



Combat Poverty Agency

8 Charlemont Street, Dublin 2. Telephone: (01) 783355. Fax: (01) 783731

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Submission to the Department of Agriculture
Rural Poverty and Rural Development

Combat Poverty Agency

October 1990

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PREFACE

This submission, which the Combat Poverty Agency prepared for the Department of Agriculture, makes recommendations on future arrangements for the development of disadvantaged rural communities. In making the submission the Agency is fulfilling part of its statutory duty to advise the Government on all aspects of economic and social planning in relation to poverty. The dissemination of the submission to a wide audience is intended to fulfil another of the Agency's functions; to create a greater public awareness of the measures necessary to tackle poverty

The submission draws directly on the Agency's experience of working with rural development projects over the past few years. In particular, this includes working with the rural projects participating in the the Second and Third EC Poverty Programmes and the various Community Development Resource Centres around the country. The Agency has gained a substantial amount of experience from these locally based projects and from seminars it has organised in conjunction with the Rural Action Project in Northern Ireland on rural poverty and integrated rural development.

The publication of this document is intended to inform the discussion concerning the direction of rural development policy in Ireland. At this time, the EC Commission and Irish Department of Agriculture are considering recommendations for rural development policy in response to recent changes in EC policy direction. The Agency is particularly concerned that these decisions will affect rural areas which experience high levels of poverty, unemployment, underemployment and emigration.

The first section of the document includes a definition of integrated rural development and a description of the stages of development of community based rural initiatives. It includes too a discussion of the difficulties experienced by local groups when they try to develop effective, bottom-up programmes for development in their own areas. These are in areas of

funding, co-ordination, training, marketing, research and evaluation, and community participation.

The two key recommendations which the Agency makes in this section of the submission concern the development of appropriate structures for rural development overall and the development of rural resource centres. From the Agency's experience, structures which will ensure that there is a strong element of local participation in the preparation and implementation of local plans, will be more assured of making a substantial contribution to tackling the problems of rural underdevelopment and poverty than structures which exclude local involvement.

The Appendix contains background information about EC policy changes and the objectives which these will be designed to meet. It includes an outline of the LEADER programme, MIRIAM and INTERREG each of which is an EC programme which will be implemented in Ireland by the Department of Agriculture.

Combat Poverty Agency.

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Community Based Rural Development

Integrated Rural Development

IRD is essentially a programme approach to development whereby a set of co-ordinated measures are implemented in an area so that they are reinforcing in their effects. The following are its main principles:

- * IRD involves a multi sectoral approach, including agriculture, industry, services and infrastructure. Activities in these sectors are coordinated in a development programme so that they are reinforcing in their impact.
- * IRD thus involves coordination between agencies implementing sectoral measures. Integration means that this co-ordination must involve effective linkages both horizontally and vertically (i.e. between local regional and national decision-making levels).
- * IRD has a spatial dimension in that regional or sub-regional areas are the appropriate units for development inputs.
- * IRD programmes, to be effective, require that development goals emanate from within rural areas. Local populations become active participants in and animators of the development process. It thus involves a shift away from the situation where development goals are conceived, controlled, financed and implemented by authorities outside the region in question.
- * IRD thus involves decentralization of institutional structures in order to ensure flexibility in the formulation and implementation of development actions.
- * IRD programmes should have a particular concern for the disadvantaged sectors of the population.

(O'Hara, 1988).

Putting IRD into Practice

IRD as a strategy for rural area revitalization contains many elements which have characterised the long tradition of community development in Ireland. Beginning with Horace Plunkett's co-operative ideals in the 1890s, Muintir na Tire's promotion of community self-help in the 1930s and, over succeeding decades, the establishment of community based multi-purpose co-operatives, local development associations and community enterprise initiatives (such as Integrated Resource Development Companies) there is ample evidence that rural residents care about what happens to their communities and are willing to become actively involved in trying to improve their situation.

The Combat Poverty Agency has a specific remit to support and encourage community development as a way of responding to rural poverty. It has carried out this function by joint-funding (with the EC) three Model Integrated Rural Development Projects as part of the Second Combat Poverty Programme 1985-1989 as well as providing grants to a range of other rural projects. The three model IRD projects - Coiste Pobail Cheanntair, Cluain Chearbhain in Louisburgh, Connemara West's Community Resource and Education Project in Letterfrack² and Inishowen Community Development Group in Carndonagh - have generated a range of sustained economic and social activities ranging from fish farming and tourism to literacy programmes and services for the elderly. The integrated development approach has been characterised by local involvement in the planning and management of the projects and by coordination with a range of state agencies.

The important point here is that, through these projects IRD is already well

²Letterfrack is also the site of the Irish rural project in the Third European Poverty Programme.

established as a response to the problems of rural poverty. This approach can and has brought about effective results in disadvantaged rural areas.

Through its research, information and seminar activity, the Agency has been responsible for the generation of a considerable body of knowledge about the practice of rural development. This knowledge forms the main basis for the discussion of rural development in this document and underpins the recommendations contained in it.

Focus and Objectives of Rural Development Projects

An adequate response to the problems found in marginalised rural areas requires a development programme which is broad based and multifaceted. Since the range of problems typically extends from those of unemployment and underemployment to social problems associated with the population structure and material deprivations, a variety of responses must be initiated which reinforce and support one another. The most successful projects are oriented to the economic and social revitalization of their areas and combine a range of commercial activities, with the provision of infrastructure and social services.

Community Enterprises

The stimulation of community enterprise is basic to tackling the economic revitalization of marginal rural areas. Typically this involves:

- . new ways of commercially exploiting local resources such as alternative farm enterprises, on-farm food processing, forestry development, fish farming etc;
- . tourism based projects which may involve a range of activities which include amenity development, heritage projects

Stages of Community Based Rural Development Initiatives

Experience suggests that community based or 'bottom up' development initiatives go through a set of stages from establishment to consolidation. If public policy is to promote IRD it has to intervene to create the conditions in which such a process can be facilitated.

STAGE 1 Group Formation and Establishment

Groups meet and exchange views about economic and social revitalisation in their area and look for ideas about what is possible and feasible. Such groups often emerge from adult education courses which stimulate an awareness of community needs and potential. Ideas may come from individuals, meetings, other communities, surveys etc., but the instigators of the activity often act as catalysts. During this period ideas are developed further and prioritised and the group formalises its structure so that it is representative and broadly based.

WHAT GROUPS NEED AT THIS STAGE IS PRACTICAL ADVICE/ENCOURAGEMENT; INFORMATION; ACCESS TO TRAINING IN MANAGEMENT AND ORGANISATION, OFFICE SKILLS AND INFORMATION TECHNOLOGY, LEADERSHIP AND GROUP DYNAMICS; AND SEED FUNDING TO ENABLE THEM TO BEGIN WORKING TOWARDS A PLAN.

STAGE 2 Detailed Project Formulation and Planning

This stage involves research to see if ideas are viable by means of resource audits, special surveys, market research, costing and projections and funding sources. This stage often coincides with small scale activity such as setting up and equipping an office or resource centre and/or small community based projects. During this period many groups expend a lot of energy in local fundraising to finance day to day activities and the gradual

professionalism of the organisation. The group usually establishes itself as a legal entity, if it has not already done so in stage 1.

WHAT GROUPS NEED AT THIS POINT IS BASIC FUNDING AND PROFESSIONAL ADVICE.

IDENTIFYING FUNDING SOURCES AND LIAISING WITH STATE AGENCIES IS AN IMPORTANT PART OF THIS PROCESS.

STAGE 3 Producing a coherent well researched and plausible Plan

The Plan outlines the goals of the group and the strategies (which are, in effect projects) to be used to achieve them. It sets down steps to be taken in chronological order and includes costing and income sources, markets and how progress is to be measured. It must be viable and realistic and above all relevant to the community and its culture. It will be used as a basis for seeking funds from a range of sources so it is important that it be professionally presented.

GETTING FUNDING AND PROFESSIONAL HELP AT THIS STAGE IS CRITICAL TO THE PRODUCTION OF A GOOD PLAN.

STAGE 4 Implementation - putting ideas and plans into operation, followed by consolidation

At this stage the groups will usually be well structured, have a premises, staff and be developing new organisational arrangements such as partnerships, independent companies or other offshoots. The original structure may have to be altered and/or new ones created. They often become increasingly professionalised as projects expand and more paid staff are recruited. Maintaining good feedback and communications to ensure a free flow of information between the project and the community is important at this stage.

COMMUNITY BASED DEVELOPMENT INITIATIVES WHICH HAVE REACHED THIS STAGE AND HAVE CONSOLIDATED THEIR ACTIVITIES ARE A VALUABLE RESOURCE AND SHOULD BE TREATED AS SUCH BY POLICY MAKERS AND PLANNERS. THIS MEANS THAT THEY ARE CONSIDERED AS SERIOUS AGENTS IN THE DEVELOPMENT PROCESS AND ARE CONSULTED

ABOUT ISSUES WHICH EFFECT THEM. THEY SHOULD RECEIVE ADEQUATE AND ON-GOING FUNDING SO THAT THEY CAN DEVELOP LONG TERM PROJECTS AND BE ABLE TO PLAN WITH SOME DEGREE OF CERTAINTY.

Obviously these 'stages' do not happen in practice as neatly and distinctly as outlined above. Two stages often occur simultaneously and overall the stages may not occur in the above chronological order. The time scale involved can be anywhere from five to fifteen years. What is important is that such stages are discernible and at each stage a number of critical issues present themselves.

Issues for IRD Implementation

The Funding Problem

The Combat Poverty Agency's research into the funding needs and problems faced by local groups confirmed the widespread experience that the absence of an identifiable statutory funding source for community based development activity is one of the key problems (Combat Poverty Agency, 1989). Basically state funding for such activity is haphazard and piecemeal so that groups have to make do with bits and pieces of funding from different agencies. A great deal of time and energy is spent seeking funding and tailoring projects (however ill-fitting) to the requirements of the funding agency. Moreover, funding is often provided on a year to year basis which gives rise to uncertainty and insecurity and militates against long term planning and good management practice. It often prevents projects from 'holding' good staff who become disenchanted with uncertain yearly contracts. Groups become demoralised at repeated failures to secure funds and often potentially viable projects are abandoned out of frustration. The Agency's research pointed in particular to the fact that:

Statutory funding reflects specific, departmental priorities and responsibilities which community development groups have to respond to in order to secure funding. Hence, the agenda is set by the funding authorities, not community development groups. This has a number of immediate effects:

- (i) the work which community development groups engage in is a reflection of and limited to the area of interest of the funder. This acts to undermine the integrated and independent approach.....
- (ii) the piecemeal and partial nature of statutory funding leads to multiple funding applications. As an example, there were 2 community development groups with 6 and 7 statutory funding sources respectively.

(Combat Poverty Agency, 1989, Appendix 1).

On the basis of this research, the Agency has proposed a comprehensive national funding programme for community based development. Such funding should be integrated to allow diversity, flexible in order to respond to local needs and secure to allow forward planning. There should also be encouragement for the development of more independent funding sources. This requires the creation of a national fund and more specialist and flexible funding by state agencies.

Co-ordination

Groups involved in locally based development face a bewildering array of state agencies in attempting not just to attract funds but in gaining the expertise necessary to put their programmes into practice. Cullen, in a report for the Combat Poverty Agency, points out that (managers of) rural projects, such as those in Inishowen and Connemara, express concern that community enterprise is often seen by state economic agencies as residual activity:

The Projects argue that if such community enterprises had a more developed infrastructure of institutional supports such as some of those which exist within the private sector, including product research, marketing expertise, management training and so on, they could be strategically placed to stimulate local economic development within those disadvantaged communities which have not succeeded in attracting private enterprise sufficient to sustain a normal level of development.

(Cullen, 1989, p.46).

The over-emphasis on the potential for jobs and wealth creation in state support for economic development is too narrow a basis for state involvement:

Rather than the simple question whether new jobs and growth will accrue from a state investment we should ask the deeper questions of how to stimulate economic initiatives where previous enterprise development was non-existent; what training and supports are required to develop proficiency where there are few formal qualifications and skills; how does a community group focus on

market led enterprises when their interrelation with the wider market, and its principal operators is limited? These questions could be more easily answered if the infrastructural support to community enterprise were greater.

(Cullen, 1989, p.46-47).

What community based development needs therefore is a more developmental orientation from state agencies and a greater understanding and acceptance of the trajectory of community based development which is distinctly different from that of individual private enterprise. If 'bottom up' development is to be a sustainable objective of public policy then implementation of such policy requires an acceptance of the essential worth of this approach by those implementing such policies. Furthermore since co-ordination of inputs is a central element of IRD there is a great need for a mechanism whereby such co-ordination can be put into practice 'on the ground'. This requires the creation of feedback mechanisms between the state and communities.

Training

One of the clearest needs that groups involved in community development have experienced is that for training. By definition once private individuals become involved in activities and processes outside of their normal sphere of activity the need for training arises and is usually proportionate to the complexity of the projects in which they are involved. By and large, community groups have availed themselves fully of available training schemes and have often managed such schemes directly and have tried to adapt them to the needs of their groups. The experience has often been, however, that community training programmes are not equipped to respond to the needs of the socially disadvantaged context in which projects operate.

Training schemes need to be tailored more carefully to the needs of their target populations. This implies a concept of partnership between the state

agencies and community groups in assessing training needs and in developing and providing training courses which are appropriate to the needs of the groups involved (see Cullen op. cit. p. 49).

Marketing

Many of the existing rural projects are involved in activities which have a 'product outcome' whether it be alternative farm enterprises, mariculture, crafts or tourism. Future developments, given the current policy orientation, are likely to involve more initiatives of this kind. For those in remote rural communities however the problem of marketing the product is currently one of the most acute. Linking into markets and customer preferences in areas and cultural situations often quite remote from, and unfamiliar to residents of remote rural areas is a huge challenge and can not realistically be achieved without considerable support from state agencies. The needs range from training in customer services and quality control to market access and product promotion.

Research and Evaluation

Much of the research on the problems of rural areas to date has been confined to the farm sector. The Second Combat Poverty Action Programme resulted in the build up of a considerable body of knowledge about the rural development process by chronicling, monitoring and evaluating the rural action projects. Examples of such work include Reports of Conferences on Poverty An Issue for Rural Action? 1987; Integrated Rural Development - A Solution to Rural Poverty? 1988; Kennedy and Kelleher, 1989; Northern Ireland Rural Action Project Report on Rural Development - A Challenge for the 1990s, 1990. Apart from the intrinsic worth of monitoring and evaluation as an integral part of any worthwhile IRD project, and as an essential feedback to the process of

policy formulation, there are considerable gaps in our knowledge about rural problems and potential. We know virtually nothing for example about the situation of rural women and their actual and potential contribution to the rural development process. More fundamentally, it is necessary to construct a solid body of knowledge about the actual processes of IRD in Ireland - what works and what does not work, the appropriateness of various policy interventions, models of good practice and organisational relationships, cost effectiveness etc. Effective policies can not be formulated in an information vacuum.

Community Participation

In the rush to create viable projects and attract long awaited funding it is easy to lose sight of the basic thrust and focus of IRD as a response to the impoverishment of rural areas. The most effective projects up to now have put a great deal of emphasis on community participation and ensuring that the benefits of development are spread as widely as possible. The community development approach ensures not just that development will be integrated and responsive to local needs but that commercial activities will be complimented by responses to the needs of the vulnerable who cannot make an immediate contribution to economic revitalisation. Consequently it is important that the validity of this approach as an integral part of IRD be accepted and internalised by state agencies and policy makers.

Rural Development in Ireland - The Future

In the light of the present policy scenario for rural development and the lessons from experience outlined above, a number of key questions arise.

- * Given the range and complexity of measures (inspired largely by the shift in EC policies) now to be introduced in rural areas, who should have overall responsibility for ensuring that rural policy is coherent and well targeted?
- * How can the issues of funding, co-ordination, training, marketing, research and evaluation and community participation best be resolved?
- * How can the LEADER and MIRIAM Programmes be utilised to best serve national objectives. In particular how will local rural development Groups as defined in LEADER be constituted?
- * Since rural areas differ greatly in terms of the degree of disadvantage that they are experiencing how can policies take account of different starting points?
- * How can a spread of benefits be ensured so that the weakest (ie the poorest communities) are not excluded or further marginalised?
- * Given that rural development has both a social and economic dimension, can the new policies be an adequate response to rural poverty and not just a way of enriching a strong minority in a position to exploit enhanced funding?

Recommendations

In the light of the issues raised in this submission and the questions outlined above the Agency makes two main sets of recommendations to ensure the implementation of effective integrated rural development strategies. These are the establishment of:

- * a structure to coordinate rural development policy;

- * a network of rural resource centres.

1. A Structure to Coordinate Rural Development Policy

There is a need to establish a new structure to coordinate and take the lead in rural development policy and funding. This should have two main elements: a mechanism to ensure the maximum possible interdepartmental coordination and a unit to support and coordinate action in rural areas.

(i) Interdepartmental Coordination: At present a section in the Department of Agriculture takes the lead in rural development policy and funding. It is important that all Government departments and state agencies active in rural areas should be drawn fully into the process of rural development. Thus an Interdepartmental Committee should be established with responsibility for coordinating the activities of all Government departments and agencies involved in Integrated Rural Development promotion. The Committee should be given responsibility for promoting and acting as a clearing house for EC and national funding through the Structural Funds, the Leader Programme and other programmes, such as INTERREG, which have a rural element. The authority to establish, coordinate and service this Committee should be given to a lead department, such as the Department of Agriculture.

(ii) Rural Development Unit: A Rural Development Unit should be established by the Interdepartmental Committee. This might be attached to either the Interdepartmental Committee or to the lead department or it might be constituted as a new agency or as a substantially reconstituted existing agency. It is essential that the Unit should have close links

with representatives of groups experienced in the practice of IRD and agencies such as the Combat Poverty Agency, Macra na Feirme, Muintir na Tire and the Irish Resource Development Trust. This could be ensured by either the appointment of a Board of Management or an Advisory Committee representative of the various interests. The need for such consultation is quite urgent in view of the imminence of the the LEADER programme and the need to devise appropriate structures for its implementation.

The Unit would have responsibility for initiating, supporting and coordinating integrated development initiatives in rural areas. In particular the Unit would be responsible for developing and supporting a network of rural resource centres (see 2 below). Especial priority should be given to the most disadvantaged areas.

2. Rural Resource Centres

A network of rural resource centres should be developed and funded at strategic locations around Ireland. Wherever possible these should be developed in conjunction with existing anti-poverty initiatives such as the expanding network of Combat Poverty Agency and Department of Social Welfare supported community development resource centres. The appropriate population base for such centres will vary according to the needs, population density and heterogeneity of different parts of rural Ireland. In most cases they are likely to work with a number of defined communities which will often have a population in the range of 5,000 to 15,000 people.

The resource centres should act as the regional arms of the Rural Development Unit and they should have a general community development function. It is essential that there is grass roots representation on either a board of management or advisory board for each resource centre. The centres should act as a resource for LEADER Groups and they should have the following functions:

(i) Coordination: The resource centres should bring together the main government, voluntary/community and private sector agencies which are active in each area. They should be concerned to encourage increased coordination between their various programmes so that they have a

reinforcing effect. This is a key feature of the Forum project in north and west Connemara which is being funded as part of the Third EC Poverty Programme and it provides a useful model for similar initiatives in other areas.

(ii) Information Provision: Establishment of an information bank on all aspects of rural development including schemes, funding sources and resource material. Information should be compiled and collated using new information technology so that rural groups could access it easily and it could be constantly updated. The proposed establishment of "carrefours" centres under the MIRIAM programme could be linked to these centres.

The Combat Poverty Agency is currently developing an information service, library and resource material on community development issues. This is as part of its statutory role as the national agency responsible for community development. This resource should be linked to these centres.

(iii) Training: Such centres should be in a position to provide training courses on their own account as well as to coordinate the work of existing training agencies. Given that the development of people's skills, creativity and self-confidence is an essential element in bottom-up development training programmes should be varied and wide-ranging. Programmes should range from literacy schemes, through personal development courses for women's groups to training in economic development or cooperative development to programmes on alternative farming or mariculture or forestry or tourism to youth training schemes and leadership development programmes.

(iv) Community Planning: Rural Resource Centres should take a lead in researching and getting agreement to an overall development plan for their area. This will involve bringing together all the main sectorial interests of rural development - resource development, tourism, small business, heritage, amenities and local infrastructure and marketing. To this end the centres should incorporate a corps of skilled advisors in community planning and development who as well as facilitating the overall planning could support and advise the different interests quickly and efficiently.

(v) Funding: Resource Centres should have a discretionary fund at their disposal to assist groups through the early planning stages of the rural development process. They should also act as regional clearing houses for the disbursement of national rural development funds.

(vi) Networking: The Rural Resource Centres should facilitate the establishment of networks between rural development projects, state agencies and organisations, educational establishments involved in rural development (Universities, RTCs etc) and issue based groups. They should themselves be linked as a network and be in a position to facilitate the development of networks between groups involved in the LEADER programme. This could be coordinated by the central Rural Development Unit. The Centres should also link with and support the Irish section of TERN (Trans European Rural Network) which is currently being established.

(vii) Staffing: The objective of Rural Resource Centres should be to develop a small core of skilled staff and be in a position to contract in specific expertise where needed. The core staff should be experienced in the management and organisation of community based rural development and have an understanding of and a commitment to the aims and objectives of IRD. They should have a pragmatic and systematic orientation to the process of rural development and a clear understanding of how to evaluate action. Suitable staff with the necessary experience could be seconded from existing agencies. At least one staff member should be skilled enough to be able to fulfil the role of providing assessments of local action which can be used in policy evaluation and reformulation.

A corps of rural development animators/advisors/leaders should be attached to each centre, although not necessarily located there. These would act as rural development animators and would assist rural communities through the early stages of establishment, planning and project formulation and would liaise on their behalf with public and private agencies. The Resource Centres should be in a position to part-fund the salary of managers for projects once they are established.

Conclusion

The objective of this structure is to bring coherence to what will happen anyway, but without proper management and coordination will result in less effective use, or even wastage, of important new funding. More importantly, there must be a deliberate effort to maximise and build on the benefits from past initiatives which have often flourished in spite of considerable difficulties. This will ensure the creation of the conditions whereby impoverished rural communities are given a chance to benefit from policies intended to help them.

Appendix

Rural Poverty and Rural Development

Combat Poverty Agency

October 1990

RURAL POVERTY AND RURAL DEVELOPMENT

Problems of Disadvantaged Rural Areas

Ireland is one of the most rural and agrarian-based societies in Europe. Excluding the Dublin metropolitan region, which accounts for 30 per cent of the Republic's 3.54m inhabitants, over 60 per cent of Irish people live in rural areas (outside of centres having 1,500 or more persons). Farming is the predominant activity in these rural areas and the proportion of those at work in the sector (15%) nationally is almost twice the EC average (8%). In terms of farm income distribution, there exists a distinctly lopsided structure whereby the greater proportion of output and income is generated by a minority of farms. The remainder - those on small holdings with low levels of production and incomes - are concentrated in the Less Favoured Areas (LFA). Two statistics will serve to illustrate the disparities:

- (i) in 1988 less than a quarter of all Irish farms (24%) generated a family farm income above the average industrial wage (Power et al, 1989);
- (ii) the top twenty per cent of farms, in terms of income earned, accounted for sixty one percent of total farm output (Commins and O'Hara, 1989);

This situation is the outcome of a restructuring process in Irish agriculture which has occurred over several decades involving increased reliance on technology, scale enlargement of production units, specialisation, and high production costs. This has resulted in the increasing socio-economic

differences between farm size groups, systems of farming and regions. The bulk of production and income is concentrated in the hands of a minority of farmers while the majority are relatively impoverished. Typical of this latter category are small scale drystock producers in the west of Ireland whose economic welfare is now very much dependant on State income transfers (social welfare payments), on EC payments based simply on their livestock numbers and on the limited opportunities for off-farm employment.

Irish and EC transfer payments undoubtedly mitigate the effect of a process which, without intervention, would have resulted in appalling poverty, or widespread abandonment of our rural areas. At the same time the cumulative effect of past EC price and structural policies on farm families has been to widen the gap between the minority who are relatively prosperous and the majority who are disadvantaged (O'Hara, 1986). The current situation of declining incomes in all the major enterprises and the pressure for further cuts in the level of EC price supports makes the prospect of alleviation through improved farm income unlikely.

The core problem of rural areas in Ireland then is the high dependence on agriculture and the associated underemployment and low farm incomes. In the situation of high unemployment such as currently prevails, the opportunities for supplementing farm income through off-farm employment are limited.¹ Lack of employment opportunities in rural areas also results in emigration from these areas so that their populations become seriously depleted and characterised by demographic imbalances. Consequently many rural areas have high proportions of elderly residents living in areas remote from services and in poor housing conditions. Access to services has been exacerbated by recent cutbacks in public expenditure and underinvestment in infrastructure.

¹Nationally, about one quarter of farmers are engaged in off-farm employment.

The problem of remoteness is not confined to access to services. Residents of rural areas remote from centres of decision-making may feel a sense of powerlessness when the political actions that shape their lives seem dictated by concerns far distant from their immediate environment. It is not surprising that apathy and cynicism often result so that the sense of isolation, both physical and psychological, from more dynamic areas increases. All of these problems are common to the disadvantaged areas of the European Community. In the context of the move toward a single European market and the limits on agricultural production and associated agricultural restructuring, the situation in the disadvantaged rural regions of Europe amounts to a crisis. Yet these areas are not without resources and the challenge is to find ways of exploiting their resources for the benefit of the communities concerned and nations as a whole.

The seriousness of the situation is such that the European Community and the Irish Government have made a strong commitment to adopting a new approach to the problems of rural areas. Rural Development and in particular Integrated Rural Development (IRD) have become major goals of national and EC policies. The essence of the new approach is based on the realisation that the problems of rural areas can no longer be solved by the application of sectoral measures. An integrated approach is necessary which consists of a co-ordinated and mutually consistent body of measures which take account of local conditions in the areas concerned and can tap local resources and initiative. Integrated Rural Development has been identified as the way forward by the European Community which has insisted on an integrated approach to Member States' disbursement of the Structural Funds and in the forthcoming special support measures for rural areas which will be put into operation shortly. These will be discussed in more detail below.

The Policy Context

EC Policy

Irish government policy in regard to rural development is fundamentally influenced both in its philosophy and funding by our membership of the European Community. It is appropriate to begin any consideration of policy therefore by examining the EC policy scenario. EC policy orientation towards rural areas has undergone considerable change in recent years. Shifts in policy emphasis began with the recognition of the need to reform the Common Agricultural Policy. This reform, although primarily prompted by mounting surpluses and spiralling costs was also influenced by the realisation that price support measures and guidance schemes have not succeeded in bringing about significant development in the more disadvantaged regions of the Community. Moreover, it was finally realised that the solutions to the problems of rural areas must encompass support for a range of activities besides farming. In its reviews of the CAP, the Commission has therefore consistently emphasised the need to see agriculture as part of a broader integrated rural policy.

It is the adoption of the Single European Act however which has stimulated a fundamental rethinking of the problems of persistent disadvantage in the rural areas of the Community and of the need for a new approach to solving these problems. The decision to reform and enlarge the EC Structural Funds (Regional, Social and FEOGA Guidance) as part of the commitment to economic and social cohesion is based on a recognition that the Community of the future will be increasingly competitive and that the position of the economically weaker countries and rural regions within the Community could deteriorate further unless they are given special assistance.

The clearest statement (ever) of the EC Commission's analysis of the rural problem is outlined in its report The Future of Rural Society (CEC, 1988). The analysis and solutions proposed in this report form the basis for the current emphasis on rural development in EC policy.

The Commission's approach to rural development is guided by three fundamental considerations:

- (i) economic and social cohesion, in an enlarged Community of very pronounced regional diversity;
- (ii) the unavoidable adjustment of farming in Europe to actual circumstances in the markets and the implications of this adjustment not only for farmers and farmworkers but also for the rural economy in general;
- (iii) the protection of the environment and the protection of the Community's natural assets.

These issues have to be tackled in the context of general high unemployment, slow economic growth and heavy budget deficits in many Member States.

Against the background of the trend toward future limits on agricultural production, an ageing workforce in agriculture and a less buoyant economy in rural areas generally, three 'standard' problems are outlined in the report:

1. The pressures of modern development whereby rural areas adjacent to, or near, big conurbations are in competition with urban interests for land use.
This is not a major problem in Ireland.
2. The problem of rural decline associated with high dependence on small scale low income farming, lack of alternative employment and persistent outmigration.
These are the problems typical of many rural areas in Ireland particularly in the Less Favoured Areas. For such areas the Commission suggests integrated rural development programmes aimed at economic diversification and which reflect and respond to local needs and initiatives and maximise indigenous potential.

3. The third 'standard' problem is an accentuated version of the second, except that the areas concerned are more remote, rural decline and depopulation are more marked and the potential for economic diversification is much more limited. The basic infrastructural development needed for diversification is also much more costly.
- In Ireland, the more remote coastal areas and off-shore islands could be included in this category.

The aim for these areas is to support the farming population to continue extensive farming, strengthen local businesses, encourage forestry and protect their natural environments and cultural assets with a view to the gradual development of tourism.

The thinking outlined in *The Future of Rural Society* is reflected in the identification of Rural Development as a priority objective in the Reform of the Structural Funds adopted by the Council in 1988. Since then the Community has taken the following steps to put its new rural development policy into place:

- * Reform of the Structural Funds;
- * Adaptation in 1989 of the basic agricultural structures regulations;
- * Introduction in 1989 of direct income aids to farmers;
- * Adjustment of market regulations to target help towards small producers;
- * Community Initiative for Rural Development (LEADER);
- * Proposal for a scheme for information on rural development initiatives and agricultural markets (MIRIAM);
- * Programmes such as INTERRREG (Community initiative concerning border areas) which have a rural dimension.

Reform of the Structural Funds

Structural Fund Reform involves, in brief, a doubling in real terms of allocations under the funds to the less developed regions (which includes all of Ireland) by 1992.

The Structural Funds are to be directed to achieve five priority objectives:

- (1) Promoting the development and structural adjustment of the less developed regions;
- (2) Converting regions seriously affected by industrial decline;
- (3) Combatting long-term employment;
- (4) Facilitating the occupational integration of young people;
- (5) With a view to reform of CAP:
 - (a) speeding up the adjustment of agricultural structures;
 - (b) promoting the development of rural areas.

These objectives have a spatial dimension in that objectives (1) and (5b) are linked to specific rural areas in the Community. Ireland has been designated as a 'less developed region' under Objective 1. A considerable proportion of budgetary resources will be concentrated on the regions covered by this objective.

In line with the requirements for receiving aid under this new regime the Irish government submitted its National Development Plan 1989-1993 to the EC Commission. Subsequent discussions with the Commission resulted in the adoption of a Community Support Framework which sets out the measures to be assisted under four priorities. One of these priorities is 'agriculture, fisheries, forestry and rural development'. A further step, namely the approval by the Commission of Operational Programmes for each of the priorities, must be completed before any programmes of action can be instituted on the ground. The Operational Programme for rural development is a four year programme still under negotiation with the Commission and is due to commence this year. I shall refer to it further below.

Agricultural Structures Policy

This includes a broad range of measures (many already in place for several years) for the improvement of agricultural structures which are financed by the Guidance Section of the CAP under Objective 5(a) of the Structural Funds. Measures being implemented by Ireland include investment aid on farms, installation aid for young farmers, aid for setting up producer groups and organisations, a set aside scheme, forestry grants, investment aids for the processing and marketing sector and - by far the most significant in terms of their impact on disadvantaged rural areas - headage payments.

Direct Income Aids

A Community Scheme of direct income aids to certain categories of farmers was introduced in March 1989. These have not yet been applied by the majority of Member States including Ireland.

Community Initiative for Rural Development - LEADER

The LEADER Programme agreed by the Commission in late July 1990 is as yet in draft form but is expected to be formally initiated at the end of 1990. It is designed to encourage an integrated approach to development as put forward in The Future of Rural Society report. Its aims are to improve the development potential of rural areas by tapping local initiative, promoting the acquisition of knowledge on local rural development and disseminating this knowledge. In short, it aims to put the Community's ideas about integrated rural development into practice. About 100 local agencies in areas covered by Objective (1) or (5b) will be selected by the Commission on the basis of proposals from Member States to receive assistance under LEADER. The LEADER initiative will be co-financed by the Member States and the Community. ECU 400 million from the Structural Funds will be made available for the programme for 1990-1993. The amount of Community assistance will be

determined by the quality of the local programmes and the conditions in the rural areas concerned.

A national body in each Member State will receive a global grant (from all three structural funds) and will then pass on the assistance to the individual agencies. The agencies to receive aid under the Programme will be specified in the grant agreement. The actual management of the grants will be delegated to the agencies (also referred to as local development Groups) who will have submitted a local rural development programme which will be part of the grant agreement. This agreement will cover the types of measures to be funded, the criteria for selecting beneficiaries, the conditions and rates for granting assistance and monitoring arrangements.

The groups chosen are to be local in character and to cover population areas ranging from 5,000-100,000 in homogeneous areas where an integrated rural development plan based on local initiatives can be established and implemented. Criteria to be employed in the selection of suitable groups include - guarantee of solvency, administrative ability, local presence, participation in operation by leading figures in the local economy and society, quality of the local development plan proposed by the group in the form of a multi-annual business plan, know-how and expertise on rural development and acceptance of the operating rules of the transnational network.

In assessing the quality of programmes the Commission will take particular account of how well the proposed measures complement those already being implemented under the Community Support Framework for the areas concerned, the existence of an integrated development strategy for the rural area concerned, the multiplier effect of the measures and their ability to serve as a model, the involvement of the local population and economic operators in

planning and management of measures and the degree of innovation particularly as regards farming and management of the countryside.

The types of activities which may be assisted under the programme include:

- . preparation of programmes, assessment of local needs, measures to raise awareness of rural development possibilities;
- . vocational training for rural residents and for group organizers and instructors;
- . rural tourism, including investment aids, small infrastructure, heritage, market research and promotion and reservation systems;
- . establishment and development of small firms, enterprises and local services particularly in conjunction with part time farming;
- . exploitation of local farm, forestry and fisheries products, especially marketing, technical assistance, technology transfer and quality.

There is also scope in the draft proposal for other measures proposed by groups to be financed under the programme.

The LEADER Programmes will also provide funds for the establishment, equipment and management of the selected agencies and telecommunications facilities for linkages between them. It is intended that all groups be linked together in a Community-wide network. This use of new information technology is a key element of the LEADER Programme and each agency is envisaged as a model which should have a multiplier effect.

Model Scheme for Information on Rural Development Initiatives and Agricultural Markets - MIRIAM

This scheme proposed by the Commission in June 1990 involves the setting up of 100 rural information and promotion centres ('carrefours') throughout the Community. MIRIAM is an extension of the seven pilot 'carrefours' centres

established during 1989. These centres, which will be located mainly in Objective 1 and 5b areas, will have the following main objectives:

- dissemination of information on CAP and other Community measures aimed at furthering the adaptation of agricultural and rural development;
- provision of information on agricultural markets and quality standards;
- provision of practical advice on the diversification of farmers' incomes and creation of alternative activities on or off farms.

Carrefours will be set up in host organisations which have good local contacts and will be expected to be financially self-sufficient after three years. Host organisations seeking to establish a carrefour should already be providing services in the rural development context and will have to comply with a set of Commission specifications. The Commission will provide documentation, training and access to Community databases.

INTERREG

The purpose of INTERREG is to assist border areas of the Community to prepare for the completion of the Single Market in 1992 by promoting closer co-operation between areas straddling national boundaries. In the Republic of Ireland it is thus confined to the border counties. INTERREG which emanates from the Regional Affairs directorate of the Commission will provide assistance for small and medium sized undertakings, tourism rural development measures associated with safeguarding the environment, research and vocational training. To be eligible for assistance, proposals will require the active involvement of the regional and municipal authorities in the regions concerned.

Rural Development Policy in Ireland

The Irish government's objectives for rural development were recently set out in a paper by Bart Brady, of the Department of Agriculture (Brady, 1990). At present the Department of Agriculture has responsibility for the implementation of rural development policy. According to Brady, the Government's objectives for rural areas are "to relieve social deprivation and create viable rural communities by realising the potential of rural Ireland through the development of agriculture, tourism and industry, by combatting the disadvantages of peripherality and by establishing new institutional arrangements, while protecting the rural environment" (p.4). He argues that the strong rural base of Irish society means that there is a close correspondence between national economic and social objectives and policies for rural development. While agricultural development remains the primary objective of Irish rural policy, tourism, environmental preservation, adequate infrastructure provision and the establishment of new institutional arrangements for rural development are also centrally important.

The Operational Programme for Rural Development is still under negotiation with the Commission but Brady indicates that it contains schemes to encourage alternative farm products and rural tourism as well as financial assistance for educational and training services. He also points out that the Operational Programmes already being implemented such as those for Control of Farmyard Pollution, Tourism, Industrial Development, Infrastructure and the Government's Environment Action Programme will also benefit rural areas considerably.

The Pilot Programme for rural areas - an experiment in 'bottom-up development', administered by the Department of Agriculture with EC support, was put in place in 1988. This involved the appointment of co-ordinators to

twelve areas to stimulate local development in conjunction with the communities concerned. This programme is currently being evaluated and the experience gained will "be used to decide the approach to be followed and the structures to be employed in generating rural development in the future" (Brady, 1990 p.11).

Brady sees the major task associated with the successful implementation of rural policy in Ireland as being one of organisation - combining effectively direct and indirect measures particularly those yet to be implemented such as the Operational Programme for Rural Development, LEADER and what he calls the post-Pilot Programme arrangements. The problem at present is not one of means but rather of organisation.

It is clear therefore that rural deprivation is major Government concern and that the critical issue is creating the right institutional arrangements to implement a range of measures.

(archaeological/historical sites) and recreation/sporting facilities (fishing, shooting, riding etc);

- . revival or creation of specialist crafts or skills;
- . provision of infrastructure for industry or services such as enterprise centres, factory sites, etc; and
- . provision of services not otherwise available locally on a commercial or semi-commercial basis.

The number of communities involved in enterprise projects around Ireland has grown considerably over the past few years as evidenced by the fact that there were ninety entries from twenty counties for the recent ESB Community Enterprise Awards Scheme. Sixty percent of the entries came from community groups representing populations of less than 5 500. More than half the projects entered for the competition were tourist oriented and they were mostly infrastructural in the sense that they were activities not likely to be undertaken by private investors. The combination of direct and indirect returns from such activities can be quite considerable (Collier, 1990).

Community Service Provision

Community service provision is essential to tackling the social revitalization in rural areas which is integral to the process of IRD. These activities are not necessarily commercial in orientation and might include the establishment of resource centres providing facilities, information, advice, co-ordination of voluntary services, training, newsletters, videos and promotional material. These kinds of activities are an integral part of the community development process and often precede more commercially oriented activity.

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