

PART II:



Policies: Past and Present

PAST POLICIES AND POLICY PERSPECTIVES ON RURAL DEVELOPMENT

1. INTRODUCTION

This Chapter reviews the evolution of rural development and related issues as policy themes. Here, we are not concerned with the specific measures of contemporary policies (which are covered in Chapters 8 to 11) but with tracing the way in which 'the rural problem' was specified in the recent past and, further, with showing that, in fact, no clearly formulated nor consistent set of policies emerged in response to stated problems. The main argument is that whereas in the 1960s governments had entertained the idea of having strategies for local economic development the momentum was allowed to lapse in the first 15 years of EU membership. Rural development policy has been an appendage to agricultural policy and, to a lesser extent, to regional policy until the latter faded from the agenda in the 1980s. In the 1970s the problems of rural development were in effect passed over to the EU with the implicit expectation that they would be solved through a sectoral policy, viz., high price supports in the Common Agricultural Policy. When the limitations of the EU agricultural policies became apparent in the late 1980s and Brussels turned attention to rural development, so did the Irish policy-makers. The discussion in this Chapter, taken together with those in later sections, especially in Chapters 9 and 12, indicates a reactive and opportunistic approach to policy making, reflected in changes in policy orientation very much in response to what is happening in the EU, and in a haphazard mixture of national and externally funded initiatives. In effect, there has not been any significant domestically conceived policy nor strategic programming for rural development.

2. PRE-EU: 1960-73

The early 1960s are an appropriate departure point for reviewing rural policy because of the striking similarities between the situation in the Irish rural economy then and the contemporary difficulties facing the agricultural sector in the EU. In the 1960s there was growing concern here about the difficulties of disposing of agricultural produce due to the limited home market and adverse conditions in foreign markets. While governments of the time accepted that a measure of price support was necessary to maintain some degree of stability in the returns to producers they also warned that the

capacity of the Irish exchequer to support farm prices was not unlimited. Government programme statements also pointed out that agricultural development alone would not solve such rural problems as out-migration and rural depopulation.

(i) Early Ideas on an Integrated Approach to Area-Based Rural Development

These Irish problems and the policy responses they evoked presaged much of the current debate about the dilemmas facing rural areas in the present-day EU context. Indeed in terms of policy ideas, though not so much in the implementation of operational measures, Dublin's official thinking was in many ways as advanced as that now emanating from Brussels. The Second Programme for Economic Expansion (in 1964), for example, contained a separate chapter on rural development and recognised the need for an integrated multi-sectoral approach to the task of revitalising the rural economy.

We shall return to this point presently but firstly it is worth noting the views of an Inter-Departmental Committee established in 1961 to investigate measures to deal with the special problems of agriculture in the western part of the country where small farms predominate (Inter-Departmental Committee on the Problems of Small Western Farms, 1962).

One main conclusion of the Committee was that the position of small farms could not be permanently improved by either subsidies or special price supports since these did not necessarily improve the competitive position of the small farmer. Special help in the way of regional subsidies or price supports would merely act as palliatives (Inter-Departmental Committee on the Problems of Small Western Farms, 1962:9). While the Committee made several recommendations for sectoral or functional measures, the relevance of its proposals in the present context is that it stressed the need for a strategy based on the multi-sectoral approach to the development of *rural areas*. One of the most problematic aspects of the situation in many parts of the country, according to the Committee, was the absence of any local sense of community or initiative coming from the people themselves to improve their conditions. Its report went on to add that, while local voluntary organisations were doing useful work, far more progress could be made if there existed in each area a group of people working for the development of the area as a whole and regularly meeting and discussing problems and ideas with government staff employed in the area. This kind of partnership would help to create a climate of opinion favourable to change. Another obvious need,

the Committee reported, was to bring about closer co-ordination between the staffs of the various Government Departments and the local authorities working in them, and to create an atmosphere where the staffs were made to feel that they were members of a team engaged in developing the resources of a county. In addition, the Committee recommended that western rural development be approached on a multi-sectoral basis incorporating measures for agriculture, industry, tourism, forestry, fishing, infrastructural facilities and services.

A year after the publication of the report of the Inter-Departmental Committee the idea of local collective organisation linked to statutory action was again mooted. In 1963, An Foras Talúntais (now incorporated in Teagasc), following a comprehensive resource survey in West Cork, advocated the greater integration of effort among farmers at local level in such matters as bulk buying, marketing, sharing expensive machinery and equipment. But more to the point, An Foras Talúntais also recommended a programme of local community development arguing that, if local initiative were encouraged through appropriate forms of organisation, these structures would provide mechanisms for channelling resources and aids (state and otherwise) to local communities (An Foras Talúntais, 1963).

(ii) County Development Teams (CDTs)

The main policy response to the Inter-Departmental Committee's proposals was the establishment of the County Development Teams (CDTs) in 1963, and their reconstitution in 1965, in the western counties. Subsequently other counties adopted the CDT idea. Each Team was representative of the main public sector agencies in the county and was chaired by the County Manager. CDTs had the services of a County Development Officer and in most cases there was an Assistant Team Secretary. Support facilities were provided by the county local authority. A Central Development Committee at the Department of Finance co-ordinated and facilitated their activities; it also examined proposals submitted for assistance under the Western Development Fund (see below). This Committee included representatives of the CDTs and personnel from the main Government Departments and state-sponsored agencies.

The CDTs were given a very ambitious brief which was not matched by their budgetary or other resources. They were expected to promote economic activity in their counties by: (i) ensuring that maximum use was made of EU and State grants; (ii) optimising the use of support schemes such as training; (iii) nurturing the development of small industries; (iv) identifying

entrepreneurs; (v) promoting community development, and by co-ordinating all activities having a bearing on development (Reynolds, 1993).

The policy has been to secure finance from the line Departments and agencies responsible for the various sectors. However, CDTs had access to a Western Development Fund on the basis that project grants in excess of £5,000 (main grants) were subject to the approval of the Central Development Committee, while grants below this level (Discretionary Grants) are approved by CDTs. In the 10 years 1981 to 1990 a total of 2,366 projects received assistance; grants to the value of £6.8m were paid from the Fund, contributing to an estimated 4,257 jobs (Reynolds, 1993:237).

In assessing the work of the CDTs, reference to the 'Team' is not really meaningful. The Team was not an executive staff; the work was undertaken by the County Development Officer, usually with an assistant. In practice the activities of the officers were confined predominantly to small industries promotion. They processed applications for assistance under the Small Industries Programme of the IDA and were actively involved in stimulating small manufacturing projects. A review of the contribution of CDTs to rural and regional development, while adverting to the officially stated roles of the County Development Officer, is in fact an assessment of job creation through small industries (Lynch and Boylan, 1991:42-155). While the CDTs have performed a useful function in relation to industrialisation this has been very much an administrative role rather than the more general task of animating rural development or community development, or integrated rural development at a sub-county or more local level.

Since 1993 the CDTs have been effectively replaced by the County Enterprise Boards (see Chapter 11).

(iii) Rural Development in Programmes of Economic Expansion/ Development

Ideas for developing a more diversified rural economy and for achieving a greater degree of collaboration between statutory action and voluntary effort were more expressly stated in the two government programmes for economic development in the 1960s (ASPEE, 1964; TP, 1969). It is interesting to note, however, that while the aims for rural development remained unchanged for both programmes (see below) there was a shift of emphasis in the way the problem was seen and thus in the ways of tackling it. When regionalism emerged as a central theme in Irish public policy debates of the late 1960s, rural development became less of an appendage to agricultural development and more of an issue for regional planning.

Still by 1964, although rural development was elevated to the status of being given a separate chapter in the Second Economic Programme, this was included with the agricultural part of the programme documentation. Nevertheless, the programme recognised the need for 'an integrated approach to the problems of rural development' (ASPEE, 1964:191). One method of encouraging this approach at local level, the Programme added, was through the County Development Teams. But while the Programme noted that the tendency in Europe was to have agricultural development measures 'integrated into general and co-ordinated regional plans covering all aspects of economic development' the Programme's own prescription for the integrated approach - beyond a reliance on the CDTs - was confined to vaguely stated intentions to foster collaborative arrangements between voluntary organisations and public sector agencies. The programme added:

The main value to the community of these (voluntary) organisations is their independence which enables them to tap the wellsprings of community effort (ASPEE, 1964:191).

The aims of Government for rural development in the pre-EU era were essentially as expressed in the Second Programme:

The Government's aims for rural development under the Second Programme are, first, to ensure the more intensive use of land within the limits set by market possibilities so that the maximum number of people can be retained in agriculture, consistent with social and economic progress; second, to create viable farming units in small farm areas with minimum disturbance of population; and third, to ensure, as far as practicable, that those who leave agriculture have adequate employment opportunities in other sectors of the economy (ASPEE, 1964:188).

A notable point about this statement of aims is that rural development is narrowly conceived as a set of solutions to the problems facing the population on farms. The first two aims relate specifically to agricultural and land policies.

For agriculture there was an emphasis on maintaining - even strengthening - the upward trend in agricultural output but stressing the necessity for competitiveness by reducing costs per unit of output and intensifying land use within the limits set by market possibilities. In relation to land, legislation was introduced to hasten improvements in land structures through granting the Land Commission greater powers of land acquisition, controlling access to land by non-nationals and introducing a pension scheme to induce elderly

or incapacitated farmers to retire and sell their lands to the Land Commission or to other farmers. In line with this thinking, the 1965 Land Act greatly increased the powers of the Land Commission to improve land structures (e.g. by strengthening the Commission's power to acquire land compulsorily).

Thus, in the late 1960s the problems and vocabulary of rural development, especially in relation to the diversification of the rural economy, bore striking resemblance to current concerns and terminology. The system of industrial promotion and grant incentives which had developed in piecemeal fashion over the years was rationalised. A small industries programme was launched with a view to offering employment opportunities for rural labour (TP, 1969:97). What is now referred to as agri-tourism was seen as having high potential in the context of the expected growth of private transport. In 1967 new and increased incentives were available to encourage the provision of guesthouse accommodation. The need to develop recreational facilities for holiday-makers was also recognised (TP, 1969:113). Promotion of amenity and recreational facilities (e.g. forest parks, angling) was seen as complementary to the development of forestry and fisheries. However, while forestry was regarded as a significant and growing source of employment in rural areas, difficulties were being encountered in acquiring plantable land; private planting was not then a major part of the programme. Fish farming had also emerged on the development agenda in the later 1960s.

(iv) Regionalism and Rural Planning

The Third Programme (for 1969-72) reiterated the policy "to devote special attention to the integrated development of small farm areas, encouraging all possible lines of development in industry, afforestation, tourism and related activities so that the problems of these areas will be met on the broadest possible front" (TP, 1969:80-81). Although the rural problem was still interpreted as a problem of small-scale farming, the solution was expressed in terms of integrated rural development and there was an understanding that this in turn required 'a comprehensive policy for the regional economy'. Yet, despite some sentiments favouring localism, voluntarism and statutory-voluntary collaboration, no policy measure of significance was introduced to foster sub-county or community development - as distinct from regional development - although local community development was included in the formal statement of the CDTs' terms of reference.

The Local Government (Planning and Development) Act 1963 gave the local authorities greater planning responsibilities, but the emphasis was on

physical planning. The locus of rural development as a policy theme moved even more so towards regionalism. Nine regions were designated but here, too, the emphasis was on the co-ordination of elements of physical planning. In 1969 Regional Development Organisations (RDOs) were established to provide a co-ordinating forum for groups of local authorities and other agencies. However, these RDOs did not have executive authority. Regional Boards were set up for health and tourism, and the Regional Technical Colleges were opened.

A number of regional planning studies were undertaken, culminating in the Buchanan report (Buchanan and Partners, 1968), which brought to a head a simmering debate on the merits of concentrating State investments in a limited number of growth centres, as against the dispersal of investment over a wide number of locations. The case for concentration had been made earlier in the decade by the Committee on Industrial Organisation but the Second Programme stated that the development of industry outside the main cities was an essential part of government policy (ASPEE, 1964:191). A Government statement of 1965 (Government Statement on Regional Policy, 1965) appeared to compromise by accepting the idea of concentration in principle, and even by designating two centres (Galway and Waterford) for the location of industrial estates. But the statement also favoured the dispersal of industrial activity, where feasible, because of social and demographic considerations.

Buchanan expressed a preference for a small number of centres but this idea was not formally accepted. The need for more widespread regional development as a response to rural problems was getting increasing expression. For example, Scully (1971), following a study of agriculture in the West, concluded that while the short-term aim of western development was to provide as many viable farms as possible, the long-term objective would have to be that of ensuring the viability of the region as a whole. This study added:

All economic sectors, agriculture, industry, tourism, forestry, fishing and so on, have a part in this development. All should receive due attention as important components of an overall regional plan for development (Scully, 1971:176).

In the event, a consistent policy on the spatial distribution of industrial development did not emerge until the early 1970s when the Government declared, again somewhat compromisingly, that regional strategies should not only seek to achieve growth rates but provide the maximum spread of

development and thus minimise population dislocation (Government Statement on Regional Policy, 1972).

In line with this reasoning, the 1972-77 plans of the Industrial Development Authority sought to distribute new employment so as to moderate the growth of the Dublin region, encourage industrial development in the other main urban centres, and make smaller population centres the nuclei of small industry concentrations (Rottman and O'Connell, 1982:80). While later sets of plans also indicated the government's concern that industrial development strategy provide for an even spread of development throughout the country (National Development, 1978:33) these contained less detail on regional and sub-regional targets. In the 1980s, the link between industrialisation and regional or local development was practically severed as considerations of national unemployment, the loss of jobs in the Dublin region, the viability of industrial enterprises and the locational needs of some high-tech industries took precedence over the spatial dispersal of employment.

The final policy document of note in the present context for the pre-EU years was the White Paper of 1971 (WP, 1971). This proposed, *inter alia*, the formation of local community councils. A 'broadly-based, non-sectional community council', it was suggested, could play a vital role in the development of local communities - identifying interests, needs and aspirations, acting as an agent for positive and fruitful community action, harnessing resources in the community for its own development, acting as a centre for information and advice, and generally supplementing the work of the statutory local authorities (WP, 1971:46).

In fact the Local Government Act of 1941 had made it permissible but not mandatory for local authorities to assist local groups in community development and local amenity development. In practice, however, little use was made of these powers but on the publication of the 1971 White Paper the Government expressed its readiness to consider whatever changes were necessary in existing statutory provisions so as to enable approved local councils to be officially recognised and to operate actively in collaboration with local authorities.

In the event these ideas were rejected by the Minister for Local Government in the succeeding administration. It appears that active local development organisations inspired apprehension on the part of many party politicians who saw these as an alternative power base, posing a threat to their own brokerage role in rural areas (Roche, 1982:303-304).

Besides, the imminence of EU membership began to dominate the discourse on public policy.

3. 1970s TO MID-1980s: ECLIPSE OF RURAL DEVELOPMENT

(i) Expectations of the CAP

From the early 1970s to the mid-1980s, rural development receded from the national policy agenda - with some exceptional measures to be noted presently. One reason for this was the pragmatic consideration that, as it made tactical sense to secure the maximum flow of funds from the EU, the emphasis had to be on the CAP. The CAP dominated the EU budget, and price and market policy dominated the CAP. There was, however, an underlying and unwarranted optimism about the efficacy of the CAP to deal with the endemic problems of the Republic's agriculture - the low incomes on a substantial proportion of farms and poor farm structure in the western region. As is now well known, the impact of the CAP price policy was to widen the farm income gap between the larger and smaller producers. While CAP structures (non-price) policies were made more regionally specific (e.g. through the Programme for Western Development), and thus helped to lessen the disparity trends, their ameliorating effects did not have a significant impact. Agricultural structures policies were not the top priority of the farm organisations, nor were they promoted with much enthusiasm by governments because they required co-financing from the national exchequer. It was only in the late 1980s that direct subsidies to farms in the disadvantaged areas (e.g. through livestock headage payments) made a notable contribution to farm incomes in those areas.

(ii) State Disengagement from Land Structure Reform

Progress on land structure reform slowed down for several reasons. As commodity prices rose so did farm profits. The gains in farm incomes were being capitalised through land purchases. Persons not farming on a full-time basis also found it attractive to buy land. Furthermore, under EU regulations non-nationals from other member states could no longer be denied the same right as Irish citizens to acquire land. In consequence of these trends, land prices soared, putting the land market out of reach of many small farmers. The Land Commission was finding it difficult to acquire land in accordance with its mandate. Considerable public debate on the land problem thus marked the 1970s. But despite various proposals contained in the report of an Inter Departmental Committee, in two White Papers, and in numerous election manifesto promises no real action was taken on reforming land

structures. In fact the State retreated from its interventionist role in land structuring. The Land Commission was disbanded; land mobility - outside of family transfers - was no longer a concern of State policy but became almost totally a function of the market. In any event, the urgency for land structure reform diminished with the declining prospects for expansion of farm output and growing emphasis on part-time farming as one of the solutions to the problem of earning a living on small landholdings.

(iii) Expectations of the EU Regional Fund

There was also an expectation on EU entry that rural Ireland would, in time, benefit substantially from the Regional Fund (ERDF). In the event, however, these hopes were not realised; they were hardly justified in the first place. Of the £7,000m worth of grants and subsidies provided to Ireland during 1973-86 the Regional Fund accounted for only 7.2 per cent, as compared to 73.6 per cent in the case of farm price guarantees, and 5.5 per cent for structural (non-price) measures in agriculture. As Lee (1989:474) states, Irish governments had effective *tactics* for negotiations in Brussels but not *strategies* for agriculture beyond making the biggest possible short-term financial gains. Still less was there any strategy for rural development. Furthermore, as the Government decided that all of the Republic was to be eligible for ERDF support (again to maximise the receipts), the Fund was not used to improve any particular region but to help finance the public capital programme. The regional planning activity of the 1960s faded out of existence, and in 1980 the RDOs were abolished.

(iv) Demise of Integrated Rural Development

'Integrated rural development', although it had remained a policy sentiment rather than a well-articulated programme of concrete operational measures, also disappeared from the policy agenda. On the other hand, there was a flourish of non-statutory, community-based development organisations (e.g. community co-operatives, community councils, local development associations). However, these received little structured support or recognition, especially - as we have already noted - the policy ideas contained in the White Paper on local government organisation were also scrapped.

Overarching these contextual factors was the deterioration in national economic management as reflected in high rates of unemployment, inflation and public sector borrowing. The expiry of the Third Programme marked the end of the first series of attempts at national economic planning. Indeed after the 1973 oil crisis it became the official wisdom that, in conditions of

uncertainty, planning was not a meaningful exercise. As the 1970s unfolded, the planning function became subordinated to national budgetary and related issues, or was concerned only with very general macroeconomic planning (Gaffney, 1982:126-128).

Reviewing this period Lee (1989:458-510) aptly labels his chapter 'Drift:1969-?'. His catalogue of defects in the system of societal management include festering rivalries within the dominant political parties, the emergence of clamorous pressure groups which created conditions for political opportunism, lack of a sufficient degree of national consensus, and lavish spending behind a facade of Keynesianism.

(v) Rural Development through Rural Industrialisation

However, one notable exception to the eclipse of rural development in the period was the IDA's programme of industrialisation. As noted above, this provided for the distribution of new employment so as to moderate the growth of the eastern metropolitan region and to encourage industrial activity in other main urban and smaller population centres. The IDA's plans of the later 1970s continued to adhere to the concept of dispersed development although less committedly than in the early part of the decade.

Until overtaken by the world-wide recession of the 1980s, the IDA's programmes had a commendable degree of achievement, as evidenced by the general reversal of rural population decline during the 1970s (see Chapter 3). Employment in 'agriculture, forestry and fishing' continued to decline (from 273,000 in 1971 to 168,000 in 1986) but rural population recovery was widespread, being evident in all of the provinces. Nor was rural population growth confined to the towns; it also took place in open country districts. These still account for 36 per cent of the State's population, or 49 per cent of the population outside the greater Dublin area. The only censal areas failing to achieve population turnaround were 27 Rural Districts (out of 158), most of which were in North East Connacht and in the peninsular areas of West Munster.

More recently, industrialisation policy - in so far as it can influence the location of private investment - has moved to favour areas with the greatest growth and job-creation prospects, the highest unemployment levels and job losses, and the highest prospective labour force growth (Varley *et al*, 1991:17). This is to favour the larger urban centres (see also Chapter 10), although in 1985 the IDA decentralised its decision-making for small industries to regional boards.

(vi) Initiatives in the Non-Statutory Sector

As noted in the previous section, there survived from the 1960s a fairly vibrant non-governmental sector, though sustained by various degrees of public sector support. This included the voluntary community council movement, community co-operatives, various types of local development associations, and local projects sponsored by EU anti-poverty programmes but managed by local groups. The general picture this sector presents is one of enormous citizen commitment but of unremitting struggle against adversity. According to Varley (1991:101) the marginality of community action substantially reflects the extent to which it does not (and in certain ways cannot) fully conform to the officially approved and institutionally dominant, market-led model of development. In the main, the activities of locally based groups have been confined to improving local infrastructures and services. They have made little impact on the critical problems of rural development (see also Chapter 12).

4. MID-1980s TO EARLY-1990s

(i) The Re-Emergence of Rural Development

Following the Republic's entry into the EU, governments had, in general, lapsed into a pattern of reacting to policy initiatives and viewpoints originating from Brussels. Similarly, since the mid-1980s, policy discourse and action in regard to rural development have been mostly in response to the thinking in Brussels, or have been implemented as a result of Commission requirements. To provide a context for describing rural development actions, it is necessary to refer briefly to EU perspectives.

The crisis in the CAP - its generation of surpluses, its high costs, the skewed distribution of its benefits, and the negative impacts on the environment - impelled the Commission to identify other ways of supporting the incomes of farming households and stabilising the economies of rural areas. The Commission's report *The Future of Rural Society* was essentially a manifesto for rural development. One of the points which it made was that as rural areas could not depend on external investment to the same extent as in the past, the emphasis would have to be on the development of indigenous resources (CEC, 1988). This view had particular relevance in a context such as in Ireland where industrial employment had been based on imported enterprise and branch-plant factories had been severely hit by the recession.

The other major impetus for rural development in the Republic came from the intention to establish the Single European Market (SEM). To lessen the

contradiction between the threat posed to lagging regions by the SEM and the need to foster social and economic cohesion in an enlarged Community, the Commission reformed its Structural Funds (Social Fund, ERDF and the structures element of the Agricultural Fund). Apart from doubling, in real terms, the amounts available, 'reform' meant: (i) a funding emphasis on certain priority regions (one such region being the whole of Ireland); (ii) an emphasis on organisational arrangements which would represent a move away from single actors (e.g. public agency or local community) and towards formalised institutional partnerships to combine several sets of development agencies in mutually agreed plans; and (iii) a change from annual financing of individual *projects* to multi-annual funding of operational *programmes* which are expected to include a diverse but coherent set of interventions. A number of operational programmes (including one for rural development) were agreed with the Commission under the 'Community Support Framework' of 1989-93.

(ii) Sub-national Programmes for EU Structural Funds

The procedures governing the allocation of EU Structural Funds stress the concept of partnership in the preparation, financing, monitoring and assessment of operations. 'Partnership' means close consultations between the Commission, the member state concerned, and the 'competent authorities' designated at regional, local or other level, with each party acting in pursuit of a common goal. Ministerial announcements during 1988 claimed considerable credit for the intention to involve 'local interests' in this exercise.

The reality, however, was that the procedures for planning in order to draw down the Funds brought the issues of localism and centralism into sharp focus. With the RDOs abolished and the powers of local authorities weakened there were no ready-made structures at regional or sub-regional level to operationalise the partnership envisaged by the EU. It appears that there was little real intention on the part of the Government to consider any more than a token regional approach in drawing up or implementing plans. In deciding the form which the partnership should take the Government took the leeway available to limit the partnership element, despite local dissatisfaction and the disappointment of the Commissioner for Regional Policy (Work Research Centre).

When support built up for a more regionalised or localised approach a new set of regions was devised which had little basis in existing administrative or organisational boundaries. In each region a Working Group and an Advisory

Group were established. The former comprised public servants who drew up the plans; the latter were made up of various local interest groups and elected representatives. Advisory Groups assembled submissions and conveyed them to the Working Groups, but otherwise they wielded little influence. In the end, the Government did not publish regionally-based plans for the EU Structural Funds, but a set of issues and sectorally-based plans which were prepared by the relevant public authorities (Work Research Centre, 1991:38). Subsequently, seven 'Sub-Regional Review Committees' were established to monitor and review sub-national expenditures under the Structural Funds.

(iii) Rural Development in National Plans - to 1993

The 'Europeanisation' of the Irish rural development agenda in the late 1980s and early 1990s was reflected in the re-introduction of some development concepts which permeated the policy statements of two decades earlier. Principal among these was 'integrated rural development' (IRD). Thus, the first significant attempt at a revival of the ideas of the 1960s was the establishment, at sub-county level, of a pilot programme for integrated rural development during 1988-90. Great expectations were held for this initiative. The programme (discussed in more detail in Chapter 11) was seen as instrumental to the preparation of a national programme for integrated development emphasising a local area-based approach to dealing with rural problems. The National Development Plan 1989-93 envisaged the results of the programme as assisting in directing policy and resources towards local community development. Furthermore, the Policy Review Group of the Department of Agriculture (Agriculture and Food Policy Review Group, 1990) saw it as a useful background for launching a national programme of rural development. The Programme for Economic and Social Progress (PESP, 1991:71) stated that the Government were committed to establish a national programme for integrated rural development which would draw upon the experience of the pilot programme and other initiatives of a similar nature, and which would be provided with adequate resources from national and Community funds. Also in mid-1991, a Ministerial announcement stated that the pilot programme would be extended to the entire country.

In effect, however, the arrangement that was made - but never fully implemented - could not be deemed to be an extension of the conditions of the pilot scheme, for two reasons. One was the much lower density of staffing; the co-ordinators or animators of the programme were to function mainly at county level (they were in fact the County Development Officers where such existed) and could not possibly have the same intensity of

interaction with local people as the co-ordinators at sub-county level had in the pilot programme. The second is that the funding was to be drawn from a minor sub-head supporting 'small and community enterprise' in a larger Operational Programme for Rural Development under the Community Support Framework. This could not be considered as extension of the local area-based approach of the pilot scheme. However, even these various intentions were not carried through in full.

One other observation needs to be made about the place of rural development in national plans. Although it is recognised that many measures can contribute to rural development (e.g. the Operational Programme for Tourism) the conceptualisation of the rural development problem is still strongly identified with, and indeed conflated with, the country's agricultural problems. In the Programme for Economic and Social Progress (PESP, 1991) rural development as a specific theme is subsumed under agricultural development (within the same set of topics as disease eradication, horticulture, and forestry, etc.). The one clearly stated aim for rural development in the Programme, viz., that of stabilising the rural population by appropriate integration of agricultural, industrial and other policies, is expressed within the context of the need to promote structural change in farming. Clearly, agricultural adjustment is facilitated by non-farm policies but rural development or area-based development has its own rationale, and needs its own agenda of aims and measures.

(iv) National Development Plan 1994-1999

Surprisingly, the National Development Plan for 1994-1999 does not have a specific section on rural development. However, it shows a considerable advance on previous official thinking in that it recognises a distinction between *sectoral* strategies (for industry, natural resources, tourism etc.) and *area-based* initiatives. For this reason it is useful to quote at length from the Plan:

The Government recognises the importance of a local dimension to enterprise and employment creation and the importance of developing the capabilities of local communities to contribute to tackling unemployment and pursuing local development....

The Government recognises both the general role which local initiatives can play as a catalyst for local economic development throughout the country and the particular importance of locally based measures in ensuring that areas and communities characterised by long-term unemployment and severe

disadvantage, which might otherwise not participate fully in mainstream programmes, are specifically targeted.

The development of infrastructure at local level to promote growth in both enterprise and broader community-led initiatives is therefore a key task. It involves empowering communities to sponsor innovative projects for training, enterprise and local development as well as enabling them to focus mainstream programmes for the unemployed in a better way in their local areas.

(NDP, 1994-1999; 1993:69).

To meet the needs for local development measures, the Plan contains proposals for a Local Development Programme comprising four elements:

- a country-wide local enterprise sub-programme to be administered through County Enterprise Boards;
- an area-based local development sub-programme for areas characterised by a high concentration of long-term unemployment, economic marginalisation, social exclusion and environmental deprivation;
- an expanded employment scheme targeted specifically on the long-term unemployed;
- an urban renewal measure.

While we maintain that an area-based strategy, complementary to sectoral measures, is a desirable approach to rural development, we also believe that the proposals in the National Development Plan have two limitations. One is that the emphasis on enterprise, while necessary and applicable throughout the country, is a uni-dimensional perspective on development as distinct from a multi-dimensional and integrated approach. Secondly, although the local development sub-programme has the potential to be multi-dimensional in character, its focus on areas with high concentrations of unemployment and environmental deprivation carries a bias in favour of urban centres.

We return to these issues in later Chapters when discussing area-based strategies.

In regard to regional development (or 'Sub-regional' in contexts where Ireland is referred to as a single region within the EU) the National

Development Plan 1994-1999 states (p.142) that the Government took account of the recommendations of the Sub-Regional Review Committees to the extent that these were consistent with overall national objectives of maximising sustainable employment and growth, and having regard to the limits on the resources available in the various sectoral programmes under which the Plan will be implemented. Consequently, there is little reference to the problems of specific regions (e.g. those of the North-West) except in relation to improving internal access and transport infrastructures. Implementation of the Plan at regional level is presented mainly as a reiteration of sectoral objectives.

(v) Programme for Competitiveness and Work 1994

The latest policy document, the 1994 Programme for Competitiveness and Work (PCW, 1994), gives more prominence to rural development than does the National Development Plan 1994-1999 but it is placed within a different and specific context. The new Programme contains a section on 'Agriculture, Food, Forestry and Rural Development'. It proposes that for 'the farming, food, forestry and rural sectors' a Programme for Competitiveness and Rural Development ('the PCRDR') should be agreed between the Government and the farm organisations.

The central objectives of the proposed PCRDR are: to maximise the contribution of the farming, food and forestry sectors in terms of employment and value added; and to 'maximise the number of viable farms and farm households in rural Ireland, at sustainable living standards in line with those in other sectors of the economy' (PCW, 1994:39).

According to the Programme for Competitiveness and Work, the PCRDR is 'rooted in the necessity to prepare the Irish agriculture and food sector for a more liberal international trading regime with lower levels of protection and market support'. The main focus will be on increasing the competitiveness (through improvements in quality and production efficiency) of the core enterprises but there will also be an emphasis on new types of farm enterprises. It is recognised that 'a more competitive agriculture has to go hand in hand with a more active rural renewal policy' though this is expressed mainly in terms of more off-farm employment and enterprise.

However, under the specific heading of 'rural development' (PCW, 1994:48) the Programme adverts to the National Development Plan and its concern for harnessing local community leadership and local initiative. In fact at this

point the scope of the programme is extended and there is a wider orientation given to the way in which rural development issues are expressed. In particular, the non-economic dimensions are introduced. 'Strengthening the competitiveness of rural economies and providing safeguards for the more vulnerable in rural society requires an integrated approach and an effective partnership between State organisations, social partners and the voluntary sector.' Although it is added that 'agriculture and food co-operatives and the organisations' have a key role in this integrated approach, the involvement of the organisations 'in promotional activities related to rural development initiatives' will also be examined. In this regard specific reference is made to the Government's intention to negotiate a substantial increase in funding for a new comprehensive LEADER Programme.

5. CONCLUSION

The predominance of farm price policies, coupled with the retrenchment in the 1970s' policy of dispersed industrialisation, widened the socio-economic disparities between the 'metropolitan perimeter' counties and the rest of the country - especially the West, North-West and Midlands. As a policy theme, rural development became tied, not to the difficulties of marginalised agricultural areas, but to the problems of commercial agriculture and these did not acquire political significance until the late 1980s. Apart from this sectoral orientation in policy perspectives, national macroeconomic issues displaced rural development in the public policy agenda. Even regionalism, which was a theme of the Third Programme (in 1969), faded out of focus and a regional dimension is conspicuously absent in policy documents such as the Programme for Economic and Social Progress (PESP, 1991). The main action on a regional scale has been to extend the rather gross categorisation of 'Disadvantaged Areas' - based, perhaps predictably, on agriculturally relevant criteria - to cover 72 per cent of the national territory. Policy in regard to sub-national and rural development has been very much driven by EU funding prospects, but the inter-regional allocation of resources has not been accorded much importance as a policy issue.

While the latest National Plan reveals a desirable move in the direction of policy measures for local development, it has limitations in scope and focus in regard to the problems of rural areas. Rural development will require a more intensive consideration of regional and sub-regional circumstances, as well as a return to integrated area-based strategies. The more recent Programme for Competitiveness and Work relocates rural development

within a context dominated by the need to cope with the adjustment problem of commercial agriculture, although there is a token recognition that a broader approach is required. This would involve some non-economic dimensions, including community-based initiatives, and a strategy whereby all these dimensions could be integrated in a cohesive way.

Overall, this review of policy orientations and perspectives suggests that, while the various components of a comprehensive rural development policy have been identified at one time or another over the past 30 years, a clear and consistent approach within a well-articulated policy framework has not emerged.

DIVERSIFICATION OF THE FARM BUSINESS

1. INTRODUCTION

It is at least 30 years ago since the need for ancillary income earning sources on Irish farms was recognised in policy statements. In 1962 the Inter-Departmental Committee on the Problem of Small Western Farms reported that

...the position of small farms cannot be permanently improved either by subsidies or special price supports since these do not necessarily improve the competitive position of the small farmer in relation to producers more favourably situated" (IDCPSWF, 1962:9).

Accordingly, the Committee argued for the development of rural industries, tourism and touristic attractions, as well as other activities - such as forestry - in areas at risk of depopulation.

The various national programmes for economic and social development restated this emphasis on the promotion of non-farm economic development in rural areas. In practice, however, the main thrust of policy was centred on rural industrialisation and this, as already noted, had quite widespread beneficial effects until overtaken by world recession in the late-1970s. Besides, there was a general - if unjustified - expectation that the CAP would succeed, where national policy had failed, in maintaining the incomes of all farmers.

By the mid-1980s the concept of 'farm diversification' began to displace the term of 'ancillary' income sources in the lexicon of policy makers. Farm diversification does not lend itself to clear definition but in its contemporary context there is general agreement that it does not refer to the introduction of more conventional agricultural enterprises into the farm system. Instead, diversification involves a diversion of resources land, labour or capital from conventional farm activities to non-traditional - or alternative - enterprises on the farm (Kelly *et al*, 1992:24; Ilberry, 1988).

As a farm-centred concept it excludes gainful activities off the farm.

What impelled the recent move towards diversification was, of course, the re-appraisal of the CAP which had led to the over-production of conventional

commodities and the rapid deterioration of the agricultural budgetary situation. Farm incomes could no longer be supported through the subsidisation of products in surplus. Besides, there was a growing perception at EU level, and made explicit in the Commission's report, *The Future of Rural Society* (1988), that as rural areas could not depend on external investment to the same extent as in the past there would have to be renewed emphasis on the development of indigenous resources - excluding, obviously, the products in surplus. When the Community Support Framework (CSF) came to be formulated to draw down Ireland's share of the

Structural Funds for 1989-93 one of the major sub-programmes in the Operational Programme for Rural Development was concerned with the diversification of the rural economy.

Because farm diversification encompasses a heterogeneous range of activities and was not explicitly recognised in policy measures until comparatively recently, there is no systematic recording of its incidence and geographical distribution. In the following sections it is necessary to draw on different sources, incomplete in their coverage and fragmentary as a data set, to review developments under four headings: farm-based enterprises, specialised food businesses, agri-tourism, and agri-forestry.

Community-based enterprises are not discussed here but brief reference is made to these in Chapter 11 when dealing with area-based initiatives.

2. FARM-BASED ENTERPRISES

The reference here is to those enterprises more directly related to farming and farm work (i.e. excluding activities such as farm forestry, specialised food products or commercial services).

As yet, official statistics on farm diversification are limited but Teagasc's Rural Development Division has compiled a countrywide 'Integrated Rural Development' (IRD) Data Base, covering alternative farm-based commercial enterprises (and also community-based development projects). A total of 6,502 private enterprises have been recorded, i.e. excluding community or group ventures (Connolly, 1994). There is known to be an under-reporting of the real position in some counties as the methods and procedures for recording were being developed. However, the information gives an approximation of the types of activities taken up in farm diversification.

As might be expected in a predominantly livestock economy the main re-orientation of farm production was towards a variety of animal enterprises, especially horses, deer, goats and small animals such as mink and rabbits. These accounted for over 47 per cent of the total. Crops represented another 20 per cent - although almost half of the crops recorded were mushroom enterprises. Another 20 per cent of enterprises were agri-tourism projects, with a further 13 per cent in crafts or small industry. Less than 1 per cent were aquaculture enterprises. There were considerable differences between regions (Teagasc regions) in the types of activities recorded. In the East and South crops and animals were most common whereas in the West agri-tourism and crafts/small industry were prominent.

The pace of farm diversification has accelerated during the early 1990s with the introduction of the Operational Programme for Rural Development in 1991 (under the CSF) and the LEADER programme in 1992. The Operational Programme, in progress until the end of 1993, had a total public expenditure of about £126m, of which the EU contributed £75m. Funding is provided under the three Structural Funds - the Regional Fund, the Social Fund and FEOGA Guidance. The various measures included incentives for animal production, horticulture, agri-tourism, forestry, provision of services and the promotion of the schemes themselves. All the funding provided under this Programme would not, therefore, be available to support farm diversification.

Of the applications received for aid under the Operational Programme the main category of livestock has been the breeding of sport horses (almost 70 per cent of requests), followed by deer (20 per cent), and greyhounds (10 per cent).

Farm diversification can be promoted through the LEADER programme which is an EU initiative providing co-financing (with the national exchequer) to 16 rural development companies for 1992-94 (see Chapter 11). These companies, in turn, can finance local entrepreneurs on the basis of applications for development actions that accord with the area 'business plans' which the companies prepared when initially submitting bids for EU funds. The indications to date are that only a small minority of grants approved are concerned with farming, the majority being for tourism-related projects.

There is no comprehensive information available on the types of farmer diversifying from conventional production, or on the characteristics of their farms. However, some very helpful insights have been provided through a survey of diversified farms in County Wicklow by Kelly *et al* (1992). Their

study found that diversification tended to be not so much on medium-sized farms but on the larger and smaller holdings, although excluding dairy farms. The diversified activities represented a relatively low contribution to household income, reflecting a supplementary rather than a central role in the household economy. Supplementary income, however, can be important in sustaining the viability of the farm household. This was especially so as labour was provided predominantly by the farm family - though it must be remembered here that the contributions of women to farm tourism activity are included. Diversifiers came mostly from farming backgrounds, that is, they were not primarily non-farmers moving into agriculture with the exception of those in organic farming (see below). While households diversified mainly to generate extra income, they were also motivated by 'interest', especially those who were involved in the more specialised activities such as crafts or who had skills (such as cooking) which 'could be enjoyably applied to a business'.

A significant finding was that those who diversified were comparatively young, at an early stage in the family life cycle and were relatively well-educated. Their main problems in establishing and running an alternative enterprise related to access to capital, availability of reliable information and the difficulties of assessing market trends.

The various findings suggest that (i) farm diversification through farm-centred activities is very much a minority pattern of adjustment for farm households - notwithstanding any level of under-reporting in the available data, and that (ii) it will not be a realistic option for older farmers even if their farm incomes are limited.

Organic farming is a particular form of farm diversification in that it involves restricted or zero use of synthetic fertilisers, pesticides or other chemicals, and is conducted in harmony with natural systems and biological cycles. Although this method of farming developed in the early decades of the century it has been slow to take hold in Ireland due to the insular location of the country and because conventional production here has not been as intensive as on the Continent. The 1991 Census of Agriculture recorded 574 farms involved in organic agriculture (crops and livestock included), i.e. 0.3 per cent of farms in the country. As noted by Willer and Gillmor (1992:149) organic agriculture in Europe was initiated by individual enthusiasts but evolved subsequently as a social movement, developing its own organisational structures. More recently it has achieved official recognition through being promoted by policy makers, especially in the context of the problems of the CAP.

Organic production is advocated not alone because of the detrimental environmental impacts of conventional intensive agriculture but because of its capability of meeting concerns about health and food quality, as well as its contribution to the viability of small-scale farming. It is recognised, however, that organic farming's share of overall agricultural production will be limited. Yet EU countries, including Ireland, have taken measures to support this type of farming. The Department of Agriculture Food and Forestry has an Organic Farming Unit while Teagasc has an organic farm research facility in Wexford.

Willer and Gillmor (1992) report the results of a survey carried out in 1988-89 among 55 organic producers, that is, 81 per cent of those then certified by the Irish Organic Farmers and Growers Association. The main concentrations, geographically, were in Dublin, South Cork and in Sligo/Leitrim. The 1991 Census returns in fact show that as a proportion of all farms organic farms were most common in Dublin, Wicklow, Meath and Leitrim. In Dublin organic production developed from the horticultural industry, but in the other areas the system was introduced initially by in-migrants (non-Irish) and then was taken up by conventional producers. In-migrants continued to have a strong presence in organic farming even though most had no experience of organic production, nor indeed of farming any other system. These were generally young and well-educated and their entry to organic farming was motivated by ideological reasons (such as concern for the environment and food quality) more than commercial interest. While organic farms were mostly very small holdings some quite large farms were involved - though not specialist beef, dairy or tillage farms.

3. SPECIALISED FOOD PRODUCTS

The production of specialised food products, such as cheese, yoghurts, jams and honey, has expanded in recent years but no figures are available on the number, scale and geographical distribution of these enterprises. Downey and O'Brien (1992:16-17) estimate that there are at least 50 and possibly 100 small-scale businesses in rural areas producing a wide range of cheeses - with perhaps as many more turning out other foods. These authors also note that there is a growing interest in the development of a wide range of food products but they add that the successful establishment of such enterprises will require financial outlays, as well as marketing skills allied to technological know-how in relation to the processing, quality and packaging of food products. Teagasc, through its Rural Enterprise Service and Food Research Centre, is already providing support to a growing number of prospective food businesses.

4. AGRI-TOURISM

As far back as the early 1960s, with the growth in private transport, what is now referred to as agri-tourism was envisaged as having a high potential for further development. It was expected that package holiday schemes already becoming attractive to large hotels could be extended to tourists using private accommodation in farmhouses and villages (ASPEE, 1964:190). Private schemes of rentable rural cottages were introduced and in 1976 new and increased incentives were made available to promote guesthouse accommodation. The need to develop facilities for the 'more active holiday-maker' was also recognised in government programmes of 25 years ago (TP, 1969:113). On the other hand, it has been argued that in the past the State tourist agency had been hesitant to develop the idea of agri-tourism in deference to the interests of the larger hoteliers (Keane and Quinn, 1990:25-27).

The provision of accommodation was the first response by farming households to the growth in demand for rural holidays. Subsequent developments have been in extending the variety of accommodation (e.g. to include self-catering) and in the provision of other facilities and attractions (e.g. activities such as pony-trekking or cultural events).

Of growing importance more recently has been the adoption of organised approaches to the promotion and marketing of rural tourism in specific activities or for particular catchment areas, (e.g. fishing, farmhouse holidays, 'Joyce Country Mountain and Lake District', 'Corrib Country').

Recent developments in agri-tourism have been promoted under a sub-programme of the Operational Programme for Rural Development. This provided £5.3m for the payment of grant aid to farmers, or to groups comprised of farmers and other rural dwellers, towards the cost of setting up facilities to attract and accommodate tourists. Grant aid is paid at the rate of 50 per cent of the approved cost in the Less Favoured Areas and 40 per cent elsewhere towards the cost of establishing leisure facilities, and at 20 per cent for accommodation - though in certain circumstances this may increase to 50 per cent.

The amount available was committed within months to 214 projects (of which 40 per cent were group enterprises) but no further funding has been made available. Some of the unfunded projects have been taken up under the LEADER programme but there is still a waiting list of applicants. Equestrian activities have been a significant feature of the activities funded. As regards geographical distribution the spread of both grant aid and projects

has not been significantly different from the existing distribution of general tourism, suggesting that the scheme has not greatly benefitted inland, non-touristic counties.

It has been suggested (Gannon, 1992) that marketing has not been given sufficient attention by many grant recipients and that the concentration of projects in certain counties in equestrian, golf and angling facilities risks the threat of over-supply. Another analysis of a rural tourism group (Finn, 1992) concluded that there was little planning or marketing strategy and that major assumptions were being made by individual providers about customer needs without any systematic assessments of these needs. These points raise the important issue of balancing strategic planning at higher administrative levels against the many individual wishes, needs and initiatives at local level.

5. RURAL TOURISM AND RURAL DEVELOPMENT

At this point it seems appropriate to draw a more conscious distinction between agri-tourism and the more inclusive concept of rural tourism. Traditionally, agri-tourism has been based on the efforts of individual providers working autonomously and supplying accommodation mainly. Increasingly, however, visitors to the countryside want to enjoy water or land-based activities, or take an interest, for example, in flora/fauna, heritage or archaeology.

There is a growing emphasis on activity holidays even including instructive or learning opportunities. With the shift from mass tourism and the associated development of a more segmented tourism market there is increased demand for differentiated products. This demand includes an interest in expanding inter-personal contacts and experiences, and in the cultural and historical features of vacation sites. Given these trends the conventional farm-centred and private enterprise tourism extends into the arena of collective provision, e.g. by the local community. In this sense, it is possible to refer to 'rural tourism' as a more comprehensive set of activities than agri-tourism. Thibal (1988) has argued that rural tourism as an element of a local development programme 'must be everyone's business' if it is to become simultaneously an incentive to establish collective leisure facilities available to local people as well as to tourists.

Irish rural areas have a range of publicly available amenities, some of which are collectively provided activities, together with a range of private accommodation. These, however, have not generally been integrated in the promotion of rural tourism (Keane, 1992). Possible lines of development have been identified by various observers, especially by the EU Commission

and independent consultants and studies (e.g. CEC, 1990; Thibal, 1988; Gannon, 1988; Keane and Quinn, 1990; Commins, 1992b; Downey and Connolly, 1994).

Building on Gannon's (1988) advocacy of 'community agri-tourism' Commins (1992) suggested a concept of 'community-based rural tourism' to denote an approach by which local people (as distinct from large corporate businesses) in receiving areas co-operate (i) to provide holiday-makers with a range of accommodation and associated activities, amenities and services particular to their local area, (ii) to market this rural tourism package for their area. This in turn suggests that rural areas clarify and make transparent their own individual rural tourism product, i.e., the packaged attractions they can supply for the tourism market.

It follows also that community-based rural tourism needs to have a clear image in the market place. This could be achieved by using common symbols or logos while preserving the unique character of individual areas (CEC, 1990:12).

As the rural tourism product typically includes public amenities and facilities (such as nature trails, walks, hiking routes, sporting events) a community-based and participatory approach is essential. This approach is closely related to the concept of community development which offers prospects not only for the stimulation of the local economy but for a revitalisation of local culture. An essential element to a community-based model of tourism is a structure (such as a co-operative) for organisation. A rural area cannot hope to impact significantly on the highly competitive tourism sector without developing a local centralised system for co-ordinating the development of tourism products and support services, providing information, and marketing. A local structure also has the advantage of co-ordinating tourism planning so that the forms of tourism being promoted have local community acceptance (Keane, 1992:7).

Some local areas have already organised local tourism promotion on the above lines. An example is Ballyhoura Fáilte Society, a co-operative located in Kilfinnane (County Limerick) and serving an area of some 15 mile radius. The co-operative has been a vehicle of bringing together community (voluntary) interests, statutory agencies and the commercial sector in local planning. An initiative taken by the West Cork LEADER Co-operative, in association with other relevant organisations, includes a tourism plan for its area, based on a 'bottom-up' approach to planning and development and on the creation of distinctive community attractions.

In 1993, 13 co-operatives similar to Ballyhoura were federated to a national co-operative to market 'Irish Country Holidays'. Further expansion of this organisation is under way.

Downey and Connolly (1994) have estimated that rural tourism is the most important of the rural development enterprises, accounting for about half of their total value of £170m in 1993. They suggest that with a more concerted effort in marketing, training and research this contribution could be doubled in five years. Recent tourism growth has been concentrated in areas where it has been traditionally strong and possibilities exist to expand tourism business in other areas.

6. AFFORESTATION

Afforestation in Ireland has traditionally been undertaken by the State but the country is still the least afforested of the EU member states. A new impetus for expansion came in the 1980s, beginning with the 1981 EU Agricultural Development Programme for the West of Ireland (the 'Western Package'). This included grants payable to farmers for the afforestation of agriculturally marginal land. In 1987 the Programme for National Recovery identified forestry as a project for further development with a sharper focus on private afforestation and additional incentives to farmers to plant trees.

Supports for private forestry were further strengthened in the late 1980s under the reformed EU Structural Funds. A Forestry Operational Programme for 1989-93 provided measures worth £169m in expenditure to expand the forest base through a combination of private and public afforestation, while the Operational Programme for Rural Development had a forestry component which included supports for farm forestry and for measures not covered in the Forestry Operational Programme (such as back-up services or training).

Grant levels up to 85 per cent of approved costs were paid to farmers (or farmer co-operatives) subject to certain upper limits per hectare. In addition, farmers could obtain a premium paid on a per hectare basis for 15 years with the amounts varying by the amount of off-farm income earned and the type of plantation.

As a result of these various measures, private sector tree planting increased from an average of 300 hectares a year in the early 1980s to over 11,000 hectares in 1991. Of the area coming under private afforestation in this period an increasing percentage (from less than 20 per cent rising to over 70 per cent) was taken up by farmers planting trees on their own land.

Nevertheless, this progress has started from a very low base, so that in the 1991 Census of Agriculture the proportion of farms reporting having woodland was still only 8 per cent of the total.

The available evidence on the adoption of farmer forestry is not comprehensive but some features can be identified. A survey by Kelleher (1986) in the north-western counties showed that most of the land planted privately in that region was accounted for by investment companies rather than farmers. Secondly, those farmers who did plant had larger than average holdings on which they afforested small parcels of marginal land.

A more extensive analysis was undertaken by Hannan and Commins (1993) who examined the records of the total of 3,583 applications submitted for afforestation grants for the period January 1991 to May 1992. They concluded that there was a marked regional differentiation in the pattern of applications. In the West and North-West the applicants tended to be forestry companies, landholders other than farmers (such as retired persons) and part-time farmers. In the Leinster and Munster counties - the area of larger farms and more commercial agriculture - applications came disproportionately from full-time farmers. Interestingly also, the average area for which planting grants were sought in Connacht/Ulster (14 ha) was larger than in Leinster/Munster (10 ha), primarily due to the influence of non-farming landholders among the applications in the North-West. Thus, while the pattern of afforestation in the North-West may help to achieve national planting targets, it may not contribute to the maintenance of local populations to the same extent as agri-forestry (tree-farming by farmers). But it is paradoxical that commercial farmers show greater interest in planting trees than low-income farmers on poor agricultural land.

According to the Hannan and Commins study, there are deep-seated socio-cultural and attitudinal barriers to forestry among smallholders in the western region particularly. These are not readily amenable to policy interventions. But the study adds that there are also basic inconsistencies between, on the one hand, various income maintenance measures and incentives - all of which seem oblivious of the need for resource development - and, on the other hand, measures designed to diversify farm-based economic activity so as to increase the productive use of indigenous resources. The other income options available to landholders include direct payments (non-market subsidies), pensions for early retirement, incentives for environmental management, and State transfers, especially Smallholders' Assistance. The gradual elaboration over time of policy measures serving conventional agriculture, diversification in farming, afforestation and

income support purposes has resulted in a situation where the effects at the point of the policy consumer tend to be mutually contradictory.

Hannan and Commins also drew attention to deficiencies in the arrangements for promoting afforestation 'on the ground'. Teagasc's advisory services have responsibility for promotion work but Teagasc's priority clientele will not include, in most instances, those disengaging from full-time farming and who would constitute a target group for an afforestation programme. Apart from this, Teagasc's main mission is to enhance the economic well-being of farm families and, taking all policy measures into account, to provide advice as objectively as possible in the best interests of each individual landholder. Given the existing policy menu, however, the focus on the short-term well-being of individual householders may not contribute to the longer term development of the natural resources of an area. As was shown in Chapter 4, the latest statistics suggest a substantial increase in land under-utilisation in the North-West and North-Midlands between 1960 and 1991. Besides, a study (Leavy, 1994) to establish optimum plans for farms in the Disadvantaged Areas has shown that forestry offered the best option for increasing gross margins, especially when account is taken of the high level of financial support available, the ease of management, and the absence of marketing problems.

The case of forestry reveals a common weakness in Irish rural development, viz., the lack of policy co-ordination at different levels, and among different arms of public administration. There is also growing concern about the unplanned development of use of the country's natural resources, i.e. by not taking into account the various needs of afforestation, the environment, conventional agriculture, residential and the other uses of rural space.

7. CONCLUSION

The foregoing review of farm diversification suggests that while some progress is being made to move beyond conventional forms of farm production the pace of change is quite slow, and the scale of take-up is limited. Agri-tourism is an exception and this may be because it has had a head-start both in terms of the financial incentives available and the promotional and support structure provided. However, agri-tourism and rural tourism are now at a stage where they present new development challenges in organisation, training, marketing and economic evaluation at local level.

It would also appear that the take-up of the diversification option is quite selective, being adopted by younger people having some capital and

enterprising attitudes. Even farm forestry which has generous incentives seems, paradoxically, to be finding more response among commercial farmers than from those who are economically marginalised.

The latter, however, have several strategies open to them by way of adjustment to change. These derive from a complex policy menu which is designed - or more correctly, which has evolved - from the singular perspectives of centralised administrations in Brussels or in Dublin. Individual households can select the option that best meets their immediate welfare needs but the collective impact of their individual decisions may lead to the further under-use of productive resources in the long-term.

If integrated rural development is to have any real meaning it must involve both co-ordinated policy making and sensitivity to the different circumstances in regions and sub-regions. There is also need for a policy that would ensure the more rational management of natural resources in the context of competing uses and the overall aim of rural policy to maintain the rural population. Training, advisory and research services need to be focused more directly on the technical, economic, marketing and social factors which affect the progress of farm diversification.

CHAPTER 9

MEASURES PROMOTING NON-FARM EMPLOYMENT IN RURAL AREAS

1. INTRODUCTION

Policy measures to promote non-farm employment in rural areas have been, by and large, indistinguishable from the policies generally advanced to address unemployment nationally. Most policies have had a sectoral, rather than a territorial, thrust. Different sectoral measures have been pursued within the framework of an overall objective of maintaining the country's rural population or of achieving some notion of 'desirable regional balance in development'. In preparing the national development plans and Community Support Framework (CSF) for 1989-1993, the Government decided to operate through national sectoral programmes 'which were best fitted to the administrative structures of the State'. However, within the sectoral programmes the Government took steps to ensure that the benefits of increased investment are distributed widely throughout the State. In fact, during 1989-1993 the highest per capita expenditure under the CSF took place in the North-West, West and Mid-West sub-regions (NDP, 1994-1999; 1993:145).

In the preparation of the 1994-1999 National Development Plan, the Government invited each Sub-regional Review Committee to make submissions setting out its views on the means of utilising the post-1993 EU Structural and Cohesion Funds. These submissions gave particular priority to, inter alia, the promotion of rural development and the economic vitality of rural communities, the need to retain existing jobs and combat unemployment, the need to continue to attract foreign industry, the need to increase linkages between indigenous and foreign-owned industry, the maximisation of the development potential of natural resources and the increased involvement of local communities through local development initiatives to be managed at local level.

As already noted (Chapter 7) the text of the National Development Plan states that the Government have responded to the recommendations of the Sub-Regional Review Committees. But this response was qualified by the need to achieve overall sectoral priorities and national goals. There is thus a constant tension and trade-off between regionally specific aspirations and

the overall national aim of building a strong competitive economy and maximising the growth of employment nationally.

2. POLICIES FOR INDUSTRIAL EMPLOYMENT

A policy for the spatial distribution of industrial development and employment did operate with a fair degree of consistency and commitment for a period during the early 1970s (see Chapter 7). The Government's position at that time was that regional strategies should not only seek to achieve national growth rates but should also provide for the maximum spread of development and thereby minimise population dislocation. The greatest impact on employment creation was made by the regional industrial plans of the IDA. Unfortunately, the period ushered in by the first oil shock in 1973/4 was one of severe economic disruption and in the subsequent years it became difficult to pursue the kind of employment strategy sought by the Government. However, the IDA plans proved successful as a means to dispersed regional development during the 1970s. Blackwell and van der Kamp (1987:5) have suggested that "it is perhaps no coincidence that regional development was most successful during the period when national development was clearest". Unfortunately, because of the post-oil shock economic disruptions, this policy went out of focus between 1973 and the mid-1980s. By the mid-1980s the link between industrialisation and rural or regional development was practically broken as considerations of national unemployment, of the viability of industrial enterprises and the locational needs of some high-tech industries took precedence over the spatial dispersal of job opportunities. The Government policy document *Building on Reality* designed to cover the period 1985-1987, was, for example, completely devoid of any spatial dimension in relation to employment creation strategies.

The faltering of industrial policy during the 1980s demonstrated the vulnerability of a jobs strategy built almost totally on a narrow sectoral base, at least in relation to creating dispersed employment opportunities. Foreign investment, which had been successfully attracted to a number of dispersed locations in the 1960s and 1970s, had been de-emphasised as a vehicle of regional or rural employment creation. However, there has now been, established under the aegis of Forfás, two separate and autonomous agencies: (a) Forbairt, which is empowered to develop indigenous industry and which will be organised sectorally with a strong regional board structure and, (b) IDA-Ireland, which is empowered to attract internationally mobile investment to Ireland. This is a recognition, in a sense, that sustained local employment can be created out of local conditions through small industry and the productive use of indigenous resources. The great majority of new

indigenous manufacturing firms are small, with three-quarters of all new firms employing fewer than 11 people in 1990 (Hart and Gudgin, 1994:372). Thus, small businesses have been regarded as the most buoyant source of new jobs in recent years and further growth is possible (PESP, 1991:46). The focus of development actions under an intensified approach, spearheaded by Forbairt and other structures, will be to change significantly from investment in physical capital to investment in developing the knowledge, skills and the entrepreneurial abilities of the local population, and also in changing attitudes. This course of action is along the lines recommended in the Culliton Report (Industrial Policy Review Group, 1992).

In addressing the problem of unemployment in the regions the Government will also be relying on the local development strategies envisaged in the National Development Plan (see Chapters 7 and 11).

3. POLICIES FOR EMPLOYMENT IN SERVICES

Sustained employment growth in services suggests that this sector could be encouraged to contribute significantly to employment opportunities in rural areas. Employment policies, with the exception of policies for some internationally traded services and a limited decentralisation of government offices, have not focused on the services sector. It has been implicitly assumed that the services sector will grow, or decline, in response to the needs of the general economy. The expansion of the service sector in general and of the public sector has contributed substantially to local development and helped offset the losses in agriculture and in manufacturing employment. However, this service sector expansion has not taken place within the context of any specific policy framework or with any kind of strategy for regional or rural service provision in mind. Rural areas do not fit into neat aggregates. The economic opportunities set for many marginal areas are limited to, perhaps, three possibilities: (a) discovering and mobilising new resources; (b) creating new uses for existing resources; and (c) making better uses of existing resources. In areas where the economic base is more assured and where economic activity is on a larger scale, the set of opportunities may be more varied and the question of service provision less problematic. However, in the case of the more marginal areas, the problem may be an insufficiency of demand to support certain services. Some of the difficulties for services are due to location and size. Many rural areas, for example, have difficulties in capturing income and other economic benefits because of the dominance exerted by the larger urban and regional economy to which these communities belong. This obviously puts a constraint on the scope for

various service activities. The benefits of economies of scale exert a strong centralising influence on activities and location.

These pressures are being recognised at the official level. The Agriculture and Food Policy Review Group (AFPRG, 1990), for example, identifies the fact that 'rationalisation of certain State services, in order to achieve economies and to improve the quality and range of services is also having an impact on the fabric of rural life' (p.64). This kind of issue is likely to preoccupy policy debates on services in the future. In many instances the decisions and measures involved may be as much about trying to manage or mitigate the effects of both concentration and decline as they are about creating new possibilities for growth. The use of information technology and activities like teleworking may in time create opportunities for rural areas that have other attractions such as amenity or outdoor recreation facilities (see Chapter 10).

4. POLICIES FOR EMPLOYMENT IN TOURISM

The tourism sector has been identified (Downey and Connolly, 1994) as capable of making a substantial contribution to overall employment goals and to foreign exchange earnings. This targeting of tourism by the Government has been encouraged to a certain extent by the world-wide optimism regarding tourism growth. It is also based on the simple exhaustion of the traditional job creation opportunities, (e.g. foreign industrial investment), and on the opportunities presented by the doubling of the EU's Structural Funds.

National development plans cite the considerable advantages which Ireland has for tourism, e.g., a rich cultural heritage, a tradition for friendliness and hospitality, a relatively unspoilt environment, a folk tradition which is still reflected in a vibrant performing arts sector, and world-wide ethnic links. Many of these tourist assets are based in rural areas though, of themselves, they are no longer sufficient to attract holiday-makers. More products are required for specialist tourists.

The national plans also cite two other major advantages associated with tourism. The sector brings revenue and employment to the most remote and underdeveloped areas, often where few other sources of jobs or wealth creation are available. Second, tourism combines well with agriculture in supporting population levels of rural areas by providing supplementary income and an alternative land use. On the other hand, the National Development Plan of 1994-1999 acknowledges that the industry remains highly seasonal and that the level of marketing activity by the industry is

relatively low. Related to this, research has shown (Hannigan, 1994) that a large amount of the jobs are low value and part-time and that many are also in the licensed premises sector, rather than in core tourism businesses. In so far as tourism growth is confined to the regions where it has historically developed it is not an effective means of redistributing income between regions.

The Price Waterhouse (1987) report on Irish tourism criticised the fragmented involvement of the Irish government in tourism and the insufficient resources devoted to formulation and co-ordination of policy. The most ambitious plan ever prepared for tourism development in Ireland was the Operational Programme for Tourism 1989-1993, which was agreed between the Government and the Commission of the EU as part of the Community Support Framework. The Programme sought to stimulate both public and private investment in the development of facilities and to improve management, marketing and training in the industry. The total expenditure planned under the Programme will amount to £342 million over the five year period. Approximately half of this amount will come from the EU Structural Funds and another one-third per cent will be provided by the private sector. The remainder will be provided from the Government and its agencies.

The measures of the Operational Programme are primarily aimed at meeting demand for identified specialised segments of the international tourist market. Since the Price Waterhouse report, Bord Fáilte has subsequently stepped up its involvement in special interest tourism. This involvement is a key component in both the product and promotional strategies outlined in the Operational Programme. A total of 25 special interest segments, or niches, within main tourism markets are identified as having real potential for increased tourism traffic to Ireland because of "a natural competitive advantage". Many of these niche opportunities (angling, golf, equestrian activities, and cultural tourism) are obviously in rural areas. Under the rubric of rural development and rural diversification there is a dramatic increase in interest among rural communities in developing new tourism products (see also Chapter 11).

The shape of Irish tourism policy at present is largely determined and driven by the availability of Structural Funds. While such funds are undoubtedly to be welcomed, there is the tendency to deploy much of these funds on major infrastructural projects and to define tourism objectives around such investment. This has deflected attention from the issue of how to develop a tourist industry that will maximise the benefits for rural and local communities. It has also meant that such alternative strategies as community-based tourism have been denied adequate resources. Several of

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major tourism projects which are financed out of Structural Funds are being contested at local level on environmental and on economic grounds.

Tourism possibilities in rural areas, properly supported by suitable policies, have been to a great extent neglected. The capacity of tourism to contribute to the resolution of employment and income problems in rural areas depends on how a number of critical issues are resolved. These include the manner in which tourism is organised in an area, who gets to participate and the kind of structures that are put in place to develop and provide the tourism products (see Chapter 8).

The different planning and development tasks involve primarily issues of human resource management which are infinitely more demanding than the management of grants or of physical capital. There is a distinct bias in present tourism strategies towards the funding of large scale tourism infrastructure. There is no guarantee, however, that this kind of strategy is one that will maximise local benefits from tourism. Grant aid should take cognisance of projects which have a demonstrable function in rural development, conceived broadly, and where a definite need exists. For rural communities to benefit from tourism the critical issues, cited above, must be adequately addressed. In addition, tourism development must be sensitive to the starting position of individual communities and should be on a scale that is appropriate to the resources and carrying capacity of the local area.

Under the National Development Plan 1994-1999 it is envisaged that there will be a substantial increase in the investment in marketing with a view to achieving an increase of 50 per cent in foreign tourism revenue by 1999. It is also aimed to have two-thirds of visitors holidaying in Ireland outside the peak season of July-September, compared to 60 per cent currently. It would be important that rural areas throughout the country capture their full share of this trade and revenue. Marketing should, therefore, promote the tourism products of rural communities, and in line with this special development efforts should be made to expand rural tourism to non-traditional visitor areas.

5. FISHERIES

The fisheries sector covers sea-fishing, aquaculture and inland fishing. The sector offers one of the best examples of economic growth in an indigenous industry over the past fifteen years or so. Between 1980 and 1992 total employment in fisheries increased by 29 per cent (to 15,500); seafood landings increased by 77 per cent (to 253,000 tonnes); the volume of seafood

exports more than doubled (to 194,000 tonnes - 1991 figures); and annual per capita consumption increased by 44 per cent (to 17.7lbs).

Employment in the catching sub-sector has declined by almost 1,000 since 1980 to 7,700 in 1992. This loss was more than offset by the expansion of job numbers in aquaculture, processing and servicing. The pace of development in aquaculture has been comparatively rapid and though still a young industry accounts for 25 per cent of the total value of Irish fish production. In volume terms output increased almost five-fold during 1980-92 (to 27,000 tonnes). The rate of new fish farm start-ups in aquaculture in 1987-90 (105 farms) was 2.5 times the rate for the previous four-year period (BIM, 1993). Of the 2,600 persons employed in aquaculture, two-thirds are part-time workers, most of whom are in shellfish farming. These figures do not take account of indirect employment, e.g. in servicing aquaculture production.

In spite of its significant growth in recent years the fisheries sector remains underdeveloped and has major structural weaknesses (NDP, 1994-1999; 1993:54). Boats are small-sized and ageing, a factor which curtails the capacity of the fleet to fish in the more distant waters and take full advantage of the possibilities of catching species not subject to quota. Under EU fleet guidelines the total capacity of the fleet must be reduced by almost 5 per cent by the end of 1996 (NDP, 1994-1999; 1993:54). However, there may be further difficulties in later years. The EU, in deciding to establish a Community initiative in 1994 concerning the fisheries sector (the 'Pesca' programme), drew attention to unprecedented problems in the sector. These problems include: overcapacity of fishing fleets; possible enlargement of the Union and its implications for sections of the industry; higher standards of hygiene, health, quality and safety entailing the disappearance of small firms; and restrictions being placed on certain fishing techniques (CEC, 1994). Current Government proposals are aimed at modernising the fleet while reducing segments of capacity, at taking up unexploited opportunities (in regard to non-quota species), and at restructuring the processing sub-sector by further developments in quality, scale, specialisation and the strengthening of competitiveness.

In a number of respects the adjustment problems in the fishing industry are a replica of those affecting agriculture. It is possible that in a European context of supply management the imposition of production restrictions will penalise those countries where the fishing industry is still in a stage of development. The criteria for managing fisheries development have tended to favour the larger-scale operators over those with smaller vessels (McGinley, 1991:35). On the other hand, the development of aquaculture

has provided opportunities for smaller scale producers - except in salmon farming which is highly capitalised.

The economic future of some fishing communities may therefore come to depend increasingly on Pesca type programmes. The objective of Pesca is to help adjustment in coastal areas by a wide range of measures including schemes to support restructuring in the fisheries sector (e.g. through product adaptation and marketing), to aid diversification of activities (e.g. by maritime tourism), to retrain fishermen, and to assist the establishment of new businesses. EU assistance in the form of Global Grant funds or integrated operational programmes will be made available to those in the fisheries sector to implement Pesca measures.

The aim of policy is to strengthen the fishing industry's contribution to the national economy, with particular attention to the generation of employment in the coastal communities. In this latter context there appears to be considerable scope for the expansion of aquaculture. The better prospects are in the shellfish component, given the economic difficulties and environmental concerns surrounding salmon production (Breathnach, 1992:187). The PESP (1991:56) envisages continued financial support and 'more efficient licensing procedures' but Breathnach argues that a wide range of measures are necessary. He suggests in particular the need to diversify by broadening the range of species involved - though progress is being made on this front; the need to organise small scale producers (aquaculture is dominated by salmon production which is concentrated in a small number of substantial corporate investors); and the need for training, transportation, processing and marketing. New forms of financial assistance, e.g. working capital, are also required if the smaller producers are to reap some benefits from continued expansion.

The development of inshore fishing is often hampered by problems of access and by disputes over ownership. Community-based approaches are the best mechanisms to overcome these handicaps. These kind of approaches can also provide the type of local focus and co-ordination required to maximise the contribution of the resource to local development (Keane and Quinn, 1990:2). BIM have already begun to develop shellfish farming through the promotion and support of local community-based co-operatives.

6. CONCLUSIONS

Successful local job creation policies on a significant scale are not likely to appear in a climate of depressed demand, low profitability and frequent business failures. These are the wrong signals for would-be entrepreneurs (OECD, 1990). Clearly, the macroeconomic situation impinges on local job creation. The objectives of Government policies should be to remove constraints and improve incentives to enterprise at the local level. The challenge is to match national policies aimed at promoting general competitiveness and enterprise with local policies that must be specifically tailored to the circumstances of particular firms and particular areas.

The kind of policy re-orientation that is required can be described along two dimensions: one is institutional and the other may be called a technical dimension. The institutional changes needed are identified in terms of area-based structures, with better horizontal or territorial co-ordination and integration (see Chapters 11 and 13). These institutional changes must, however, be accompanied by good technical guidelines which can support and facilitate the creation of new opportunities in the rural economy. The rural development problem is multi-faceted, but fundamentally it is a problem of supporting the development of products and activities that will produce economic benefits at the local level and that genuinely interlink with local capacities and resources. Increased dissociation of many rural communities from their traditional agricultural base has clearly not been matched by sufficient growth in new manufacturing or locally created businesses in the tourism sector, or in other locally-based natural resource sectors. A clear exception, and an objective lesson in natural resource development, has been the expansion of the mushroom industry.

Strategies that can help stimulate entrepreneurship and generate opportunities for new work and income creation across a diversified set of sectors are needed if the continuity of many local communities is to be secured. The technical dimension of policy refers to the quality of the guidelines, incentives and technical supports available to entrepreneurs. Unless there are good guidelines, policy, no matter how well integrated or co-ordinated institutionally, will be ineffective and unlikely to yield productive results.

SERVICES AND INFRASTRUCTURES

1. INTRODUCTION

Considerations of social justice and equity require that all individuals and communities have adequate access to housing, education, health services, communications and other types of public services and infrastructures. However, there are difficulties in regard to the appropriate scale and equity of provision in relation to many standard community services and facilities in rural areas. There are two recurrent issues of concern. One is the high cost that can be involved in providing infrastructure and enabling people to have access to different services. This cost is due to low population densities and high transport charges because of the remoteness of some rural areas. The second issue relates to the problems which rural stagnation and decline present for the maintenance of infrastructure and for the levels of services that can be delivered in rural areas. The reduction in rural economic, social and institutional services can be a symptom of a more general decline and stagnation in rural areas, or deterioration in only certain sectors of a rural community. The main service and infrastructural elements - local trade and businesses, transport facilities, social amenities and services - can all be affected by various changes but perhaps to different degrees. The traditional grocery shop and bar, for instance may exhibit greater stability at village level than the Garda station. Rationalisation, technology, specialisation in services, changing life styles, population shifts and public policies may have different impacts at various points in the service complex.

There are surprisingly few studies of service provision in rural areas in Ireland. Little is thus known about the cost efficiency and equity dimensions of providing rural services, and even less about the dynamics of the shift of service functions from one level to another in the hierarchy of service centres. In this Chapter we draw on disparate but limited sources of information to illustrate the main issues of concern.

2. TRADE AND BUSINESS

The closure of a single outlet may represent a general decline in local businesses in rural areas. Local economic self-sufficiency is weakened by this process and it forces rural people to rely increasingly on urban centres for goods and services. This aggravates employment problems as well as

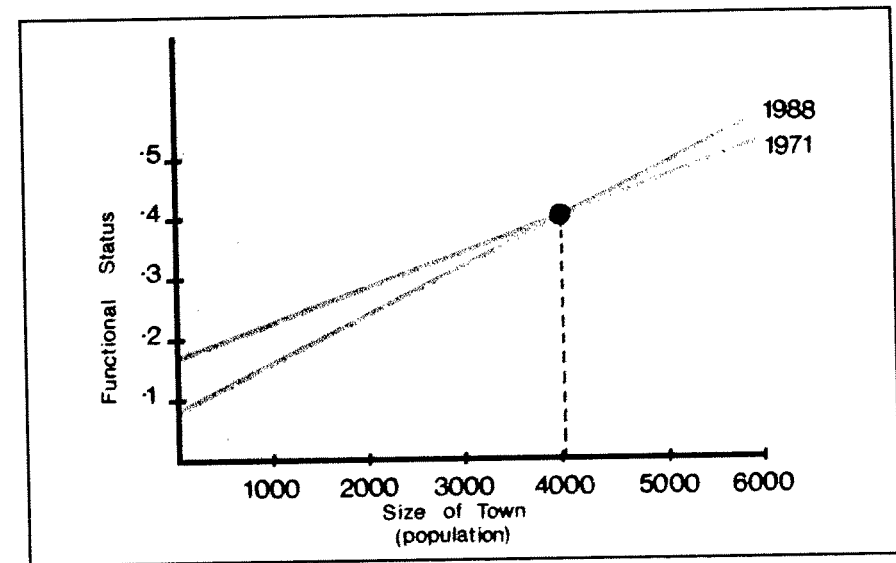
reducing the level of activity in the local economy. The process can become a cumulative one with the area affected experiencing relative disadvantage and absolute decline. Behavioural changes as a result of services and employment changes and greater mobility among rural residents can have similar effects. Gillmor (1988:67), in his investigation of Irish villages, describes the trend as:

...the increased tendencies for people in the villages and their hinterlands to travel elsewhere for services and for employment. This has brought a shift in the function of villages, from service centres towards residential settlements. However, the extent of this shift varies greatly between villages, from those which remain predominantly service centres dependent upon their rural hinterlands to those which have become essentially dormitory settlements linked to adjacent towns and cities. Yet development of the residentiary function may enhance the service role, for it helps to sustain villages as service centres available to rural people and growth in population may result in the provision of a greater range and scale of services and organisations. The overall outcome of the functional shift is that the villages are becoming more integrated into the national settlement system, with increased economic dependence on urban places and greater urban influences on village society.

This increased economic dependence referred to by Gillmor has meant that many smaller towns have become increasingly dominated by major regional centres. The benefits of economies of scale and of various agglomeration economies in the latter exert a strong centralising influence on activities and on location. The seriousness of this process for smaller towns can be seen in Figure 10.1 which describes the relationship between the functional status of towns and their size (as measured by population). The functional status of a town is defined as the variety and number of functions in that town relative to other towns in the overall set of relationships among different sized places in a settlement system. The functions involved are food shops, supermarkets, clothing and footwear and other outlets as defined in the Census of Distribution 1971 and the Census of Services 1988. There is a very strong relationship between town size (in population) and functional status (Todd, 1982). In Figure 10.1 this relationship is described for a sample of towns throughout Ireland and for the years 1971 and 1988. The figure shows how this functional status has shifted over time. The significant information in Figure 10.1 is the way in which smaller towns (,000 population) have lost functional status during the 1970s and 1980s.

FIGURE 10.1

The Relationship between Town Size and Functional Status 1971 and 1988



This picture of economic competition, defined in terms of the spending behaviour of rural shoppers and its effects on the commercial base within the structure of the settlement system, and in particular the negative effects which this competition appears to have on the lower layers of the system, suggest that the economic preservation and development of rural towns and villages is not a matter of 'doing up one place' but instead requires a careful consideration of actual and potential interlinked roles and functions (Hodge and Quadeer, 1987). The cluster of towns, villages and the intervening countryside must be treated as a single spatial unit, not as independent communities. At the same time the uniqueness of each area must be given proper attention. These are the challenges for rural and local planning.

The issues arising in relation to different public services, e.g., health services, education, policing, and infrastructural provision are governed, to a certain extent, by the same set of considerations discussed above. In addition, there are financial constraints and commercial pressures on the different statutory and semi-state agencies involved in delivering services to rural residents. There are strong arguments for the rationalisation of some state services in order to achieve economies of scale and improve the quality and range of services.

3. POSTAL SERVICES

The rationalisation plan of An Post (An Post, 1991) is a good example of this issue. An Post operates an extensive national network of offices which had not changed much over the years. In an attempt to cope with severe financial difficulties, the rationalisation plan proposed to curtail this network drastically. In particular, An Post proposed to reduce the number of sub-post offices by a minimum of 500, from some 2,000 to 1,500.

Other features of the proposed rationalisation plan included the downgrading of certain company-staffed Head Post Offices to District Office status, the widespread introduction of roadside mailboxes and the reorganisation of mail transport methods. These aspects of the Plan could have had adverse consequences for the social fabric of rural areas. The different criticisms and anxieties surrounding the proposals in the Plan have been mainly about the failure of an Post to acknowledge and recognise in its viability plan the potentially negative social implications of its decisions (Keane *et al*, 1991; Healy and Reynolds, 1991). Whether actual or perceived, these social costs should be recognised, quantified if possible, and included in the decision-making process. Some of the issues involved can be illustrated in relation to the proposed closure of sub-post offices.

The sub-post office network is operated on an agency basis by postmasters who are paid on a scale payment basis (i.e., fee per transaction). The decline in counter business has resulted in a fall-off in earnings per postmaster, and an increasing number find themselves in a totally uneconomic position. Thus, according to the Viability Plan of An Post (p.11),

... there are too many sub-post offices for the amount of business that currently exists. Accordingly the work undertaken at those offices whose situation is uneconomic for all concerned must be consolidated into a lesser number of viable offices. This will result in the closure of a minimum of 550 sub-post offices.

Obviously these closures would affect the geographic coverage of the sub-office network. On the other hand, there must be a case for regarding ease of access to a sub-post office as a necessary part of the right of participation in society by each resident. This notion of rightful need requires a governmental strategy ensuring the maintenance of an adequate minimal coverage. Otherwise public policies will have direct exclusionary effects.

In a similar debate on the impact of rationalisation of rural sub-post offices in Britain four potential lines of development for government policy are identified (Townroe, 1990). Three of these are described here in detail. The

first is a "hands off" policy, allowing the postal authority to be fully commercial, to exploit its market position and to seek country-wide contracts with private sector companies which can benefit from a counter service with the public. These might include mail-order companies, banks and building societies, rail and bus ticket outlets. A further 'commercial' variant would be to encourage the postal authority to run a mobile service to smaller villages, as is currently operated by several banks in rural areas.

The second policy possibility would be a 'social' subsidy arrangement. The conditions attached to the subsidy would specify a national target, with regional sub-targets, for the number of rural sub-offices to be maintained, and specify the services to be provided from each office. This subsidy would have a similar justification to that applied to the British Rail or the local bus service 'social needs' subsidy in the UK. The subsidy could support a mobile service. This policy could involve de facto recognition of what is referred to as the 'social counsellor' role provided by those who run sub-post offices.

The third policy suggestion is that there could be a concerted push from all Government departments, local and central, to ensure that as much as possible of their 'contact-with-the-citizen' business is channelled through sub-post offices. The lines of business involved would include the transactions already handled by sub-post offices, to which could be added: the issue of vehicle licences, payment of local authority rents and charges, all social security payments, and unemployment benefits.

These three options are fairly exhaustive of the possibilities. The different possibilities lie almost on a continuum with purely financial and commercial considerations dominating at one end and the social argument dominating at the other. Some of the policy options involve looking at wider issues of public service provision other than just the narrow post office business in order to seek to reconcile efficiency with equity. The policy options involve difficult choices. Overriding the various policy suggestions is the view that all strategic rural planning decisions and also "judgements of selectivity of public infrastructure investment" should be made within a fairly wide geographical framework, as well as in a multi-dimensional and integrated approach to rural planning.

4. PRIMARY HEALTH CARE AND PERSONAL SOCIAL SERVICES

In reviewing the substantial body of international geographical literature concerned with factors influencing access to health care facilities, Cawley and Stevens (1987) note that many of the studies underline the operation of the 'inverse care law', whereby those most in need of medical services have below average levels of access to them. In their own study of patterns of outpatient attendance at the Regional Hospital Galway, Cawley and Stevens highlight issues relevant to the provision of outpatient care in areas of dispersed population 'from a humanitarian and administrative point of view'. Substantial costs were incurred by patients in attending clinics, long periods of time were spent travelling; difficulties of travel were accentuated by relatively low levels of private car ownership; and public transport services were infrequent. The outcome was a high rate of failure among patients to keep scheduled appointments.

Cawley and Stevens recommended more frequent attendance by consultants at decentralised clinics in county or local hospitals, and a greater reallocation of responsibility for long-term monitoring to general practitioners. Selective subsidisation was proposed where attendance at specialist clinics was necessary.

Unfortunately, there are too few studies of the problems of delivering health care and personal social services to dispersed rural populations. A pilot study in primary health care (Syron, 1993) conducted in North-West Connemara, in conjunction with the FORUM anti-poverty project, describes the particular problems of rural areas with high levels of out-migration. There is a distortion in the more common patterns of epidemiology, a consequential alteration of health care needs, and at the same time there are changes in the human resource base for the organisation and delivery of health care. Out-migration among young adults reduces the need for maternity and paediatric services as well as the incidence of accidents related to work. In any event, most responses to these conditions are short-term but they do require hospitalisation. However, the selective reduction of needed short-term hospital treatments results in the centralisation of the relevant care facilities in regional hospitals. In turn, this raises the importance of having good transport and communications links. In contrast, within these same areas of dispersed rural communities there is an increase in the illnesses associated with an ageing population - physical and mental disability, chronic disease and geriatric conditions. The majority of these require care of a relatively low technical level, but this is needed over the longer term and is best delivered in the home, ideally by a person acceptable to the patient or

user. Most of this care can be provided by active semi-skilled persons with minimal training and supervision but these are most likely found in the very same age groups thinned down by out-migration.

This pilot study recommends a restructuring of the health care provision so as to develop health education programmes, improve delivery systems by greater co-ordination of professional and voluntary services, and give greater support to the informal caring sector. It advocates further that changing needs can be better met by the active participation of local communities in the planning, resourcing and delivery of services.

Another study of relevance here is O'Mahony's (1985) investigation of social needs and the provision of community care services in Co. Mayo. The measurement of social need poses difficulties but O'Mahony used three complementary approaches: (i) 'objective' indicators (such as lack of household amenities); (ii) case referrals to Health Board field staff (public health nurses, social workers, community welfare officers); (iii) the subjective views of social needs as perceived by key functionaries among the Health Board field staff.

The analysis of objective indicators revealed substantial variation in the distribution of disadvantage within the county, with the more remote rural areas having higher deprivation scores. These were areas of low income farms, population decline, and poor household structure. As regards the case referrals, geriatric problems predominated in rural areas while neo-natal problems and medical card applications were the most common expressions of need in the urban area (Castlebar Urban District).

The subjective views of community welfare officers, public health nurses, and social workers confirmed that in rural areas, the problems of the elderly were the more pressing issues for Health Board field staff. These problems were associated with a number of factors apart from the normal circumstance of old age. These aggravating conditions included poor housing, living alone or with an aged spouse or sibling, lack of informal caring networks and physical isolation.

O'Mahony found that the levels of provision in community care services also varied substantially within Mayo county, with a tendency for services to be concentrated in the urban centre (Castlebar) and a declining level of provision according to degrees of remoteness from the county capital.

The study also showed that the pattern of social activity by voluntary organisations mirrored the territorial development of the statutory services,

That is, there was a more developed and well co-ordinated effort in Castlebar but extensive parts of the open countryside had no coverage by voluntary bodies.

These findings relate to the 1980s but the task of ensuring a degree of territorial equity in the provision of services remains a major challenge to health care administrators. O'Mahony argued that there was an urgent need at national level for a recognition of the formidable handicaps faced by Health Boards in the provision of services to rural areas characterised by dispersed population, high out-migration rates, demographic imbalances, and low employment levels.

The usefulness of a geographical framework in planning for various public services is being increasingly recognised. In relation to community care and services for the elderly it has been proposed (Working Party on Services for the Elderly, 1988) that services should be organised, as far as possible, in local districts serving a population of between 25,000 and 30,000 people. Within each district co-ordination of services would be the responsibility of a district liaison nurse supported by a district team. At the area level, which would incorporate three to four districts, a community physician would act as overall co-ordinator of services for the elderly. The rationale for these proposals is to improve the comprehensiveness, co-ordination and integration of services for old people across existing programmes of care. In this regard, the recommendations also cover the desirability of closer liaison among carers in the home, the voluntary sector and the housing authorities. In practice, the district liaison nurse, supported by the overall co-ordinating of services, would be the catalyst for organisational change in the new system (O'Shea, 1993).

Apart from any organisational arrangements the provision of health and social services to rural areas must be based on concepts of subsidisation, if the principles of territorial justice and equity are to be effectively expressed in public services policy. Any view that the subsidisation of remote and sparsely populated areas is already excessive is incompatible with the notion of social justice and social citizenship (NESC, 1976).

5. TRANSPORT

The availability of transport as a means of access to needed services and facilities is one of the major determinants of the quality of life among rural populations. The importance of adequate and affordable transport increases as other services become centralised, but with declining populations public transport systems become costly or uneconomic. Transport provision may

be curtailed and rendered less appropriate for some categories of the population. Secondary roads have been allowed to deteriorate in quality. One study of the problems of old people in rural areas (O'Mahony, 1986) found that almost 70 per cent of the elderly never used their free travel pass as there was no public transport available or the services that did exist were not suitable for people's needs.

Private car ownership has become a costly necessity for rural dwellers. Data from the national Household Budget Surveys show that for given income levels, weekly expenditures on transport are higher in rural households than in urban households, with the weekly spending on petrol and other vehicle expenses being about 50 per cent higher. Those categories of the population who do not have, or cannot afford, private transport - those on low incomes, young people, the elderly - can experience considerable inconvenience and deprivation. O'Mahony's (1986) study drew attention to the particular problems of the elderly who spent a relatively high proportion of their incomes on payments to neighbours for transport services. Apart from the cost involved this dependency on unlicensed carriers raised issues of the legality and insurance coverage of such 'informal' transport arrangements in rural areas.

Experience in dealing with rural transport problems in Britain would suggest that accessibility can be improved through: (i) the tailoring of transport schemes to the specific needs of different local areas; (ii) the closer co-ordination of a number of services - public, private and voluntary-based - at local levels; and (iii) the development of a legal framework which would facilitate greater participation by the private transport sector and encourage involvement by voluntary and community groups. Local authorities in Britain have a major role in rural transport provision, being required (under the 1985 Transport Act) to identify any needs not met by commercial operations. They must also make and publish policies on their approach to providing additional 'secured' services to meet social needs. Tenders are then sought for the provision of those necessary services which must be subsidised. There is a special Rural Transport Development Fund to encourage the provision of innovative projects to service the transport needs of people living in rural areas. Excluding commercial bus services, the most frequently found types of road transport services in the rural areas of England include: community buses running to published timetables but driven on a non-profit basis by local volunteers; community minibuses run by not-for-profit organisations for specific purposes; car-sharing where private car-owners are willing to carry passengers at a cost; social car schemes

through which a local transport co-ordinator holds the names and availability of volunteer drivers and matches these up with requests for transport; hospital car schemes (funded by health authorities and social services to cover areas where there is no public transport); taxi-buses, and post-bus services.

To establish flexible transport systems and maintain effective co-ordination among different types of provision, several local authorities assign the responsibility to transport co-ordinators/brokers/advisers.

While the schemes in England are not without their own problems (e.g. overlapping services, unsuitability of some arrangements for transporting hospital patients) the point of referring to them here is to underline the need for more innovation and flexibility in Irish rural transport. In the present system there is fragmentation of responsibility and lack of co-ordination among different services or providers. For example, to implement proposals for an improved transport system in North-West Connemara, the Forum anti-poverty project in that area found it necessary to have negotiations with three Government departments, as well as with the regional health board and with local providers. Moreover, there are legal and other organisational constraints to creating a more permissive climate for local innovation.

It seems essential to have local level management or co-ordination which would seek to integrate in a comprehensive system a number of services such as post buses, school buses, health board vehicles, taxis, voluntary community-service vehicles, private cars and the commercial transport sector - public and private. A number of pilot schemes in different kinds of rural areas would help to provide guidelines for an updating of a national policy for rural transport, taking account of the economic, demographic and social changes that have been taking place in rural areas over the past few decades.

6. INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS

The EU's report, *The Future of Rural Society* (CEC, 1988), drew attention to the potentially important role of new information technologies and advanced telecommunication systems in rural development. According to the EU's ORA Programme (Cooper, 1993) telematic infrastructures can facilitate communications and the transfer of information and, as a result, the economic constraints associated with geographical isolation can be modified. New forms of employment, especially in 'information intensive' enterprises,

can be created in rural areas or jobs can be moved to people rather than having people migrate to jobs. Support services can be provided to dispersed small firms, or services can be provided from rural areas through new communications media; public administration services can be decentralised; and citizens can have better access to advice and information sources.

There are already a number of initiatives related to rural development which have a telematic dimension (WRC, 1993). On-line data bases (especially videotex services) have emerged more strongly since the advent of the countrywide Minitel service. In the agricultural sector, for example, Teagasc provides a videotex service for farmers and other farming users. An information and accommodation booking service is available for tourists. Some locality-based services are being provided, based on the Scandinavian telecottage idea, whereby a local centre houses a range of services (such as access to information technologies, database access, E-mail, consultancy and training services and, possibly, work-stations for teleworking). A number of 'satellite office' operations exist in rural areas in which large commercial companies (e.g. in insurance) undertake 'back-office' or routine data-processing activities. While there is little progress in 'teleworking' - or distance working - apart from the activities of people working individually from home on a self-employed basis, there is a growing interest in distance learning. Regional technology centres (at Letterkenny and Galway) engage in training, consultancy, demonstration, publicity and product development.

As the structure of employment shifts from production of goods to producing and processing information, Irish towns could be marketed as sites for industries that can survive by using advanced telecommunications. However, there would appear to be good grounds for caution against any undue optimism about the contribution of information technology and telecommunications to rural development. O'Siochrú (1993) has highlighted the extravagant claims of 'the telecommunication spokespeople' in contrast to the obstacles that exist on the ground for those directly involved in rural development. Benefits will not flow automatically, he adds, noting that urban centres can use telecommunications to attract business from rural areas, and that advanced communications systems can also displace rural workers in existing enterprises. Reviewing initiatives in telework and rural telematic facilities as a feature of rural development programmes Cullen and Kenny (1992) concluded that, so far, these had modest achievements in stimulating commercial activity, partly because they need to go hand-in-hand with entrepreneurial initiative. The 1993 annual report of the EU's programme for research and development on telematic systems for rural

areas (Cooper, 1993) notes that it cannot yet be said that there is a consensus among the different actors - local authorities, development institutions and small businesses - on how telematics should fit into integrated rural development planning. Gillespie (1993) observes from different studies that the economic benefits of telecommunications vary with the type of application and type of rural area. Research supports a threshold hypothesis such that a certain minimum level of technological development is necessary for a sustained take-off in the use of modern telecommunications. There is need to begin with the more basic steps of having various types of information users (e.g. medical practitioners, agricultural or other advisory services) become familiar with the applications of information technology in data assembly, storage and retrieval.

A study of the role of telecommunications in overcoming the 'remoteness' of the Highlands and Islands of Scotland (Black, 1994) concluded that while some 600 to 650 jobs were created most of the inward investment had gone to the more central locations, with the prospects of attracting investment to the remote locations being limited to places where there were already some industrial activity. In addition 'quality of life' factors were important in decisions to relocate businesses to utilise the benefits of telecommunications.

Continuing research is needed here to clarify the practical strategies that can be implemented for the use of information technology in the development of local areas.

7. OTHER SERVICES

The Garda Síochána have been experimenting with new policing schemes for rural areas which involve, in many cases, a reduction in stations and staffing. There will be greater pressure to amalgamate smaller schools, as decline in birth numbers impact on the school-going age cohorts. A recent decision within the health services to change payment methods for general practitioners from a fee per item to a capitation basis constitutes a potential economic incentive for doctors not to make calls to patients in outlying rural areas. Dairy processing plants seek to rationalise milk collection systems so as to minimise calls to dispersed small-scale producers.

8. CONCLUSION

Apart from the problems of obtaining employment and satisfactory incomes, rural communities are most concerned about the changes taking place in the availability of various amenities, services and facilities. Considerations of cost in providing for a declining population predispose service suppliers to reduce service provision to rural areas. Decisions about the reorganisation of services are made by a wide range of service providers - private and public - but each provider acts autonomously within the perspective of its own function. Locational and reorganisation decisions, especially within the public sector, need to take greater cognisance of the interrelationships between the provision of public services - and of the implications of decisions to change them - for the State's policies to maintain rural population levels.

AREA-BASED STRATEGIES

1. INTRODUCTION

In broad terms, organisational structures for development may be categorised as having either a functional or territorial basis. A functional mode of organisation places the emphasis on the applicability of a single model of development across different types of areas. It also gives primacy to systems of administration that are organised by compartmentalised sectors, with these sectors being controlled by centralised bureaucracies. Associated with this functional system is a 'top-down' approach to development in which goals tend to be centrally designed and the criteria for determining appropriate forms of development are standardised within the different functions or sectors.

Territorial organisation, on the other hand, emphasises development approaches that are more tailored to the specific circumstances of regional or sub-regional areas. It places importance on having a degree of political and administrative autonomy at a territorial level so as to have development consonant with regional or local circumstances and possibilities. A territorial focus to organisation tends to place a value on 'bottom-up' development, on the mobilisation of indigenous human resources and on natural resource potentials. It seeks a greater degree of integration of different functions - or sectors - at a local geographical level.

In recent years, several programmes of rural development have been initiated in Ireland, adopting variations of an 'area-based approach'. These are reviewed in this Chapter. Before turning directly to the main topic it will be helpful to clarify the general background to the emergence of these programmes, and to deal with some matters of terminology which have gained currency in this context.

2. CONTEXT AND TERMINOLOGY

In the more developed economies, the limitations of a predominantly functionalist basis to development organisation have emerged more clearly (see Sorensen and Hartman, 1976). Historically, as the interventionist state pursued societal goals, public administration agencies became more centralised, specialised and complex. The rational management and control

principles of bureaucracy predispose administrations to be removed from their clienteles and to be self-enclosed and inward-focused. The preservation of organisational identity and self-interest, rather than inter-agency or inter-functional co-operative endeavour becomes a dominant style of administration. 'Top-down' designed programmes, executed by professionals acting on formal knowledge and narrow disciplinary expertise, and serving specialised or delimited areas of need, inhibit administrations from dealing in a holistic way with local problems. Sub-national arms of centralised administrations tend to relate more to their parent agencies at the centre than to each other locally.

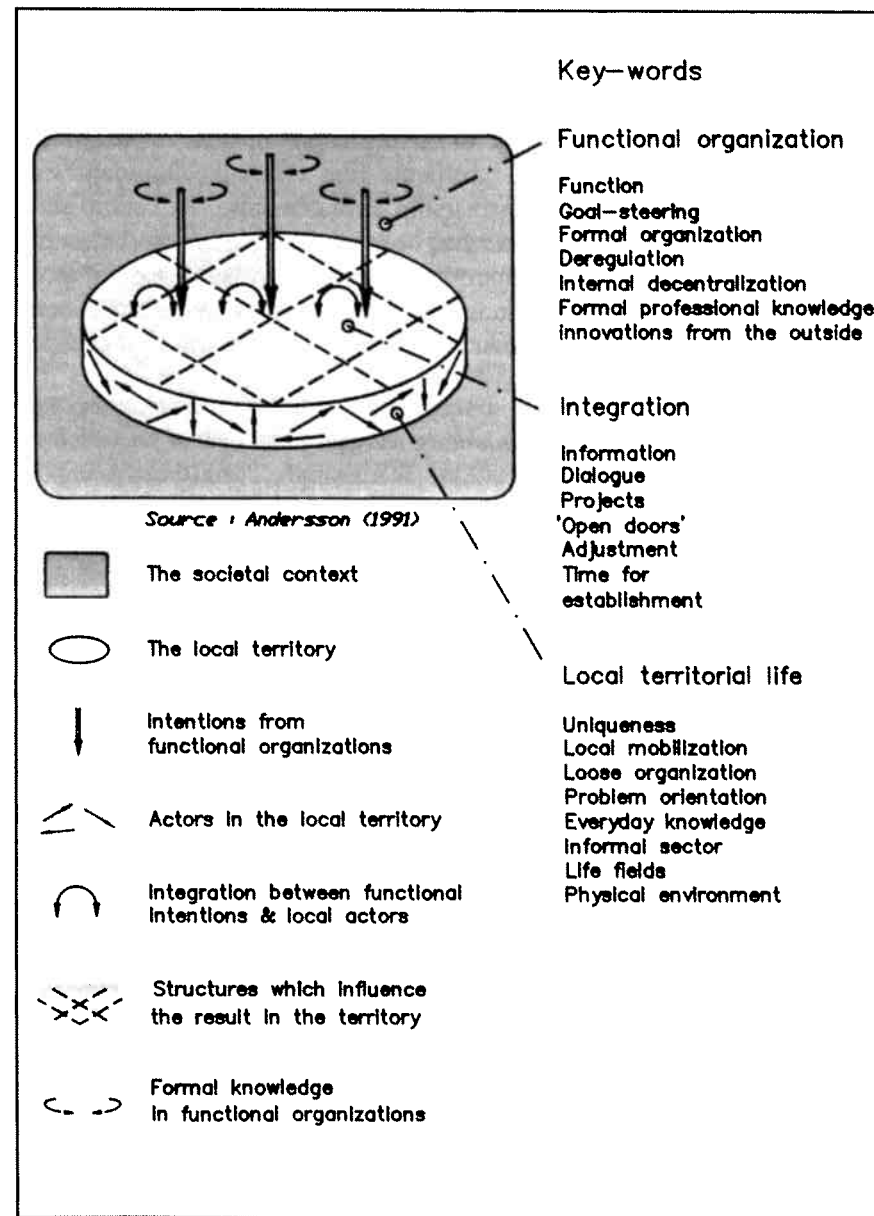
Against this background, the rationalist, centralised systems of the 1950s and 1960s were increasingly challenged by decentralised and delegated models of organisation. The focus of attention turned towards locally-based, 'bottom-up' or 'grassroots' development. The acceleration of local initiatives was triggered by several factors, some of which have been identified by Stohr (1990:20-54).

One was the growing inability of the state to deal with unemployment problems via the centrally-initiated and centralised policies. These proved too inflexible to cope with local conditions and incapable of creating or animating an entrepreneurial and 'innovative local milieu'. Second, reliance on the private enterprise approach proved that the private sector, although dynamic in many ways, was not harnessed primarily for local communal purposes. Third, the generation of a 'regional crisis' arising from international economic restructuring (see Chapter 5) aroused new forms of social discontent and increased interest in the possibilities of local mobilisation, often in defensive modes. Fourth, as the interventionist role of the state increased so did the counter demands for local autonomy and devolution of authority, allied to a renewed emphasis on subsidiarity. Fifth, there was the realisation that problems of under-development were multi-faceted, i.e., not reducible to a single cause nor soluble by singular attention to a particular sector. An appropriate response would require closer working relationships among agencies with complementary interests and based on negotiated forms of planning, within structures that involved some element of co-operation among agencies.

These various considerations brought into vogue the concept of 'integrated rural development', as a means of linking functional and territorial approaches to rural development. Andersson's (1991) diagrammatic scheme captures the idea of matching the intentions of functional agencies with the interests of territorially based actors (Figure 11.1).

FIGURE 11.1

Key Words for Local Development in the 1990s



In the EU different approaches to integrated development had been used since the early 1980s (e.g. in the Hebrides in Scotland). Basically these provided for the effective co-ordination, in a limited geographical area, of the actions of the 'development partners' (public and private), i.e., horizontal integration. They also called for co-ordination among the various levels of administration (EU, national and sub-national), i.e., vertical integration. With the onset of the discussions leading to the reform of the Structural Funds, the concept of partnerships was given added impetus. An integrated approach to multi-dimensional problems like under-development was deemed to require formalised partnership arrangements. At central state level, of course, the partnership idea had been accepted as a means of getting agreement among the major interests or 'social partners' - employers, farmers, trade unions - in formulating programmes of economic and social development on consensual lines.

To this repertoire of development concepts - multi-dimensionality, integrated development, partnership and an area-based approach - must be added an additional notion, that of participation. Increasingly, it has been accepted that those affected by development policies should have some means of making their views known in planning and decision-making. The EU Commission advanced the idea of participation considerably when it advocated the desirability of consultation processes with regional and local authorities and with other interests in drafting development plans for the allocation of Structural Funds.

Area-based development, involving several statutory agencies and perhaps other partners, is often conflated with community-based development. The latter term is taken here to refer to 'community-led' activities, in which a local community is the acting unit in instigating development (i.e. the reliance is on community initiative and resources with or without external supports). 'Community' is a portmanteau term under which are included notions of local area, local populations and non-state or non-private actors. In outlining the 'area-based approach to long-term unemployment', for example, the Programme for Economic and Social Progress (PESP, 1991) states that the proposed strategy 'will have local communities as the primary movers'. However, it is clear from the detailed description of this area-based response that the statutory agencies were to have the main responsibility for the programme, and not least in deciding controls and expenditures (PESP, 1991:77). This is in fact realistic since actions by local communities without linkages with, and assistance from, other levels may be limited in scope and achievement.

A final point of terminology that may be made here is that development, even in the narrow economic sense, is a more inclusive concept than 'growth'. Growth has connotations of increases or expansion without necessarily effecting any changes in processes or structures. As we have noted in Chapter 2, development is a *process* of qualitative, quantitative and/or distributional change.

3. PILOT AREA PROGRAMME FOR INTEGRATED RURAL DEVELOPMENT (IRD) 1988-90

As already stated, the first effort to give expression to the concept of IRD in recent times was the pilot programme administered by the Department of Agriculture and Food during 1988-90. It was put into operation in 12 sub-county areas, each of which had between 6,000 and 15,000 inhabitants.

The declared aims of the programme were to initiate and foster development designed to lead to improved economic and social conditions through the establishment of commercial self-sustaining enterprise, and the encouragement of a community-based attitude of self-help. A rural development co-ordinator was appointed by the Department to each area, with the task to organise a 'core group' of local leaders. This core group would decide on local development priorities and help to ensure their implementation. Thus, the co-ordinator effectively acted as an animator stimulating and co-ordinating local group effort, and facilitating the linkages between the local group and the various statutory agencies. Apart from a small amount of money for technical assistance no new funding was provided for the programme. The technical assistance monies allocated helped to advance projects to the stage where they could tap into other 'mainstream' funding sources. No restriction was imposed on the type of development that might be undertaken although it was expected that actions pursued: (i) would be in accordance with the felt needs of the local population; and (ii) would cover farm diversification, rural tourism, small industry, home-based business ventures such as crafts, and local amenity, environmental or 'community' development.

An assessment of the programme (O'Malley, 1992), although based very much on self-reporting by the core groups, provided several interesting conclusions. The number of projects which emerged was much greater than anticipated. Although the time span of the programme was short, an estimated employment of 604 existing or expected full-time job equivalents were generated. This represented 1.6 per cent of the aggregate working population of the pilot areas. Many of the projects were not such as to create

jobs but to provide additional incomes for people. The assessment noted that while it would be too much to claim that the programme could substantially transform rural areas it did seem likely that it could make a distinctly useful contribution to economic and social development. There was the possibility, of course, that it would be increasingly difficult to identify additional useful new projects as the more obvious opportunities were exploited. On the other hand, there were indications that project success laid the basis for further initiatives and that momentum can build up rather than diminish with time. There were also instances where viable projects were identified but no promoters were available to carry them forward, or those interested did not have the finance necessary. Financial and technical constraints were the main difficulties in advancing some of the 'non-starter' projects.

It was noticeable that some of the selected areas were more successful than others in producing tangible results - such as jobs or additional incomes. The reasons for this were not easy to discern but the assessment concluded that progress was related to the pre-existing level of local community development activity and 'the strength of community spirit'. To this extent, it could be argued that the pilot programme started by 'picking winners', or some at least (Varley, 1991:98).

These last observations are of particular importance in that they suggest that if community-based development is expected to address difficult issues of economic and social development then attention must be given to the more basic process of development, viz., a 'pre-development' phase involving the animation of local groups and the generation of a capacity among local people to work purposefully in collective action.

4. AREA-BASED RESPONSE TO LONG-TERM UNEMPLOYMENT (ABRs)

As provided for in the 1991 Programme for Economic and Social Progress, 12 areas, of which four are rural, were selected in 1991 by the Government as pilot projects for an area-based strategy in response to long-term unemployment. The four rural areas are sub-county units (South-West Kerry, North Mayo, West Waterford and South-West Wexford).

In each of the pilot areas local companies known as 'Partnerships' have been established. The strategy is designed to reproduce at local level the partnership approach adopted at central level in implementing national development programmes and related agreements between social partners. In the ABR the partnership involves State agencies, the social partners (i.e.

trade unions, employers and, in rural areas, farmers), and the local communities.

The objectives of these partnerships are to improve the personal skills and attributes of people who are long-term unemployed or those at risk of becoming unemployed, to promote attitudinal changes needed to generate sustainable enterprise, and to promote local economic projects and initiatives which will sustain confidence and investment. These objectives are intended to be achieved by better education, training and work experience, by greater receptivity on the part of public and private agencies to new ideas from enterprising individuals, and by having the partners identify and progress sound development opportunities.

The ABR is based on a number of assumptions. It is considered that a locally-based approach will ensure better identification of the needs and resources of an area and lead to a focused action plan. The partnership will ensure a more flexible and integrated use of resources based on meeting needs rather than providing programmes and measures 'in a vacuum'. A partnership arrangement 'will forge a local consensus' on resource use, establish a unity of purpose and create 'a new sense of community'. The involvement of communities and the social partners in planning, design and delivery will ensure greater relevance of responses and better targeting of initiatives.

Each ABR partnership has a Board of Directors, comprising 6 directors from the local community, 6 from the social partners and 6 from the state agencies in the area. Each partnership has also a manager, and other members of staff may be assigned from relevant agencies.

The operating arrangements for the partnerships (their responsibilities, funding and working procedures, and the relationship between the main parties) were drawn up by a National Co-ordinating Team comprising seconded staff nominated by employers organisations, trade union and public sector agencies. This team was originally located in the Department of the Taoiseach, but subsequently assigned to work with Area Development Management Ltd. (ADM). ADM is an independent intermediary company set up to manage the Global Grant for local economic and social development (see below in this Chapter).

All partnerships have received direct funding from the exchequer, from private sources within the partnership, and from the Global Grant. Other funding is available either directly to the partnerships or indirectly to partnership areas through other EU initiatives or national programmes.

Between 1991 and the end of 1993 some £8.8m was allocated (not all of which was paid) to the ABRs. Some of the funding was made available on the basis of integrated area action plans appraised by ADM; other allocations were made for staffing and administrative purposes.

A report on the ABR programme for 1991-93 (ADM, 1994) records the following kinds of activities - taken in aggregate - being carried out by the rural partnerships: establishment of a local tourism company, small business promotion; establishment of a revolving loan fund to support local enterprise, horticultural development, development of schools enterprise programmes, support for local companies involved in integrated rural development with an emphasis on small-scale food enterprises, cultural development, adult education, and training in community development.

An interim report to the Central Review Committee on the evaluation of the programme (Craig and McKeown, 1993) is worth noting, especially for its observations on the structural arrangements set up to operate the programme. These apply with equal relevance to rural or urban areas. Firstly, the authors concluded that the initiative had been reasonably successful given the very difficult circumstances. In two years, over 11,000 persons were placed in education or training programmes while some 400 people were placed in jobs. Most of the job placements came as a result of improving access to the labour market rather than the creation of new jobs. Difficulties persisted in reaching the areas most severely affected by unemployment. Partnerships brought improvements in service delivery and these, together with the 'one-stop shop' approach, reduced the segmented nature of service provision.

Most importantly, the vertical (local area to national centre) mechanisms for co-ordination through the National Co-ordinating Team were of significant value, according to the interim evaluation. The concept of a Team at national level acknowledged the need for key personnel, sufficiently senior within their own organisations, to be in a position to influence decision-making on policy issues. The Team provided a means whereby a timely and concerted response could be made at central policy level to issues emerging from local actions. The commitment of senior civil servants to the concept of the initiative was crucial to ensuring that its status was affirmed at high levels. The commitment of the main delivery agencies was secured not only in terms of principle but in operating practice through the provision of information and resources, and by being receptive to making administrative changes where needed.

The ABR approach is being extended to a total of 33 new areas 'to promote integrated socio-economic development in a number of target areas

characterised by high concentrations of long-term unemployment, social exclusion and environmental deprivation' (NDP, 1994-1999; 1993:35). The designated rural areas are the four already chosen (in some cases with boundary extensions) and 10 new rural areas.

5. COMMUNITY DEVELOPMENT PROGRAMME (CDP)

The Government provided a special 3-year fund in 1990 to support the establishment of a network of community development resource centres in areas of need throughout the country. The time-frame of this programme has been extended and in 1994 there were 47 projects, funded receiving on average £50,000 per annum to employ professional staff and cover basic running costs. Eight of the projects are in 'purely' rural areas although others may serve some rural populations. The Combat Poverty Agency provides technical support to the programme and also has a role in evaluating the projects and programmes. The activities of the resource centres fall under four broad headings (Frazer, 1992).

Practical Assistance: Provision of advice and assistance to individuals (e.g. on welfare rights) and local community groups (e.g. on services or funding available), and also provision of practical services (e.g. meeting rooms, office services).

Development: Stimulating the work of local groups, bringing groups together to identify needs and plan joint actions. The main activities are concerned with local community and social affairs (e.g. local services, education and training, needs of specific categories such as the elderly, community arts, support for the unemployed).

Policy: Providing inputs into the formulation of policies at local or national level, as well as proposals for administrative changes.

Partnership: The CDP projects are not specifically based on partnerships and the partnership concept is not a central feature of the programme. However, projects can act as a mechanism for closer liaison among statutory agencies and between these agencies and non-statutory groups. Projects can channel expressions of need from the community sector to the agencies and point to ways by which local groups and agencies can collaborate more effectively. Similarly, liaison can be established between community-based groups and a range of other interests such as the employers or trade unions. As it happens there are CDP projects within most of the PESP area-based partnerships.

6. LEADER (Liaison Entre Actions de Développement de l'Economie Rurale)

LEADER is an EU initiative designed to 'find innovative solutions which will serve as a model for all rural areas and ensure maximum integration between sectoral measures'. It provides for over 200 local projects in the EU to encourage and assist rural communities to develop their own areas in accordance with their priorities. In Ireland monies from the EU's Structural Funds are being made available to 16 'rural development groups' in areas of up to 100,000 persons for the years 1991 to mid-1994. The 16 groups (see Figure 11.2) were selected on the basis of 'business plans' submitted to the EU Commission via the Department of Agriculture, Food and Forestry.

Some £35m in public funding is provided to the groups for the period of the programme. Of this, £21m comes from Brussels and £14m from the national exchequer. Groups must match this £35m from their own resources (mostly investments by entrepreneurs benefitting from the programme), making a total of £70m for the groups' business plans. Each group is constituted as a legal entity and has a formal contract with the Department of Agriculture, Food and Forestry.

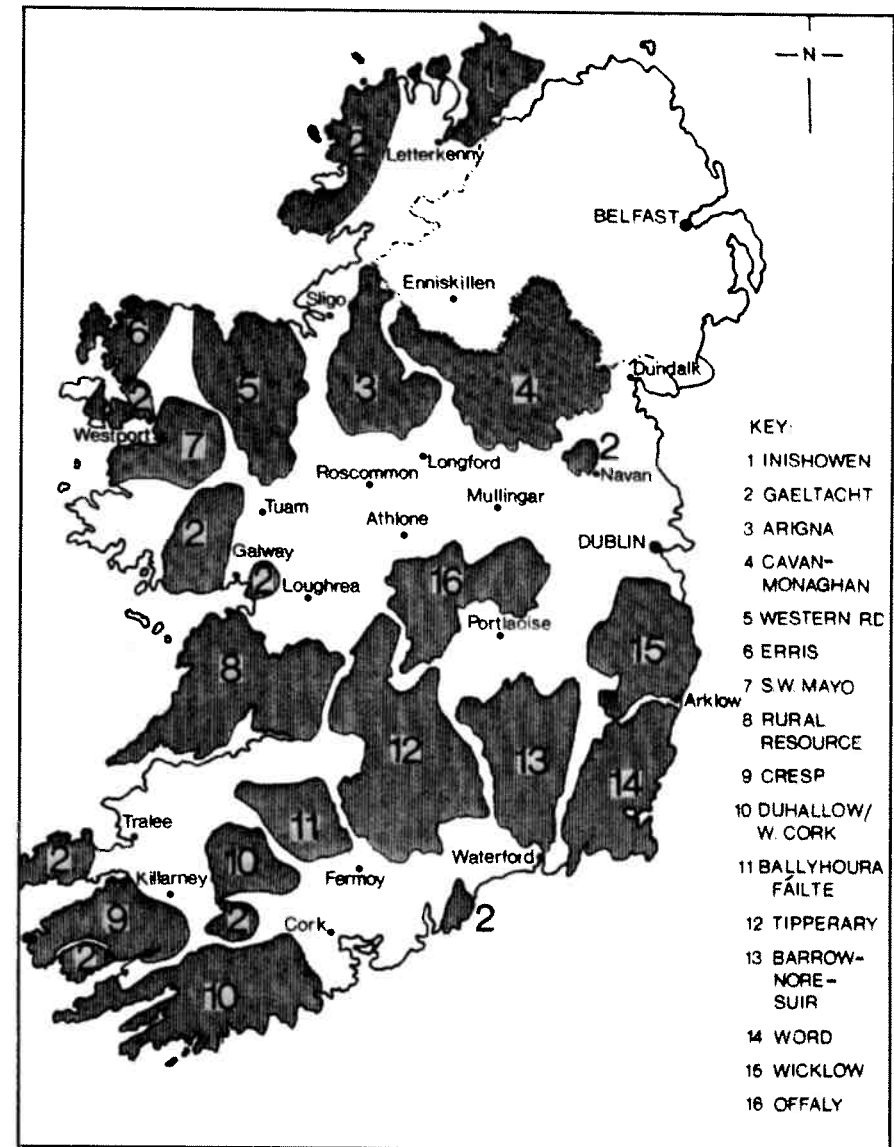
Each LEADER project invites local applications for development aid and funding is granted on the basis of criteria agreed with the Department and in accordance with the business plans submitted by the group.

The composition of the groups varies by area but generally they include the participation of key public sector agencies (e.g. Teagasc, FÁS), the co-operative sector and community-based or interest groups (such as farmers). Different structures are used to link the formal board with interests at sub-area level, including in particular local community interests. In the County Wexford LEADER partnership, for example, there are four area-based (sub-county) structures, one of which is a local partnership functioning under PESP (see above). Somewhat similarly, the Clare LEADER has a system of local liaison groups to give four sub-county districts access to the county programme and to allow the programme reach into every locality in the county.

Each LEADER group has a director and a small support staff to administer funding and stimulate interest in the programme.

FIGURE 11.2

Map of LEADER Areas



The activities which may be funded include: technical support for rural development (e.g. resource assessments), vocational training, rural tourism, small firms, craft enterprises, local services and marketing of local products. Preliminary information from the groups indicates that a majority of actions (up to 60 per cent) are related to tourism and associated activities.

As yet there has been no formal evaluation available on the LEADER programme, although such an assessment is in progress, with one of the authors of this present report on the evaluation team. However, from meetings with groups, contacts with individual managers and consultations with Board members (mainly Teagasc representatives) some tentative observations can be made.

The LEADER programme has been received with a high level of enthusiasm in the selected areas. Furthermore, there is evidence of considerable progress being made within a short time, with local groups in receipt of approximately 4,000 applications for project funding, mainly in tourism promotion but also covering small enterprises, natural resources and training. The amount of private investment funding coming forward has exceeded what was expected.

The LEADER concept of a local composite group as the vehicle for development has given the areas concerned a new lease of local empowerment, access to investment funds, and an organisational structure through which to engage the public agencies in combination with the efforts of local entrepreneurs and community-based organisations. However, the participation of the private corporate sector has been minimal.

As against this general enthusiasm, expectations have been dampened somewhat by the realisation that, despite the rhetoric about 'bottom-up' development, groups cannot unilaterally embark on developments according to their own priorities. This is due to the fact that a balance must be found between local autonomy and the co-ordination of development at higher levels so as to avoid duplication of effort or the creation of excess capacity (e.g., in provision for tourism or other products). The constraints of adhering to more strategically managed development, together with what groups see as inordinate financial controls from the centre, have seemed impositional and irksome at local level. (For its part, the Department of Agriculture, Food and Forestry can point to the collapse of one of the originally selected groups in circumstances where 'LEADER funds were incorrectly spent' - Dáil Reports, 12 February 1993).

Another question arising concerns the model of development implicitly underlying the LEADER programme and the extent to which it represents a unique approach among the variety of development efforts. LEADER groups can act simply as another conduit for funds in response to applications from local project promoters. Or groups can combine this function with a more proactive role in development, animating local groups, building up their capacity to function effectively as local development structures, stimulating enterprise and project ideas, building up shared learning networks among local beneficiaries, and providing the kind of training and motivation to stimulate further development. While groups provide a certain amount of technical assistance in connection with the projects they fund it is significant that, in general, budgets for education and training had been under-spent well into the time-frame of the programme. Part of the reason for this is undoubtedly the requirement that 50 per cent of cost must be provided from 'own funding'. It seems then that groups vary on this 'reactive-proactive' dimension, as well as on the extent to which their development plans are multi-dimensional or restricted in scope. To the extent that they fail to take on a proactive role, LEADER groups could hardly be said to be stimulating ground-based development, but rather supplementing the capital resources of those already prepared and able to start or expand an enterprise.

The model of development adopted is, of course, dictated considerably by the short time-scale of the programme, the concern to expedite the allocation of the funds available and, indeed, by the rather narrow connotation of development implicit in the requirement that groups submit 'business plans' in their original submissions to participate in the programme.

While the requirement of 50 per cent own funding seems a reasonable criterion for supporting commercial developments (but not for animation and training activities) it does mean that only those project promoters with resources will benefit from the programme. In this respect, it resembles the 1988-90 Pilot Area IRD Programme which provided additional incomes to those already employed, rather than creating new jobs. The quality of projects coming forward depends on the availability of own resources and also on the general level of economic development in the area, particularly on the climate of enterprise, the presence of people with the willingness and human resource capacities to take on commercial risks, and on the general developmental milieu in an area (business confidence, access to technical assistance, supportive networks of entrepreneurs, etc.). Again, this point echoes the conclusions of the evaluation of the 1988-90 Pilot Area Programme which noted that the prior stage or starting base of local mobilisation was an important variable in explaining the greater degrees of progress in the more successful areas.

A second phase of LEADER will be initiated in 1995 to run to the end of 1999. Applications are being sought from groups for funding to develop local areas. It is expected that the strategies to be followed will not merely be a listing of desirable projects. Activities of a social/cultural nature linked to rural development may be funded.

7. FORUM - A 'Model Action' Project in the EU Poverty Programme

In the EU's Third Poverty Programme (1989-94) there are 29 'model action' projects, one of which is located in North-West Connemara. This area is the censal Rural District of Clifden, having a population of 8,600 people. The annual budget is approximately £378,000, 45 per cent of which is provided by the national exchequer through the Combat Poverty Agency.

The Forum project - and its host programme - are worth examining in the present context because at least in their design they represent the most advanced attempts to date to incorporate the main concepts of integrated rural development. Some of Forum's features are, of course, particular to the poverty focus of the programme but others have general application for local area-based development.

Based on experiences of funding local action groups in two previous anti-poverty programmes, the EU laid down some specific requirements for the third programme, the most relevant of which, for present purposes, are as follows:

Conceptualisation of the Problem - Poverty and Under-Development as Exclusion: Poverty - rural or urban - should not be seen in terms of the static conditions of poor people but rather as dynamic social processes by which certain categories of persons and areas come to be excluded from the rights, opportunities and benefits of the contemporary society. Thus, in practice, the programme's terminology and actions put the focus on the forces that *generate* social and economic exclusion, as well as on the actual conditions of poor people.

Strategy: Project actions should be based on an analysis of these processes of exclusion (e.g. early school drop out, low levels of public service provision) as these manifest themselves locally. Given this approach, action locally is likely to move from poverty alleviation and poverty 'management' or social welfare measures, to a more preventative mode of local development, based on a strategic plan. Local action, in turn, must be complemented by efforts to influence policy and practice as designed at national level.

Partnership: Earlier poverty programmes were hosted by local (non-statutory groups), but the model actions in the current programme are executed by a formally constituted partnership. Forum has five statutory agencies represented on its Board of Directors, together with representatives from nine local communities and from a local community-based development company. Statutory agencies other than those represented on the board are represented through project 'working groups', which plan and help to execute the local development action.

Multi-Dimensionality and Integrated Action: Because processes of exclusion operate on several dimensions (e.g. through the education system, the labour market, the deficiencies in local services) project actions must cover a range of interventions but in a manner in which these are co-ordinated in a systematic way - the integrated approach at the horizontal (local) level.

Participation: Decision-making structures allow for participation by local people (especially the project's target groups) in the planning and steering of the project.

Networking: Model action projects are encouraged to form networks, so as to share learning and increase influence on policy formation. Forum has participated in a series of transnational exchanges on specific themes (such as rural tourism) with other rural projects in the programme.

Research, Monitoring and Self-Evaluation: Project action is supported by local studies and research. Systematic monitoring, self-evaluation and feed-back of self-evaluation to the Board of Directors and to management must be built into the on-going progress of the project, as a principle of management.

Scale: Projects are sufficiently resourced to employ a manager and a small team of project workers. Some statutory agencies (e.g. in aquaculture, health provision) have availed themselves of the opportunity to allocate a staff member to help Forum execute its plan of action. A specific example is where Bord Iascaigh Mhara provided a project worker to support the development of aquaculture through the provision of technical assistance to three small co-operatives.

Technical Assistance: At national level, the EU Poverty Programme is supported by a small research and development unit which, together with the Combat Poverty Agency, provides projects with technical supports (e.g. in research or in planning) and also helps to maintain cohesion in the programme nationally as well as well as ensuring compliance with EU

requirements. Forum has also contracted with University College Galway to provide assistance with self-evaluation and training.

The funding available to Forum has been comparatively generous by the standards of support available to other local projects. The project reports a measure of success in responding to the problems of North-West Connemara. Progress is reported in improving services to the elderly, improvements in remedial education, in public transport, together with new initiatives in developing shell fish farming and in local tourism (Commins, 1993). However, in attempting to put such an innovatory organisational model into effect, Forum faced numerous challenges. A new coalition had to be forged among nine local communities independently of how these communities would eventually work with statutory agencies. The model in practice meant a sophisticated structure requiring skilful steering. Rural communities have little tradition of the kind of partnership attempted. Even in the statutory system, planning is not a common feature of public administration at local level as agencies tend to receive their mandates from higher-level, centralised authorities. Partnerships of local communities and public authorities are unevenly balanced in terms of power and resources; non-statutory partners have to be resourced to participate on equal terms with statutory agencies. A mere agreement among a number of interested parties to collaborate in a joint venture will not constitute a genuine and effective partnership; those involved must have the knowledge, skills and attitudes to make it successful. The personal commitment of individual agency representatives is, of course, essential, but genuine partnership also requires the commitment of those at the highest levels in the administrative hierarchies of the partner organisations. Otherwise partnerships become collections of personalities, rather than institutionalised commitments to which agencies *per se* have definite obligations.

A drawback to the Forum project, as with other projects in the EU poverty programme, was the absence of an inter-departmental structure at the central level to respond to issues requiring attention locally but not amenable to solution at the local level. Attempts to improve local public transport services is a case in point. To organise more appropriate public transport services, Forum needed the simultaneous co-operation of several actors (Government Departments, Bus Eireann, Health Board, County Council) but it proved difficult to bring these to a consensus (see also Chapter 10). Each is constrained by its own narrow jurisdiction and there is no policy framework for rural public transport that would facilitate a solution to the deficits in North-West Connemara. There is a contrast here with the ABR partnerships which are supported by the National Co-ordinating Team.

8. COUNTY ENTERPRISE BOARDS (CEBs)

In October 1992, the Taoiseach announced details of the establishment of County Enterprise Partnership Boards to promote employment and local socio-economic development. This was before the formation of a new Government and the preparation of revised plans for national development. When the new Partnership Government took office, the October 1992 proposals were modified and the amended role of 'County Enterprise Boards' (CEBs) has been stated in the current (1994-1999) National Development Plan. This reiterates one of the priorities of the new administration, viz., to encourage local initiative by a greater devolution of functions, and through the establishment of County Enterprise Boards which will empower local communities to obtain local funding to develop their own areas.

Through the CEBs, the Government seeks to fill a gap in current support services for local enterprise initiatives, especially by establishing a basis for a greater co-ordination of the efforts of state agencies and Government Departments (NDP, 1994-1999; 1993:70).

The Boards will have 12 to 14 members drawn from elected members of the local authority, ICTU (trade unions), IBEC (employers), farming organisations, state development agencies, local authority management, as well as community and other representatives.

The aims, functions and procedures of the CEBs, according to the National Development Plan, are as follows:

- preparation of a County Enterprise Action Plan for their areas; these plans 'will help to align the range of official commitments which can directly impact on small enterprise creation at regional and county level'. They will also provide a context within which applications for assistance will be considered;
- identifying and commercially developing local resources;
- promoting the creation and development of local enterprises, particularly through support for local enterprise groups;
- creating and strengthening links between the local community and state agencies in the interest of co-ordinating their energies in creating wealth and employment;
- act as a referral point whereby applications for funding and advice are more appropriately redirected to existing agencies (e.g. Forbairt in the case of projects which exceed a certain scale).

While it is expected that the proposers of projects will make contact with the CEBs, the essential focus will be on proactive strategies to tap employment opportunities. Each of the 36 Boards to be set up will have a support team headed by a County Enterprise Officer who will act as facilitator, directing individual projects or local community enterprise initiatives to other agencies as appropriate.

The activities of CEBs will be co-ordinated at national level in respect of allocations of funds, the criteria for evaluating project applications to CEBs, and the possibilities for complementarity in funding arrangements vis-a-vis other local development programmes (NDP, 1994-1999; 1993:71).

As the CEBs have not yet been fully in operation, little can be said by way of assessment of their contribution to rural development. However, they offer possibilities for an additional degree of funding for rural development, as well as a mechanism for achieving greater complementarity and horizontal co-ordination of actions at county level. It remains to be seen whether they represent a substantial advancement over the County Development Teams (CDTs) which they replace. In so far as they will replicate the CDTs, it is difficult to see how they will be able to be proactive at local sub-county level where intensive animation is necessary for development. At this local level also, the need is for a multi-dimensional and integrated approach whereas the CEBs have a uni-dimensional focus, concentrating largely on small enterprise and employment creation.

9. GLOBAL GRANT FOR LOCAL DEVELOPMENT

In September 1992, the EU Commission agreed a decision for a Global Grant under the Structural Funds CIF for Ireland. As outlined by the Commission, the purpose of the Grant is to 'support the development of indigenous potential at local level', through economic development initiatives, developing local leadership capacity, supporting community based socio-economic development, and where possible, by distributing job opportunities towards the unemployed. In particular, the grant will 'aim to support and tap fully local enterprise initiatives and to promote integrated economic, social and community development of local areas'.

The significance of this statement is that like the principle underlying the Forum Model Action project in North-West Connemara - also EU initiated - it conveys a multi-dimensional and integrated concept of local development. The groups eligible for funding support are the PESP area-based partnerships (the ABRs) and local community organisations. As well as allocating and monitoring the expenditure of funds, the ADM

provides technical expertise in connection with the implementation of local development initiatives.

10. OTHER AREA-BASED INITIATIVES AND FORMS OF PARTNERSHIP

The main discussion here has been concerned with State-led forms of area-based rural development. Brief reference needs to be made to 'development from below', which can be summarily described under the headings of community councils, community co-operatives, community enterprises and some local IRD companies. The position concerning these structures has been reviewed in some detail by Varley (1991:83-107).

Representative community councils have been promoted strongly by Muintir na Tíre as an appropriate unit of local organisation. At its peak of organisation Muintir na Tíre, had up to 300 affiliated councils compared to over 100 in recent years. Their activities centre mainly around the provision of small-scale local amenities and facilities. Some councils have been given recognition, under the 1941 Local Government Act, as approved bodies to which some minor local government functions may be allocated.

With substantial cuts in its State grant, Muintir na Tíre has not been able to service and represent its affiliated councils and, collectively, these do not constitute a vibrant force in rural development.

Community co-operatives have been associated mainly - though not exclusively - with Gaeltacht and western areas. Like community councils, they have been concerned with providing local services (e.g. piped water schemes, agricultural contracting). Because of the adverse economic circumstances of the areas in which they were set up, community co-operatives in general have remained weak as economic entities, with a slender equity base, under-capitalisation, heavy reliance on bank borrowing and on State financial assistance. There has also been some doubt about the efficacy of multi-purpose community development structures in a commercial environment, the argument being that single purpose or more streamlined enterprise groups are better suited to commercial purposes such as for community tourism. These, however, may still be part of a more comprehensive and integrated set of actions locally.

Community enterprise groups increased rapidly in number during the 1980s, based on the expectation that communities - through co-operatives, development associations or limited companies - could get into the business of job creation. While there have been some successful ventures and spin-off

effects, such as the stimulation of private enterprise, the general evidence is that community enterprises themselves have had limited success. They are associated with low value-added goods and services, and unattractive employment conditions (Varley, 1991:93-95). Apart from the normal demands of measuring up to commercial competition, successful community enterprise seems to require a protracted period of 'community capacity-building' (Keane and Ó Cinnéide, 1986).

Reference may also be made here to the establishment in 1994 of new Regional Authorities (though the term 'authority' may convey a greater sense of power than what is conferred on these structures). The members of these authorities are elected representatives from the local authorities. The main functions of the Regional Authorities are to promote the co-ordination of public services in their regions and to monitor the overall development requirements, especially in the context of EU funding.

II. CONCLUSION

Within a comparatively short time - six years or so - there has emerged an ad hoc series of initiatives and funds in support of area-based development. Some of these actions are opportunistic responses to EU programmes, others derive from attempts nationally to try new approaches to solving rural problems or unemployment. They also reflect a tendency to create structures, as evidence of political will towards action, but which are not necessarily new departures nor basically innovative initiatives. Corresponding to the range of actions at local level, structures have been set-up at central level - the Central Review Committee, the National Co-ordinating Team and the Area Development Management Company. It would seem desirable now to replace a pattern of ad hoc, short-term and insecure funding from different sources with a more settled policy and some rationalisation of programmes and structures.

In regard to local development, and taking a general view, it could be said that despite a rhetoric venerating local communities as 'prime movers', the basic parameters of development programmes, - i.e. specifications about their content, areas to be included, the respective roles of partners, timetables and expenditure of funds - are all decided externally (Varley, 1991:106).

To be realistic, however, this is the way things must be in large measure. To present the strategies for rural development in terms of clear-cut options between 'top-down' and 'bottom-up' is to set up a false dichotomy. As Moulaert (1992:23) observed, mobilising indigenous development potential is still often interpreted as mobilising local forces only; but the weaker the

local socio-economic structure the stronger will be the necessity to form broader coalitions with regional, national or even international partners. Local agents, networks and structures, Moulaert adds, will play an important role but there are virtually no economic activities which operate in an exclusively local context, and local actions must be complemented by non-local counterparts, especially funding agencies. Indeed, in many rural areas, development must be 'agency-led', although within a partnership setting, rather than 'community-led'.

This means that rural development must be seen as 'assisted self-reliance', or as 'negotiated' development, involving both local communities and statutory agencies. It is possible to draw a distinction between the functions of steering, regulating and co-ordination at higher or central levels, and activities of a more proactive, locally-serving and developmental kind at ground level. This implies that there is a task of centrally steering various functional or sectoral policies and a complementary task of ensuring that functional administrators are responsive to the manner in which problems require local resolution, in order to ensure progress in territorially-based projects where the multi-dimensional aspects are more salient.

At the bottom level, there is a trend away from the small-scale 'community' or locality as the unit of territorial action, with a corresponding emphasis on the larger spatial area (such as in LEADER, the 1988-90 Pilot Programme, or the EU anti-poverty programme). When smaller communities are brought together on this basis in new territorial coalitions, and are given the resources to animate and mobilise local initiative, innovation and enterprise, there are stronger prospects for success. Extreme parochialism can be as dysfunctional for rural development as entrenched centralism.