partnership was also deemed very difficult.

Besides the rather slow mobilisation phase – also to be found at the national level in regard to the enthusiasm of the state agencies – he claims a certain "programme-fatigue" among the involved actors. As a result most attention is given to the structure of the document and the organisation of the meetings instead of the contents. Mostly absent are controversial topics and clearly set priorities (cf. WESTERDAHL 2005).

Generally spoken, all instruments, RGA, RGP and RDP, have had an obvious impact on the regional authority, the CAB, whose way of working has gradually changed from "administration" to "process involvement". While the RGA-partnership functioned more like an information exchange system, the RGP-partnership is about to develop into a poly-functional partnership within the region, sharing responsibility for the planning process, the implementation and evaluation among the participating actors.

Notwithstanding the growing cooperation with regional partners, the CAB of Jämtlands län has managed to maintain its status as the central regional actor so far. This might be partly due to the complex – if not confusing – structure for decision making in the field of regional development: Responsibilities are shared between four different bodies based on completely different models:

- the County Administrative Board, the traditional state authority,
- the County Council, the directly elected body that is, however, mainly responsible for health care issues,
- the Regional Federation of Municipalities, the association of the eight (directly elected) local governments, and
- the Council for Regional Development, a partnership and mixture of representatives from all other three.

How to divide work between these four bodies is unclear in many cases and sometimes a matter of dispute as all tend to secure their influence. Unfortunately, this confusion will most likely remain until a nation-wide reform of regional government will be finally initialised which is expected to happen in 2007⁶⁷.

The remaining strong position of the government, the central state agencies and the CABs is also reflected in the control of the above described

⁶⁷ The "Ansvarskommitté" currently develops recommendations for a re-organisation of the public duties.

programmes. Each of them has detailed and specific requirements in regard to form and content that are predefined by the national government. This leaves hardly any room for regional initiatives and above that filters the creative ideas that are born in the working groups. Thus, it is no wonder that membership organisations, local development groups and cooperatives have recently gained such (independent) momentum as to be described in Chapter 5.3.4.

5.3.3 THE ROLE OF LOCAL GOVERNMENT IN REGARD TO GROWTH AND DEVELOPMENT

The Swedish municipalities levy their own taxes and have broad responsibilities reaching from social welfare to community issues like planning, maintenance, transportation and communications, to name only a few. However, their role in local and regional development has so far only been of minor importance. The Swedish local government model is mainly intended to produce and allocate services – sharp tongues tend to name the municipalities "service machines" – and less suited to facilitate development or economic growth. STRÖM (2000: 97) states:

This local administration has long served as the executor of government reforms, and in this capacity there has existed little room for local initiative. Municipal restrictions have reduced the effective radius of local decisions to the physical boundaries of the municipalities.

Alongside the introduction of a new regional policy and against the background of a possible reform of regional government, central government also reconsidered the future role of the local authorities. First step was the introduction of a new Local Government Act in 1991, which "allowed for free organisational forms for the nation's municipalities" (STRÖM 2000: 99). A second step was the appointment of two delegations between 2002 and 2004, the *Inlandsdelegation* and the *Tillväxtdelegation* within the Ministry of Industry. These delegations were thought to assist the weakest and most affected municipalities to strengthen and professionalize their development work. The *Inlandsdelegation* offered its assistance to 42 municipalities in northern Sweden of which 15 have participated voluntarily in the design of a so called *näringslivs- and tillväxtanalys* or *omvärldsanalys*. These can be described as local strategic development programmes which are in fact very similar to the regional programmes RGA or RGP. By them the local authorities are to be encouraged to work in partnerships with the business sector, the county councils, local development groups and other municipalities.

In Jämtland five municipalities (Strömsund, Krokom, Östersund, Berg and Härjedalen) commissioned consultancies to produce such papers that identify local development potentials and give recommendations at municipal level. There is also a common economic analysis for all municipalities of Jämtland plus the neighbouring Ljusdal in Gävleborgs län, which was financed by the

Inlandsdelegation in order to further support the growth process of the whole region.⁶⁸ It shows that there is readiness for cooperation and that the local authorities are eager to be more influential at the regional level, especially in regard to the restructuring of the state system. Nevertheless, when it comes to concrete tasks and projects, cooperation still faces many obstacles due to national legislation and regulations but also mental obstacles in the municipalities (cf. interviews SJÖGREN, September 16, 2003 and J. NILSSON, June 26, 2003).

But there are also examples for autonomous municipal activity in Jämtland, symbolizing a changed attitude towards local involvement into development matters. Two are to be described briefly in the following:

In Strömsund, the northernmost municipality of Jämtland, the local politicians took initiative facing the ongoing decrease in population and founded a special department within the municipal administration. This department then created the development programme *Nybyggjarland* (approximately "country of new settlers"), which was started in 2000 and was carried out with support from Objective 1. Well directed campaigns carried out in the suburbs of Stockholm ought to attract new entrepreneurs and qualified immigrants to Strömsund. Explicitly, people of foreign descent are targeted as well. Additionally a reception office (*Nybyggarkontor*) was established, which provides integrated services to the possible immigrants, from housing, childcare, job seeking assistance to leisure activities. Astonishingly, after two years the migration balance turned out to be positive for the first time in many years (+ 22 in 2002, - 331 in 1999). Encouraged by the success and the increasingly positive attitude of the inhabitants towards the newcomers, the next step will be to enhance the method for receiving and introducing new inhabitants by recognizing and managing their different backgrounds and special requirements (returnees, new Swedish residents, non-Swedish residents, entrepreneurs etc.).

In addition to the projects directed towards attracting incomers, others are undertaken in order to increase the attraction of the municipalities. One of the most important is the founding of *Akademi Norr* by 13 municipalities from northern Sweden in 2000 (Strömsund being the only municipality from Jämtland). The main purpose of *Akademi Norr* is to initiate, develop and implement higher education among its member municipalities. This has been made possible through the cooperation with various universities and colleges and the establishment of a network of local learning centres that offer technical facilities and other services.⁶⁹ So far four full university programmes have been started, including engineering, nursing, teaching and social sciences.

⁶⁸ All documents were published in 2004 and therefore after the field work had already been finalised. Therefore comments on the acceptance within the municipalities or the impacts of these documents cannot be given here.

⁶⁹ The approach is comparable to the University of the Highlands and Islands in Scotland.

Besides the more obvious results, these projects have had effects in many respects: Skills, knowledge and ideas have been developed among the project workers, the service mentality of the local administration has been improved and thereby also the cooperation with local companies. Last but not least, the projects have had a positive effect on the inhabitants' self-esteem and the overall atmosphere in the communities.

5.3.4 "LANTLIG JÄMTLAND SKA LIVET!" – LOCAL MOBILIZATION IN JÄMTLAND

It is eye-catching though not surprising that in all the instruments and programmes mentioned above, hardly ever the term "rural" is being used. As explained in Chapter 5.2.3.2, rural policy is not on the national agenda in Sweden at the moment and the guidelines for all regional and local administrations stipulate the focus on economic growth, business development, entrepreneurship and so forth. Nevertheless, the rural topic is very much alive in the communities of Jämtland, where different kinds of groups and organisations take a very active part – and by doing so – also fill the rural gap left by the current national policy. In addition to that, the substantial growth of informal local groups can be understood as a reaction to the shrinking public sector, which is very often unable to keep up (social) services in the communities due to scarce financial resources.

5.3.4.1 THE FEDERATION OF SWEDISH FARMERS

Out of the many interest organisations and their regional branches in Jämtland only one will be mentioned here, the *Lantbrukarnas Riksförbund LRF* (The Federation of Swedish Farmers). LRF is the interest organisation of the Swedish farmers, forest owners and agricultural cooperatives, and its main task is lobbying for these groups. Because of this and also because of its organisational structure it cannot be compared with the local development groups to be described in the following paragraphs. But LRF's view on rural development is similarly broad as it strives to "develop a favourable base for social life and enterprise in rural areas" (www.lrf.se 2005), and therefore it shall be worth mentioning.

This aim is mirrored by the activities of the regional association, which takes part in various projects and partnerships connected with farming and forestry, but also tourism (especially agro-tourism), bioenergy and food processing. Two interesting examples for cross-sector approaches are the *Mer Vård Mat* and *Grogrund* initiatives, which are financed by LRF Jämtland's own resources and others such as Objective 1. *Mer Vård Mat* seeks to develop regional value-added chains based on Jämtland's primary production, especially milk, beef and reindeer meat. Activities include the development of a regional label (*Smakrikt Jämtland och Härjedalen*) and the combination of tourism with food production and local culture.

Less tangible, but more innovative is *Grogrund*, an initiative for the exchange of ideas as a first step to overcome the inhabitants' often pessimistic views

on rural areas like Jämtland. By this it is intended to provide a basis for development projects that combine the classic sectors like forestry, farming or transport with services like IT, culture, environment, health, history etc. Twice, in 2002 and in 2004, a festival of innovative ideas and culture was held in Östersund with thousands of people attending the five days events.

The rather open attitude of the organisation of farmers and forest-owners in Jämtland is maybe not too surprising as the combination of agriculture, forestry and other activities has been a long tradition due to the natural restrictions. An intensive, internationally competitive agriculture is not to be found here anyway. In this sense the locational disadvantage has prepared the ground for integrative approaches.

5.3.4.2 THE AGRICULTURE AND RURAL ECONOMY ASSOCIATION

Hushållningssällskapet (Agriculture and Rural Economy Association) is an independent member organisation (ca. 2000 members in Jämtland) with rural development and a healthy environment as its main objectives. The oldest rural development organisation in Sweden renders advisory support and helps with marketing, whereby the conversion of local/regional agricultural raw products into further processed goods is but one strategy. Alike LRF *Hushållningssällskapet* is involved in several partnerships (e.g. the RGP partnership) and innovative, cross-sector projects that tend to lead Jämtland's communities into a sustainable future. A current example is *MinT* or *Environmental Innovation Market*, which was started in cooperation with the Mid Sweden University, the Halland Environmental Forum and the University College of Halmstad. The partners act as "environmental technology brokers in the process from the initial idea to commercial production" (www.hush.se 2005).

Although *Hushållningssällskapet* is involved in partnerships and projects that are financed by the EU Structural Funds, they stay sceptical whether this is the right way to solve the severe problems of Jämtland in a sustainable way:

Increasing the attraction of rural areas and stopping the population decline cannot be done within the life-time of short-term projects. This is not considered as sustainable. Local and regional authorities should enter into real and reliable partnerships with organisations like mine, with joint budgets and sufficient time. Project terms of six years are desirable. There is too much competition over the money, which has ill effects by being inefficient and wasting time and effort. We could do more if we joined forces. (interview with JÖNSSON, June 25, 2003)

It will be interesting to see whether this will happen in case Jämtland will not receive any Structural Funds money from 2007 onwards.

5.3.4.3 LOCAL COOPERATIVES AND THE COOPERATIVE DEVELOPMENT AGENCY

Cooperatives, especially consumer and agricultural cooperatives, have a long tradition in Sweden and date back to the 19th century. Cooperatives can be defined as "groups of individuals working for shared economic, social or educational goals" (GRUT n.d.: 5), whose primary objective is not profit but satisfying needs in the communities that are not satisfied in other ways. During the 1960s and 1970s the old associations that had been collectively running community facilities like shops, bath houses and bakeries vanished as the public sector grew and took over many services. Only agriculture, housing, insurance and consumer cooperatives survived in relevant numbers.

By the mid-1980s the turning point of this development was reached: All over Sweden cooperatives were revitalised, whereas in Jämtland the idea flourished and quickly gained momentum after a group at Mid-Sweden University had started the process with the "cooperative studies" research project. Their plan was to re-establish cooperatives as a tool to mobilize local people and thereby solve the communities' problems and fulfil their needs for services, especially childcare at the beginning. In 1987, their initiative led to the founding of the first Cooperative Development Agency (CDA) in Sweden whose aim was and is "to provide information, training and advice on cooperative ideas, finance and administration with a view to creating jobs and to preserving and developing a living countryside" (ibid: 10)⁷⁰. The CDA was set up by the County Council, all eight municipalities of the county, already established consumer, producer and agricultural cooperatives and approximately 60 new cooperatives, which are all members and pay annual membership fees. This local contribution makes up about 32% of the total budget; the other two thirds are state subsidies (ca. 38%) and raised funds (ca. 30%) like EU money or income from consultancy work.

Currently, only two consultants are employed on a permanent basis – there used to be ten in the beginning – who advise newly starting cooperatives free of charge. So far the CDA has been involved in the establishment of 150 cooperatives, of which the majority provide social services like childcare or elderly care. But there are also a growing number of others that deal with community development and engage in cooperative enterprising in areas like wind-power, handicrafts, tourism, food processing or IT. Two successful examples for these kinds of cooperatives are *Agendum* and *Jamtamat*.

Agendum calls itself information cooperative and was founded by five women already in 1985, at a time when people were increasingly looking for solutions and future strategies for their communities – just like the initiators of the CDA. Originally, *Agendum* started as an informal network of local women, who arranged social events and tried to activate other inhabitants to engage in community work. Ten years later they started to work with information technology and also got involved in several (transnational) EU

⁷⁰ In 2003 there were 25 Cooperative Development Agencies in Sweden. They are interlinked via a national network (Association of Cooperative Development Agencies in Sweden), which was formed in 1994 and is primarily used for knowledge exchange.

projects, combining the international experiences and expert knowledge with the original purposes and local perspective.

Jamtamat, founded in 1993, is an economic association whose aim is "to make women's traditional food expertise interesting in a business context, which in turn will create employment for rural residents, strengthen the market for locally produced raw materials, and increase interest in the regional cuisine" (CDA Jämtlands län, n.d.). They do catering and offer training for members, who plan to start their own restaurant or catering company.

Astonishingly, there are examples of villages where an initial cooperative work "infected" the whole community, which eventually led to the actual survival of the village itself – like in Huså or in Ollsta, Fagerland and Högarna (cf. CDA Jämtlands län, n.d.).

These cases show the relevance of cooperatives for rural (re-)development at its best: Services are provided locally and new jobs are created, the common, often voluntary work can create a positive community spirit and improve quality of life; it can be a school for entrepreneurship and a kitchen for creative ideas. Lately, the national government has promoted the social economy sector and wishes to include it in the regional growth programmes. In practice, the economic contribution of the cooperatives, non-profit organisations and other foundations to regional growth is hardly significant, for example in terms of the number of (paid) jobs created. Above all, most of the cooperatives exist in the field of social work, not in the commercial field. The cooperatives are significant in the local sphere and they surely contribute to the survival of rural communities, but they should not be overestimated or compared with regular businesses as their main aim is more than just profit or growth.

5.3.4.4 JOINING (NOT ONLY) LOCAL FORCES – THE VILLAGE ACTION MOVEMENT

Simultaneously with the rediscovery of the cooperatives many voluntary, non-economical local groups were founded during the 1980s, often supported by already existing organisations and associations. In 1989, the Swedish government – inspired by the European Council's campaign for Rural Europe in 1987 and also as a reaction to the arising local activities – decided to support a nation-wide campaign called "*Hela Sverige ska leva!*" (All Sweden shall live!). The campaign⁷¹ was carried out with strong participation from many popular-based organisations and movements and proved to be very successful as the number of local groups increased a great deal: At the beginning about 1000 local groups had joined the ad hoc established association *Folkrörelserådet* (Popular Movements Council for Rural Development), having grown to over 4000 in 2001, with about 100,000 people involved. A nation-wide study showed that the local development

⁷¹ After the end of the campaign in April 1989, the Glesbygdsverket was established by the government, superseding the Delegation for Sparsely Populated Areas.

groups conduct a broad range of activities (cf. Table 20) and therefore are vitally important for the communities.

In addition to the local groups, 52 NGOs (e.g. Farmers Union, Labour Unions, Popular Study Associations, etc.) are also members in the national network that intends to stimulate and support local activity, act as a spokesman and coordinator for all members, exert stronger influence on decisions concerning the local communities and generally raise public awareness for rural issues (cf. BOND 2000). *Folkrörelserådet* receives permanent funding from the Swedish government (1.1 million Euro in 2000) which allows for running a national bureau in Stockholm and for realizing several projects and events, e.g. the Rural Parliament that is organised every second year.

Table 20: Village action movement's activity profile

Activities	%	Activities	%
Leisure/festivities	78	School	23
Culture	68	Encouraging moving in	23
Community-houses	49	Shop/Store	23
Study Circles	47	Creating employment	23
Roads	45	Child care	22
Tourism	39	Housing	17
Sales/markets	37	Care for elderly	15
Swimming places	35	Telecommunications	14
Environment/Countryside	34	Transport	13
Newspaper/Information	34	Training	11
Inventory/Planning	30	Other services	8
Youth Project	25	Service home	6

Source: HERLITZ 1999: 4

In Jämtland, there were 450 local community groups registered with the Popular Movements Council in 2000, the highest number of all counties.⁷² The groups in Jämtland are connected via a regional network, the *Länsbygderåd*, which functions as a discussion and information exchange platform. Some of the local groups have also developed a cooperation with their municipalities, which was strongly supported by the project "Village Politics for the '90s", launched by the *Folkrörelseråd* and the government.

After World War II the number of municipalities in Sweden had been reduced by several reforms from 2,498 to 289. This had great influence on the formation of local development groups as people in the communities

⁷² Defining a clear boundary between the Village Action Movement and the cooperative movement is difficult as there are also "new" cooperatives that perform local development work. Therefore, it is hard to say how many of these groups are also cooperatives.

obviously felt not being represented enough by the local authorities that were based on political representation. The mentioned project can be understood as a national effort to rejoin the two local forces, although it is not a national initiative in the real sense: It works on voluntary basis only and all local democracy models have to be initiated bottom-up. Eventually, there are different models of cooperation with varying levels of involvement and formalisation to be found, depending exclusively on the partners' agreement (cf. HERLITZ 1999).

One such example is *Kallbygden*, the local association in the village Kall in Åre municipality, where local inhabitants together with councillors of the Åre Local Council took initiative in 1996 to set up an elected local association with responsibility for education and social matters. After a four years test period the association, which has also monetary responsibility, became a permanent institution.

There are several more examples in Jämtland for similar village groups that are supported by "their" municipalities in regard to political participation, which cannot be described here all. It shows that the attitudes of the municipalities – alike those of the County Administrative Board – have been changed in regard to participation and accordingly to working or planning methods. And it shows that there is obviously a demand in the communities to take more responsibility in order to regain power and shape their own future.

5.4 CONCLUSION

The current Swedish regional policy oscillates between a focus on the economically dynamic regions and the traditional obligation for regional balance. The state must still guarantee public services of equal quality throughout Sweden, but the introduction of the growth policies and labour market regions, which apply to all regions regardless of their structure, suggests that this basic value is in fact under consideration. Nevertheless, there is no specific rural policy and no political discussion about qualitative objectives in regard to the definition of rural development; instead, discussion remains focused one-dimensionally on an economic perspective – and regional growth, although this is unrealistic for many rural regions.

Additionally, the main policy instruments of this new Swedish regional policy, the Regional Growth Programmes and the Regional Development Programmes, are somewhat misleading in their terminology. They are programmatic and they are about growth and development – but are they truly regional? They present an analysis of the regional resources and are formulated by regional actors, but they are neither accompanied by financial resources, nor do their authors really decide on the content as their structure and topics are pre-defined by national regulations.

So far, the paradigm shift within regional policy has not been accompanied by a shift of power from the national to the regional level. At the beginning of

the 1990s, after the Regional Growth Agreements and the experimental regions had been introduced, Sweden appeared to be on the road to regionalisation. A decade later, the national government seeks to regain control on the "battlefield" of regional governance where it continues to struggle over power with the different regional bodies and the municipalities. Obviously, decentralisation did not happen at the expense of the central government like in other countries. Rather on the contrary, regionalisation happens *within* the framework of the nation state that has developed other or more subtle instruments of control⁷³.

This is reinforced further by the lack of policy integration at national level: Several governmental agencies did not take the Regional Growth Agreements seriously in the beginning, and even now, sector priorities often come first, whereas regional priorities made by inner-regional agreements tend to come second.

Policy integration has, however, advanced at regional level, at least in terms of the partnerships approach, which was introduced with, and influenced by, the EU Structural Funds Programmes and the new national instruments (Regional Growth Programme, Regional Development Programme). A large variety of actors from the public and the private sector and also the civil society take part in the established partnerships, but the reorganisation of responsibilities and decision-making structures at regional level is still in progress. As a consequence, the partnerships and also the programmes themselves are quite "toothless", gathering many actors for discussion, but hardly being a platform where concrete progress can be experienced.

The absence of a rural policy and the lack of cross-sector strategies at the national and regional level are contrasted by the activities of informal local actors in the rural areas. They reintroduce rural issues and have a high awareness for coordinated and integrated action, thereby filling the existing vacuum and rebuilding basic structures in the communities. However, the influence of local development groups within regional partnerships (e.g. for the EU Structural Funds) is very limited, and their activities are generally restricted to a local area.

On top of that their abilities are often overestimated: They may contribute greatly to the sustainability of the rural communities, but a focus on local development does not necessarily lead to *economic* development. Furthermore, there is the risk that the bottom-up policy approaches will function as a substitute for an effective national regional policy in the long run, instead of treating it as a complement and coordinating it more efficiently with the national strategies.

⁷³ JOHANSSON (2000) comes to the same conclusion and speaks of "regional policy pluralism" in this context, a growing clash of interests between the state, the county councils and the municipalities in county politics.

6 EISENWURZEN, AUSTRIA

*The old times are over,
All is different, all is new.
And the workshop becomes factory,
Well, I wish ever so much luck.
Josef Moser*

The east alpine periphery Eisenwurzen, a cross-border region between the three federal states (*Bundesländer*) Lower Austria, Upper Austria and Styria, was shaped during centuries of mining and iron manufacturing. Today, most parts of the region are characterised by a scarce, stagnant or declining population and persistent structural problems. After years of stagnation, regeneration has slowly started to gain momentum with the help of several development initiatives.

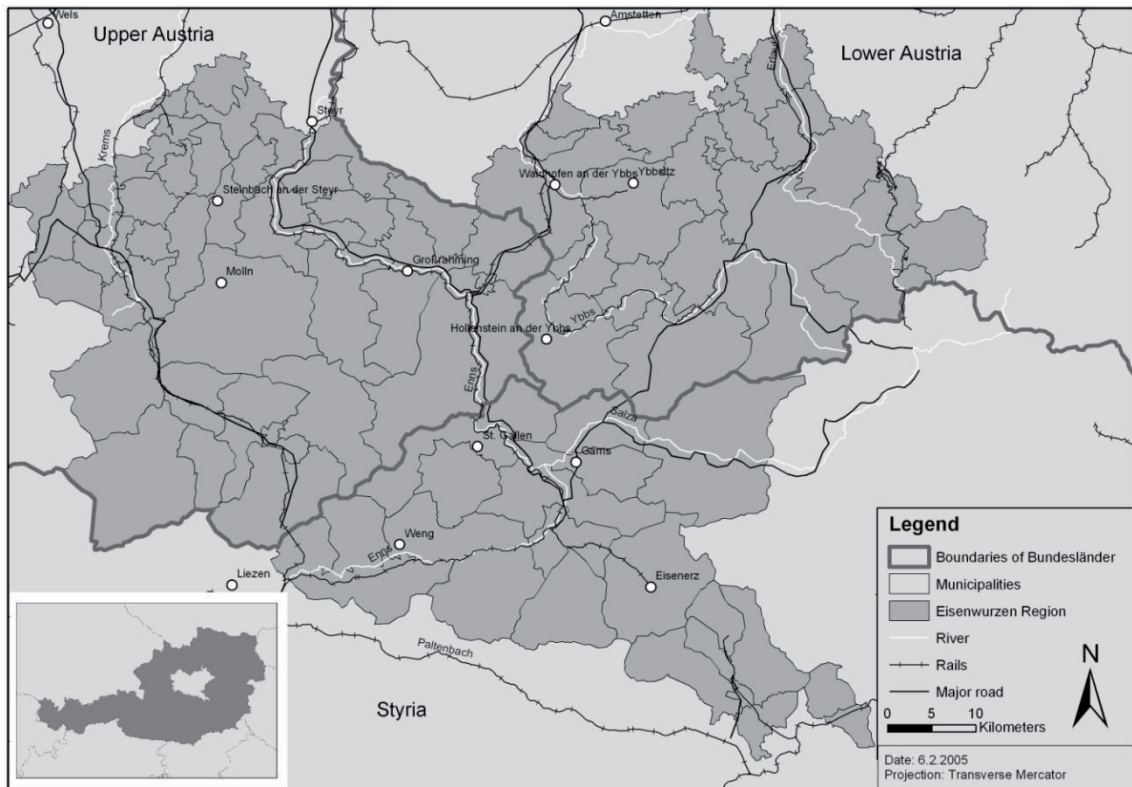
6.1 STRUCTURES AND DEVELOPMENT PERSPECTIVES

Being located in the heart of Austria (cf. Figure 22) and in relative proximity (ca. 100km) of the two cities Linz and Graz, the Eisenwurzen region is a periphery of different scale in terms of location in Europe and accessibility in comparison to the Scottish and the Swedish case study areas. However, it shares many other characteristics with them, as will be described in the following.

There are several different views on how to set the Eisenwurzen's boundaries (cf. HEINTEL/WEIXLBAUMER 1996), but generally, it is referred to as the border triangle formed by southeast Upper Austria, southwest Lower Austria and northern Styria in the river basins of Krems, Styr, Ypps, Enns and Erlauf (cf. Figure 22). The case study area comprises 84 municipalities with 8050.76km² and 496,085⁷⁴ inhabitants and is based on four LEADER+ areas (cf. Figure 24). The average population density is 62 inhabitants per square kilometre, but varies considerably between the more densely populated north-west with a number of small towns and almost uninhabited mountainous areas, like for instance Johnsbach in the Styrian Gesäuse (1.85 inhabitants per km²) or Rosenau am Hengstpaß in the Upper Austrian Kalkalpen (7 inhabitants per km²)⁷⁵. The most sparsely inhabited areas were declared as national parks in 1998 and 2002 (cf. Chapter 6.3.3).

⁷⁴ Source of data: LAG ANNE (2000); LAG KULTURPARK EISENSTRABE ÖTSCHERLAND (2000); LAG NATUR & KULTUR GESÄUSE & EISENWURZEN (2000); LAG STEIRISCHE EISENSTRABE (2000): Meldedaten 1998

⁷⁵ Source of data: LAG ANNE (2000); LAG KULTURPARK EISENSTRABE ÖTSCHERLAND (2000); LAG NATUR & KULTUR GESÄUSE & EISENWURZEN (2000); LAG STEIRISCHE EISENSTRABE (2000): Meldedaten 1998

Figure 22: The region Eisenwurzen in Austria

Source: Own design; Cartography: T. Bockmühl

Landscape and topography did not only shape the settlement structure but also the transport routes, which follow the winding and narrow river valleys, making travel slow and sometimes impossible in winter (cf. Figure 22).

Even if the Eisenwurzen has never been a political or administrative region, its economy, which developed around iron ore mining, has been intertwined since early medieval times. Between the 12th and the 19th century the Eisenwurzen was a highly specialised, iron processing region. Smelters emerged first around the largest mine Erzberg (Ore Mountain) in northern Styria, but later workshops spread along the river valleys in Upper and Lower Austria, where all kinds of iron goods from nails and knives to horseshoes, weapons and Jew's harps were manufactured. Apart from iron, the blacksmith shops depended on other resources, which were also provided regionally: Wood and charcoal for smelting and the forges, water for the transport of the wood and as hydropower for the hammers. Furthermore, agricultural and convenience products were imported from neighbouring areas in exchange for the iron goods. Hence, apart from the core sectors mining and iron processing, also forestry, char burning, rafting, agriculture and trade were flourishing. Until the middle of the 19th century the Eisenwurzen was known for its wealthy "black counts", the owners of the small factories.

The beginning of the industrialisation (around 1860) marked the end of the small workshops, and larger factories took their place. However, in contrast to the small workshops that had been scattered along the valleys, these were

located in the regional centres like Steinbach an der Steyr, Scharnstein or Steyr. The hammers and small workshops were given up and the forests grew back for over a hundred years, until the iron that had shaped the landscape for centuries became another starting point for the region's revitalisation (cf. Chapter 6.3).

A second structural change and decline began after World War II, when all mines apart from the Erzberg mine⁷⁶ were closed and some regional companies were not able to compete internationally. Areas were differently affected throughout the Eisenwurzen: In the 1980s some small towns, like for example Steinbach an der Steyr, resembled ghost towns after factories had been closed and people had moved away. Others, like Eisenerz, have continuously been losing population (40% between 1951 and 1991) until today. Still others have recently gained population. This is mostly true for the municipalities at the northern fringe of the region because they are closer to the central Austrian agglomeration that stretches from Wien in westerly direction to Linz and Salzburg.

Today, agriculture, forestry, wood processing, metal and plastic industry are the central economic sectors. Tourism has gained importance during the last decade, but has not reached its full potential. Unemployment figures vary throughout the case study area: While it is quite low (< 5%) in the Upper Austrian part, it is considerably higher in the Styrian part (ca. 10%). Here, especially Eisenerz with its monostructural economy is problematic and has not been able to diversify sufficiently in order to prevent further out-migration.

Like the other two case study areas, the Eisenwurzen shows some typical characteristics of a rural periphery: a shrinking primary sector (here especially mining, but also agriculture), the dominance of small enterprises with very few employees, the high percentage of commuters with regard to the workforce, a selective out-migration of the young and higher-qualified, a high percentage of the elderly and retired and a weak capital basis (cf. LAG ANNE, LAG KULTURPARK EISENSTRASSE, LAG NATUR & KULTUR GESÄUSE & EISENWURZEN, LAG STEIRISCHE EISENSTRASSE, 2000).

Being based on the LEADER+ regions, the case study area is not an administrative entity but comprises (parts of) several districts⁷⁷ from three federal states. Nevertheless, the region has historically been referred to as the Eisenwurzen and is well known under this name until today.

⁷⁶ The largest iron ore mine of the Alps is still active today. The town Eisenerz is overlooked by the pyramid-shaped mountain Erzberg.

⁷⁷ Upper Austria: Districts Steyr-Land and Kirchdorf an der Krems; Lower Austria: Districts Amstetten (partly), Scheibbs, Lilienfeld (two municipalities) and Melk (one municipality), city Waidhofen an der Ybbs; Styria: Districts Liezen (partly) and Leoben (partly)

6.2 THE NATIONAL FRAMEWORK: REGIONAL DEVELOPMENT POLICY IN AUSTRIA

In Austria, several institutions are involved in the design and implementation of regional policy: Responsibilities are shared between the national level (*Bund*), namely the Federal Chancellery (*Bundeskanzleramt BKA*), the Federal Ministry of Economics and Labour and the Federal Ministry of Transport, Innovation and Technology, and the federal states (*Länder*). The Federal Chancellery coordinates all regional policy measures and the EU Structural Funds, but has no authority to issue directives to the federal states. It is assisted by the Austrian Conference on Spatial Planning (*Österreichische Raumordnungskonferenz ÖROK*), whose executive body includes the Federal Chancellor, all the federal ministers and state governors, the presidents of the Austrian Union of Towns and the Austrian Union of Communities and the presidents of the social and economic partners participating as advisors (cf. www.oerok.gv.at 2007).

Between the 1950s and the 1970s the Austrian regional policy did not differ much from the strategies applied in other European countries at that time (cf. MAIER/TÖDTLING 2002, GERHARDTER/GRUBER 2001 and also Chapter 2.3.1). The overall aims were economic growth and regional balance, with interventionist measures concentrated in the rural peripheries and increasingly also in industrial areas with structural difficulties. When the economic growth slowed down and international competition increased in regard to imports and attractive locations for branch plants, the hitherto existing strategies were evaluated, eventually leading to a reorientation of the Austrian regional policy.⁷⁸

Of all European countries Austria is among those with the longest experience in implementing a regional policy that focuses on the endogenous potential of its regions. First initiatives for endogenous development were launched in a rural context, driven by farmers and other actors, who founded the *Österreichische Bergbauernvereinigung ÖBV* (Austrian Mountain Farmers Union) in 1974 and the *Bergland-Aktionsfonds BAF* (Mountain Action Funds) in 1978. Soon after, in 1979, the Federal Chancellery followed and started the "*Sonderaktion für entwicklungsschwache Berggebiete*"⁷⁹, which was later expanded to non-rural, structurally weak industrial areas and renamed in "*Förderungsaktion für eigenständige Regionalentwicklung*" *FER*⁸⁰. This was, according to MOSE (1993: 52) the first regional policy programme in Austria and Western Europe that explicitly worked with the endogenous regional development concept. From the very beginning, the concept was thought to be especially suitable for the rural regions, as it tried to develop their

⁷⁸ The development and paradigm change of the Austrian regional policy has been well documented by several authors. Cf. among others SCHEER 1988, HUMMELBRUNNER 1989, STÖHR 1989, MOSE 1993 and HEINTEL 1998, who lists more authors on the pages 54/55. Therefore, only a short summary is presented here.

⁷⁹ Special action for weak mountainous areas

⁸⁰ Support scheme for endogenous regional development

specialties, strengths and potentials without the postulate to catch up on the more prosperous or dynamic regions (cf. HUMMELBRUNNER 1989, quoted in GERHARDTER/GRUBER 2001: 14). It is quite remarkable that such kind of programme was launched at the highest level, showing that in Austria regional policy is understood as a central public responsibility.

The *FER* still exists today, being evidence that the concept of endogenous development has moved mainstream throughout Austria. Projects supported by the *FER* have been comparably small and quantitative effects (in terms of employment or income) are relatively modest, not least due to the small programme funds: Between 1979 and 1999, 403 projects with a total project volume of 33.7 million Euro were realised, of which 10.5 million Euro were provided by the *FER* (cf. MAIER/TÖDTLING 2002: 208). Nevertheless, important impulses and innovations have been brought to the regions, as is shown in the *FER*-evaluation by GERHARDTER/GRUBER (2001), especially in regard to the stimulation of cooperation, networks and an increased regional activity. Interestingly, 18% of the projects are cross-sectoral or inter-regional.

Naturally, the concept of endogenous development has continuously been enhanced over time and adjusted to the changing conditions in Austria (cf. Table 21). At the beginning, strategies were focused on inner-regional cycles and quite "introverted". Thus, the first experiences quickly revealed the limitations and restraints of the concept. Soon, it was supplemented by strategies that focused on the regions' capacity for (technological) innovation and flexibility and on programmes that sought to strengthen the competitiveness of the regional economy. However, there were few competitive companies in peripheral areas and labour markets were unsatisfactory in quantitative as well as qualitative terms (cf. GERHARDTER/GRUBER 2001). That is why Austrian regional policy has put great emphasis on business consulting and professional support services (see below).

In the 1990s, Austria's regional policy can be defined as "endogenous modernisation", combining various elements of endogenous development strategies with elements of a more traditional regional policy⁸¹. The *FER* was modified from supporting projects (different kinds of investments up to 1 mill öS) towards the support of regional development strategies and organisations, like the establishment of regional cooperation structures, regional management, etc., as well as external consultancy.

Towards the end of the 1990s yet another change of paradigm towards a more systemic or integrated approach was already in sight. Today, Austrian policy-makers favour an approach that goes beyond the boosting of endogenous potentials; instead they seek to create the right conditions for

⁸¹ Apart from the *FER*, there are three other important regional policy programmes: The "*Regionale Innovationsprämie*" (*RIP*) from 1990 until 1999, the "*ERP-Sonderprogramme für periphere und strukturschwache Gebiete*" and the "*Regionale Infrastruktur-Förderung*" (*RIF*) since 1995 (cf. MAIER/TÖDTLING 2002: 206-211). All three are classic regional policy instruments as they finance investments that aim at employment and the settlement of new companies. Since the mid-1990s, they have a stronger focus on innovation and the improvement of regional infrastructure, including so-called "impulse centres" for innovation and technology transfer.

inner- and interregional cooperation, which includes an orientation towards "innovation systems", "knowledge-based regional milieus" and "regional clusters and networks" (cf. HUMMELBRUNNER et al. 2002).

Table 21: Focal points of the Austrian regional development policy

1960s	National and regional quantitative economic growth Reduction of disparities between centres and peripheries Modernisation and industrialisation of structurally weak (rural) regions
Late-1970s	New strategic approaches to regional development, which focus on the endogenous potential of regions
1980s	Strengthening endogenous approaches Combination of regional, social, cultural and qualification-oriented activities of regional policy Modernisation of SMEs
From the 1990s	Strengthening regional identity Motivating population to show initiative and cooperate Making use of traditional forms of cooperation Increased responsibility for regions Participation in the formulation of regional development concepts Strengthening regional innovations in all sectors Increase of regional exports Development of new forms of cooperation between companies or regions Strengthening regional economic cycles Reorientation of energy policy

Source: ÖSB Consulting 2004: 5/6 (based on GERHARDTER/GRUBER 2001); own translation

Supporting structures have been an integrative part of the Austrian endogenous development approach since the early-1980s. So called *Regionalbetreuer* (regional animators) were first established with the help of the *Bergland-Aktionsfonds*. Through their activities new regional groups were created that eventually led to the foundation of the *Österreichische Arbeitsgemeinschaft für eigenständige Regionalentwicklung ÖAR*⁸² in 1983, an umbrella organisation of the regional initiatives. This structure was soon to be integrated into the official regional policy, as the ÖAR was assigned by the Federal Chancellery to do consultancy in the *FER*-regions. Moreover, animators and consultants became common in other government programmes (cf. GERHARDTER/GRUBER 2001: 6/7)

⁸² Austrian Consortium for endogenous development

In 1990, the ÖAR developed from a membership organisation into an independent, professional consultancy (cf. HEINTEL 1998, 58ff, MOSE 1993: 55f), but continued to offer "activating" expertise for actors and projects of endogenous regional development. This change from a non-profit and (partly) publicly financed to a private-sector consultancy has not happened without controversy. As a consequence, the *ARGE Region und Kultur* was founded that holds on to the originally holistic approach to endogenous development and especially works with projects in education and culture, an area that used to be covered by the ÖAR (cf. HEINTEL 1998: 64).

The most important institutional innovation of the 1990s was the creation of regional development agencies, so called *Regionalmanagements*, when Austria entered the European Union in 1995. This was the first time that an institutional (regional) level between the *Länder* and the municipalities was introduced, thus merging the already existing structures of the *Regionalbetreuung* that went back to the 1980s. During the first years the *Regionalmanagements* primarily offered consultancy and support for the administration and implementation of the EU programmes. Since the year 2000 they have developed into intermediary regional development agencies, which are defined as "multi-functional interfaces that inform and coordinate local and regional actors and cooperate with institutions at federal state-level, national level and EU-level" (ÖROK 1999, cited in HEINTEL 2005: 375). Their main objectives are

- to improve the cooperation of regional actors and institutions,
- to develop and implement bottom-up strategies that have been agreed with the federal state and the national government, and
- to push on regional key projects in consensus with the most important regional actors.

Accordingly, the tasks of the *Regionalmanagements* have three dimensions as they fulfil a thematic (projects), a communicative and a cooperative function (cf. *ibid*: 375f). They are understood as complementary regional institutions that (in theory at least, cf. Chapter 6.3.1) do not compete with the already existing structures, but tie together public planning and policy making and endogenous regional development.

Figure 23 shows that *Regionalmanagements* cover almost the whole of Austria. Between 1995 and 1999 there were 25 of them, in 2004 there were 31. They are financed by the municipalities⁸³ and the federal states, and were co-financed by the EU (EFRE) until 2006. The Federal Chancellery contributed financially only during the first phase (cf. ÖSB CONSULTING 2004). Their organisational structures⁸⁴, tasks and their integration into the existing regional structures, however, vary considerably from region to region.

⁸³ Municipalities pay membership contributions, which vary between € 0.22 and € 19 per capita.

⁸⁴ The majority is organised as private associations, with members ranging from municipalities, relevant regional associations or interest organisations to private enterprises, politicians and private individuals.

Figure 23: Regional managements in Austria



Source: ÖSB Consulting 2004: 15

6.3 DEVELOPMENT STRATEGIES, INSTRUMENTS AND ACTORS

Since the 1980s various initiatives have given important impetus to the development of the region Eisenwurzen. These include the nationwide introduction of regional development agencies (cf. Chapter 6.3.1), the cultural heritage project *Eisenstraße* (cf. Chapter 6.3.2), the four LEADER Local Action Groups (cf. Chapter 6.3.2) and, furthermore, development concepts for four large protected areas (cf. Chapter 6.3.3).

6.3.1 REGIONAL DEVELOPMENT AGENCIES IN THE EISENWURZEN REGION

Three *Regionalmanagements* in the Eisenwurzen region have been empirically examined for this study (cf. Figure 23):

- *Regionalmanagement Steyr-Kirchdorf*, in Steinbach an der Steyr, Upper Austria
- *Regionalmanagement Bezirk Liezen*, in Liezen, Styria
- *Regionalmanagement Entwicklungsverband NÖ West (Mostviertel)*, in Amstetten, Lower Austria

All three *Regionalmanagements* are well established, intermediary institutions and have taken over an active and activating part in the regional networks. Their main achievement is the promotion of – formerly unusual – inter-municipal cooperation⁸⁵ and the introduction of a more strategic dimension to regional development at the regional and local level. Thus, the introduction of the *Regionalmanagement* and its predecessors has contributed to a new development culture that has grown in Austria over the last 10 to 15 years. Generally, the institutions are undisputed and well accepted, which is also confirmed by the nationwide evaluation by GERHARDTER/GRUBER (2001). There were, however, some frictions in one case, as will be shown below. Nevertheless, the position of *Regionalmanagements* is sometimes perceived as "being caught between two stools", but that comes as no surprise as their defined role is to function as an interface between the local/regional and the federal state/national level.

While the operational level of the *Regionalmanagements* only consists of a few employees, numerous members from different institutions, associations and private enterprises as well as individuals, usually politicians, are involved at the strategic level. There is some criticism that these stakeholders are too often the "usual suspects" of the local and regional establishment, i.e. mayors, members of parliament, public servants or members of chambers, and unfortunately, not the visionary, innovative, creative outsiders off-mainstream. However, the latter are more likely to be included in actual projects, rather than in the "strategic talking shops". Moreover, as most *Regionalmanagements* are organised as private associations (*Trägervereine*),

⁸⁵ Although inter-municipal cooperation is still likely to end when "hard" issues or money are involved, it has become quite common with soft and strategic issues. After all, it is seen as a possibility and sometimes even as an advantage, but often needs an extra incentive or pressure.

in which all municipalities are members, the public surplus is hardly to be avoided anyway.

In 2004, when the field work for this study was conducted, it was discussed in Lower and Upper Austria⁸⁶ to found a "*Regionalmanagement* holding" at federal state-level. This holding would integrate all existing, quite individual *Regionalmanagements* into one "company" with hierarchical management structures. The danger in this construction is, however, that with growing establishment and institutionalisation the *Regionalmanagements* might become a mere agent of the federal states instead of being intermediary regional networks. Even though the intention of better streamlining and coordination of the network structures surrounding the *Regionalmanagement* is understandable, it might be in fact counterproductive as its very own tasks are regional coordination and communication between the heterogeneous regional players in order to develop regional resources. Too much management and hierarchy could hinder the activation and use of this variety.

Of the three examined *Regionalmanagements* only the *Regionalforum Steyr-Kirchdorf* represents the dominating and integrating regional body, while in the other two cases different bodies or organisations have taken over this role within the case study area Eisenwurzen.

The *Regionalforum Steyr-Kirchdorf* (45 municipalities), which goes back to 1989, when the *ARGE für Regionalentwicklung* was founded, was augmented to a multifunctional competence centre in 2001. This was done in order to combine the forces of all regional actors (e.g. Agenda 21, LEADER +, the *Eisenstraße* association, the national park; cf. the following chapters) and, more specifically, to implement the "Leitbild Upper Austria" as well as the Agenda 2000. It was then that different work areas were established: Business, tourism, municipal matters; culture and support of the association *Eisenstraße*; employment and social matters; youth, health and family; industry and technology; agriculture; nature and ecology. All projects and initiatives of the region were incorporated in the Regional Economic Development Concept that was published in 2003, illustrating the integrative role of the *Regionalforum* once again.

The *Regionalmanagement Liezen* is also organised as a non-profit association (50 of 51 municipalities of the district are members), but in comparison with the *Regionalforum Steyr-Kirchdorf* its self-conception is less strategic or integrative and has – apart from the core tasks information, moderation and project management – rather the character of a business development institution. For the Styrian part of the case study area, which is one of the districts five sub-regions, the *Regionalmanagement* plays only a marginal role, neither has it taken the lead, nor is it very present in the sub-region. Instead, the Nature Park *Steirische Eisenwurzen*, has taken over this role (cf. Chapter 6.3.3).

⁸⁶ This topic was, however, not on the agenda in Styria, but on the contrary was considered as unlikely to happen, even as unwise. The relative autonomy and heterogeneity of the *Regionalmanagements* is instead considered as a major asset.

In the Lower Austrian part of the case study area, there is noticeable friction between the *Regionalmanagement Mostviertel* and the association and LAG *Kulturpark Eisenstrasse Ötscherland*, a bottom-up initiative that goes back to the 1980s (cf. Chapter 6.3.2). Main point of contention is the power of defining the *Leitbild* of the region: The scope of the *Regionalmanagement* is much larger than of the other two mentioned (90 municipalities, three districts), which includes the Lower Austrian Eisenwurzen as a sub-region in the south-western fringe. The independently organised actors in the Eisenwurzen region do not feel sufficiently represented under the label "*Mostviertel*" ("Region of Must") as the latter differs in terms of landscape, history and cultural assets. The actors of the *Kulturpark Eisenstrasse Ötscherland* are worried that the distinctive profile of their area might not be reflected clearly enough in external presentation. There is also some concern to be taken in by the *Regionalmanagement*, after having established a standing and renowned image over many years.

6.3.2 THE EISENSTRASSE: HISTORIC CULTURE AS AN IMPULSE FOR DEVELOPMENT

Activities in connection with the cultural heritage have been a central starting point for the revitalisation of the Eisenwurzen region. At first, this seems paradox: The specialisation in mining and iron processing that first caused the region's thriving, then its decline, has again become a starting point for regional development, only in a different way.

The initial impulse originated in the Styrian part of the Eisenwurzen, which had been most severely affected by the structural change and the decline of mining. In 1976 the *Montanhistorischer Verein für Österreich* was founded by historically interested locals in Leoben (Styria) and soon after, the first ideas about a geographically dispersed "open-air museum" *Eisenstraße* appeared (cf. MEYER-CECH 2003: 162f). During the 1980s more associations were founded also in the other parts of the Eisenwurzen (cf. Table 22) that engaged in the preservation of the region's cultural heritage as well as the development of tourism, economy and the reinvigoration of a regional identity. It is not a coincidence that all these associations developed simultaneous with the evolution of endogenous development strategies in Austria. In fact, some, e.g. in Styria, received assistance by the so called *Regionalbetreuung* (cf. Chapter 6.2). Members of these associations are mainly municipalities, thus forming regional networks without a hierarchical or institutionalised organisation apart from a managing office.

The first one to be founded was the Styrian *Regionaler Entwicklungsverband Eisenerz* (Regional Development Association Eisenerz), which later merged in the larger *Verein Steirische Eisenstraße*. Styria was also the first of the three federal states that are part of the Eisenwurzen to organise an official Federal State Exhibition (*Landesausstellung*) in 1984, called "*Eisen und Erz*". Currently 19 municipalities of the districts Leoben and Liezen are members of the *Verein Steirische Eisenstraße*. These are the same municipalities (plus two others) that are members of the two Styrian LEADER+ LAGs, *Steirische*

Eisenstraße (10 municipalities of the district Leoben, without Leoben) and *Natur & Kultur Gesäuse und Eisenwurzen "Xeiswurz'n"* (7 municipalities of the district Liezen - which also form the nature park - plus 5 more) (cf. Figure 24).

Table 22: Chronology of the Austrian Eisenstraße

Year	Cornerstones
1976	Formation of <i>Montanhistorischer Verein für Österreich</i>
1981	Formation of <i>Regionaler Entwicklungsverband Eisenerz</i> , Styria
1987	Formation of <i>Verein Steirische Eisenstraße</i> , Styria
1990	Formation of <i>Verein NÖ Eisenstraße</i> , Lower Austria Formation of <i>Verein OÖ Eisenstraße</i> , Upper Austria
1998	Upper Austrian Exhibition " <i>Land der Hämmer- Heimat Eisenwurzen</i> " Lower Austria: Geographically dispersed exhibition " <i>Treffpunkt Eisenstraße</i> " Styria: Opening of 36 projects
2001	Foundation and opening of the Austrian Eisenstraße as a cross-border project

Source: MEYER-CECH 2003: 168; own translation

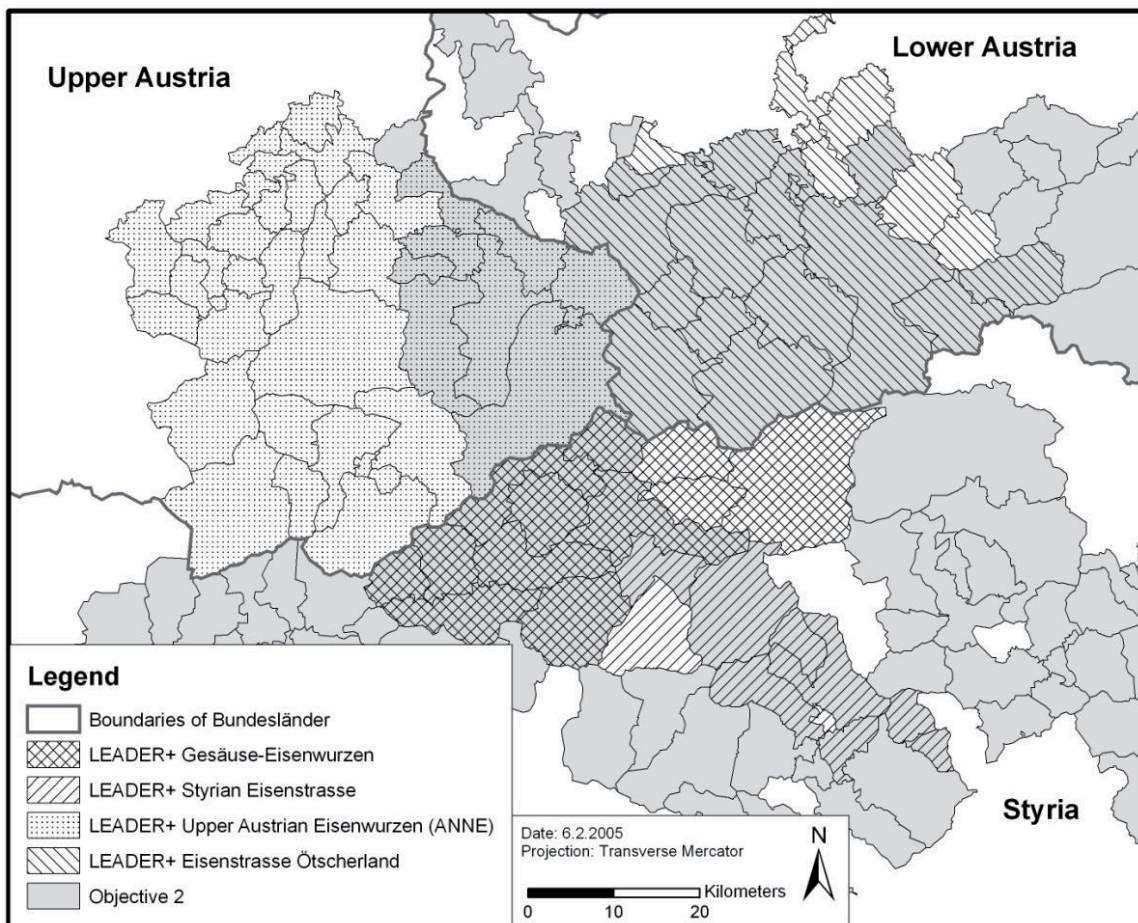
In Upper Austria, the formation of the *Verein Oberösterreichische Eisenstraße* is rooted in the initiative of several mayors who wanted to use the event *Landesausstellung* as an instrument to revitalise the region culturally as well as economically. The plans were backed up by the Upper Austrian government and initially, there were even plans for a trans-regional exhibition. This was not realised in the end, but there were parallel events in the other two parts of the Eisenwurzen during the exhibition "*Land der Hämmer*" from May to November 1998 (cf. Table 22). In Upper Austria 25 municipalities and innumerable volunteers participated in the running of the actual event, which was co-financed by the EU (Objective 5b programme) and headed by the federal state administration (*Landeskulturdirektion*). The conceptual design, the preparation, marketing and coordination at operative level, however, was mostly organised by the *Verein OÖ Eisenstraße*.

Unfortunately, after the exhibition the support of the federal state stopped, but nevertheless, the event had successfully planted a seed: It had given the necessary impulse for the establishment or continued work of many regional networks and inter-municipal cooperation. As mentioned in the previous chapter, the *Regionalforum Steyr-Kirchdorf* took over the lead role in the Upper Austrian part of the case study area. Since 2000 it has managed the affairs of the *Verein OÖ Eisenstraße* and also hosts the LEADER+ coordination office. The *Verein OÖ Eisenstraße* itself is a member in the LAG *Aktionsgruppe Nationalpark-Naturregion Eisenwurzen ANNE* (cf. Figure 24), which comprises 38 municipalities and furthermore incorporates among others the objectives of the Eisenstraße project.

The *Verein Niederösterreichische Eisenstraße* was founded in 1990 by 13 municipalities and has continuously been enlarged. In 2000, it amalgamated with the association *Tourismusverband Ötscherland* and was renamed *Kulturpark Eisenstraße-Ötscherland*, which consists of 26 municipalities today. Of these, 23 municipalities have participated in the LEADER+ process and the writing of the regional development programme (cf. Figure 24). The professional management office of the *Kulturpark* also hosts the LEADER+ coordination office in Ybbsitz and seeks to gain financial independence in 2006.

The *Verein NÖ Eisenstraße* or *Kulturpark* has developed its objectives over time: While in the beginning it focused on the preservation of historical monuments of the *Eisenstraße*, it now has a broader scope, incorporating regional development objectives and projects in agriculture, crafts, tourism, art, education and regional knowledge. Thereby, it has become the integrating force in the Lower Austrian part of the Eisenwurzen.

Figure 24: LEADER+ and Objective 2 in the Eisenwurzen Region



Source: Own design; Cartography: S. Menzel, T. Bockmühl

After the exhibition had failed to become a joint event in 1998 due to various reservations of the federal state politicians, a second attempt for a cross-border cooperation was started in 2001, when the three *Eisenstraße* associations amalgamated to the "*ARGE Österreichische Eisenstraße*", comprising all together 76 municipalities. This move is connected to the

trans-regional project *Netzwerk Österreichische Eisenstraße* as part of the LEADER+ projects and the planned application for becoming a UNESCO World Heritage Site. However, chances for harmonised trans-border development concepts with a shared focus on the *Eisenstraße* heritage are marginal because only in the Lower Austrian Eisenwurzen it is currently considered to be the major potential for development.

6.3.3 LARGE PROTECTED AREAS AS DEVELOPMENT INSTRUMENTS

The most intriguing speciality about the region Eisenwurzen is that the four protected areas (two national parks and two nature parks⁸⁷, founded between 1996 and 2002, cf. Figure 25) have become important, even the central forces for regional development. In the Upper Austrian and Styrian Eisenwurzen they are considered to be more promising development instruments than the cultural project *Eisenstraße*. Both national parks *Gesäuse* and *Kalkalpen* as well as the nature park *Steirische Eisenwurzen* define themselves as "motors for regional development" besides their core function of nature protection (cf. Table 23). Furthermore, the national parks are surrounded by associated nature regions that consist of municipalities that have a stake in the parks or lie in relative proximity to them⁸⁸. These newly established nature regions reveal the impact of the parks and the significance of them as catalysers for a sustainable regional development as the involved municipalities have integrated the parks' leitbild into their own development strategies and marketing.

⁸⁷ Both, national parks and nature parks, are legally defined categories in the federal states' nature conservation acts. While the national parks' core task is conservation, the Austrian nature parks include economic development (cf. Table 23).

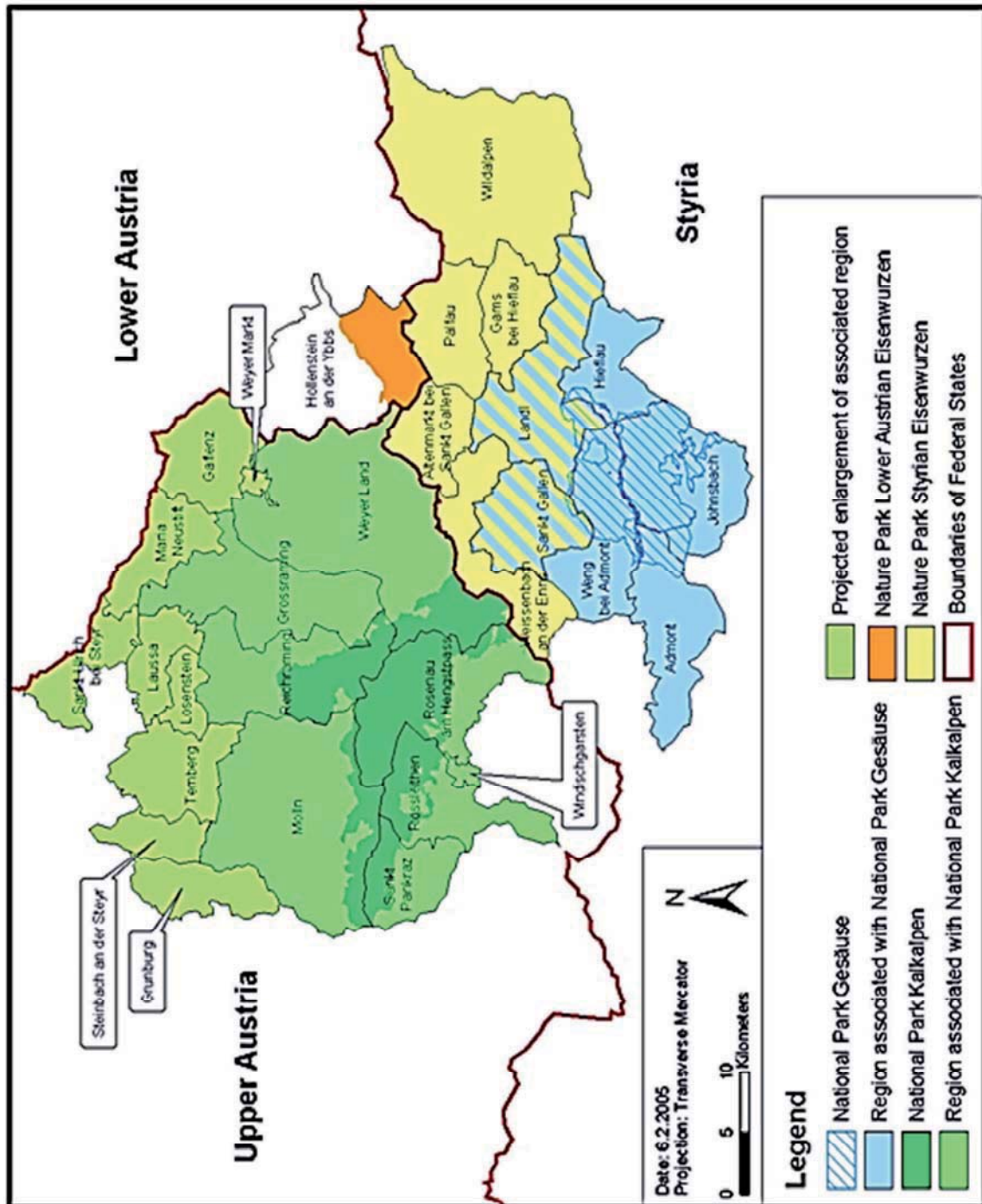
⁸⁸ In the Styrian part of the Eisenwurzen, the nature park *Steirische Eisenwurzen* is part of the nature region that surrounds the national park.

Table 23: Self-definition and cooperation of the large protected areas in the region Eisenwurzen

National Park <i>Kalkalpen</i> (1998), Upper Austria	National Park <i>Gesäuse (2002)</i>, Styria	Nature Park <i>Steirische Eisenwurzen</i> (1996)	Nature Park <i>Niederösterr. Eisenwurzen</i> (2003)
Self-definition			
Lead project with image effects, which will help to find new regional sources of income	Administration of national park only intends to support tourism and regional economy indirectly	Model region for sustainable development, based on the four pillars nature protection, recreation, education, regional development	Model region for sustainable development, based on the four pillars nature protection, recreation, education, regional development
Cooperation with the surrounding region			
Surrounded by the <i>Nationalpark Region Ennstal</i> , which functions as a model region for sustainable cultural landscapes	Motor of regional development through cooperation with the region	Driving force for establishment of the <i>Naturregion Gesäuse Eisenwurzen</i> in cooperation with the National Park Gesäuse and others	Limited to one municipality, no further cooperation

Sources: Own compilation; Nationalpark Kalkalpen 2003: 40; KALHS 2003: 4-5; VNÖ 2003: 6

Figure 25: Large Protected Areas in the Region Eisenwurzen



Source: Own design; Cartography: S. Menzel, T. Bockmühl

In the Upper Austrian *Nationalpark Region Ennstal*, the surrounding area of the *Nationalpark Kalkalpen*, a good cooperation between the administration of the national park, the municipalities, the *Regionalmanagement* and other organisations is obvious. While during the 1980s, before its actual establishment, the national park was considered primarily as an instrument to prevent large, intrusive projects (a firing range and a hydro electric power plant) and to protect the natural landscape, it has now become the flagship for the whole region Steyr-Kirchdorf. Earlier on the national park was quite

controversial and considered to hinder regional development by some, but the former sceptics have been integrated successfully. The whole region sees itself on the path towards becoming a model of sustainable development that is consistent with the historical and natural heritage of the cultural landscape. Many projects, like for example the introduction of a trademark for regional products, have been initiated since 1997, especially within or between tourism, agriculture and regional small industries. The acceptance of this concept is unquestionable: In 2003, nine further municipalities have applied to become part of the *Nationalpark Region Ennstal* (cf. Figure 25, light-green area in the map).

Interestingly, the national park and the national park region have outstripped the former flagship, the project *Eisenstraße*. The regional development plan of the LAG ANNE (2000: 8) even mentions "problems with the follow up use of the Upper Austrian exhibition infrastructure". It is not quite clear whether this is due to a lack of intention or due to other hurdles. But the fact that the Upper Austrian part of the Eisenwurzen has changed its marketing name from "*Eisenstraße – Land der Hämmer*" or "*Pyhrn-Eisenwurzen*"⁸⁹ to "*Nationalparkregion Ennstal*" – suggests that the heritage of the *Eisenstraße* is not seen as a promising development potential any longer, at least not as the flagship.

Another example for the combination of nature protection and regional development is the *Naturpark Steirische Eisenwurzen*, which is the driving force in the Styrian part of the region. Results of its work are for instance a water theme park, which has become a major tourist attraction in the area, and the recently acquired status as a European Geopark⁹⁰. In 2002, the *Nationalpark Gesäuse* was founded adjacent to the nature park, further emphasizing that the Styrian Eisenwurzen region intends to focus on its natural potential. Similar to Upper Austria, a region associated with both parks, the *Naturregion Gesäuse*⁹¹ was founded by the nature park, the national park, the involved municipalities, the tourist associations and the forestry agencies. The main aim is to combine and coordinate all regional development activities, use synergies especially in tourism, culture and agriculture and avoid any unnecessary parallel activities of the regional actors⁹². The idea was developed by the LAG *Natur & Kultur Gesäuse und Eisenwurzen*, whose executive management is identical with the management of the nature park (both are based in one office in St. Gallen). Like in Upper Austria there are plans to avoid the name Eisenwurzen in the future and instead use the newly created label *Naturregion Gesäuse* as the main flagship, which will primarily be associated with the national park.

⁸⁹ *Pyhrn-Eisenwurzen* was the former marketing name of the region for tourism purposes (*Fremdenverkehrsregion*), while *Eisenstraße* is related to the exhibition.

⁹⁰ More than 30 different projects in geology, botany and regional history have been initiated in relation with the GeoPark, partly financed by INTERREG IIIC.

⁹¹ The *Naturregion Gesäuse* comprises 13 municipalities: 11 of them are members of either, the national park, the national park region or the nature park; 2 municipalities - Ardnig and Hall – are members of the LAG *Gesäuse & Eisenwurzen*.

⁹² Explicitly named by the interviewees were Steirische Eisenstraße, Regionalverband Oberland, Naturpark Eisenwurzen, Nationalpark Gesäuse, LAG, Regionalmanagement Liezen, Geopark.

In retrospect, the national park Gesäuse was the "extra" impulse that was necessary to trigger the inter-municipal cooperation between the two sub-areas Styrian Eisenwurzen and Gesäuse. The nature park and the other municipalities that surround the national park will provide the (tourist) infrastructure that is required by the national park, and in that way profit from it. In this regard, cooperation will be to the benefit of all parties involved, and the win-win situation might eventually help to overcome the historical competition and mental boundaries.

The fourth protected area in the case study region is the *Naturpark Niederösterreichische Eisenwurzen*, which is restricted to one Lower Austrian municipality (Hollenstein). Therefore, it is much smaller than the other parks, has less financial means and hence does not have the potential to initiate many development activities or projects. Although neighbouring the *Naturpark Steirische Eisenwurzen*, there neither is cooperation at present, nor is it likely to happen in the future. This is mainly due to the federal state boundary that separates the nature parks not only geographically but also administratively, legally and financially.

6.3.4 "THREE EISENWURZEN"

As shown in the previous chapters, a trans-regional Eisenwurzen exists only in regard to the common cultural and economic past. At present, cross-border cooperation is restricted to the *Eisenstraße* associations and their efforts to become UNESCO World Heritage Site. All other regional development activities are clearly confined to the single federal states, not the least because of administrative, legal and financial requirements. Responsibilities for *Regionalmanagement*, EU programmes such as LEADER, for funding of regional development schemes and also for nature conservation legislation clearly rest with the federal states. It is obvious that these boundaries are too "hard" to be overcome by "soft" forms of regionalisation and governance structures.

In this regard, it makes more sense to speak of "three Eisenwurzen". However, even this appears to be inaccurate as only the Lower Austrian Eisenwurzen and the southern part of the Styrian Eisenwurzen (represented by the LAG *Steirische Eisenwurzen*) place emphasis on the heritage that once gave the region its name. Both the Upper Austrian and the northern Styrian part prefer to promote their natural assets and use the national parks and newly created nature regions as their flagships (*Nationalpark Region Ennstal* in Upper Austria, *Naturregion Gesäuse* in Styria).

Very clearly, the advocates of the large protected areas consider them to have good potential for regional development and external marketing. They do not reject the idea of the *Eisenstraße* inherently, but criticise that the approach is too narrowly focused on preservation and history, hence implying the danger of a "museumisation". In their opinion, the *Eisenstraße's* merit was to get things started in the first place, mobilise municipalities and all kinds of other actors. Moreover, it generally lifted the regional self-esteem

and identity⁹³, but now things needed to evolve. The *Kulturpark Eisenstraße Ötscherland* has opened up to new topics, proving that it could be done under the same label, even in the same structures. But apparently, the Upper Austrian and Styrian nature regions have chosen a different path: Here, the large protected areas are not necessarily understood as an alternative asset, but rather as an additional potential to secure funding after 2006, attract a different clientele, integrate more actors and address a broader scope of development issues. Its "discovery" was possible because of the structures created around the *Eisenstraße* projects and the experiences made over 15 years, which can now be incorporated in the regional development efforts.

6.4 CONCLUSION

In Austria, endogenous development strategies have been applied over the past 25 years, being accompanied by intensive discussion and research. From the beginning they were understood as a qualitative approach with economic as well as non-economic objectives. The newly introduced measures were not intended to replace all other regional policy instruments in the fields of economic or agricultural policy, but rather function as a correction of regional policy towards a more coordinated, regionally based approach.

The national level, namely the Federal Chancellery, was an important promoter for the introduction and enhancement of the endogenous development strategies. As it has no authority to issue directives to the federal states or ministries, it became a mentor, hinting to new directions, coordinating instruments and evaluating the implementation. It also formed coalitions with regional actors, which made it possible to experiment and to avoid sometimes resistant authorities. Eventually, successful measures became "fast-selling items" and were taken up by the responsible institutions themselves.

Today, endogenous regional development has moved mainstream and is unquestioned by politicians, civil servants and regional actors alike. There is also consensus in Austria that rural regions, and especially the Alpine areas, need to be targeted specifically in order to guarantee their functioning. The endogenous development strategies have not only helped to sustain the high esteem for Austria's cultural landscapes, but also to convince conservative or agricultural fractions in rural areas to move away from narrow, sectoral views towards increased cooperation.

The bottom line is that endogenous regional development as practised in Austria can very well be called integrated rural development, even if the term itself is not that widely used. It contains all core elements, the area-based approaches, using endogenous potentials, working in network structures and – most importantly – implementation and capacity building at regional level. Already in the 1980s, the endogenous development strategies were

⁹³ Cf. also HEINTEL/WEIXLBAUMER 1998

accompanied by elements such as animation, consultancy and professional support in order to make the bottom-up strategies work.

The EU accession pushed things ahead as it brought external pressure for regionalisation and moreover the need for horizontal and vertical coordination. Furthermore, there were more funds for rural development that, however, had to be used according to EU regulations, which further caused a shift from subsidies and direct investments to measures focusing on qualification, infrastructure, innovation and technology. Because of additional funds and the increased need for consultancy the already existing forms of regional support were professionalized in form of the *Regionalmanagement*. Now an established institution throughout the country, it has enforced the strategic dimension to regional development. Nevertheless, it is not an institutionalised regional level, as the single *Regionalmanagements* differ considerably in their layout, thus leaving space for other (bottom-up) initiatives to manoeuvre and even take over the lead.

Strongly promoted by the national and federal states' level and facilitated by the *Regionalmanagement*, inter-municipal cooperation has become common. At regional level, the municipalities and public actors therefore tend to dominate the (strategic) networks, in which other institutions, volunteers' organisations and civil actors, though less often the private sector, participate. The positive side effect is that the municipalities' membership fees contribute to the set up of permanent management staff. Despite the public dominance, the regional level appears quite dynamic, with different networks overlapping, but sometimes also amalgamating and showing tendencies for integration.

7 SYNTHESIS

Following the analysis of the three individual case studies, this study concludes with the comparison of the identified central components of regional development policies and regional governance across the national boundaries. This section draws together all empirically won facts and interpretations and reconnects them to the theoretical suppositions presented in Chapter 2. The structure of the synthesis is based on the central research questions and incorporates the more specific research questions of step three (cf. Chapter 1.3).

7.1 CONCEPTUAL REFORMS OF REGIONAL DEVELOPMENT POLICY

Central research questions:

Which concepts, strategies and instruments are currently used in regional development policy?

What experiences have been made with these strategies and instruments at the regional and local levels?

Do these concepts, strategies and instruments support an integrated rural development?

7.1.1 DIFFERENT COUNTRIES, DIFFERENT RECIPES: APPROACHES TO REGIONAL POLICY AND RURAL PERIPHERIES

As shown in the Chapters 4, 5 and 6, the approaches to regional policy and rural peripheries differ between the three countries, owing largely to the different administrative systems, different degrees of centralisation and political traditions. Accordingly, different paths and "specialities" can be identified with regard to the strategies and instruments for regional development.

In Scotland, the most fragile areas have been declared support areas, in which the focus is on working in partnerships, local capacity building, inclusion and participation. The small scale of these areas and the related schemes, and furthermore, the lack of streamlining, are notable. Both observations suggest that the regional development policy is still at an experimental stage.

As for Sweden the regional policy oscillates between the traditional obligation for regional balance and a focus on the economically dynamic regions. A regionalisation of regional policy measures is noticeable, but so far the regionalisation of the political system lags behind, leading to considerable friction. At the local level, the revival of the cooperative sector is most striking, along with the (re-)discovered importance of the social economy for

the sparsely populated rural areas, and the high professionalism and level of self-organisation of local actors.

Austria's traditional regional policy is complemented with endogenous strategies that have moved mainstream and are widely accepted. The actual instruments at regional level vary considerably as they are often bottom-up initiated: Cultural initiatives and even large protected areas are understood as development instruments that are particularly suited for rural areas.

In Scotland and Austria, there is conviction that a living countryside should be maintained even in the more remote and fragile areas and that consequently the state should make available special schemes to their support. In Sweden, rurality has lately been questioned in the view of an overall economic change and not least due to the extent of the vast, almost empty wilderness areas. Admittedly, this scale does not compare to the rural areas of Scotland and Austria. Sweden's newly adopted approach has been a levelling policy for all regions alike, which neglects the special features and needs of rural peripheries to a large extent.

But despite the different attitudes, regional development policy and rural policy are in fact institutionally separated in all three countries. Moreover, rural policy is mostly still equivalent with agricultural policy: Scotland has an "Environment and Rural Affairs Department", but more than 90% of the expenditure is related to agriculture. Regional policy is the responsibility of two other departments (SEDD and SELLD) and is managed by the enterprise networks HIE and SE.

In Sweden, the Ministry of Agriculture has so far been uninvolved with broader rural development issues, while regional policy has always been managed by the Ministry of Industry and the agency NUTEK. Only in Austria, where the responsibility for regional policy is shared between the national level and the federal states, rural issues are more present in regional policy and first signs of a rethinking process are noticeable in agricultural circles – even though this is still not reflected in the budgets.

As for the institutional framework of regional policy at the national level, the example of Austria, where two federal ministries (economy and labour; transport, innovation and technology) and all federal states are involved, makes clear that shared responsibilities for regional policy measures do not necessarily mean duplication of effort or confusion. Quite on the contrary, this approach can make regional policy even more consistent. A coordinating body, namely the federal chancellery and the ÖROK, is essential to the functioning of this construct. A comparable institution at national level does not exist in either Scotland or Sweden, due to the centralised political systems of these countries. Nevertheless, it could be a useful asset to their regional policy making: The current Scottish regional policy lacks coherence and it is unlikely that the councils will be able to fill this gap solely through community planning. Sweden has a tradition of putting up temporary committees (*delegationer*), but could benefit from a permanent coordinating body for all policy measures concerning rural areas.

7.1.2 EXPERIENCES WITH NEW STRATEGIES AND INSTRUMENTS AT THE REGIONAL AND LOCAL LEVELS

First of all, it is noticeable that the regional level has generally gained importance. There are tendencies towards decentralisation and even fragmentation in all three countries, although the degrees of regionalisation differ due to the different political systems. Scotland, being a devolved region of the UK itself, is prepared to further regionalise responsibilities to the councils and communities. Austria, a federal state, actively encourages inter-municipal and regional cooperation, for example via the *Regionalmanagements*. Only in Sweden, the process of regionalisation is highly debated, fuelled by the general fear that regionalisation may ultimately lead to a federal system. But at the same time, the Swedish central government encourages regionalised policy-making, while it is obviously reluctant to accept that the functional regional level is difficult to steer and tends to take its own shape.

In summary it is true for all three countries that regional development policies have contributed to the evolution of very complex structures at the regional level, which tend to be spatially dynamic, but are also often volatile and unstable. These structures are likely to become even more influential in the future (cf. Chapter 7.2).

The large number and great variety of strategies and instruments being implemented in the case study regions is eye-catching and has been described in detail in the Chapters 4, 5 and 6. Nevertheless, a set of core similarities and differences can be identified.

EU programmes

Similar to all countries and regions is the influence of the EU programmes on the regional policies. This is most apparent in Sweden and Austria, which both entered the EU relatively recently in 1995. Especially in Sweden, where regional policy had been understood as a (re-)distribution of wealth and where direct subsidies used to be a common tool, EU regulations instigated reforms and the reduction of state expenditure. After their accession, both countries introduced key features such as regional partnerships, regional development strategies and project work, as well as the tools of evaluation and monitoring, which are required for the implementation of EU programmes. These features have now been largely integrated into the national policies in both, Sweden and Austria.

Finally, the EU Structural Funds have contributed substantial funding to all case study regions that enabled crucial infrastructural measures and projects, which otherwise would not have been possible.

LEADER

The LEADER programme had a particularly strong impact on the emancipation of the regional and local actors, even though its implementation varied between countries. In Sweden, for example, the central government decided that LEADER+ and Objective 1 areas should not overlap, while in Scotland this was not seen as a problem. Austria has a high number (56) of relatively small LEADER regions, each receiving only moderate funding, while in Scotland one LEADER region covers the entire Western Isles and Skye & Lochalsh. Obviously, the term "local" is interpreted in different ways.

As a critical annotation, it must be said that the LEADER projects are not always as innovative or experimental as it could be wished for, given the actual concept of the programme. But despite their mainstream nature and their comparably modest funding, the LEADER projects in all case study regions have yielded high effects on local capacity building and a high overall cost-value ratio. It has given local initiatives incentives as well as the financial means to take action and increase their knowledge and proficiency. And it has also increased the acceptance of local capacity building, local involvement and community consultation as tools with the established agencies and public institutions. This is particularly apparent in the Scottish case study where, thanks to LEADER, local actors and the integrated approach have been taken more seriously by the HIE ever since.

In a centralised country like Sweden, the effects of LEADER have been almost "revolutionary" as the programme enabled independent local and regional actors to work outside the governmental system, which had often enough caused conflicts with municipal as well as regional state representatives.

Regional strategies

As another similarity, regional strategic plans or regional visions have become central instruments for regional development in all three countries. Even though strategic plans were not uncommon in the past, mainly as instruments of spatial planning, there is now a new quality to them. Firstly, they often have a cross-sectoral approach as they combine economic, social and cultural goals – albeit in most cases, the economic goals still tend to be in the focus. Secondly, they are supposed to function as the strategic fundaments for all concrete development measures and therefore often also comprise action plans. Thirdly, they no longer tend to be imposed top-down, as they are either prepared in a participatory manner, or do at least involve regional or local partnerships consisting of various actors.

The most comprehensive, state-led examples for such regional strategic plans are the Swedish Regional Development Programmes and Regional Growth Programmes. In Scotland, the Community Plans and the subordinate Local Economic Forums are on their best way to become central strategic tools. In Austria, the picture is different, since spatial planning is within the responsibility of the federal states and thus varies from state to state. Only

recently, the regional level – between federal state and municipalities – has gained importance as a level for strategic planning. Since late 1993 and in preparation of the EU accession, so called regional economic development schemes (*Regionalwirtschaftliche Konzepte*) have been introduced, at first in future Objective 1, 2 and 5b areas that are comparable to the mentioned strategic plans in Sweden and Scotland. But in contrast to the obligatory Regional Development/Growth Programmes and Community Plans, the Austrian regional economic development schemes only exist in a few regions, for example in the Upper Austrian part of the Eisenwurzen region Steyr-Kirchdorf. In other parts, different strategic instruments fulfil this role, such as the national park leitbild in the Styrian Eisenwurzen.

Such strategic plans have not only gained importance at the regional level, but also at the community level. In Sweden the *näringslivs-/tillväxtanalys* or *omvärldsanalys* have been created voluntarily at municipal level since 2002, while in Scotland Local Community Plans will complement the Community Plans at council level. However in most cases, such local strategies are not developed after extensive community consultation and participation, as it was the (test) case in the Dúthchas project. This kind of participation is surely exhausting and slow, but it often proves to be beneficial during the implementation process and tends to prevent conflicts. Even if it is not realistic to base all strategic plans on grassroots processes, a broader acceptance can be secured with the help of at least some participatory elements. On the other hand, based on the experiences made in the case study areas, the strategic vision should be accompanied by actual projects that provide for early results and a sense of achievement among the involved actors.

Partnerships and networks

Partnerships and networks have been established in all regions, most of them being functionally oriented with often undefined, blurry boundaries. But there are also territorially oriented partnerships and networks that were initiated top-down, such as the RGP partnerships in Sweden or the Local Economic Forums in Scotland (cf. Chapter 7.2 for a detailed discussion). In many cases, the partnerships are temporary. They are not institutionalised because they are bound to individual funding schemes and programmes, or because they are bottom-up networks of volunteers. But increasingly, there are also institutionalised (strategic) partnerships that can be expected to evolve into permanent forms of regional cooperation, like the Community Planning Partnerships or the Regional Growth Programmes Partnerships.

Participation

The partnerships and networks, which have become common everywhere, must not be misunderstood as a synonym for participation. A systematic participation of the communities happens only in selective programmes or projects and is far from widespread, which once again raises questions about democratic legitimacy and, even more so, about social inclusion. Notwithstanding, the local or community level has gained importance, which

is illustrated by the multitude of local grassroots organisations and their high level of activity.

Local capacity-building

Local animation, i.e. the use of instruments for capacity building and consultation, which have proven to be essential in order to activate and involve a wide range of actors, is increasingly part of development programmes. Good examples are the local development officers of the Dúthchas or Initiative at the Edge projects in Scotland and the Cooperative Development Agencies in Sweden. However, funding and headcount for such positions and institutions, crucial in order to ensure consistency, are often insufficient. Additionally, other forms of support like training or coaching are highly useful, but are even less common.

Regional facilitators

In all three case study areas there are "key players" of regional development standing out of the complex crowd of regional actors and institutions. (cf. Chapter 7.2.1.1 for detailed description). With an increasing number of development instruments and a greater variety of involved actors resulting in greater complexity, the demand for policy coordination and integration has increased proportionally. Therefore, there is an urgent need for regional institutions that facilitate regional decision making and development by involving and integrating all relevant actors and coordinating their activities. The Austrian example of the *Regionalmanagement* shows that this task can be fulfilled without requiring excessive man-power, and even without a central definition of responsibilities. In fact, flexible, decentralised solutions have proven to be more promising, since they are able to adapt to the regional conditions and because they are better suited to integrate other local actors. Acceptance from locals inside the region can only be earned, but hardly prescribed from above. Moreover, it is advantageous if the key players are not identified with the authorities, like the CAB in Sweden, but are instead perceived as neutral advisors.

These key players have become the leading institutions for the implementation and coordination of regional policy schemes, but their positions are not necessarily unchallenged. In the Scottish case study area, HIE is the most potent institution with a wide-stretching network and is likely to keep its position, even under a strengthened local government after the implementation of community planning. In the Swedish case study area, the regional authority (CAB) is the current key player, but its power is disputed and will continue to be until a nation-wide reform of regional government. In the Austrian case study region there are three key players, one in each of the three different parts. While two of them originated as bottom-up initiatives and have subsequently grown into professional network leaders, the third key player is the publicly supported regional development agency. However, compared to the HIE and the CAB, the *Regionalmanagement* has only modest funding at its disposal, acting rather as a coordinator and mediator than as an administrator or fully-fledged agency.

Spatial dimensions

In all three case studies the spatial dimensions of the development instruments and programmes vary, from covering community scale over larger areas, up to the whole case study region and even beyond. Functional regions that are based on local and regional activities obviously operate at all spatial scales and there is no "naturally" preferred scale. Moreover, they overlap to some or more extent, geographically as well as temporarily, like layers in a GIS. As a consequence of deregulation and the new strategies, instruments and funding programmes (in regional policy but also in other policy sectors), space is taking its own shape and is in constant flux. This fragmented regional system has a highly adaptive capacity and complements the fixed (administrative) spaces, but is also very complex and confusing.

Clearly, and validating the regulation theory, the regional (functional) level has increased in importance and is hard to control. The functional regions have become a major force in regional development, leaving the public sector in a dilemma about how to react: Work with the new structures, become involved and even make use of them (the Austrian and Scottish model) or try to subdue and steer them (the Swedish model)? In any case, administrative borders continue to function as barriers, as they are also borders of legal, financial and administrative responsibilities, which is the case e.g. in the region Eisenwurzen, and to some extent also in Jämtland.

Despite the described similarities, the preferred geographical scale of regional policy schemes differs between the three countries: In the Western Isles and Skye & Lochalsh there are many very small-scale, local schemes with a strong focus on community development and community involvement (e.g. local rural partnership scheme, Initiative at the Edge, Dúthchas), which is pushed by the Scottish Executive. These kinds of local initiatives (e.g. cooperatives, village action movement) can also be found in Jämtland, but in contrast to Scotland they do not receive as much attention from the regional authorities and the national government. The Swedish officials prefer the regional and supra-regional scale, pushing to "do things properly within the province boundaries" under the guidance of the CAB, or to enlarge regions according to certain functions, like the labour market regions. In Austria, the regional scale varies between supra-municipal and sub-federal state, often but not necessarily based on the district boundaries (e.g. the *Regionalmanagements*).

7.1.3 IMPLEMENTING INTEGRATED RURAL DEVELOPMENT – WORK IN PROGRESS

Considering the core features, or criteria, of integrated rural development (for definition cf. Chapters 1 and 2), it is fair to say that none of the three countries or case study regions has implemented integrated rural development in its "pure" form. Nevertheless, elements of it are in common use:

Area-based approaches have indeed been put on the agendas of the EU and the three examined countries, as laid out in the previous sections. Furthermore, the development and use of network structures and partnerships of actors from the public, private and civic sector have become common throughout Scotland, Sweden and Austria as well.

An increased use of endogenous potentials, including the areas' respective natural and cultural specialities is noticeable but not consistent, as this strategic approach is intrinsically tied to local capacity building, decentralisation and participation, all of which tools that lack decided support from policy makers and public administration. For instance, measures that foster capacity building and animation at the local or community level are numerous and versatile, but they are not applied systematically. Similarly patchy are regional development measures that include a systematic participation of those concerned through for instance, community appraisals. And naturally, the decentralisation of either political power, agencies' responsibilities or, especially contended, of financial resources is easily demanded or announced, but its realisation needs to overcome many hurdles. This is most acute in Sweden, where a nationwide reform towards regionalisation is under consideration, but it can also be observed as a widespread phenomenon on a smaller scale elsewhere. For instance, one of the most common complaints in the case study regions was that agencies like HIE would serve their own business plans first, rather than act upon the priorities set by regional partnerships. Additionally, decentralisation is certainly not a goal in its own right and does not automatically create better opportunities for regional development. On the contrary, if there is too much fragmentation at the local or regional level, if responsibilities remain unclear or the accountability of the institutions in charge is weak, then integrated rural development is likely to be ineffective.

In order to facilitate integrated rural development in the first place, people with commitment and persistence are needed. Yet the prevailing mind-set in regions in crisis is typically pessimistic, so that local capacity building, the development of leadership and participation are features that need to be implemented even more urgently and with adequate funding. Unfortunately, almost all funding schemes today are on a per-project basis, first and foremost the EU programmes, but increasingly also national schemes and public assistance for posts and institutions. This causes two problems: Firstly, there is the implicit danger that the agreed visions cannot be realised due to an incongruence of the envisaged projects with the programme requirements, fragmented budgets or simply project timelines. With shared visions turning into mere wish-lists, this effect bears a huge potential for frustration and discouragement. In this way, strategic development visions could even become counterproductive. Secondly, it becomes more difficult to achieve continuity and to guarantee a learning process for both the development officers and the community because the funding of posts is reliant upon individual schemes or projects. Here, permanent positions or at least separately funded posts would surely be helpful, at least in the start-up phase.

Overall, the case studies – apart from Austria – have shown that qualification and education are not adequately acknowledged as basic prerequisites for rural development, at least not in regional policy. But even in Austria and despite the utterance of an increasing demand in all regions, funds for education, training and dissemination of best practice experience have not yet been integrated well enough in the rural development schemes. Although there is much talking about innovation, creative milieus and the knowledge-society, flanked by glossy brochures, ideas about how to achieve these with political instruments are vague, even more so in rural areas.

Finally, the biggest hurdle in regard to the implementation of integrated rural development is its cross-sectoral approach. In all three countries, a truly integrated rural development policy is bound to fail due to the lack of coordination of the existing sectoral policies and administrative structures. So far, integrated strategies are more prevalent at the regional and local levels, where interdependencies of the rural issues are more concrete and more tangible. But generally, all policy levels are still organised in parallel fields with separate budgets, with most departments and agencies appearing to live a "silo" mentality. And even if a consensus about the goal setting is achieved in the region, this does not necessarily imply that there is public backup. Unfortunately, the chances for major organisational reforms are rather low as the tendency to "tinker" with the system usually prevails.

Last, but not least, the most dominant hurdle to integrated rural development is the persistent agriculture-centric perspective, which keeps the lion's share of the rural regions' budgets reserved for agriculture. In this regard, integrated rural development would have to include a massive redistribution of these financial resources.

The bottom-line is that integrated rural development is currently being presented as a promising tool to tackle the problems of rural peripheries. However, its implementation is not yet consistent, but fragmentary and plagued with a range of obstacles which are not easily overcome.

7.2 INSTITUTIONAL REFORMS: REGIONAL GOVERNANCE STRUCTURES

Central research questions:

How can the regional governance structures that are connected to the investigated strategies and instruments be characterised?

How do these interact with the government and the administration?

Institutional reforms are inseparably connected to the described new instruments and strategies for regional and rural development. When taking a closer look at the multiplicity of actors and institutions involved in regional policy schemes, the difference compared to 30 years ago becomes obvious: There is now a great variety of actors and institutions with very different backgrounds, all dedicating their work and effort to the development of the

rural area in question. Even if the actual core tasks of some actors and institutions might not be linked to development issues at first sight, like in the case of the national parks and cultural initiatives in Austria, the local cooperatives in Sweden or the network university in Scotland, their self-conception often is. Thus, they readily participate in regional networks or even become initiators themselves. One negative consequence of this variety is that responsibilities are often not clearly defined, leading to a "duplication of effort" and sometimes competition, even conflict over regional leadership or regional development objectives.

The following part further investigates the broad field of actors and powers involved at the regional level, asking what kinds of "new powers" these are related to.

7.2.1 TYPES OF GOVERNANCE AND THEIR CONTEXT

Three different types of new institutions and network structures have been observed in the case study regions:

- New agencies at regional level that exist in between the public and the private domains and often play a key role as regional leaders
- Regional partnerships involving various regional and local actors from the public, private and civic sector
- Local voluntary groups and networks

According to the stringent definition by FÜRST (2003), of these three only the regional partnerships qualify as "true" forms of regional governance. But also the agencies and the local voluntary groups and networks have been identified as important players in the governance area at the regional level, which has evolved around the strategies and instruments of regional development.

7.2.1.1 REGIONAL DEVELOPMENT AGENCIES

Institutions acting as important facilitators for regional development measures can be found in all case study regions. In Scotland and Austria, these are the new regional development agencies, Highlands and Islands Enterprise and the *Regionalmanagement*, respectively, while in Sweden the regional authorities (County Administrative Boards) have been assigned a new role (cf. Table 24 for an overview). Despite different degrees of autonomy⁹⁴, they all act as key strategic leaders in regional development, administering various national and European schemes and assisting with applications for funding (to different degrees). However, they are not always the facilitators in the sense of being pro-active, even the same institutions

⁹⁴ The CABs are highly dependent on the national level. The autonomy of the *Regionalmanagements* is relatively high, although there are attempts in some federal states to constrict their scope (especially in Lower Austria). HIE's autonomy is very high – too high for many who criticise its lack of accountability and legitimacy.

differ locally in this respect (e.g. the *Regionalmanagements* and also the Scottish Local Enterprise Companies).

In the Scottish case study area, Highlands and Islands Enterprise (HIE) is the key institution for regional development, apart from the local government (Highland Council and Western Isles Council). Founded as a quasi non-governmental organization (Quango) in 1991, HIE is organised as a network of smaller Local Enterprise Companies (LECs). These are regionally based and have boards consisting of local business people and community representatives, reflecting HIE's intention to meet local needs for economic and social development.

The LECs Western Isles Enterprise and Skye & Lochalsh Enterprise work in partnerships with various actors, whereas selected programmes such as the national scheme "Initiative at the Edge" or the implementation of so called Local Economic Forums also allow for participation at the community level. However, the lack of democratic legitimacy and accountability of HIE has caused considerable controversy, although today, the debate has somewhat shifted. Now, it is the overlap of the activities of the LECs and the mentioned councils that is criticised as producing duplication of effort in some areas. As a matter of fact, these questions are debated mainly in academic circles. In the regions themselves, the criticism is rather directed at actual work processes, or the efficiency of the institution.

The situation in Sweden is complex, as a reform of the governmental system has been underway since the early 1990s, but has not yet been finalised. The unitary system has survived since the 17th century – and with it the regional key player. The County Administrative Boards, headed up by an appointed governor, act as multi-sector state agencies, responsible for the administration and implementation of EU-schemes and the national regional development measures.

With the introduction of a new key instrument in 1998, the Regional Growth Agreements, or Regional Growth Programmes, the role of the CABs was bound to change: They were invited to develop regional programmes in cooperation with various actors, such as municipalities, private firms or different interest groups. The programmes included regional priorities and action plans, though no funds were allocated to them. Particular emphasis was on broad public-private partnerships and business involvement at the regional level, so that the nature of the agency shifted towards a more joint responsibility. Nevertheless, the formal status of "working in partnerships" remains unclear. Generally, the legitimacy of the CABs is being debated on the backdrop of the debate on regionalisation and the question whether power should be devolved to the intermediate, regional level of government in the form of an elected regional body.

One outcome so far is the introduction of the so called municipality cooperation bodies, which had been adopted by five counties by 2003, albeit not in Jämtland. All municipalities are now given the option to form a cooperative body, within county councils and by unanimous agreement.

These bodies are supposed to take over regional development functions from the CAB and also coordinate the regional programmes and funds. Being based on the elected municipalities, they are democratically accountable and they are closely tied to the local political process. However, their future status is still unsure, and as can be seen in Scotland, there is the potential problem of overlap or even conflict with the still existing CABs.

In Austria, the federal states introduced so called *Regionalmanagements* in the middle of the 1990s, shortly before Austria became a member of the EU in 1995. These are supposed to fill the institutional gap between municipalities and the federal states.

Table 24: Key Institutions at Regional Level

Institution	Tasks	Cooperation	Legitimacy
<p><u>Highlands & Islands Enterprise, Scotland:</u></p> <ul style="list-style-type: none"> • Quango • decentralised structure of 10 Local Enterprise Companies • established 1991 	<ul style="list-style-type: none"> • Economic and social development • Regional administration of EU-schemes (e.g. LEADER), national programmes and own funds 	<ul style="list-style-type: none"> • Working in partnerships with various actors • Selected programmes allow participation of the community level, e.g. Initiative at the Edge, Local Economic Forum 	<ul style="list-style-type: none"> • Non-elected agency • Parallel structure of Quangos and local authorities has potential for confusion and duplication of effort • Funding: Public (Scottish Executive, EU) and private
<p><u>County Administrative Board, Sweden:</u></p> <ul style="list-style-type: none"> • Multi-sector state agency • established 1634 	<ul style="list-style-type: none"> • Managing authority for national and EU- schemes • Regional Growth Agreement/Programme = Cross-sector coordination framework for existing regional funds 	<ul style="list-style-type: none"> • State-led administration, but change from single to joint responsibility • Coordinating various partners from a range of organisations and businesses 	<ul style="list-style-type: none"> • Non-elected body, legitimacy currently debated, unclear formal status of partnership working • Funding: Public

Institution	Tasks	Cooperation	Legitimacy
<p><u>Municipality Cooperation Body, Sweden:</u></p> <ul style="list-style-type: none"> • in single counties • established 2001 	<ul style="list-style-type: none"> • Likely to take over regional development functions from CAB, but unclear to what extent 	<ul style="list-style-type: none"> • Unclear, apart from inter-municipal cooperation 	<ul style="list-style-type: none"> • Municipality-based regional body (representative), future status still unsure • Funding: Public
<p><u>Regionalmanagement, Austria:</u></p> <ul style="list-style-type: none"> • Different forms of organisation possible; mostly private associations (Trägerverein) • Filling institutional gap between federal states and municipalities • established 1995 (EU membership) 	<ul style="list-style-type: none"> • Information, animation and coordination of regional and local actors • Thereby making use of specific endogenous resources and potentials 	<ul style="list-style-type: none"> • Different approaches, between active animation and reactive administration 	<ul style="list-style-type: none"> • Non-elected agency • Predominantly implemented by federal states • Sometimes conflicts with other regional initiatives • Funding: Public (municipalities, federal states, EU) and private

Source: Own design

Their main objectives are information, animation, coordination and initiatives on behalf of an endogenous regional development. The conceptual approaches taken by the *Regionalmanagements* differ considerably, both within and across the federal states: Some animate more actively and involve other actors, while others are more reactive; some rather act in a top-down, others in a bottom-up manner.

Interestingly, the question of the *Regionalmanagements'* legitimacy is not as contentious in Austria as it is for similar institutions in Scotland and Sweden. It seems that the Austrian approach is more pragmatic and focused on the development objectives, not so much on institutional questions. Furthermore, and in contrast to Scotland and Sweden, there is little competition or overlap between the *Regionalmanagements* and the local authorities - for obvious reasons: The Austrian municipalities are very small in comparison to the Scottish councils and the Swedish local authorities, and they do not have any responsibilities regarding regional development.

7.2.1.2 REGIONAL PARTNERSHIPS

WOODS (2005) defines three different types of partnerships, strategic, delivery and consultative (cf. Chapter 2.4). According to this definition, the majority of partnerships found in the case study regions are delivery partnerships, i.e. "formed to manage the implementation of a particular policy or initiative [...]; normally involving local government as a key partner and others, like funding bodies, local development agencies, civic or residents' associations" (ibid: 166).

The only strategic partnership in the context of this definition is the Austrian ÖROK, whose task it is to coordinate regional policy measures. As stated in Chapter 7.1.3, rural policy integration at the national level or even across different levels is highly desirable, but currently out of sight.

In Scotland, cross-sectoral committees at national level do exist, such as the Rural Development Committee, which comprises ministers and deputy ministers from several fields related to rural development. However, these committees are usually temporary and their requests for more policy integration and coordination have so far been to no avail.

Similar committees can also be found in Sweden, like for example the *Landsbygdskommitté* on rural policy. Unfortunately, they are struggling with the same issues as in Scotland, and consequently the results are just as poor.

Consultative partnerships, facilitating participation, are equally rare. Only in the Dúthchas project and to some extent also in the Initiative at the Edge project (both Scotland) community involvement was a systematic feature. There are more examples for participative processes at community level, but these are often related to specific projects or issues and do not require a partnership.

Considering all the partnerships examined, it is questionable whether the typology is sufficient, as it subsumes many partnerships of quite different character under the single label "delivery partnership" (cf. Table 25). Besides, the main objective of many of the delivery partnerships is to deliver (regional development) strategies, like the RGP partnerships or the Community Planning Partnerships. Their priority is strategic coordination, rather than the actual execution of projects. This distinguishes them from other partnerships whose concept resembles a network of development projects under a common headline, such as the EU partnerships under LEADER or INTERREG, and from regional delivery partnerships that are associated with only one project, such as the University of the Highlands & Islands partnership. Additionally, some are initiated top-down, such as the RGP partnerships, some are bottom-up, such as the nature region partnerships in Austria. The variety is fascinating and confusing at the same time, especially as the lines between them are thin. There is definitely a need for more research on their specific contexts, compositions, objectives and – most importantly – their effectiveness.

Table 25: Different Types of Regional Development Partnerships

Type of partnership	Western Isles, Skye & Lochalsh	Jämtland	Eisenwurzen
Purely or predominantly strategic partnership; compulsory; top-down initiated	Community Plan Local Economic Forum's contribution to CP (Council level) Local Community Plan Dúthchas (Community level)	Regional Development Plan Regional Growth Programme/Agreement (Province level) <i>Närings-/tillväxtanalys</i> <i>Omvärldsanalys</i> (Municipal level, still voluntary)	<i>Regionalwirtschaftliches Konzept</i> (Structural Funds areas only)
Delivery partnership with strategic vision a) EU programme	LEADER+ (WISL)	LEADER II (Storsjö-bygden) INTERREG IIIA	LEADER+ (ANNE, Steirische Eisenstraße, Xeiswurz'n, Eisenstraße Ötscherland)
Delivery partnership with strategic vision b) National initiative, regional/local implementation	Initiative at the Edge (local development plans were introduced at a later stage though)		
Delivery partnership with strategic vision c) Regional/local initiative	Proiseact Uibhist 2000 (work based on Uist 2000 Strategic Plan) North Uist Partnership (work based on Dúthchas)		Kulturpark Eisenstraße Ötscherland Naturregion Gesäuse Eisenwurzen (<i>Leitbild</i>) Nationalpark Region Ennstal (<i>Leitbild</i>)
Delivery partnership (regional level, specific project)	University of the Highlands and Islands	Academi Norr	National Park Kalkalpen National Park Gesäuse

Source: Own design

Table 25 is not exhaustive, but clearly shows that most long-term delivery partnerships in the case study areas started, or still work, with a strategic vision or development plan. In fact, both functions are interdependent: Because partnerships are self-organised, voluntary, non-institutionalised networks, their existence is closely bound to a common project or goal

Therefore, if the partnership is supposed to survive past the lifetime of a single project, a strategy is helpful, if not necessary.

In the Eisenwurzen region, the relatively high number of bottom-up initiated regional partnerships in comparison to only a few top-down initiated or compulsory partnerships is notable. Here, the implementation of endogenous regional development strategies has been more consequent, and over time (during the past 10-20 years) these partnerships have become quite professional and established in the region. Lately, there are tendencies towards an integration of the existing institutions, partnerships and networks: In the Upper Austrian Eisenwurzen the *Regionalmanagement* also manages the LAG and the Eisenstraße association; in Lower Austria the *Kulturpark* has amalgamated with the tourist association; and in Styria the nature park, national park, tourist associations, forestry agencies and municipalities will form a new regional development partnership.

In Scotland and Sweden, the majority of regional development partnerships are related to national programmes or policy reforms. This does not necessarily mean that there is no potential for regional bottom-up partnerships – there are in fact many local initiatives in both regions. However, several reasons prevent bottom-up partnerships from flourishing: Compulsory partnerships may have "absorbed" the eligible actors; or the partnerships face concrete opposition by the administration or government (e.g. the LAG in Jämtland); or there is simply no justification for founding another regional partnership because the scene is already crowded and competition for funding from different organisations is fierce.

As one of the consequences, membership organisations (e.g. *Hushållningssällskapet*, the Federation of Swedish Farmers) and also local voluntary groups such as cooperatives, local action groups or other types of initiatives pursue their own projects, seeking only temporary partners for specific purposes.

7.2.1.3 LOCAL VOLUNTARY GROUPS AND NETWORKS

All case studies have shown that at community level, local voluntary, non-profit groups and organisations take a very active part in keeping up (social) services in the rural communities, but they also get increasingly involved in development issues. The substantial growth of informal local groups is a reaction to the shrinking public sector and an attempt of the citizens to sustain and improve their quality of life and the future development of their communities. Additionally, it can also be understood as an increased need to participate and influence policy making.

The work of such groups can lead to astonishing results; their activities can make a real difference to the survival of communities or their development perspectives. Impressive examples were found in all case study areas, for example in Steinbach an der Steyr (Austria) or in Huså (Sweden), where the regeneration of dying villages helped to stop out-migration. Although these two examples are outstanding and cannot necessarily be repeated or copied

elsewhere, other cases show that such local groups are instrumental to capacity building. They function as a training ground or basis for entrepreneurship, as kitchen for creative ideas and thus, contribute to the overall innovative abilities of rural areas. Furthermore, it seems that synergies can be identified and used more easily at the local level, so that cross-sector approaches are more common in the communities than in larger areas.

Such local groups are also increasingly recognized by governments and agencies as a tool to mobilize local actors and thereby solve the problems of the communities. This is most obvious in Austria, which has a longer tradition of endogenous development strategies, but also in Sweden and Scotland, more and more programmes support the work of local initiatives, e.g. the Community Economic Development or the projects *Dúthchas* and Initiative at the Edge in Scotland, and the cooperatives and village action groups in Sweden.

There is, however, the risk that the abilities and potentials of the local groups are overestimated: As their aim is usually more holistic than just for profit or growth, they cannot completely substitute businesses and entrepreneurship in rural areas. Above all, they cannot be a substitute for regional policy measures and public investments, especially with regard to the physical infrastructure. Quite on the contrary, since they strongly rely on voluntary work, community spirit and local leaders, they need well directed public assistance, above all in the form of seed money and start-up funding, but additionally in form of education and training, consultancy and process management.

7.2.2 THE QUESTION OF POWER: GOVERNANCE AND GOVERNMENT

There is no doubt that many responsibilities have shifted to regional governance structures, mostly to agencies or partnerships, and that the regional level is of growing importance for the implementation of development schemes. However, the development of regional governance structures does not necessarily imply the delegation of power or the granting of substantial resources to regional (governance) actors, as can in particular be seen in the case of Sweden. Here, almost all regional partnerships, but also programmes and instruments are initiated top-down by the central government and are dominated by the regional authorities. New regional actors from the private and civic sectors are encouraged, sometimes even mandated to participate, but usually it is the regional authorities who lead and control the processes.

This is slightly different in Scotland and Austria, where at least HIE and the *Regionalmanagements* act relatively independently from the central government or the federal states and dispose of their own budgets. But regional partnerships and networks have relatively little political power and often lack financial resources, despite being very active in regional development.

With regard to the relationship of governance structures and local government, there is evidence in all three case study areas that the local authorities are involved in all central regional partnerships, often even holding the majority. Surprisingly, the local government in Sweden and Scotland has gained more responsibilities with regard to regional development since the evolution of regional governance structures. In many cases, this is the consequence of the central government's attempt to streamline the "messy" regional level with its many overlapping functional partnerships and networks.

In Sweden, the involvement of the municipalities in regional development issues has begun only recently, triggered by the new Swedish regional policy and the ongoing regionalisation process. Now, the municipalities are not only involved in strategic regional planning e.g. plans such as RDP and RGP, but are also encouraged to take up inter-municipal cooperation – at the expense of the traditional regional authorities. The Swedish government prefers this municipality-based form of regionalisation over independent, directly elected regional assemblies, as the latter are considered to imply a greater loss of power for the central government.

In Scotland, the introduction of community planning and Local Economic Forums, tools intended to straighten out the complex multi-partnership landscape, will strengthen the position of the councils and the community councils in the future.

In Austria, where municipalities are very small in comparison to Sweden and Scotland, increased inter-municipal cooperation has not only become necessary due to scarce municipal budgets, but is also endorsed by the central government and the federal states via the *Regionalmanagements*. Here, partnerships are mostly based on municipalities, therefore their legitimacy and accountability is hardly disputed. Since recently, there are tendencies to streamline and better coordinate these inter-municipal networks through amalgamation, though in a bottom-up way.

There are several reasons why the ubiquitous and very active regional partnerships and networks happen to be less influential as one might suspect at first sight. As partnerships and networks generally cut across responsibilities or even existing political-administrative boundaries, they also tend to have an informal status and in most cases are only weakly institutionalised. They either have an advisory function in regard to policy making, such as the predominantly strategic partnerships (cf. Table 25), or are closely bound to the implementation of certain projects, such as the delivery partnerships (cf. Table 25). The latter depend on their various partners for project funding. Naturally, the partners have very different means at their disposal and hence, the distribution of power within the partnership is unequal. Additionally, problems arise when agencies and governmental departments are reluctant to provide such funding, in case regionally developed priorities do not match their own priorities or business plans. This problem was frequently mentioned in the Scottish and Swedish

case study, but hardly ever in the Austrian case study, where, to a large extent, the partnerships are based on the municipalities.

Some problems and issues with working in partnerships were mentioned regularly in all three regions. Although the internal structures of regional partnerships and networks are not the focus of this study, they offer some supporting insights and are therefore briefly summarised here.

Firstly, with regard to the composition of regional partnerships, there is a clear over-representation of the public sector and of agencies and interest groups with a strong powerbase (finances, human resources, time), due to their many members or large funding base. Members from the private sector and certain social groups, for example the young or the elderly, are not adequately represented. While this might not be dramatic in partnerships predominantly seeking to implement projects, it raises questions of democratic legitimacy in partnerships that seek to create a strategic vision for the whole region.

Secondly, multiple memberships, i.e. persons participating in several partnerships, are a widespread problem among volunteers. A frequently encountered consequence is "partnership fatigue", so that the already less represented groups get even less involved.

Thirdly, difficulties often arise with the different backgrounds of the actors meeting in partnerships, in regard to language, working culture or simply time schedules. It seems to be particularly difficult to bridge the "natural gap" between the more developing, process-oriented viewpoint of the political or administrative bodies and the commercial, result-oriented viewpoint of the private businesses.

7.2.3 DOES RURAL GOVERNANCE EXIST?

FÜRST (2003: 61) made an attempt to describe basic features and difficulties of governance structures in rural areas. Although more systematic empirical research would be required to verify these assumptions, i.e. a comparison between regional governance in urbanised and in rural areas, the case studies allow for at least some comments.

The establishment of regional governance structures is more difficult in rural areas since regional planning here often plays a less significant role and is not a central organisational core, around which governance structures can evolve.

It is quite obvious from the case studies that there is no lack of regional governance structures even in very sparsely populated rural areas. On the contrary, there are so many that they overlap, compete or even amalgamate. The difficulty is not to set up a regional partnership or network, but rather to secure continuity and guarantee for a balanced, representative membership despite the smaller pool of volunteers. As a matter of fact, it seems that the willingness and motivation of rural people to contribute to development

processes is relatively high, since they are used to taking on tasks themselves that elsewhere are provided by public services. In many cases, the local or regional authorities represent the organisational core, but there is also the model of an operational management, funded through the various partners (e.g. the Austrian bottom-up partnerships).

They are rather initiated top-down, e.g. through European or national programmes.

This is not valid for all rural regions alike, but depends on the political context. Notwithstanding this, it is true for the Swedish case study, not because of a lack of potential for bottom-up partnerships, but because the national and regional authorities exert their influences. It is nevertheless true that the EU has had a strong influence on the changes in regional development policies and the emergence of regional partnerships in the first place.

The private sector is less involved as there are mainly SMEs in rural areas that do not have the capacity to take part in partnerships.

This is confirmed by the results of the case studies, where entrepreneurship without the economies of scale dominates. Nevertheless, there is willingness among entrepreneurs to participate and there are even examples of them taking the initiative. However, certain conditions must be met before entrepreneurs are willing to invest their precious time: Working in partnerships or networks has to fit their schedules and must be result-oriented, related to concrete goals and be likely to serve the business, at least in the long-term.

Regional networks in rural areas are less compatible: Several different sectoral support schemes develop different regions or the actors of the networks are functionally integrated with different regions (as they represent different institutions).

It is questionable whether this ought to be a quality of regional governance in rural areas only. However, it is true that the different sectoral support schemes and the functional integration of actors result in various overlapping spaces, which eventually lead to a duplication of effort, "partnership fatigue" or even conflicts. Interestingly, the case studies give an indication that the confusing complexity may be a temporary phenomenon: Either the government is likely to intervene in order to improve compatibility (like in Scotland), or regional actors take initiative for the integration or amalgamation of networks in order to use synergies (like in the Austrian case study).

Based on these observations, it is consequently more accurate to speak of a set of particularities of regional governance in rural areas, which is linked to e.g. the lower population density or the economic characteristics. But first and foremost regional governance depends on different political and administrative structures, the regionalisation processes, the respective regional development policy and the existence of programmes and

institutions giving incentives and funding to support the work of partnerships and networks.

7.3 RELEVANCE FOR THE DEVELOPMENT OF RURAL PERIPHERIES

Central research question:

Of what relevance are integrated rural development and regional governance for the development perspectives of the examined peripheries?

Integrated rural development is not a programme, but rather an approach which subsumes several strategies and instruments. Moreover, the case studies have shown that integrated rural development in practice is implemented to very different extents and in very different contexts. Therefore, it is impossible to draw a general conclusion on the effect of integrated rural development and regional governance structures on development perspectives. The delivery of a cause-effect analysis was not an object of this study; this would require a considerably different focus on the individual programmes and instruments, as well as the new agencies and partnerships.

Nevertheless, the case studies deliver some hints about the general strengths and weaknesses of integrated rural development and regional governance.

Strengths

The most apparent strength of integrated rural development is its cross-sector approach to the multi-faceted problems of today's rural areas, which, if applied consistently and with determination, could contribute to the survival and even revival of rural peripheries. Generally, it can be said that integrated rural development is a tool that allows the regions to take control and (re-) gain influence on their development paths, instead of being at the mercy of external influences. The case studies have impressively shown that even in rural peripheries with considerable structural problems, local actors can be mobilised for strategic planning and practical development work. Integrated rural development succeeds to involve actors from different backgrounds, who pose a central asset particularly for improving the provision of services and the quality of rural life.

These local actors make it possible to discover and make use of potentials that otherwise might be – and have in fact been – neglected, such as the regional culture or an intact environment. Who would have thought beforehand that a revival of the Gaelic language and culture would contribute significantly to the development of the remote Hebrides? And who would have thought that an industry that died a hundred years ago in the Eisenwurz would trigger new development initiatives and enhance regional cooperation? Who would have thought that the resistance to a firing range would eventually lead to a national park that is understood as a tool for development, marketing and regional cooperation? In return, the

acknowledgement of the regions' culture and originalities has boosted the regional and local self-esteem, and citizens, who are confident and believe in the future of their communities, are definitely more likely to also achieve economic progress.

The case studies have also shown that if measures for capacity building and animation are applied, even the most disadvantaged regions, lacking the social capital and critical mass to get started on their own, have a potential for self-help. But it is important to assure continuous assistance and back up in form of sufficient funds and non-monetary support by the authorities and agencies. The latter have become more approachable as a consequence of the increased implementation of programmes that require working in partnerships, but in many cases agencies and authorities still have to "walk the talk". Furthermore, an organisational core that is legitimised, widely accepted and does not collide with other institutions is a prerequisite for the cooperation of the regional actors. Such regional mediators can initiate important discussions, mobilise actors and manage processes for the region.

After all, if different actors, partnerships and networks are integrated successfully, e.g. through the use of strategic visions, and if synergies are used, then there are good chances that regional policy making becomes more cooperative and benefits the common welfare of the region.

Weaknesses

The most apparent strength of integrated rural development is also its most apparent weakness: The approach does not fit the system in the sense that the political-administrative system, policies and funding are all segregated in separate sectoral fields. Integrated rural development hence is an intrinsic and genuine critique of the conventional system and a new way of thinking. Thus, it is not surprising that much effort is still required to overcome the barriers and to access sufficient resources.

Apart from the sectoral policies, there are also more specific obstacles for integrated rural development, depending on the respective national circumstances. Examples are the rivalries between the evolving governance structures and the institutionalised administration and government in Jämtland, or the land ownership issues in Scotland, where a basic legislation hinders the communities to decide freely about development measures. The outcomes of these related issues determine to a high degree whether integrated rural development is more likely to fail or to flourish. As a consequence, there is the need for a decided support at the national level in the first place, and secondly, for a body that coordinates the different policies and reviews programmes and laws in the sense of a "rural mainstreaming".

Another weakness of the concept is that it will eventually result in geographical unevenness, as the capacity of the regional and local actors to make use of the related instruments naturally differs from region to region. Moreover, regional governance structures do not have the potential for full social inclusion; quite on the contrary, they primarily offer further

opportunities to those who already possess a potential. However, this does not disqualify the whole concept: It makes sense to approach those members of the rural society first, which have the ability to organise themselves, to cooperate, innovate and develop joint projects. But to also include the weaker members of the rural society, additional programmes are required addressing specific questions, such as rural poverty, opportunities for the young, etc. This once again stresses the importance of programmes that provide funding for training and higher education facilities in peripheral regions, which have so far been insufficient.

Likewise, regional governance structures do not automatically lead to an improvement of regional policy making. Instead, their functioning and effectiveness depend on many factors, which are difficult to control or even pre-plan. Quite on the contrary, they can end up being rather ineffective due to the partnership-fatigue syndrome, the avoidance of controversial topics, duplication of effort or the dominance of many short-term projects that are fit for the regulations, but lack priorities and a strategic vision.

The most prominent danger connected with the implementation of integrated rural development is undoubtedly that many regional, participatory and endogenous strategies are produced without being matched with adequate regional resources. The basic idea of integrated rural development is thwarted if it is degraded to a tool of neo-liberal policy-making, leaving rural peripheries at their own resources. Some rural areas are not capable of economic self-sufficiency, and therefore will need continued intervention and particularly provision of modern infrastructure. Thus, the concept of "help to self-help" has a limited reach, a fact that must be taken into consideration by the policy-makers.

7.4 CONCLUSION AND OUTLOOK

In all three examined countries, the role of the nation state within regional policy is shifting from being a distributor of welfare towards an "activating state". As a consequence, new actors such as agencies and partnerships, but also voluntary networks and private institutions are engaged in regional development and take over many formerly public tasks at the regional and local levels. This is valid for Scotland, Sweden and Austria alike, despite their different political and administrative structures, different degrees of centralisation or regionalisation, and slightly different strategies with regard to regional development policy. Nevertheless, regional governance is not synonymous with a general delegation of power to the regional level. How much power is actually devolved, depends on the respective political context and the institution or network in question.

Although the classic approaches to regional policy have not been abandoned in practice, there is definitely a move away from the exogenous concepts. Still, it remains unclear what a move it is towards. Recent conceptual reforms in regional policy have led to the introduction of area-based bottom-up approaches and to a more common use of endogenous resources. However,

it would definitely be premature to speak of an overall paradigm shift towards endogenous or integrated rural development strategies, even in Austria, where these are ubiquitous, but still receive only modest financial support.

Instead, it is more accurate to speak of three simultaneous, parallel processes:

Firstly, the classic approach to regional policy, based on the idea of equality or equal opportunities, the distribution of wealth, the public provision of infrastructure and services, has not been given up entirely and still defines the actual regional policy measures, albeit to different extent in different countries. In practice, public investments and subsidies are still broadly used. EU regional policy and the European Structural Funds as typical examples clearly emphasise the lasting importance of this approach.

Secondly, a new regional policy approach is emerging that aims at national and regional growth through focusing on innovation, competitiveness and cluster-building. This approach is influenced by the ongoing globalisation and neo-liberal ideas of policy making. Its advocates raise questions about the "affordability" and efficiency of public services in general and in more sparsely populated, rural areas in particular, calling for deregulation and privatisation. As a result, public support has been cut due to a general "belt tightening" and, moreover, cultural and social issues have become economised under the overall growth paradigm.

Thirdly, innovative bottom-up and cross-sectoral strategies, which have been in the focus of this study, are increasingly applied, making use of endogenous potentials and addressing the multi-functionality of – not only – rural areas. These are, however, still of a relatively small scale and dispose of only small budgets. As for integrated rural development, it can be concluded that the implementation of the concept remains fragmentary. Significant effort is still required to overcome the inherent obstacles, the existing policy segregation and institutional "silo mentality" in particular. At present, it is rather a vision or a "paper tiger" – depending on an optimistic or pessimistic point of view.

Overall, it remains to be seen whether one of these approaches will prevail or whether they will continue to coexist and, ideally, complement each other. As the EU and all of the member states have declared balanced growth and social cohesion as their basic principles, it is unlikely that the classic concept will be discontinued entirely. But with the beginning of the new programme period, the focus of EU regional policy and a large share of the Structural Funds have moved to the new eastern European member states. The resulting budget constraints in the western European countries will further nurture the argument that a national redistribution of wealth and the hitherto standard of public services in peripheral regions are no longer affordable. The outcome might be an even stronger emphasis of regional policy on creating opportunities rather than redistribution.

Such an approach does not necessarily discriminate peripheral rural regions, but it is unrealistic to assume that achieving the same level of results with

the same means is possible. Instead, different solutions have to be found for the specific problems of rural peripheries and some of them will nevertheless require long-term support, e.g. in form of a basic service or infrastructure provision. A lack of such support will further aggravate regional disparities.

Thus, a fundamental discussion about the attitudes towards peripheral rural areas and future concepts of regional or rural policy is urgently needed at European, national, regional and local levels alike. Unfortunately, the current debates concentrate on strategies and instruments for development rather than on actual qualitative objectives or future scenarios. The growth dogma is therefore always inherent, although it is not the most likely scenario for many rural peripheries, and irrespective of the question whether growth is compatible with other principles, such as sustainability.

With regard to the national regional policy strategies, the political discussion must first of all address the following key questions:

- What is the agreed understanding of 'regional balance'? Is it interpreted as equality, equal opportunities, equal services or something completely different?
- Do all regions have to contribute to the national added value in an economic sense? Or is added value interpreted in a more holistic way, in the sense that rural areas provide for biodiversity, a cultural landscape, leisure space, etc.?
- What are realistic visions and qualitative objectives for the respective peripheral regions in terms of settlement structure, service delivery and economic basis, facing the ongoing structural and demographic change?

With regard to the agricultural policy of both the EU and the individual states, a reform towards a broader and integrated approach is essential. Although agricultural policy has recently been complemented with multi-functional instruments, these changes hardly deserve to be called a comprehensive reform towards a rural policy. As rural issues have moved far beyond the agricultural domain and problems are heterogeneous, rural policy needs to be just as heterogeneous, addressing not only the multi-functionality of agriculture, but also taking into account the diversification of the rural economy and the rural society. It is therefore obligatory to shift the agricultural budget towards a multi-sectoral rural budget, which more than just one group can make use of. Such a shift would also cater for the rural issues that have been neglected so far, e.g. rural poverty, gender in rural societies, or housing.

Last but not least, development perspectives of rural peripheries not only depend on regional and agricultural or rural policy, but also on other policy fields. Therefore, it is necessary not only to reform agricultural policy and regional policy, but also to examine all policy fields for their impact on rural areas, in the sense of a "rural mainstreaming".

Regarding the tools of a new rural policy, more regional guidance and self-steering are necessary instead of top-down "one-size-fits-all" strategies and

instruments. The emerging heterogeneity of rural areas requires more creativity and tailor-made measures, calling for regions and localities to individually respond to the modern challenges and to create a regional culture of cooperation.

The case studies have shown that there is already a great variety of context-specific, endogenous and bottom-up programmes with small but valuable results. Unfortunately, they generally lack coordination and consistent funding, which is required in particular to sustain a minimum set of institutions assisting the local or regional bottom-up processes.

It is clear that integrated rural development approaches and regional governance do not automatically improve the future prospects of rural peripheries to prevail in a globalised market economy. But such programmes certainly make a difference in terms of socio-cultural and political dimensions, enhancing the local actors' capacities, confidence and ability to cooperate in networks. In this respect, integrated rural development can be a promising strategy, if it is combined with sufficient and, above all, decentralised financial resources as well as the provision of infrastructure and qualification.

In this respect, it is worrying that integrated rural development coincides with a come-back of neo-liberal ideology. Integrated rural development will not tap its full potential, if at the same time public subsidies are withdrawn to a large extent. In any case, all regions will not be equally capable to develop their potentials autonomously, to form strong regional networks and to access funding. While already successful regions have sufficient resources and prerequisites to make good use of the current funding system, peripheral rural regions often lack the required critical mass as well as know-how. It is fair to say that as a consequence, a rural policy based purely on bottom-up strategies will inevitably lead to geographical unevenness and aggravated regional disparities.

Moreover, regional partnerships and networks are invaluable for drawing up regional strategies, for identifying synergies and delivering projects, but they are not suitable as "ersatz" government. But even if this is often demurred in theory, it has not been found to be a problem in the case studies. In fact, government often takes corrective action and is an integral part of the new partnerships and networks.

Instead, it is more important to ask how much cooperation in form of partnerships and networks is useful and viable for rural development. It appears that there is a tendency towards too many parallel partnerships and networks, resulting in spatial overlap, multiple membership and duplication of effort, and ultimately a hindrance to productivity. Therefore, it must be carefully considered in each region, how many partnerships and networks are necessary and for which tasks they are suited. In a second step, it must be investigated, which prerequisites, competences and resources they require for an optimal functioning and satisfactory outcomes.

Future research is thus required to examine in more detail practical examples of regional governance structures, in regional development policies as well as other policy fields. There is an obvious lack of in-depth analysis of regional partnerships and networks, regarding their internal structures (composition, hierarchy and conflicts) as well as their efficiency and effectiveness with regard to rural development.

8 SUMMARY

The framing conditions for rural areas in Europe have changed dramatically in the past thirty years. Key symptoms of this ongoing rural change are, amongst others, the decline of farming, demographic change and migration, the withdrawal of services, increasing competition, deregulation and privatisation. As a result, regional disparities proliferate between prospering and structurally weak areas, between innovative and stagnating regions, between centres and peripheries. This situation coincides with an increasing differentiation of rural areas, which vary considerably in their economic structure and development prospects.

Changes have also occurred in policies that are relevant for rural areas. New concepts and strategies of regional policy have been the subject of much debate since the mid-1990s. First formulated at the EU-level in the "Cork Declaration" (1996), the concept of *integrated rural development* is particularly important. Integrated development stands for an approach based on a consistent use of endogenous potentials, a multi-sector regional and local implementation level, the participation of those affected, the development and use of network structures and partnerships, as well as the implementation of regional animation and capacity building, e.g. via a regional management.

In view of the far-reaching structural changes, the classic steering instruments of the national authorities have proven to be insufficient. Other levels appear to be more appropriate to address many of the current issues. Responsibilities of the nation state are transferred either "upstream", that is to higher-level authorities, e.g. the European Union, or "downstream" to regional and local authorities. At the same time, the relationship of public administration, economy and civil society is being reformed especially at the regional level, which can be summarised under the term of *regional governance*.

The above sets the context for this study, which analyses new concepts, strategies and instruments in regional development policy, their implementation at the regional and local levels and finally, their relevance for the development perspectives of rural peripheries. The study rests upon three qualitative case studies, carried out in three different European regions: the Scottish Western Isles and Skye & Lochalsh, the Swedish province Jämtland and the Austrian trans-border region Eisenwurzen. The detailed evaluation of the case studies, leads on to a comparative analysis of the examined national and regional and/or local concepts, as well as the employed strategies and instruments for regional development.

Whilst showing many commonalities, the results reflect the heterogeneous development paths that can be identified in regional development policy in general.

In Scotland, the most fragile areas have been declared support areas, where the focus is on working in partnerships, local capacity building, inclusion and participation. The small scale of these areas and the related schemes, and furthermore, the lack of streamlining, are notable. Both observations suggest that the regional development policy is still at an experimental stage.

As for Sweden, the regional policy oscillates between the traditional obligation for regional balance, and a focus on the economically dynamic regions. There is a noticeable regionalisation of regional policy measures, but so far the regionalisation of the political system lags behind, leading to considerable friction. At the local level, the revival of the cooperative sector is most striking, along with the (re-)discovered importance of the social economy for the sparsely populated rural areas, and the high professionalism and level of self-organisation of local actors.

Austria's traditional regional policy is being complemented with endogenous strategies that have become mainstream and are widely accepted. The actual instruments at regional level vary considerably as they are often bottom-up initiated: Cultural initiatives stand alongside large protected areas, and are equally understood as development instruments particularly suited for rural areas.

In all three countries, the role of the nation state within regional policy is shifting from being a distributor of welfare towards an "activating state". As a consequence, new actors such as agencies and partnerships, but also voluntary networks and private institutions, are engaged in regional development and take over many formerly public tasks at the regional and local levels. It is valid for Scotland, Sweden and Austria alike that the (non-institutionalised, functional) regional level is of growing importance, despite the countries' different political and administrative structures, different degrees of centralisation or regionalisation, and slightly different new strategies with regard to regional development policy. Nevertheless, regional governance is not synonymous with a general delegation of power to the regional level. How much power is actually devolved depends on the respective political context and the institution or network in question.

In all examined countries and regions, EU programmes have a similarly strong influence on regional policy. The use of strategic regional plans and visions, drawn up by a wide range of actors, is also common and widespread. Additionally, in all three case studies, regional facilitators, regional animation and instruments for capacity building have proven to be of crucial importance for (re)development.

Considering the core features of integrated rural development, it is fair to say that none of the three countries or case study regions has implemented integrated rural development by the book. Consequently, a top-to-bottom reform of rural development policies is not in sight. Integrated rural development is, by definition, an integrated and explicitly local or regional approach. Thus, it carries an inherent incompatibility with today's predominant system of agriculturally focused and segregated rural

development policies and the associated funding. This attribute may be the reason why implementing integrated rural development is so difficult. In essence, it is a "paper tiger" with little effect on the established policies, but on the other hand, it has given fresh impetus to the development of rural peripheries.

REFERENCES

- AALBU, Hallgeir/Göran HALLIN/Åge MARIUSSEN (1999). When Policy Regimes Meet: Structural Funds in the Nordic Countries 1994-99. 3. Nordregio. Stockholm.
- AALBU, Hallgeir/ Klaus SPIEKERMANN (2004). Nordic peripherality in Europe. In: Journal of Nordregio, 4, 4, 19-22.
- AKADEMIE FÜR RAUMFORSCHUNG UND LANDESPLANUNG ARL (1994). Handwörterbuch der Raumordnung. Hannover.
- AMT DER NIDERÖSTERREICHISCHEN LANDESREGIERUNG (2003). Strategie Niederösterreich. St. Pölten.
- AMT DER NIDERÖSTERREICHISCHEN LANDESREGIERUNG (1998). Erläuterungen zum Oö. Landesraumordnungsprogramm 1998. (= Schriftenreihe des Landes Oberösterreich, 3). Linz.
- ARMSTRONG, Harvey/Jim TAYLOR (2000). Regional Economics and Policy. Oxford.
- ARNASON, Arnar/Jo LEE/Andrea NIGHTINGALE (2004). Crofting Diversification: Networks and Rural Development in Skye & Lochalsh, Scotland. RESTRIM National Report - Scotland. Aberdeen. Report.
- BALCHIN, Paul/Ludek SÝKORA (1999). Regional Policy and Planning in Europe. London/New York.
- BAYS OF HARRIS ASSOCIATION (2002). Bays of Harris Development Plan. Drinishader. Report.
- BENZ, Arthur (Ed.) (2003). Governance - Regieren in komplexen Regelsystemen. Eine Einführung. Hagen.
- BLACK, Stuart/Edward CONWAY (1996). The European Community's LEADER programme in the Highlands and Islands. In: Scottish Geographical Magazine, 112, 2, 101-106.
- BLEKINGE TEKNISKA HÖGSKOLA; NORDREGIO and ARL (2003). Deutsch-Schwedisches Planungshandbuch. Beschreibung des Schwedischen Staatsaufbaus und Planungssystems. Download at www.nordregio.se/Files/SE-DE-TEXT%20Version%20ARL.pdf (last accessed 04.04.2003)
- BOGNER, Alexander/Beate LITTIG/Wolfgang MENZ (2002). Das Experteninterview. Theorie, Methode, Anwendung. Opladen.
- BÖHME, Kai (2002). Nordic Echoes of European Spatial Planning. Stockholm.

- BOHNSACK, Ralf/Winfried MAROTZKI/Michael MEUSER (Eds.) (2003). Hauptbegriffe qualitativer Sozialforschung. Ein Wörterbuch. Opladen.
- BOND, Staffan (2000). Local mobilization in the Swedish countryside. Stockholm.
- BRODDA, Yvonne (2000). Regionalentwicklung und Biosphärenreservat - Chance oder Gegensatz? Eine Analyse am Beispiel der Region Südharz. Diploma Thesis (unpublished).
- BRODDA, Yvonne (2004). Integrierte Ländliche Entwicklung - Ein viel versprechender konzeptioneller Ansatz der ländlichen Entwicklungspolitik in Europa? Forschungsdesign einer europäischen Vergleichsstudie. In: Bröckling, Frank/Ulrike Grabski-Kieron/Christian Krajewski (Eds.). Stand und Perspektiven der deutschsprachigen Geographie des ländlichen Raumes. Vorträge und Ergebnisse einer Workshops am 27. und 28. Mai 2004 in Münster. Münster, 101-108.
- BROWN, Louise (2000). Evaluation of the Local Rural Partnership Scheme. Executive Summary. Edinburgh. Report.
- BRUGGER, Ernst A. (1985). Regionalwirtschaftliche Entwicklung: Strukturen, Akteure und Prozesse. Bern.
- BRYDEN, John (2000). Is There A 'New Rural Policy' in OECD Countries?. In: Issues affecting rural communities (II). Proceedings of the International Conference on Rural Communities & Identities in the Global Millenium, 26-36.
- BRYDEN, John (2002). Rural Development Indicators and Diversity in the European Union. Measuring Rural Diversity. Download at <http://srdc.msstate.edu/measuring/ruraldiversity.htm> (last accessed 25.02.2007).
- BRYDEN, John and Keith HART (2000). Land Reform, Planning and People: An Issue of Stewardship?. In: Holmes, George/Roger Crofts (Eds.). Scotland's Environment: The Future. East Linton, 104-118.
- BUNDESAMT FÜR BAUWESEN UND RAUMORDNUNG BBR (2000). Raumordnungsbericht. Bonn.
- CLOKE, Paul (2006). Conceptualizing rurality. In: Cloke, Paul/Terry Marsden/Patrick H. Mooney (Eds.). Handbook of Rural Studies. London/Thousand Oaks/New Delhi, 18-28.
- CLOKE, Paul/Terry MARS DEN/Patrick H. MOONEY (Eds.) (2006). Handbook of Rural Studies. London/Thousand Oaks/New Delhi.
- COMMUNITY PLANNING TASK FORCE (2002). Community Planning. Making it work for Scotland. Guidance to the Local Government in Scotland Act 2003. Edinburgh. Draft Report.

CONVERY, Jane (2000). *The Governance of Scotland. A Saltire Guide*. Edinburgh.

COOPERATIVE DEVELOPMENT AGENCY JÄMTLANDS LÄN (n.d.). *Cooperatives in the county of Jämtland. Ås. Brochure*.

COUNTY ADMINISTRATIVE BOARD OF JÄMTLAND COUNTY (1999a). *Regionalt Tillväxtavtal för Jämtlands län 2000-2002*. Östersund.

COUNTY ADMINISTRATIVE BOARD OF JÄMTLAND COUNTY (1999b). *Development Force and Knowledge-Driven Growth. Single Programming Document Objective 1, Södra Skogslän region 2000-2006, Sweden*. Östersund.

COUNTY ADMINISTRATIVE BOARD OF JÄMTLAND COUNTY (2003a). *Regionalt Tillväxtprogram Jämtlands län 2004-2007*. Östersund.

COUNTY ADMINISTRATIVE BOARD OF JÄMTLAND COUNTY (2003b). *Facts about the County of Jämtland 2003*. Östersund.

DANIELZYK, Rainer (1995). *Regionale Planung und Strukturpolitik als diskursiver Prozeß? Theoretische Perspektiven und politische Probleme*. In: Krüger, Rainer (Ed.). *Der Unterweserraum - Strukturen und Entwicklungsperspektiven*. Oldenburg, 79-110.

DANIELZYK, Rainer (1998). *Zur Neuorientierung der Regionalforschung. (= Wahrnehmungsgeographische Studien zur Regionalentwicklung, 17)*. Oldenburg.

DANIELZYK, Rainer/Jürgen OBENBRÜGGE (1993). *Perspektiven geographischer Regionalforschung. Locality Studies und regulationstheoretische Ansätze*. In: *Geographische Rundschau*, 45, 4, 210-216.

DANSON, Mike (2004). *Economic Development: A Crowded Landscape*. In: Newlands, David/ Mike Danson/John McCarthy (Eds.). *Divided Scotland? The Nature, Causes and Consequences of Economic Disparities within Scotland*. Aldershot, 88-103.

DANSON, Mike/John MCCARTHY (2004). *Policy Implications*. In: Newlands, David/ Mike Danson/John McCarthy (Eds.). *Divided Scotland? The Nature, Causes and Consequences of Economic Disparities within Scotland*. Aldershot, 171-179.

DORNINGER, Günter/Karl PANGERL (Eds.) (2003). *Entfaltung im Dialog - Nachhaltigkeit als offener soziokultureller Prozess im Bezirk Kirchdorf an der Krems. (= Beiträge zur angewandten Geographie und Regionalforschung, 2)*. Institut für Geographie und Regionalforschung, Universität Klagenfurt. Klagenfurt.

DRAXL, Petra et al. (2004). *Systemische Evaluierung des Regionalmanagements in Österreich. Endbericht an das Bundeskanzleramt*. Wien. Report.

- DUFFY, Clare/Clare LARDNER (2002). Community Planning Good Practice. Clarity Scotland. Edinburgh. Report.
- DÚTHCHAS (2002). Our Place in the Future. Inverness. Report.
- EKOS (2001). Interim Evaluation of Initiative at the Edge/Iomairt aig an oir. Inverness. Report.
- EUROPÄISCHE KOMMISSION (1999a). Sechster Periodischer Bericht über die sozio-ökonomische Lage und Entwicklung der Regionen der Europäischen Union. Luxembourg.
- EUROPÄISCHE KOMMISSION (1999b). Reform der Strukturfonds 2000-2006. Eine vergleichende Analyse. Brüssel.
- EUROPEAN COMMISSION (1988). The future of rural society. Brussels.
- EUROPEAN COMMISSION (1991). Announcement of a Community Initiative for rural development. In: Official Journal of the European Communities, March 19.
- EUROPEAN COMMISSION (1996). The Cork Declaration - A Living Countryside. Download at http://europa.eu.int/comm/agriculture/rur/cork_en.htm (last accessed 14.06.2004).
- EUROPEAN COMMISSION (2000a). Structural policies and European territory. The mountains. Brussels.
- EUROPEAN COMMISSION (2000b). The EU compendium of spatial planning systems and policies. Sweden. (= Regional development studies, 28). Luxembourg.
- EUROPEAN COMMISSION (2001). Structural policies and European territory. Islands and coastal regions. Brussels.
- FAIRLY, John/Greg LLOYD (1998). Enterprise in Scotland. A Mid-Term Assessment of an Institutional Innovation for Economic Development. In: Halkier, Henrik/ Mike Danson/Charlotte Damborg (Eds.): Regional Development Agencies in Europe. London, 199-212.
- FEDERATION OF SWEDISH FARMERS/COUNTY ADMINISTRATIVE BOARD OF JÄMTLAND COUNTY/MINISTRY OF AGRICULTURE (2001). Agriculture, forestry and reindeer husbandry in the County of Jämtland. Östersund. Brochure.
- FERRAO, Joao/ Raul LOPES (2004). Understanding Peripheral Rural Areas as Contexts for Economic Development. In: Labrianidis, Lois (Ed.): The Future of Europe's Rural Peripheries. Aldershot, 31-61.
- FIETZKO, Markus (2001): Regionale Strukturpolitik in Österreich im Zuge des Beitritts zur Europäischen Union. Ein Politikfeld im Spannungsverhältnis zwischen Bund, Ländern und Sozialpartnerschaft. Berlin.

- FORNAHL, Dirk/Thomas BRENNER (Eds.) (2003). Cooperation, Networks and Institutions in Regional Innovation Systems. Cheltenham/Northampton.
- Foss, Olaf et al. (2000). Regional Policy in Norway and Sweden. A Comparative Analysis. Download at <http://econpapers.repec.org/paper/wiwwiwsa/ersa02p274.htm> (last accessed 17.05.2003).
- FRIEDMANN, John/Clyde WEAVER (1979). Territory and function. The evolution of regional planning. London.
- FÜRST, Dietrich (2001). Regional governance - ein neues Paradigma der Regionalwissenschaften?. In: Raumforschung und Raumordnung, 59, 5-6, 370-380.
- FÜRST, Dietrich (2003). Regional Governance. In: Benz, Arthur (Ed.). Governance - Regieren in komplexen Regelsystemen. Eine Einführung. Hagen, 45-64.
- FÜRST, Dietrich/Jörg KNIELING (Eds.) (2002). Regional Governance. New Modes of Self-Government in the European Community. (= ARL Studies in Spatial Development, 2). Hannover.
- GERHARDTER, Gabriele/Markus GRUBER (2001). Regionalförderung als Lernprozess. Evaluierung der Förderungen des Bundeskanzleramtes für eigenständige Regionalentwicklung. (= Schriften zur Regionalpolitik und Raumordnung, 32). Bundeskanzleramt Österreich. Wien.
- GIDLUND, Janerik/Magnus JERNECK (2000). Local and regional governance in Europe. Cheltenham/Northampton.
- GIRKINGER, Willibald/Franz LIMBERGER (Eds.) (2000). Sagenhaftes Land Pyhrn-Eisenwurzten. Linz.
- GLASER, Barney G./ Anselm STRAUSS (1998). Grounded Theory. Strategien qualitativer Forschung. Bern.
- GLESBYGDSVERKET (2003). Årsbook 2003. Östersund.
- GLIBMANN, Britta (2004). Zentralstaat versus Regionen. Die Regionalisierungsfrage in der schwedischen Politik. Ein Strukturvergleich zwischen den Modellregionen Skåne, Västra Götaland, Kalmar län und der Insel Gotland. (= Europäische Hochschulschriften, 484). Frankfurt am Main.
- GOODWIN, Mark (1998). The Governance of Rural Areas: Some Emerging Research Issues and Agendas. In: Journal of Rural Studies, 14, 1. 5-12.
- GOODWIN, Mark (2006). Regulating rurality? Rural studies and the regulation approach. In: Cloke, Paul/ Terry Marsden/Patrick H. Mooney (Eds.). Handbook of Rural Studies. London/Thousand Oaks/New Delhi, 304-316.

GREEN, Anne (2005). Employment Restructuring in Rural Areas. In: Schmied, Doris (Eds.). *Winning and Losing. The Changing Geography of Europe's Rural Areas*. Aldershot.

GRIMME, Wolfgang (1997). Ordnungspolitisches Konzept der Regionalpolitik. Darstellung der Defizite und des Reformbedarfs der Regionalpolitik am Beispiel Mecklenburg-Vorpommerns. (= *Schriften zur Wirtschaftstheorie und Wirtschaftspolitik*, 6). Frankfurt am Main/Berlin/Bern.

GRUT, Katarina (n.d.). The cooperative idea as a strategy for regional development. Glesbygdsverket. Östersund. Report.

HÄGGROTH, Sören et al. (1999). Swedish Local Government. Traditions and Reforms. The Swedish Institute. Falköping.

HAHNE, Ulf (1985). Regionalentwicklung durch Aktivierung intraregionaler Potentiale. München.

HALHEAD, Vanessa (2001). Local Rural Partnerships. In: Rural Transfer Network (Eds.). *Rural Development Lessons from the North*. Aberdeen/Trondheim/Östersund/Oulu.

HALHEAD, Vanessa (2004). The rural movements of Europe. Paper for IRSA XI World Congress, July 2004. Aberdeen. Manuscript.

HALKIER, Henrik/Mike DANSON/Charlotte DAMBORG (Eds.) (1998). *Regional Development Agencies in Europe*. London.

HALLIN, Göran (2004). 370 Years of Governance Coming to an End? Sweden Reviews its Political Administration. In: *Journal of Nordregio*, 4, 1, 13-14.

HANELL, Tomas/Hallgeir AALBU/ Jörg NEUBAUER (2002). *Regional Development in the Nordic Countries 2002*. (= *Nordregio Report*, 2). Stockholm.

HANSEN, Kjell (1998). *Välfärdens Motsträviga Utkant. Lokal praktik och statlig styrning i efterkrigstidens nordsvenska inland*. Lund.

Härtling, Andrea (1988). Regionalpolitische Maßnahmen in Schweden. Analyse und Bewertung ihrer Auswirkungen auf die strukturschwachen peripheren Landesteile. (= *Kieler Geographische Schriften*, 70). Geographisches Institut der Universität Kiel. Kiel.

HEINTEL, Martin (1994). Endogene Regionalentwicklung. Eine wirtschaftliche Alternative - unter Berücksichtigung didaktischer Fragestellungen - für struktur- und entwicklungsschwache Regionen?. Wien.

HEINTEL, Martin (1998). Einmal Peripherie - immer Peripherie? Szenarien regionaler Entwicklung anhand ausgewählter Fallbeispiele. (= *Abhandlungen zur Geographie und Regionalforschung*, 5). Institut für Geographie und Regionalforschung, Universität Wien. Wien.

- HEINTEL, Martin (2005). Regionalmanagements in Österreich. In: Österreich in Geschichte und Literatur (mit Geographie), 49, 6, 373-386.
- HEINTEL, Martin/Norbert WEIXLBAUMER (1996). Oberösterreichische Eisenwurzten/Eisenstraße: Pilotstudie zur räumlichen Abgrenzung, Akzeptanz und regionalen Identität der Region Eisenwurzten bzw. der Eisenstraßenidee. (= Mitteilungen des Arbeitskreises für Regionalforschung, 5). Wien.
- HEINTEL, Martin/Norbert WEIXLBAUMER (1998). Entwicklungsregion Oberösterreichische Eisenwurzten. Hintergründe und Ergebnisse einer sozialgeographischen Langzeitstudie zur Oberösterreichischen Eisenstraße und Landesausstellung 1998 "Land der Hämmer". In: Geographischer Jahresbericht aus Österreich, Forschungsberichte - Geographie, 55, 37-55.
- HERLITZ, Ulla (1999). The Village Action Movement in Sweden. Local Development - Employment - Democracy. Göteborg.
- HIGHLAND WELLBEING ALLIANCE (2004). Community Plan for Highland 2004/07. Inverness.
- HIGHLANDS AND ISLANDS ENTERPRISE (2001). Tenth Report 2000-01. Inverness. Report.
- HIGHLANDS AND ISLANDS ENTERPRISE (2002). A Smart, Successful Scotland - the Highlands and Islands dimension. Highlands & Islands Enterprise. Inverness. Report.
- HIGHLANDS AND ISLANDS ENTERPRISE (n.d.). Community Land Ownership. Inverness. Brochure.
- HOGGART, Keith (1990). Let's do away with rural. In: Journal of Rural Studies, 6, 245-257.
- HOLLAND, Stuart (1976). The regional problem. London.
- HOLLOWAY, Lewis/Moya KNEAFSEY (2004). Geographies of Rural Cultures and Societies. Aldershot.
- HUMMELBRUNNER, Richard (1989). Eigenständige Regionalentwicklung: Zusammenfassung österreichischer und europäischer Erfahrungen. Salzburg.
- HUMMELBRUNNER, Richard/ Robert LUKESCH/Leo BAUMFELD (2002). Systemische Instrumente für die Regionalentwicklung. ÖÄR-Regionalberatung GmbH. Graz. Report.
- HUNTER, James (2000a). Last of the Free. A Millennial History of the Highlands and Islands of Scotland. Edinburgh.
- HUNTER, James (2000b). The Making of the Crofting Community. Edinburgh.
- HUNTER, James (2000c). The Atlantic North West: The Highlands and Islands as a Twenty-first-century Success Story. In: Scottish Affairs 31, 1-17.

- INITIATIVE AT THE EDGE (2001). Strategy Statement 2001-2003. Glasgow. Report.
- INNO SCANDINAVIA AB (2002). Omvärldsanalys Norra Sveriges Inland. Inlandsdelegationen. Stockholm. Report.
- IVERGARD, Toni (1999). Die neue Arbeitsmarktpolitik in der Provinz Jämtland. In: Land-Berichte. Halbjahresschrift für ländliche Regionen, 3, 59-67.
- JOHANSSON, Jörgen (2000). Regionalisation in Sweden. In: Gidlund, Janerik/Magnus Jerneck (Eds.). Local and Regional Governance in Europe. Cheltenham/Northampton, 125-160.
- KALHS, Josef (2003). Die Rolle und Bedeutung der GmbH für den Nationalpark. In: Im Gseis. Nationalpark Gesäuse Magazin, Herbst 2003, 4-5.
- KEATING, Michael/John LOUGHLIN/Kris DESCHOUWER (2003). Culture, Institutions and Economic Development - A Study of Eight European Regions. Cheltenham/Northampton.
- KOOIMAN, Jan (2003). Governing as governance. London.
- KRANTZ, Tobias (2002). Makten över regionen. En idékritisk studie av svensk regiondebatt 1963-1996. Uppsala.
- KRETSCHMER, Otto/Rudolf HRBEK (1999). Standortpolitik und Regionalisierung in Europa: Probleme, Kompetenzen, Lösungen. Baden-Baden.
- LABRIANIDIS, Lois (Ed.) (2004). The Future of Europe's Rural Peripheries. Aldershot.
- LAG ANNE (2000). Regionaler Entwicklungsplan der LAG Aktionsgruppe Naturpark Nationalpark Eisenwurzen. Report.
- LAG KULTURPARK EISENSTRASSE ÖTSCHERLAND (2000). Regionaler Entwicklungsplan. Report.
- LAG NATUR & KULTUR GESÄUSE & EISENWURZEN (2000). Regionaler Entwicklungsplan. Report.
- LAG STEIRISCHE EISENSTRASSE (2000). Regionaler Entwicklungsplan. Report.
- LÄHTEENMÄKI-SMITH, Kaisa/Lars Olof PERSSON (Eds.) (2002). Restructuring the State - Regional Impacts. (= Future Challenges and Institutional Preconditions for Regional Development Policy, 5). Nordregio. Stockholm.
- LAMNEK, Siegfried (1988). Qualitative Sozialforschung. Methodologie (Band1). München.
- LARSSON, Lars (2000). Reorganising Rural Policy. The Swedish Leader II experience. (= Working Papers, 19). Swedish Institute for Regional Research. Östersund.

- LE GALÈS, Patrick/Christian LEQUESNE (Eds.) (1998). *Regions in Europe*. London.
- LEIMGRUBER, Walter (2004). *Between Global and Local: Marginality and Marginal Regions in the Context of Globalization and Deregulation*. Aldershot.
- LINDEMANN, Rolf (2004). Dünnesiedelte Gebiete in Skandinavien. Entstehung, Entleerung, Erhalt. In: *Geographische Rundschau*, 56, 2, 10-17.
- LLOYD, Greg/Barbara ILLSLEY (2004). Community Planning in Scotland: Prospects and Potential for Local Governance?. In: *Newlands, David/ Mike Danson/John McCarthy (Eds.). Divided Scotland? The Nature, Causes and Consequences of Economic Disparities within Scotland*. Aldershot, 156-170.
- LÖFFLER, Günter (2004). Lebensmitteleinzelhandel in Schweden. Wandel der Betriebsformen und Auswirkung auf die Versorgung. In: *Geographische Rundschau*, 56, 2, 18-24.
- LUCKMANN, Thomas (1999). Remarks on the Description and Interpretation of Dialogue. In: *International Sociology*, 14, 387-402.
- LYNCH, Peter (2001): *Scottish Government and Politics. An Introduction*. Edinburgh.
- MAIER, Gunther/Franz TÖDTLING (2002). *Regional- und Stadtökonomik 2: Regionalentwicklung und Regionalpolitik*. Wien/New York.
- MARSDEN, Terry (2003). The condition of rural sustainability: Issues in the governance of rural space in Europe. In: *Kasimis, Charalambos/George Stathakis (Eds.). The Reform of the CAP and Rural Development in Southern Europe*. Aldershot.
- MARSDEN, Terry/Gillian BRISTOW (2000). Progressing Integrated Rural Development: A Framework for Assessing the Integrative Potential of Sectoral Policies. In: *Regional Studies*, 34, 5, 455-469.
- MARSDEN, Terry et al. (1993). *Constructing the countryside*. London.
- MASUCH, Jens (2002). *Implementing Regional Development by Regional Management. A Comparative Analysis of Organisational Approaches in Sweden and Germany*. Diploma Thesis (unpublished).
- MAYNTZ, Renate (1998). *New Challenges to Governance Theory*. (= Jean Monnet Chair Paper, 50). Florence.
- MAYRING, Philipp (1999). *Einführung in die qualitative Sozialforschung. Eine Anleitung zu qualitativem Denken*. München.
- MEUSER, Michael/Ulrike NAGEL (1991). ExpertInneninterviews - vielfach erprobt, wenig bedacht. Ein Beitrag zur qualitativen Methodendiskussion. In: *Garz, Detlef/ Klaus Kraimer (Eds.). Qualitativ-empirische Sozialforschung. Konzepte, Methoden, Analysen*. Opladen, 441-471.

MEYER-CECH, Kim (2003): Themenstraßen als regionale Kooperationen und Mittel zur touristischen Entwicklung – fünf österreichische Beispiele. Wien.

MINISTRY OF INDUSTRY, EMPLOYMENT AND COMMUNICATIONS, SWEDEN (2001a). A policy for growth and viability throughout Sweden. Summary of the Government Bill 2001/02:4. Stockholm.

MINISTRY OF INDUSTRY, EMPLOYMENT AND COMMUNICATIONS, SWEDEN (2001b). Social economy. A report on the Swedish Government Office's work on a new concept. Stockholm. Brochure.

MINISTRY OF INDUSTRY, EMPLOYMENT AND COMMUNICATIONS, SWEDEN (2003). Tredje året - från tillväxtavtal till tillväxtprogram. Rapport om tillväxtavtalen. Stockholm.

MINISTRY OF INDUSTRY, EMPLOYMENT AND COMMUNICATIONS' DELEGATION FOR NORTHERN SWEDEN (2002). Growth and Development. Download at www.sou.gov.se/inland (last accessed 25.11.2005).

MODING, Philip/Jürgen ARING (1998). Schweden im 21. Jahrhundert - Föderale Strukturen statt Einheitsstaat?. In: *Europa Regional*, 6, 2, 10-17.

MORGAN, Brian/Elsa SOL (2002): Partnerships for Regional Growth in Sweden: An Assessment. (Part of the OECD Study on Local Partnerships by the LEED Committee). Cardiff/Amsterdam. Report.

MOSE, Ingo (1993): Eigenständige Regionalentwicklung - neue Chancen für die Peripherie? (= Vechtaer Studien zur Angewandten Geographie und Regionalwissenschaft, 8). Vechta.

MOSE, Ingo/Yvonne BRODDA (2004): Neue regionale Entwicklungskonzepte für periphere ländliche Räume. Das Beispiel der schottischen Highlands & Islands. In: *Raumforschung und Raumordnung*, 62, 3, 206-216.

MOSELEY, Malcom J. (2003a): Rural development. Principles and practice. London.

MOSELEY, Malcom J. (Ed.) (2003b): Local Partnerships for Rural Development. The European Experience. Wallingford/Cambridge, MA.

MYRDAL, Gunnar (1957): Economic theory and underdeveloped regions. London.

NATIONALPARK KALKALPEN (2003): 5 Jahre Nationalpark oberösterreichische Kalkalpen. Tätigkeitsbericht 1998-2002. (= Schriftenreihe Nationalpark Kalkalpen, Bd. 4). Molln.

NEWBY, Howard (1988): The countryside in question. London.

NEWLANDS, David/Mike DANSON/John MCCARTHY (Eds.) (2004): Divided Scotland? The Nature, Causes and Consequences of Economic Disparities within Scotland. Aldershot.

- NEWTON, Norman (1995): Skye. Newton Abbot, Devon.
- NFO SYSTEM THREE SOCIAL RESEARCH (2001): Community Planning in Scotland. Progress in Developing Community Planning in Scotland's 32 Community Planning Partnerships. Edinburgh. Report.
- NISCHWITZ, Guido et al. (2007): Rahmenbedingungen einer integrierten Entwicklungspolitik für ländliche Räume. FuE-Vorhaben des Bundesamtes für Naturschutz (forthcoming). Manuscript.
- NISCHWITZ, Guido /Reimar MOLITOR/Silvia ROHNE (2001): Local und Regional Governance für eine nachhaltige Entwicklung. Wuppertal/Berlin. Report.
- NUTEK (2001a): Developing Sweden. The EU Structural Funds 2000-2006. Stockholm. Brochure.
- NUTEK (2001b): Innovative clusters in Sweden. Practical lessons from regional cluster-building. Stockholm. Brochure.
- NUTEK and ALMI Business Partner (2002): Strong Regions. For national growth in a global economy. Stockholm. Brochure.
- OECD (1994): Creating rural indicators for shaping territorial policy. Paris.
- OECD (1996): Territorial indicators of employment: Focusing on rural development. Paris.
- OECD (1999): Policymaking for predominantly rural regions: Concepts and issues. (= Working Document, 2). Working Party on Territorial Policy in Rural Areas. Paris.
- OPL, Rainer(1999): Regionalentwicklung in der Steiermark. In: Österreich in Geschichte und Literatur (ÖGL), 5 - 6, 425-434.
- ÖROK (Ed.) (1996): Position Österreichs im Rahmen der europäischen Raumentwicklungspolitik. (= Schriftenreihe, 125). Österreichische Raumordnungskonferenz. Wien.
- ÖROK (2001): Österreichisches Raumentwicklungskonzept 2001. Wien.
- ÖSTHOL, Anders/Bo SVENSSON (Eds.) (2002): Partnership Responses - Regional Governance in the Nordic states. (= Future Challenges and Institutional Preconditions for Regional Development Policy, 4). Nordregio. Stockholm.
- PARKER, Ken (1990): Two villages - two valleys. The Peak District Integrated Rural Development Project 1981-88. Bakewell.
- PARLIAMENT SELECT COMMITTEE ON RURAL DEVELOPMENT (2003): Inquiry into Integrated Rural Development. Edinburgh. Report.

- PERSSON, Lars Olof/Ann-Mari SÄTRE ÅHLANDER/Hans WESTLUND (Eds.) (2003): Local Responses to Global Changes. Economic and Social Development in Northern Europe's Countryside. Arbetslivsinstitutet/ITPS/Nordregio. Stockholm.
- PROISEACT UIBHIST 2000 (2000): Progress Report. Lionacleit. Report.
- PÜTZ, Marco (2004): Regional Governance. Theoretisch-konzeptionelle Grundlagen und eine Analyse nachhaltiger Siedlungsentwicklung in der Metropolregion München. München.
- QUIOGUE, Nina Celina (2005): Diverging and Converging: A Comparative Analysis of Norwegian and Swedish Regional Policies. In: Journal of Nordregio, 5, 2, 13-18.
- REGIONALFORUM STEYR-KIRCHDORF (2003): Regionalwissenschaftliches Entwicklungskonzept Steyr-Kirchdorf. Report.
- REINHOLTZ, Monica (2003): Historisk tid i Jämtland. Download at www.z.lst.se/fakta/jemthist.php (last accessed 20.07.2005).
- RENNIE, Frank (1993): An Introduction to Rural Development. Sleat, Isle of Skye.
- RENNIE, Frank (2005): Rural Policy: A Highlands and Islands Perspective. In: Lyall, Catherine/ Joyce Tait (Eds.): New Modes of Governance: Developing an Integrated Policy Approach to Science, Technology, Risk and the Environment. Aldershot, 107-120.
- RHODES, Rodericka A.W. (1996): The new governance: governing without government. In: Political Studies, XLIV, 652-667.
- RHODES, Rodericka A.W. (1997): Understanding Governance. Policy Networks, Governance, Reflexivity and Accountability. Buckingham.
- RONNBY, Alf (1994): Mobilizing Local Communities. (= Regional Policy and Rural Development, 17). Mid-Sweden University. Östersund.
- ROOS, Elisabeth (2003): The Strömsund model. Opportunities for new residents in a rural area. The Strömsund desk of development. Strömsund. Report.
- RURAL DEVELOPMENT COMMITTEE (2003): Inquiry into Integrated Rural Development. Download at <http://www.scottish.parliament.uk/business/committees/historic/x-rural/reports-03/rar03-01-vol01-01.htm> (last accessed 24.01.2006).
- RURAL TRANSFER NETWORK (Ed.) (2001): Rural Development Lessons from the North - Dossiers. Aberdeen/Trondheim/Östersund/Oulu.
- RURAL TRANSFER NETWORK (n.d.): Literature Review - Scotland. Aberdeen.

- SAPPER, Anton (1997): Regionalpolitik in Österreich vor dem Hintergrund der Strukturfonds- und Regionalpolitik der Europäischen Union. In: Geographischer Jahresbericht aus Österreich, 54, 9-27.
- SCHARPF, Fritz W. (2000): Interaktionsformen. Akteurszentrierter Institutionalismus in der Politikforschung. Opladen.
- SCHÄTZL, Ludwig (1994): Wirtschaftsgeographie 3: Politik. Bern/Stuttgart/Wien.
- SCHEER, Günter (1988): Endogene Erneuerung: ein Konzept für benachteiligte Regionen? In: Raumforschung und Raumordnung, 3-4, 19-26.
- SCHEER, Günter (1999): Kreative Netzwerke in der Regionalentwicklung Österreichs. In: SIR - Mitteilungen und Berichte, 27, 19-28.
- SCHINDEGGER, Friedrich (1999): Raum. Planung. Politik. Wien/Köln/Weimar.
- SCHINDEGGER, Friedrich et al. (1997): Regionalentwicklung im Alpenraum. (= Schriften zur Regionalpolitik und Raumordnung, 31). Bundeskanzleramt Österreich. Wien.
- SCHMIED, Doris (2001): Landreform in Schottland. In: Europa Regional, 9, 4, 182-191.
- SCHMIED, Doris (2004): Die schottischen Highlands und Islands - immer noch eine "klassische Peripherie"? In: Europa Regional, 12, 2, 69-80.
- SCHMIED, Doris (Eds.) (2005): Winning and Losing. The Changing Geography of Europe's Rural Areas. Aldershot.
- SCHWARZ, Wolfgang (Eds.) (1996): Perspektiven der Raumforschung, Raumplanung und Regionalpolitik an der Schwelle zum 21. Jahrhundert. Raumordnung, Landes- und Regionalentwicklung in Niederösterreich. (= Mitteilungen des Arbeitskreises für Regionalforschung, 26). Wien.
- SCHWARZ, Wolfgang/Karin VORAUER-MISCHER (2003): Die Regionalentwicklung in der EU-15 - Räumliche Heterogenität, zeitliche Diskontinuität, regionalpolitische Optionalität. Ergebnisse einer empirischen Analyse. In: Mitteilungen der Österreichischen Geographischen Gesellschaft, 145, 7-34.
- SCOTTISH EXECUTIVE (2003): Rural Development Plan for Scotland 1999 (amended 12/2003). Download at <http://www.scotland.gov.uk/library5/rural/srdpv4-00.asp> (last accessed 24.01.2006).
- SCOTTISH EXECUTIVE (SEELLD) (2004): Local Economic Forums Guidance Notes. Glasgow.
- SCOTTISH EXECUTIVE (SEERAD) (2000): Rural Scotland. A New Approach. Edinburgh.

SCOTTISH OFFICE (1995): Rural Scotland. People, Prosperity and Partnership. The Government's Policies for the Rural Communities of Scotland. Edinburgh.

SERI, Paolo (2003): Learning Pathologies in Losing Areas: Towards a Definition of the Cognitive Obstacles to Local Development. In: Fornahl, Dirk/Thomas Brenner (Eds.): Cooperation, Networks and Institutions in Regional Innovation Systems. Cheltenham/Northampton, 128-148.

SHORTALL, Sally/Mark SHUCKSMITH (1998): Integrated rural development: Issues arising from the Scottish experience. In: European Planning Studies, 6, 1, 73-88.

SHUCKSMITH, Mark (1998): Rural and Regional Policy Implementation: Issues Arising from the Scottish Experience. Aberdeen. Manuscript at the Arkleton Centre.

SKYE AND LOCHALSH LOCAL ECONOMIC FORUM (2003): Strategy for Economic Development. Portree.

STEVENSON, Robert (2002): Getting "under the skin" of Community Planning. Understanding Community Planning at the Community Planning Partnership Level. RDS Consultancy Services for the Community Planning Task Force. Edinburgh. Report.

STIENS, Gerhard (1992): Regionale Entwicklungspotentiale und Entwicklungsperspektiven. In: Geographische Rundschau, 44, 3, 139-142.

STÖHR, Walter B. (1989): Regionale Wirtschaftspolitik. In: Abele, H. et al. (Eds.): Handbuch der österreichischen Wirtschaftspolitik. Wien.

STÖHR, Walter B./D.R. Fraser TAYLOR (Eds.) (1981): Development from Above or Below?: The Dialectics of Regional Planning in Developing Countries. Chichester.

STRÖM, Lars-Inge (1999): Regionalism in Sweden. In: Kretschmer, Otto/Rudolf Hrbek (Eds.): Standortpolitik und Regionalisierung in Europa: Probleme, Kompetenzen, Lösungen. Baden-Baden, 31-34.

STRÖM, Lars-Inge (2000): Swedish Municipalities and the European Union. In: Gidlund, Janerik/Magnus Jerneck (Eds.): Local and regional governance in Europe. Cheltenham/Northampton, 97-123.

STRÖMSUND KOMMUN (2001): The municipality of Strömsund. A lot of space - a lot to offer. Strömsund. Brochure.

SWEDISH NETWORK FOR LEADER+ (2000): Swedish National Programme for LEADER+. Östersund.

SWEDISH NETWORK FOR LEADERII (1999): LEADER katalog. Lokala utvecklingsprojekt, programperioden 1995-1999. Uddevalla. Brochure.

TAIT, Charles (2002): The Western Isles Guide Book. Kelton, St. Ola, Orkney.

- TERLUIN, Ida J. (2001): Rural regions in the EU. Exploring differences in economic development. (= *Nederlandse Geografische Studies*, 289). Utrecht/Groningen.
- TERLUIN, Ida J./J.H. POST (1999): Employment in leading and lagging rural regions of the EU: Summary report of the RUREMPLO project. Den Haag.
- THIERSTEIN, Alain (1997): Tatort Region - Mythen der Entwicklung hinterfragen. In: *Dokumente und Informationen zur Schweizerischen Orts-, Regional- und Landesplanung (DISP)*, 131, 22-29.
- THOMPSON, Francis (2001): Lewis & Harris. Newton Abbot, Devon.
- TURNOCK, David (1974): *Scotland's Highlands and Islands*. London.
- VANHOVE, Norbert/Leo H. KLAASEN (1999): *Regional Policy: A European Approach*. Aldershot.
- VERBAND DER NATURPARKE ÖSTERREICHS VNÖ (2003): *Wer macht's, wer zahlt's, was bringt's? Naturparke und Regionalentwicklung*. Graz. Brochure.
- VORAUER, Karin (1997): *Europäische Regionalpolitik - Regionale Disparitäten: Theoretische Fundierung, empirische Befunde und politische Entwürfe*. (= *Münchener Geographische Hefte*, 77). Passau.
- VORAUER-MISCHER, Karin (2004): *Regionen der EU. Problemgebiete und Möglichkeiten der Regionalförderung*. In: *Geographische Rundschau*, 56, 5, 4-9.
- WEHLING, Hans-Werner (1987): *Das schottische Hochland*. (= *Problemräume Europas*, 2). Köln.
- WEHLING, Hans-Werner (2000): *Tourismus in Schottland*. In: *Geographische Rundschau*, 52, 1, 27-34.
- WEIXLBAUMER, Norbert (Ed.) (1994): *Akzeptanz- und Raumwahrnehmungsanalyse zum geplanten Nationalpark Kalkalpen in Oberösterreich. Ein perceptionsgeographischer Beitrag zur Regionalentwicklung der Pyhrn-Eisenwurzen-Region*. (= *Beiträge zur Bevölkerungs- und Sozialgeographie*, 5). Wien.
- WERLEN, Benno (1997): *Sozialgeographie alltäglicher Regionalisierungen. Band 2: Globalisierung, Region und Regionalisierung*. (= *Erdkundliches Wissen*, 119). Stuttgart.
- WESTERDAHL, Stig (2005): *Swedish regions ready for growth? Findings from a pilot project on regional development. Draft paper for workshop "Social capital and development trends in Japan's and Sweden's countryside"*. Östersund. Manuscript.
- WESTERDAHL, Stig/Hans WESTLUND (1997): *Beitrag der Sozialwirtschaft an die lokale Beschäftigung. Untersuchungsbericht*. Östersund.

WESTERN ISLES CED PARTNERSHIP (2001): Western Isles Community Economic Development Programme Plan 2001 to 2003. Stornoway. Report.

WESTERN ISLES COUNCIL (2000): Western Isles Transitional Programme Strategy 2000-2006. Final Version. Stornoway. Report.

WESTERN ISLES COUNCIL (2004): Community Plan For The Western Isles 2004. Stornoway.

WESTERN ISLES COUNCIL/WESTERN ISLES ENTERPRISE AND HIGHLANDS & ISLANDS ENTERPRISE (n.d.): The Western Isles. Creating communities of the future. Stornoway/Inverness. Report.

WESTERN ISLES ENTERPRISE (2001): Western Isles Community Economic Development Programme Plan 2001 to 2003. Lionacleit. Brochure.

WESTERN ISLES LOCAL ECONOMIC FORUM (2001): Economic Development Framework. Stornoway.

WESTERN ISLES LOCAL ECONOMIC FORUM (2004): Action Plan (revised). Support Services to Business. Stornoway.

WESTHOLM, Erik (1999): From State Intervention to Partnerships. In: Westholm, Erik/Malcom Moseley/ Niklas Stenlas (Eds.): Local Partnerships and Rural Development in Europe. A Literature Review of Practice and Theory. Falun, 137-154.

WESTHOLM, Erik (2003): Mot en ny landsbygdspolitik. (= Statens Offentliga Utredningar, 29). Stockholm.

WESTHOLM, Erik/Malcom MOSELEY/Niklas STENLAS (Eds.) (1999): Local Partnerships and Rural Development in Europe. A Literature Review of Practice and Theory. Falun.

WIGHTMAN, Andy (1996): Who owns Scotland. Edinburgh.

WIGHTMAN, Andy (1999): Scotland: Land and power. The agenda for land reform. Edinburgh.

WISL LAG (2002): LEADER+ Business Plan. Western Isles, Skye & Lochalsh Local Action Group. Stornoway. Report.

WOODS, Michael (2005): Rural Geography. Processes, Responses and Experiences in Rural Restructuring. London/Thousand Oaks/New Delhi.

WOODS, Michael (2007): Engaging the Global Countryside: Globalization, Hybridity and the Reconstitution of Rural Place. In: Progress in Human Geography (forthcoming). Manuscript.

YIN, Robert K. (2003): Case Study Research. Design and Methods. Thousand Oaks/London/New Delhi.

ZANETTI, Gerhard (2000): Raumplanung und Regionalentwicklung im (Ost)Alpenraum. Regionalp. Wien.

ZIMMERMANN, F.M./S. JANSCHITZ (Eds.) (2000): Regional Policies in Europe - New Challenges, New Opportunities. Graz.

Websites

EUROPEAN COMMISSION (2006a): Working for the regions.
ec.europa.eu/regional_policy/intro/working4_en.htm (last accessed 20.02.2010)

EUROPEAN COMMISSION (2006b): Structural Funds 2004-2006: Areas eligible under Objective 1 and 2. ec.europa.eu/regional_policy/objective2/map_en.htm (last accessed 19.12.2006)

EUROPEAN COMMISSION (2006c): Cohesion Policy 2007-2013: Factsheets. ec.europa.eu/regional_policy/atlas2007/fiche_index_en.htm (last accessed 19.12.2006)

EUROPEAN COMMISSION (2006d): Strategic Guidelines for Rural Development. ec.europa.eu/agriculture/capreform/rdguidelines/index_en.htm (last accessed 10.10.2006)

EUROPEAN COMMISSION (2006e): LEADER+. ec.europa.eu/agriculture/rur/leaderplus/library/leadercap/monitoring_en.htm (last accessed 10.10.2006)

EUROPEAN COMMISSION (2006f): Investing in Europe's Member States and regions. europa.eu.int/comm/regional_policy (last accessed 20.12.2006)

EUROPEAN COMMISSION (2007a): Agriculture and Rural Development. ec.europa.eu/agriculture/index_en.htm (last accessed 10.01.2007)

EUROPEAN COMMISSION (2007b): Regional Policy. ec.europa.eu/regional_policy/intro/working1_en.htm (last accessed 10.01.2007)

www.akademinorr.se 2005 (last accessed 28.11.2005)

www.austria.gv.at 2006: Bundeskanzleramt Österreich.
www.austria.gv.at/DesktopDefault.aspx?TabID=3495&Alias=bka (last accessed 12.10.2006)

www.cne-siar.gov.uk/index.htm 2006: Western Isles Council (last accessed 05.02.2006)

www.duthchas.org.uk 2004: Dúthchas (last accessed 12.10.2004)

www.eisenstrasse.co.at 2005: Region Steirische Eisenstrasse (last accessed 20.11.2005)

www.eisenstrasse.info 2005: Kulturpark Eisenstrasse Ötscherland (last accessed 03.12.2005)

www.eisenwurzten.com 2005: Naturpark Eisenwurzten (last accessed 20.11.2005)

www.hie.co.uk 2004a: Highlands and Islands Enterprise (last accessed 18.03.2004)

www.hie.co.uk 2004b: Skye and Lochalsh Economic Forum. Mapping Exercise and Action Plan. www.hie.co.uk/skye-west-ross/mapexandactplan (last accessed 12.10.2004)

www.hie.co.uk/sale 2004: Skye and Lochalsh Enterprise (last accessed 12.10.2004)

www.hush.se 2005: Hushallningssällskapen (last accessed 29.11.2005)

www.initiative-at-the-edge.org.uk 2004: Initiative at the edge (last accessed 18.03.2004)

www.kalkalpen.at 2005: Nationalpark Kalkalpen (last accessed 19.11.2005)

www.leaderplus.de 2006 (Deutsche Vernetzungsstelle LEADER+): ELER 2007-2013.

www.leaderplus.de/index.cfm/000299D6341212D5AA616521C0A8D816 (last accessed 25.10.2006)

www.lrf.se 2005: LRF – Federation of Swedish Farmers (last accessed 29.11.2005)

www.mervardmat.nu 2005: Lantbrukarnas Ekonomi Ab (last accessed 29.11.2005)

www.nationalpark.co.at 2005: Nationalpark Gesäuse (last accessed 22.11.2005)

www.naturparke.at 2005: Verband der Naturparke Österreichs (last accessed 19.11.2005)

www.noel.gv.at 2004: Land Niederösterreich (last accessed 23.02.2004)

www.oear.at 2007: ÖAR-Regionalberatung GmbH (last accessed 07.04.2007)

www.oerok.gv.at 2007: Österreichische Raumordnungskonferenz (last accessed 07.04.2007)

www.oee.gv.at/raumordnung 2004: Amt der Oberösterreichischen Landesregierung, Abteilung Raumordnung (last accessed 30.03.2004)

www.regionalmanagement-noe.at 2004: Regionalmanagement Entwicklungsverband NÖ West (last accessed 10.11.2004)

www.regionalmanagement-ooe.at 2004: Regionalforum Steyr-Kirchdorf (last accessed 10.11.2004)

www.rm-austria.at 2006: Regionalmanagement Österreich (last accessed 10.11.2006)

www.rml.at 2006: Regionalmanagement Bezirk Liezen (last accessed 10.11.2006)

www.scotland.gov.uk 2006 (Scottish Executive): New local authorities
[www.scotland.gov.uk /library3/localgov/fs12-02.asp](http://www.scotland.gov.uk/library3/localgov/fs12-02.asp) (last accessed 21.05.2006)

www.scotland.gov.uk 2005 (Scottish Executive): Local Economic Forums.
<http://www.scotland.gov.uk/Topics/Business-Industry/Enterprise/16201/8895> (last accessed 22.02.2005)

www.scrol.gov.uk 2004: General Register Office for Scotland. Census Scotland 2001. www.scrol.gov.uk/scrol/common/home.jsp (last accessed 19.10.2004)

www.ssd.scb.se 2005: Statistics Sweden.
www.ssd.scb.se/databaser/makro/start.asp (last accessed 29.07.2005)

www.statoids.com 2005: Counties of Sweden. www.statoids.com/use.html (last accessed 17.01.2005)

www.sweden.gov.se 2005: Ministry of Enterprise, Energy and Communications. www.sweden.gov.se/sb/d/2067;jsessionid=aW-V7JbIP4Wc (last accessed 01.05.2005)

www.wilef.co.uk 2006: Western Isles – Local Economic Forum.
www.wilef.co.uk/meeting29.asp (last accessed 26.10.2006)

www.w-isles.gov.uk 2004: Western Isles Transitional Programme Strategy 2000-2006. www.w-isles.gov.uk/european/witps/app1.htm (last accessed 23.10.2004)

Table 26: List of Interview Partners in Scotland

Name	Institution	Function	Place	Date
Black, Stuart	Highlands and Islands Enterprise	Director, Strengthening Communities Unit	Inverness	28.05.2002
Bort, Eberhard	Institute of Governance, University of Edinburgh	Lecturer, academic co-ordinator	Edinburgh	19.03.2002
Campbell, Kirsty	North Uist Partnership	Co-ordinator (tourism, local produce)	Claddach Kirkibost, North Uist	06.09.2002
Campbell, Marie	Uist Council of Voluntary Organisations	Vice-head	Balivanich, Isle of Benbecula	09.09.2002
Campbell, Norah	Arts Centre	Director	Portree	10.06.2002
Campbell, Seonag	Initiative at the Edge, Lochboisdale/Eriskay Area	Local Development Officer until mid-2002	Lionacleit, Isle of Benbecula	06.09.2002
Cran, Angela	Highlands of Scotland Tourist Board	Research & Development Executive	Strathpeffer	19.09.2002
Cropper, Alison	Urachda Uibhist	Manager, last 6 months Dùthchas	Claddach Kirkibost, North Uist	06.09.2002
Dutton, Rory	HIE, Initiative at the Edge	National Coordinator	Inverness	28.05.2002
Farquhar Munro, John	MSP, Liberal Democrats	Rural Development Committee	Edinburgh	26.09.2002
Fitzpatrick, Tony	COSLA, European Rural Exchange (Rural Local Authorities Structural Funds Partnership),	Chief Executive Dumfries & Galloway Council, Network Co-ordinator	Edinburgh	18.03.2002
Gillespien, Sine	Dùthchas (Troternish/Skye)	former Community Co-ordinator	Portree, Isle of Skye	11.06.2002
Gillies, Norman	Sabhal Mór Ostaig-The Gaelic College	College Director	Kilmore, Isle of Skye	06.06.2002
Grant, Rhoda	MSP, Labour	Highlands & Islands, Rural Development Committee	Edinburgh	25.09.2002
Halhead, Vanessa	Dùthchas	Co-ordinator	Inverness	20.09.2002
Kim, Derek	Western Isles Council	European & Development Services	Stornoway, Isle of Lewis	19.06.2002

Knox, Susan	SEERAD (Scottish Executive Environment and Rural Affairs Department)	Rural Policy Team	Edinburgh	19.03.2002
MacCuish, Catriona	Dúthchas (North Uist & Berneray)	former Community Co-ordinator	Lochmaddy, North Uist	09.09.2002
MacDonald, Calina	Skye & Lochalsh Horticultural Association	Coordinator	Eynort, Isle of Skye	03.06.2002
MacEwan, Fiona	LEADER II, Skye & Lochalsh	former Field Officer	Kyle of Lochalsh	28.05.2002
MacIntosh, Jane	Initiative at the Edge, Bays of Harris Area	Local Development Officer	Drinishader, Isle of Harris	18.06.2002
MacIver, Calum	Western Isles Enterprise		Stornoway, Isle of Lewis	19.06.2002
MacIver, Maryann	Western Isles Tourist Board	Visitor Service Manager	Stornoway, Isle of Lewis	12.09.2002
MacKenzie, Lewis	LEADER II, Western Isles	former Community Field Worker	Stornoway, Isle of Lewis	19.06.2002
MacLean, Catriona	Ness Development Corp. Ltd.	Manager	Ness, Isle of Lewis	11.09.2002
MacLean, Catriona	Highland Council, Skye & Lochalsh Area Office	Economic Development Officer	Portree, Isle of Skye	23.05.2002
MacLean, Sarah	Initiative at the Edge, Uig & Bernera Area	Local Development Officer	Crowlista, Isle of Lewis	17.06.2002
MacLeod, Gerry	Initiative at the Edge, Lochboisdale/Eriskay Area	Local Development Officer	Daliburgh, South Uist	05.09.2002
MacMillan, John	Western Isles Enterprise	Community Economic Development Officer	Liniclate, Isle of Benbecula	09.09.2002
MacPherson, Calum	Skye & Lochalsh Enterprise	Head of Business & Community Development	Portree, Isle of Skye	11.06.2002
MacPherson, Duncan	Harris Development Ltd.	Economic Development Officer	Tarbert, Isle of Harris	18.06.2002
MacSween, Annie	Ness Development Corp. Ltd./Lews Castle College, Gaelic Language	Initiator of Dev. Cop., Lecturer in Gaelic Studies	Stornoway, Isle of Lewis	19.06.2002
McGrigor, Jamie	MSP, Conservatives	Fisheries Spokesman & Rural Development Committee	Edinburgh	24.09.2002

Meany, Agnes M./ Stevenson, David	ELLD, Enterprise Networks Division	Initiative at the Edge/Policy Executive	Glasgow	03.09.2002
Millar, Andrew	Highland Council	Elected member of the Highland Council for Portree	Portree, Isle of Skye	03.06.2002
Millard, Jim	SEDD	LEADER+ and Objective 1	Edinburgh	23.09.2002
Mitchell, Ian	FCSD	Community Planning	Edinburgh	23.09.2002
Monroe, Moraig	Western Isles Council	Elected member of the Council for Harris	Tarbert, Isle of Harris	13.09.2002
Munro, Gillian	Sabhal Mor Ostaig-The Gaelic College	Lecturer	Kilmore, Isle of Skye	23.05.2002
Nightingale, Andrea	Arkleton Centre for Rural Development Research, University of Aberdeen	Research Assistant	Breakish, Isle of Skye	22.05.2002 10.06.2002
Rennie, Frank	Lews Castle College, Rural Development Studies	Lecturer, Director of Rural Development Studies Dept.	Stornoway, Isle of Lewis	19.06.2002
Robertson, Uisdean	Dúthchas/Western Isles Council	Chairman of local Dúthchas group/Planning Officer	Benbecula, North Uist	10.09.2002
Shucksmith, Mark	Arkleton Centre for Rural Development Research, University of Aberdeen	Professor	Aberdeen	20.03.2002
Smith, Markus	Skye & Localsh Horticultural Association, Organic Group	Initiator of Association	Edinbane, Isle of Skye	11.06.2002
Smith, Michael	Lews Castle College, Rural Delopment Studies	Lecturer	Stornoway, Isle of Lewis	17.06.2002

Table 27: List of Interview Partners in Sweden

Name	Institution	Function	Place	Date
Aalbu, Hallgeir	Nordregio	Director	Stockholm	28.02.2003
Adsten, Anne		Projectleader	Östersund	01.07.2003
Aggefors, Kerstin	NUTEK	Senior Advisor	Stockholm	26.02.2003
Andersson, Ake	KTH, Department of Infrastructure	Professor, Director	Stockholm	27.02.2003
Arnemo, Kerstin	Företagarnas Riksorganisation	Chairperson	Östersund	04.09.2003
Cornell, Bodil	Resurscentrum Jämtland	Projectleader	Ås	05.09.2003
Dahlström, Mats	The Village Action Movement	Expert rural development	Stockholm	27.02.2003
Danerlov, Klas	Industry Ministry		Stockholm	26.02.2003
Engkvist, Roland	NUTEK		Stockholm	26.02.2003
Göransson, Ann-Margreth	Agendum	Chairwoman, consultant, project manager of transnational EU-projects	Svenstavik	05.03.2003
Grut, Katarina	Arbetslivsinstitutet	Coordinator	Östersund	03.09.2003
Hägg, Thomas	County Council of Jämtland (Landsting)	Head of Internat. Relations	Östersund	01.07.2003
Hallin, Göran	Institute for Growth Studies, Policy Inteligence and Evaluation (ITPS)	Head of Department	Stockholm	28.02.2003
Hansson, Susanne	Strömsunds Kommun	Projectleader	Strömsund	02.07.2003
Hellstrand, Eva	Åre Kommun	Local Government Council	Åre	04.07.2003
Hildebrand, Anna	Kooperativ Utveckling Jämtland	Adviser	Ås	09.09.2003
Järemo, Annika	NUTEK	Officer for Jämtland	Stockholm	27.02.2003
Johansson, Anna-Karin	Glesbygdsverket	Research Department	Östersund	06.03.2003
Johansson, Jeanette	Trångsviks Bolaget AB	Projectleader	Trångsviken	10.09.2003
Jönsson, Ingela	Hushållningssällskapet	CEO	Östersund	25.06.2003
Kampa-Olsson, Christel	Kretloppshuset	Initiator	Mörsil	08.09.2003

Lindgren, Katarina	Kooperativ Utveckling Jämtland	Adviser	Ås	09.09.2003
Mars, Ingrid	Federation of Swedish Farmers (LRF)	Regional expert	Östersund	01.07.2003
Nilsson, Håkan	Federation of Swedish Farmers (LRF)	"bonde", Farmer	Östersund	30.06.2003
Nilsson, Jens	Östersunds Kommun	Mayor	Östersund	26.06.2003
Örnfjäll, Karin	Bildsprak/Grogrund	Entrepreneur/initiator	Östersund	05.09.2003
Ottoson, Hakan	Swedish Association of Local Authority	Interreg III C	Stockholm	26.02.2003
Palomaa, Sanna	County Administration Jämtland län	County Co-ordinator of Education and Research	Östersund	03.07.2003
Pichler, Wolfgang	Glesbygdsverket	Research Department	Östersund	04.03.2003 06.03.2003
Roos, Elisabeth	Strömsunds Kommun	Secretary internat. Affairs	Strömsund	02.07.2003
Sandell, Anita	County Administration Jämtland län	Coordinator Interreg	Östersund	04.09.2003
Schönbeck, Carolina	Glesbygdsverket	Development Department	Östersund	04.03.2003
Sikku, Olov	Federation of Swedish Farmers	Projectleader	Östersund	12.09.2003
Sjögren, Jerker	Industry Ministry, Delegation for Northern Sweden	Project Manager	Stockholm	16.09.2003
Ström, Lars-Inge	Mid Sweden University	Professor	Östersund	03.03.2003
Svaleryd, Uno	County Administration Jämtland län	County Director Deputy Governor	Östersund	04.03.2003
Svensson, Bo	European Tourism Research Institute	Director	Östersund	11.09.2003
Texmo, Monica	Strömsunds Kommun	Head of Department	Strömsund	02.07.2003
Tingstorp, Hakan	NUTEK		Stockholm	26.02.2003
Westholm, Erik	Framtidsstudier	Professor	Östersund/ Stockholm	02.09.2003 16.09.2003
Westlund, Hans	Institute for Growth Studies, Policy Intelligence and Evaluation (ITPS)	Professor	Östersund	08.09.2003
Westman, Bengt	Svenska Kommunförbundet	Project Manager, Administrative secretariat	Stockholm	28.02.2003
Winemark, Sven	County Administration Jämtland län	Co-ordinator	Östersund	03.07.2003

Table 28: List of Interview Partners in Austria

Name	Institution	Function	Place	Date
Aigner, Alois	Regionalforum Steyr-Kirchdorf	Geschäftsführer	Steinbach a.d. Steyr	20.04.2004
Becker, Karl	Regionaler Entwicklungsverband Mostviertel	Geschäftsführer	Amstetten	30.04.2004
Buchriegler, Regina	Nationalpark Kalkalpen	Regionalmarketing	Molln	28.04.2004
Einzenberger, Johann	Nationalparkgemeinde Großraming	Alt-Bürgermeister	Großraming	25.04.2004
Fidlschuster, Luis	Österreichische Arbeitsgemeinschaft für eigenständige Regionalentwicklung	Geschäftsführer	Wien	09.03.2004
Föbleitner, Felix	Regionalforum Steyr-Kirchdorf	Regionalmanager Landwirtschaft/ LEADER+	Steinbach a.d. Steyr	20.04.2004
Franek, Werner	Nationalpark Gesäuse	Direktor	Weng	26.04.2004
Gigler, Gerald	Steirische Landesregierung, Überörtliche Raumplanung	Mitarbeiter FA 16 A, LEADER-Koordinator auf Landesebene	Graz	12.03.2004
Handler, Franz	Österreichische Naturparke	Geschäftsführer	Graz	12.03.2004
Heintel, Martin	Institut für Geographie, Universität Wien	Univ.-Assistent	Wien	08.03.2004
Hochauer, Christian	Verein Naturpark Nö. Eisenwurzen	Obmann/Geschäftsführer	Hollenstein a.d. Ybbs	22.04.2004
Huber, Wolf	Bundeskanzleramt, Abt. IV/4, Koordination - Raumordnung und Regionalpolitik	Abteilungsleiter	Wien	09.03.2004
Hutter, Martin	Amt der Nö Landesregierung, Abt. Raumordnung und Regionalpolitik		St. Pölten	10.03.2004
Kment, Elette	Österreichische Raumordnungskonferenz		Wien	11.03.2004
Kreiner, Daniel	Nationalpark Gesäuse	Abt. Naturschutz	Weng	26.04.2004
Leitner, Franz	Regionalmanagement Bezirk Liezen	Geschäftsführer	Liezen	21.04.2004
Lueger, Josef	Kulturpark Eisenstraße Ötscherland	Geschäftsführer	Ybbsitz	22.04.2004
Lußmann, Hermann	Geo-Dorf Gams	Alt-Bürgermeister	Gams	23.04.2004

Mair, Wolfgang	Stadt Waidhofen an der Ybbs	Bürgermeister	Waidhofen a.d.Ybbs	30.04.2004
Maunz, Horst	Erz und Eisen Regionalentwicklungs GmbH/LAG Steirische Eisenstrasse	Prokurist	Eisenerz	27.04.2004
Mitterbäck, Reinhard	Naturpark Eisenwurzen/LAG - Gesäuse - Eisenwurzen	Geschäftsführer/ LEADER+ Koordinator	St. Gallen	26.04.2004
Preundler, Josef	Gemeindebegleitung (in Koop. mit Oö. Verein für Entwicklungsförderung)	Koordinator	Steinbach a.d.Steyr	28.04.2004
Richter, Brigitte	Amt der Nö Landesregierung, Abt. Raumordnung und Regionalpolitik	Abteilungsleiterin	St. Pölten	10.03.2004
Russmann, Manfred	Regionalforum Steyr-Kirchdorf	Regionalmanager Kultur/Verein Eisenstrasse OÖ	Steinbach a.d. Steyr	20.04.2004
Schmeiß, Maria	Amt der Oö Landesregierung, Abt. Raumordnung, Überörtliche Raumordnung/Koordinationsstelle für EU-Regionalpolitik	Abteilungsleiterin	Linz	14.04.2004
Seher, Walter	Institut für Raumplanung und Ländliche Neuordnung, Universität für Bodenkultur Wien	Univ.-Assistent	Wien	10.03.2004
Seidl, Markus	Österreichische Raumordnungskonferenz	Geschäftsführer	Wien	11.03.2004
Sieghartsleitner, Franz	Nationalpark Kalkalpen/Eisenstrasse OÖ	Verantwortlicher Marketing/ehemaliger Geschäftsführer	Steinbach a.d. Steyr	28.04.2004
Sieghartsleitner, Karl	Oö. Verein für Entwicklungsförderung/Gemeinde Steinbach a.d.Steyr	Vorsitzender/Alt-Bürgermeister	Steinbach a.d.Steyr	28.04.2004
Weiskopf, Katharina	Naturpark Eisenwurzen/LAG Gesäuse - Eisenwurzen	Projektmanagerin	St. Gallen	19.04.2004
Weixlbauer, Norbert	Institut für Geographie, Universität Wien	Univ.-Professor	Wien	08.03.2004
Weymayer, Martin	Tourismusverband Nationalpark Region Ennstal	Geschäftsführer	Großraming	23.04.2004

