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EUROPEAN RURAL FUTURES



Proceedings of the 2nd EURUFU Scientific Conference:
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INTRODUCTION

In May 2011 the EU-funded transnational cooperation project called EURUFU (European Rural Futures) started in different regions of Central Europe. EURUFU analyses the challenges of demographic change for municipalities and towns in rural areas as well as the options for maintaining the level of public services and infrastructure. New strategies for

- health and social care,
- education,
- local economy and job opportunities, and
- mobility and transport

are developed in order to support local and regional competitiveness. Several pilot actions in the mentioned key topics were developed, which are practically implemented and tested and evaluated to assess their effects.

The consequences of demographic change require a fundamental review and adjustment of the public services in many places as well as a new definition of standards. It has been identified that demographic change is one of the new global issues that several countries and regions are facing. Regions need a sufficient framework to be able to share experiences and information and to adapt to the relevant changes in order to react on the demographic changes. The overall goal of EURUFU is to promote actions for the provision of innovative solutions to restructure services and infrastructure in shrinking regions and thus support the sustainable development by developing and adapting integrated measures and strategies for regional problems at a transnational level. A range of regional and balanced services, economic and cultural opportunities should be implemented to hold and attract inhabitants, entrepreneurs and investors.¹

“The specific objectives of the project are the

- sensitization of stakeholders by creating transparency on the coming challenges of demographic changes and highlighting possibilities and opportunities for active action,
- active framing of demographic change in close cooperation between the different partners (administration, politics, business, schools, associations ...) in the regions,
- mitigation of population decline and a long-term trend reversal,
- adaptation of infrastructure to the negative consequences of the changing population structure,
- initiation of pilot projects to frame and adapt to demographic change,
- transfer of knowledge at European level and initiate a long-term intensive and continuous dialogue between actors of regional development”¹.

The partnership consists of 11 different entities from 7 European countries (AT, CZ, DE, HU, IT, PL, SI), which fulfil specific functions within the project and represent regional and local authorities, regional development agencies and educational organizations. International cooperation is vital for the achievement of the expected results due to the complexity and transnational dimension of demographic change in Central Europe. One focus is the sensitization of regional stakeholders to the current situation and future of demographic change in their area. By the development of a benchmarking system including relevant possibilities and opportunities for active adaptation a common strategy has been

¹ Application Form. European Territorial Cooperation. CENTRAL EUROPE Programme. European Rural Futures (2011)

elaborated. Related to that common strategy, 10 regional pilot actions have been initiated and implemented to find crosscutting solutions to cater for sustainable public service provision. Subsequently their potential for transferability and exchangeability between the regions will be evaluated and they will become part of a transnational action plan².

Within EURUFU, the Transport and Spatial Planning Institute of the University of Applied Sciences Erfurt is mainly responsible for the part “mobility and transport” with a focus on sustainable concepts. A further task of the Transport and Spatial Planning Institute is the planning and organisation of three EURUFU Scientific Conferences which provide an input from researchers to the project partners and their pilot actions. Furthermore the conferences should improve the cooperation and knowledge exchange between scientists dealing with different topics related to rural areas. The first conference was held on the 14th of May 2013 in Fehérvárcsurgó, Western Hungary and dealt with “*Transport and Mobility in Rural Areas in the context of demographic change*”. It is documented in the proceedings of the 1st EURUFU Scientific Conference³. The second conference, which forms the basis of these proceedings, was held on the 8th of October 2013 in Asti, Piedmont, Italy and dealt with “*Education, Local Economy and Job Opportunities in Rural Areas in the context of demographic change*”. The following table gives an overview of all EURUFU Scientific Conferences:

No	Month	Place	Topic
1	May 2013	Fehérvárcsurgó, HU	Transport and Mobility in Rural Areas
2	Oct 2013	Asti, IT	Education, Local Economy and Job Opportunities in Rural Areas
3	Mar 2014	Sondershausen, DE	Social Issues and Health Care in Rural Areas

These are the proceedings of the 2nd EURUFU Scientific Conference, representing the collection of papers which were presented by the authors in Asti as well as further papers which could not be presented due to time constraints.

The papers are dealing with various aspects of education, local economy and job opportunities in rural areas. These encompass on the one hand regional studies concerning the development of schools in rural areas from a sociological perspective as well as the potential impact of higher educational institutions on the migration decisions of skilled young people and regional development. On the other hand results of current research are presented from a rather economic perspective, focussing on entrepreneurship and sustainable development, opportunities for a “smart growth” of regions and their competitiveness, employment and inclusion in rural regions as well as strategic approaches for remote areas. Moreover, several papers are presenting results of projects and regional studies about the influence of ageing processes on the socioeconomic sustainability of rural areas, socio-cultural interventions in small rural communities, specific challenges in the bottom-up development of a local education system and the potential of basic educational and health services as a source of income and employment in rural area.

The authors represent universities, research institutes, consultancies and official institutions from Spain, Austria, Slovenia, Romania, Ireland, Italy and Germany.

² www.fh-erfurt.de/fhe/en/transport-and-spatial-planning-institute/metaprojektliste/2011/eurufu/

³ www.thueringen.de/imperia/md/content/eurufu/en/media/events/eurufu1_proceedings_v11.pdf

RURAL SCHOOLS IN SPAIN. PAST, PRESENT AND FUTURE: A SOCIOLOGICAL FRAMEWORK

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ABSTRACT

We are going to analyze rural schools in Spain from a sociological viewpoint (there are a lot of studies from the point of view of pedagogy - especially from the eighties - but not sociological ones).

We will analyse the evolution that rural schools have followed in this context from the 70s. Specifically, the goal is to present a current panoramic exempt from stereotypes and based on aspects such as the equipment, transport and dining services and the demystification of false beliefs.

In addition, we will study the past, present and future of rural schools in Spain. We will describe these schools in terms of demography, organization, educational policies, social meanings, methodology, etc. and, on the other hand, we will try to predict the situation of the education in the rural areas of Spain in the next years.

The focus of this study will be the whole rural Spanish territory and more specifically the territory of the Autonomous Community of Castilla y León.

National data, mainly from own surveys and interviews are synthesized covering the following topics: economic and demographic context of rural education, location and characteristics of rural schools, policies and programs benefiting rural education, equipment, transport and dining services, public school finance policies and practices affecting rural schools, teachers in rural schools and the future of rural education in Spain. The report contains data tables and a section describing statistical data sources and the methodology.

One of our conclusions is that, in opposition to what the popular imaginary could consider, the schools in small villages have a more symbolic than real value because the need of the mobility has been internalized in the last years by the inhabitants of the rural areas - and this includes the parents of the students -.

1 INTRODUCTION

Rural schools in Spain changed dramatically in the last forty-fifty years. The demographic change and the exodus from rural to urban places promoted a new picture about these educational resources. Besides, some areas in Spain show hard geographical dispersion and small population size and density. This situation promoted important changes in rural schools in Spain. For example, in Castilla y León.

This report focuses on the status of rural schools in Spain but our research stays in Harvard University (Boston, UE), University of Stirling (Scotland) and the University of Stockholm (Sweden) will offer an international point of view about this topic.

This article sets out some results obtained from a qualitative and quantitative research with different educative actors.

The methodological approach is quantitative and qualitative. Data has been collected from participant observation, teachers and head teacher interviews and surveys, case analysis and document analysis.

The work was carried out in more than two hundred schools.

We applied two surveys. The goal of this survey research was not to describe the sample, but the larger population in Spain.

Survey 1: 100 Spanish schools participated in this personal survey. We visited 25 schools of different communities: Barcelona, Madrid, Valencia, San Sebastián, Cádiz, Valladolid and so on. They were both rural and urban. Questionnaires were answered by the head teacher and four teachers in each school.

Survey 2: 125 rural schools of Castilla y León⁴. We selected a total of 600 rural schools in this region and sent a mail survey with instructions on how to fill out the survey and return it enclosed. The questionnaire was directed to the head of each school. Owing to the large dispersion of the population in this area we think this is an efficient method of survey distribution.

Table 1: Sample of rural schools⁵. Survey 2 (Source: own data)

School type	Nº of schools
Infant School (EEI)	6
Public Primary School	2
Grouped rural Schools (CRA)	43
Compulsory Education School (CEO)	2
Infant and Primary School (CEIP)	44
Infant, Primary and Secondary School (CEIPS)	1
High School (IES)	19
Compulsory High School (IESO)	3
Infant Primary and Secondary Concluded School	1
Primary and Secondary Concluded School	2
Infant, Primary and Secondary Concluded School	2
Concluded Secondary School	1
TOTAL	125

Besides, we carried out a case analysis in ten rural schools in Castilla y León⁶ where we interviewed teachers, parents, pupils and head teachers and examined the main academic documents. 44 personal interviews took place at rural schools and were recorded. These interviews have more flexibility than a paper survey, because, for instance, we could skip irrelevant questions, and both the interviewer and respondent could ask for clarification. As interviewers we could also control the order of the questions if that was important.

⁴ Castilla y León is a good sample of the constant process of depopulation. A great number of villages of that region are suffering, primarily caused by the continuous transfer of labour force from agriculture activities to the industrial sector and, more recently, towards the service sector of urban areas, is provoking the progressive demographic and economic decadence of rural areas.

⁵ Concluded schools are private schools (They choose the teachers which are not government personnel) but financed by the government, so the students have not to pay for.

⁶ A total of 44 interviews were done in this schools: 3 Grouped rural schools (CRA), 2 Infant and Primary public schools (CEIP), 1 Infant, Primary and Secondary Concluded School, 2 High Schools (IES) and 2 Compulsory High School (IESO).

Economic and demographic context of rural education

Rural areas cover 91.3 % of the Spanish territory and about 20% of the population lives in these areas. Globally speaking, about 50% of the total surface area of Spain is utilized as agricultural land (25.2 million ha).

Stopping rural depopulation is one of the biggest challenge for Spain, given that a large area of the territory suffers from problems of depopulation. Usually it is said that the primary sector (agriculture, hunting and forestry) constitutes the main source for maintaining population and employment in the smallest rural areas, but nowadays the rural economy is different from years ago.

“The new rural community”. Rural areas in Spain changed in terms of demography, economy, politics, education, job opportunities and so on. Agrarian activities are not the main economic support in rural areas any more. New employments such as environmental activities and tourism, hold an important position within the rural economy [1]; [2]; [3]; [4].

Demographical tendencies do not direct towards the same direction. While in some small villages the population is older and older and has decreased quickly, new inhabitants, people who turn back home, retired or previous immigrants appear in other (usually bigger) villages [5].

The transformation that rural areas have undergone during the last 30-40 years constitutes a very important phenomenon in Spain, but it is especially relevant in certain regions such as the Autonomous Community of Castilla y León. The constant process of depopulation, which a great number of villages of that region are suffering, primarily caused by the continuous transfer of labour force from agriculture activities to the industrial sector and, more recently, towards the service sector of urban areas, is provoking the progressive demographic and economic decadence of rural areas.

The rural vision as it has usually been known during the last decades cannot be maintained to define a context in a permanent change process. So that “extended ruralise” is a better way to define this new reality [6].

2 PAST

Schools have been changing over time. In rural areas changes have been more dramatic in the less populated areas where there have been several restructurings, and where many schools have disappeared due to insufficient numbers of pupils. In the 70s and 80s the educational debate in the rural context focused on school levels. Subsequently attention was dispersed and headed on the size, closing and quality of schools. Aspects such as the resources (human, material and infrastructural) or educational inequalities have been the focus in recent decades.

The review of educational laws since the second half of the nineteenth century to the present, shows how each reform has been closely linked to the political situation in Spain: every change of government has been accompanied by an educational reform. But the laws and reforms established for rural areas had something in common: they have not addressed the inequalities derived from the place of residence with the specificity that would have been necessary and that has been demanded for years.

Nowadays rural teachers are quite different from their colleagues in the 70s and 80s. Most of them do not live in the same village where they work and very often change the school. The heroic age of the rural teachers is part of the past and teachers have lost the prestige they had.

3 PRESENT

3.1 Location and characteristics of rural schools in Spain

Isolation and demographical dispersion are important problems in most of the rural communities in Spain, especially in the small ones. Due to its structure, Spain implements the rural development policy through rural development programmes (RDP) established basically at regional level by the Autonomous Communities.

This situation implies the existence of small rural schools. The Spanish law doesn't differentiate a specific typology of rural schools. However, it considers the grouped small schools in the territory. Grouped rural schools (Colegios Rurales Agrupados – CRA -) are made up of several schools from various municipalities with one shared head teacher. According to the isolation of the territory, it can be schools of one or two units.

The isolation of rural communities creates special needs for teachers and students in rural schools but educational laws in Spain hardly ever attended this situation.

It is recognized that rural communities are one of the disadvantaged groups in Europe due to their physical distance and isolation from other communities. Rural schools and teachers, as part of such groups, encounter difficulties in accessing services and resources for working with peers. Although internet access is changing the landscape of the rural teacher, the possibility of working with colleagues in professional development tasks is not completely provided. New opportunities for bridging the gap between rural and urban schools could emerge through the use of ICT tools [7].

In June 2012, Castilla La Mancha announced the closure of some 60 rural schools. These are not the only instances; there have also been school closures in Galicia and Valencia, among other areas. This is because in recent years the autonomous communities have been raising the ratio of students necessary to maintain an open center. A spokesman for Castilla La Mancha said the closures are based on quality and not on money, but he has not revealed any reports or studies to support his thesis that education was of a better quality in large schools in cities than in small rural schools. In Castilla y León four pupils are needed to maintain a school open.

It seems that the debate about small or big schools in rural areas is exceeded. The disappearance of many of these schools and the demographic trend of small village with geographical dispersion and many scattered villages, involves that the disappearance or not of these schools is a matter of time.

3.2 Policies and programs benefiting rural education

Rural education in Spain has been given special attention and significantly improved in the recent years. With the political and administrative decentralization of the educational system, each autonomous regional government has developed educational structures and services adapted to the needs of rural schools.

Several studies establish that the quality of rural education in Spain improved in the recent years [8]. With the political and administrative decentralisation of the educational system, each autonomous regional government has created school structures, educational and support services for the rural school adapted to the needs of each region. However, there are still clear needs to be tackled [9].

3.3 Needs in rural schools

When we asked rural schools heads about the main trouble at schools these were their answers (see table 2 and 3):

Table 2: Main problem at school (recoded) (Source: Survey 2. Head teachers of rural schools)

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Resources	26	20,8	20,8	20,8
Families	7	5,6	5,6	26,4
Students	29	23,2	23,2	49,6
Teachers	24	19,2	19,2	68,8
Rural characteristics	33	26,4	26,4	95,2
NS/NC	6	4,8	4,8	100,0
Total	125	100,0	100,0	

Table 3: Main problem at school (Source: Survey 2. Head teachers of rural schools)

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Resources	Infrastructure	10	8	8	8
	Material	6	4,8	4,8	12,8
	Human	5	4	4	16,8
	Financial	5	4	4	20,8
Families	Low communication	4	3,2	3,2	24,0
	Low participation	3	2,4	2,4	26,4
Students	Low number	11	8,8	8,8	35,2
	Low motivation	10	8	8	43,2
	Few students at the same level	3	2,4	2,4	45,6
	Immigrants	3	2,4	2,4	48,0
	Socialization	2	1,6	1,6	49,6
Teachers	Absent of comradeship	7	5,6	5,6	55,2
	Absent of interest	5	4	4	59,2
	Instability of teachers team	5	4	4	63,2
	Transport	4	3,2	3,2	66,4
	Isolation	3	2,4	2,4	68,8
Rural characteristics	Neglect of Rural Schools	7	5,6	5,6	74,4
	Distance from urban areas and Access to resources	7	5,6	5,6	80,0
	Multilevel	7	5,6	5,6	85,6
	Geographical dispersion/ depopulation	7	5,6	5,6	91,2
	School transport	1	0,8	0,8	92,0
	Poor innovation	1	0,8	0,8	92,8
	Treatment of publishing	1	0,8	0,8	93,6

	house to rural areas				
	Extracurricular activities	1	0,8	0,8	94,4
	Relationship with council	1	0,8	0,8	95,2
NS/NC		6	4,8	4,8	100,0
Total		125	100,0	100,0	

The main problem is related to rural characteristics. Table 3 details which are these reasons.

The traditional complaint about the poor infrastructure of rural schools does not keep in the same level. The head teachers identified many problems and they are distributed in many items. Head teachers in rural schools are especially worried about infrastructures, low number of students and their low motivation.

Frossard et al. [7] were also interested in needs of Spanish rural schools. They identified the following:

- A. Need for communication with other rural communities.
- B. Need for support, guidance and familiarization to ICT tools.
- C. Need for language learning.
- D. Need for sharing teaching methodologies.
- E. Need for a better visibility of rural schools
- F. Need for common goal-driven educational scenarios.

3.4 Equipment, transport and dining services

Traditionally many studies about rural areas have focused on transport problems of both students and teachers. The fieldwork suggests that complaints about that have given way to a normalized view of the need to use transport services. In fact only 10% of the students in Castilla y Leon are rural transport service users. Nowadays complaints are more determined by the greatest difficulties of the rural students to access urban resources.

For teachers there are different positions about the disadvantage or not of the distance from the school to their towns. For half of the respondents transport is not a problem, for a 36% it is a minor problem and 16% say it is a major problem. Variables such as distance to schools, transport conditions, satisfaction with the school and colleagues relationship among others, influence the determination of displacement as a problematic issue. However, itinerant teachers who have to perform continuous displacements (sometimes by terrible roads and in adverse weather conditions) and those teachers who have to travel longer distances daily show high levels of dissatisfaction. In Castilla y León from 22,558 students who used school buses, 17,493 were dining service users.

We can explain the difference of 5,000 students less because of the schools where students come back home for lunch.

Table 4 shows the satisfaction with equipment in rural schools.

Table 4: Satisfaction with infrastructure (Source: Survey 2. Head teachers of rural schools)

	Frequency	Percentaje	Valid Percentage	Cumulative Percentage
Much	13	10,4	10,4	10,4
Quite	59	47,2	47,2	57,6
Little	49	39,2	39,2	96,8
Nothing	4	3,2	3,2	100,0
Total	125	100,0	100,0	

Infrastructure is still a question to improve in rural areas but data show great differences between answers. Interviews reveal that there are rural schools where infrastructures are not a problem and even some teachers assert than some urban schools have worse equipment than other rural ones.

Table 5: Satisfaction with infrastructure: rural and urban schools (Source: Survey 1. Teachers and head teachers of rural and urban schools)

	Valid Percentage rural schools	Valid Percentage urban schools
Very dissatisfied	6,7	6,1
Fairly dissatisfied	13,3	10,5
Neither satisfied nor dissatisfied	31,1	25,4
Quite satisfied	33,3	39
Very satisfied	15,6	19
Total	100,0	100,0

When comparing satisfaction related to infrastructure in rural and urban schools (see Table 5), we can observe that the great differences of the past have been reduced. However, both rural and urban teachers would like to achieve some more goals.

Table 5 shows how differences between rural and urban schools related to infrastructure are not as big as years ago any more.

Recalling literature that spoke about poor rural school facilities, we believe that equipment in many rural schools has improved and currently the school in rural areas has other needs to be tackled, beyond the stereotypes that have accompanied them for many, too many years.

4 THE FUTURE OF RURAL EDUCATION IN SPAIN

In the the coming years the disappearance of some of the schools that are on the threshold of permanence or closing will be a fact, with the exception of villages close to the cities. The population pyramids and interviews confirm this prediction.

Table 6: Number of students in the last five years (Source: Survey 2. Head teachers of rural schools)

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Increase of more than 1/3	6	4,8	4,8	4,8
Increase of less than 1/3	5	4,0	4,0	8,8
Constant	40	32,0	32,0	40,8
Decrease of more than 1/3	21	16,8	16,8	57,6
Decrease of less than 1/3	48	38,4	38,4	96
NS/NC	5	4,0	4,0	100,0
Total	125	100,0	100,0	

16.8% of respondents said that the centre has lost more than one third of the students in the last five years. In 38.4% of the participating schools, the decline would have been less than a third. Consequently, more than 50 % of the schools surveyed would have suffered a decline in students in the last five years. The rest is divided between 32 % of the schools with a constant number of students and only 8.8% where the numbers of students have increased in the last ten years.

Differences are based on the type of school: while CRAs lose students progressively, secondary schools show a more stable tendency. Interviews confirm these two points of view.

One of the questions in our questionnaire referred to the future of rural schools within 10 years. The most frequent answer was the predictable closing of many CRAs (45%). 32.8% believe that there will be significant changes and only 12% include new initiatives such as telematic projects (see table below).

Table 7: The future of rural schools in ten years (Source: Survey 2. Head teachers of rural schools)

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Similar to the current situation	41	32,8	32,8	32,8
Manny CRA will disappear	57	45,6	45,6	78,4
Maybe new initiative such as the internet connection will allow new educational practices	15	12,0	12,0	90,4
NS/NC	12	9,6	9,6	100,0
Total	125	100,0	100,0	

New technologies seem to have an increasingly importance among rural teachers. Interviews show how technologies are seen as a mechanism for reducing differences between education in rural and urban areas.

The heterogeneity of rural schools and their uncertain future in some areas make it difficult to predict the future of these schools. Educational policies supported on teachers experience, and the insertion of new technologies will be a key to the evolution.

The fighting spirit of student parents in the 70s against the scholar transport has disappeared. Thus, studies about rural schools in Spain have been reduced in the last years. Actually the rural school of the early twentieth century does no longer exist, the educational development in rural areas has been so deep that many elements that have characterized rural schools for years have disappeared today.

Differences between rural and urban schools are due to environment rather than to the school itself. Law regulations, teaching hours, curriculum, courses, tutorials, etc. are the same in theory. In practice, teachers working in small schools have to make adaptations to cover the needs of their students.

All in all the dynamics in the future seems to draw an equal tendency between rural and urban schools.

5 CONCLUSIONS

1. Rural schools changed dramatically within the last decades. Differences between rural and urban schools have been reduced in terms of equipment and quality of education (some of the main problems mentioned by studies in the 70s and 80s).
2. In opposition to what the popular imaginary could consider, the schools in small villages have a more symbolic than real value because the need of the mobility has been internalized in the last years by the inhabitants of the rural areas and this include parents of pupils.
3. According to the data, the small schools are more bureaucratic, and that results in a great power of the teachers in opposition to parents, head teachers and the School Board.
4. There is a lack of continuous training for rural school teachers aiming to keep pace with new didactical approaches, with the use of ICT in the classroom, with dealing with diversity, and for professional development.
5. Rural schools need to be re-thought as embedded within the actual society and its features. In this objective, communication among rural schools featured by the same contexts and needs seem crucial in order to break the limitations implied by their isolation, project them toward the exterior, as well as enable them to share knowledge, experience, and thus create meaningful learning.

As a final conclusion, this paper shows the evolution of rural schools in Spain. Nowadays goals are directed to build an inclusive school which can exceed the isolation, access to resources, the low number of students, geographical dispersion and other subjects. Recent studies show virtual communities based on internet connection as the key, but will be enough?

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THE IMPACT OF DECENTRALIZED RURAL HIGHER EDUCATION INFRASTRUCTURE (HEI) ON THE MIGRATION BEHAVIOUR OF HIGHLY QUALIFIED – EMPIRICAL EVIDENCE FROM AUSTRIA

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ABSTRACT

The regionalisation and decentralization of Higher Education Infrastructure (HEI) goes along with the political expectation of fighting the 'brain drain' of the young well-educated population in rural areas. Thus a HEI is not only perceived as vocational training institution but as incentive for regional innovations and motor of development for regional labour markets, which do not only attract and educate young people but also keep them in the (rural) region.

The present paper investigates the migration behaviour of graduates of three selected Universities of Applied Life Sciences in rural regions in Austria. Special emphasis is given to the decision making and action taking process of the graduates, from the choice of the study programme to their establishment in professional life. The decision to migrate is determined as a result of a) personally and emotionally influencing factors, b) the subjective perception of the living environment as well as c) the information available. The empirical knowledge is acquired by applying the case study approach by Yin, triangulating the collected quantitative as well as qualitative data.

The underlying assumption of the paper states, that the 'rurality' of a region is not per se a push factor for young highly qualified people. Apart from economic theory the number of explanatory approaches, offering insights in the multifaceted factor constellation influencing the migration behaviour of young qualified people in rural regions, is still low. The present paper wants to make a contribution to this research gap.

The investigations reveal that there are gender related as well as study programme related differences in the decision to migrate. These differences appear in a variety of expectations in regard to the quality of location, ranging from 'cheap housing', to 'social security' and 'image of the working place' just to mention a few of them. The outcome of the survey on the occupational mobility, the professional flexibility as well as the realized mobility of graduates allows for the identification of four key typologies: 'locals', 'training-addicted', 'temporary mobiles' and 'career oriented cosmopolitans'.

The paper concludes that the decentralization and regionalization of HEIs has an effect on mobilising education. At the same time their effect on reducing outmigration of the young well educated cannot be proven. Rather HEIs stimulate regional development and affect the quality of location as well as the quality of life in rural regions which may lead to a higher retention or return-migration of the highly qualified. The migration of highly qualified graduates is not directly controllable, but deeper knowledge on their preferences may help to improve regional qualities of living, housing and working which in turn increase the possibilities for highly qualified graduates to return as well as on their willingness to do so.

1 INTRODUCTION

Rural regions are threatened by various challenges (e.g. climate change, energy provision, social polarisation) among which demographic change is one of the most crucial. Low birth rates, aging and outmigration of foremost young inhabitants are the main reasons for the shrinking of the population in many rural regions in Europe. The centre point of the present paper lies on the migration behaviour of the young highly qualified people. The outmigration of this group of inhabitants has several negative effects for their rural communities [1]: a) the declining number of population has negative effects on the financial situation of the community, b) the absence of employment record within the community has an influence on the municipal tax and c) the family founders are missing as inhabitants, who themselves request certain services on a regular basis. Within regional development young highly qualified inhabitants are associated with an increase of the regional potential to innovate, a higher number of company foundations as well as an enhanced location quality for company sites.

The age between 20 – 35 is one of the most mobile phases in the life [2]. This is due to the participation in higher education, the transition into working life as well as the family formation. One of the prevailing reasons for the outmigration of young inhabitants from rural regions is the participation in higher education – an opportunity which is mainly offered in urban areas. After the compulsory education the dilemma occurs, that the higher the education, the higher the willingness to move, resulting in a lack of remigration in the rural area of origin.

These developments have been acknowledged by regional and educational policy, striving for solutions to reduce the outmigration of young inhabitants. One of the undertaken measures is the decentralized location of Higher Education Infrastructure (HEI) (mainly Universities of Applied Life Sciences). Thus the decentralization and regionalisation of HEIs is perceived as measure to a) mobilize a higher number of people to participate in higher education and b) prevent them from outmigration. The present paper investigates the migration behaviour of graduates of three selected decentralized HEIs in rural regions in Austria, striving to elaborate the factors that influence their decision to stay or to move. Chapter 2 gives an overview on the underlying material as well as further information on the “Case study” as methodological approach. Chapter 3 briefly sketches the three selected case studies. The following chapter 4 describes the results, revealing gender related as well as study programme related differences. Chapter 5 discusses the findings, taking account of the broader scientific discourse. The paper concludes by reflecting the underlying assumption that *‘rurality’ is not per se a push factor for young highly qualified people* as well as giving practical advice, how to influence the circumstances which may lead to higher return migration and remain of highly qualified.

2 MATERIAL AND METHODOLOGICAL APPROACH

The present paper is based on the dissertation of the author with the title ‘Regionalisation and decentralization of higher education infrastructure and its impacts on the migration behaviour of highly-qualified graduates in rural regions in Austria’. The applied methodological approach is the Case Study Analysis by Yin [3]. Essential elements of this method are that: a) the object of research cannot be clearly delimited from the surrounding environment, b) multiple sources of data and information are used and united via

triangulation, c) the process of data collection is based on assumptions, which are defined at the beginning of the research process.

In the present research project quantitative data has been acquired by online-questionnaires which have been send to the graduates of the selected case studies⁷, the companies which are in contact with the HEI through a mandatory traineeship⁸, the teaching staff of the selected study programmes⁹. In addition to this, aiming to achieve reliable and valid results, 15 guided interviews with experts from the field of regional politics, regional management, labour market and economy have been conducted.

The quantitative data has been analysed with binary logistic regression models while the qualitative data has been undertaken a content analysis. Chapter 4 presents selected results, achieved through triangulation of this mixed method approach.

The action-theory model by Werlen [4] and Rolfes [5] is applied as overarching theoretical and analytical framework. It is based on the assumption that the decision to migrate / move is a rational action. This decision to move / migrate is mainly influenced by *personal factors* (the personal initial situation as well as personal emotional reasons) as well as *non-personal factors* (the subjective perception of the regional push and pull factors). Thus the action-theoretical approach takes factors from the macro- and micro-level into account (in comparison to other models of migration; for further information see [6]).

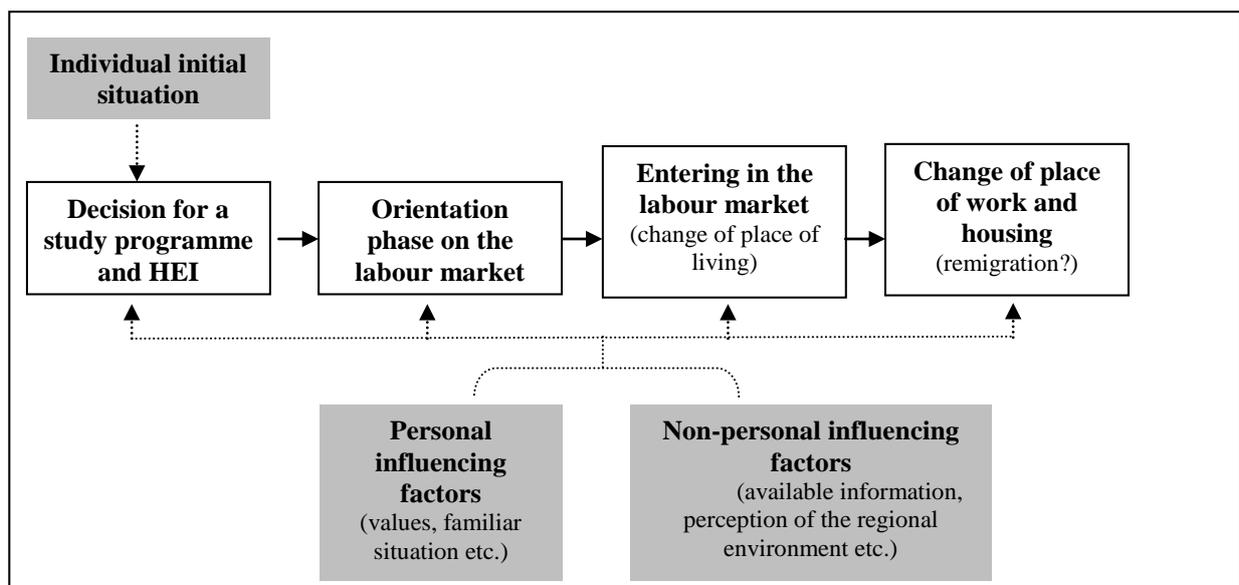


Figure 1: Action-theoretical model to investigate the factors influencing the migration behaviour of highly qualified ([4, 6]; for more detailed information see [6])

3 CASE STUDIES

The research project is based on a multiple case study analysis, whereby the main selection criterion was the location of the HEI in a rural area. ‘Rural’ has been defined according the following criteria: a) they have to be situated outside of defined city regions; b) the community where the HEI is located shall not exceed 5,000 inhabitants; c) the community shall be located in a perceptible distance from the next city. Furthermore the orientation of

7 FH Bad Gleichenberg (86 questionnaires, response 9,4%), FH Feldkirchen (42 questionnaires, response 3,5%), FH Hagenberg (49 questionnaires, response 5,2%)

8 In total 126 companies participate in the Online survey

9 In total 18 persons from the teaching staff took part in the online survey

the study programme has been taken into account as well as the date of foundation of the HEI (at minimum 10 years old). According to these selection criteria six HEIs in Austria are worth considering. Out of these six only three have been willing to take part: FH Hagenberg in Hagenberg (Upper Austria), FH Joanneum in Bad Gleichenberg (Styria) and FH Feldkirchen in Feldkirchen (Carinthia). For every HEI the focus has been put on one or two study programme. For practical reasons, dealing with the empirical part of the research project, the oldest and best established study programme within each University of Applied Life Sciences has been considered. They are expected to be the best developed with the highest amount of graduates till now.

The FH Bad Gleichenberg is situated in Eastern Styria. Since several years the community is well known as health resort which influenced also the decision to start the study programme for “Health Management in Tourism”. This study programme can be assigned to the economic as well as health related field of studies. The region is dominated by the service sector among which tourism plays an important role. Compared to Styria as a whole as well as to Austria the wage level is rather low. What regards the demographic situation, the region has always been one gaining population; however in the last five years this trend has been inverted and the population stagnates or declines (-0.5% since 2007).

The FH Feldkirchen is situated in the city Feldkirchen (which counts 3,300 inhabitants) in upper Carinthia. Also in this region the tourism is one of the economic focal points. The study programme which will be investigated is “Social Work” and can be assigned to the social field of studies. Here too, the region where this HEI is situated is characterized by declining population (-1.7% since 2007).

The FH Hagenberg as third case study is situated in the Mühlviertel, a region in Upper Austria, characterized by agriculture and forestry. The development of the population is rather heterogeneous in the different parts of the region, ranging from declining till growing trends. The study programmes under investigation are “Software Engineering” as well as “Media Technology and Design”. This HEI is the oldest in the scope of this study and has been founded in 1994. The uniqueness of this case study lies in the close relationship between the study programmes and the labour market: the software park as work place for the graduates has been invented before the HEI, that means, education was apart from research and economy the third mainstay of the “Softwarepark Hagenberg”.

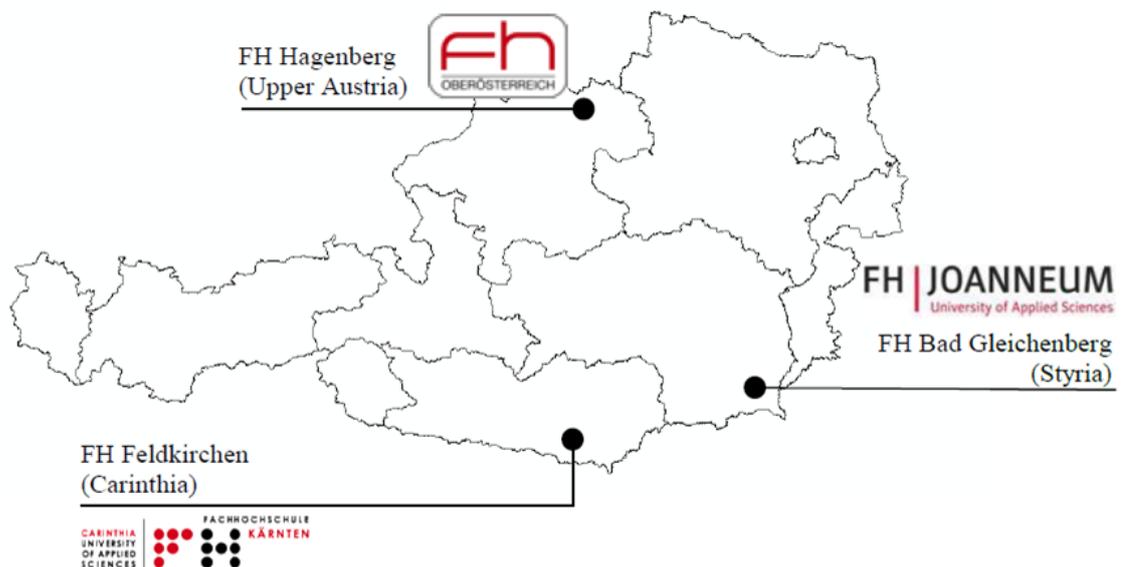


Figure 2: Overview on the location of the case studies (own illustration)

4 RESULTS

The present chapter offers insights into the various factors influencing the (out)migration behaviour of the highly qualified. Special emphasis is given to the decision making and action taking process of the graduates, from the choice of the study programme to their establishment in professional life.

4.1 The interest for a certain study programme dominates the decision for a certain HEI

The investigation revealed that for more than 50% of the students of each examined case study programme the community of origin was within a 50 km radius from the HEI. This awakened the impression that ‘nearness’ is one of the most dominating factors influencing the decision for a certain HEI. But the outcome of the online-questionnaires as well as expert interviews led to a different result: for all investigated fields of studies as well as for female and male students the ‘interest for the study programme’ was the most important factor influencing the decision for a certain HEI. The second criteria is ‘the reputation of the HEI’, followed by the ‘proximity to the residential location’. No influence on the decision for a certain study programme has the ‘attractiveness of the community’ where the HEI is located, as well as the ‘nearness to a potential working place’.

4.2 The orientation phase on the job market is marked by the available information, personal priorities and subjective estimations

The search for a job opportunity starts in the last semester of the study programme. The graduates from the three selected decentralized HEIs gain information on job opportunities mainly through the internet (online-job fairs, company websites), followed by print media and personal contacts. From the perspective of the graduates the mandatory traineeship has a less important role for the orientation on the labour market than estimated by the experts and teaching staff.

The *appropriate* job position is the most important factor regarding the new working position for all surveyed study fields as well as for male and female graduates. Other personally influencing factors vary within the fields of study as well as between female and male graduates: ‘career opportunities’ are of foremost interest for male graduates from the economic and technical fields of study, whereas the female graduates of the social as well as economic fields of study are influenced by companies with a ‘good reputation’ as well as a ‘good accessibility from the residential location’. Factors like ‘salary requirements’, ‘private contacts to a company’ as well as ‘property ownership’ have no influence on the search for a workplace.

Being asked, how the future accommodation aspirations look like, the majority of the graduates wants to remain in the federal state of origin. What regards the return migration to the commune of origin, only graduates from the economic and the social field of study could imagine that. However not all of them do realize this return migration: the survey revealed that the quality of life and living in the commune of origin is perceived as satisfactory, but the decision to remigrate is dominated by factors related to the working place. The highest influence on a return migration right after the completion of studies has ‘the familiar situation’ and ‘property ownership’. Those graduates who have spent a certain time abroad (with an exchange programme or a traineeship) are less likely to return into the commune of origin in comparison to those that have not done so.

The third area of factors influencing the job search is *non-personal* and has to do with the subjective perception of the characteristics of the regional labour market as well as the job opportunities. The results are different for the various investigated HEIs. The graduates as well as teaching staff and experts perceive the low wage levels of the regional labour market and the high competition from other university graduates as biggest challenges for the social and economic fields of study. Graduates from technical fields of study have a very positive subjective perception of the regional labour market; in fact the HEI is not capable of meeting the labour market demand for technically skilled people. In general, the development of the regional labour markets has taken place in favour of the surveyed study programmes within the last 10 – 15 years.

Summarizing the different patterns of the orientation phase on the labour market, there are study programme related as well as gender related differences in the requirements regarding the new workplace as well as differences in the willingness to move. How these different preferences are realised will be discussed in the next chapter.

4.3 From the willingness to move to the realised mobility – entrance into working life

The working place is the key factor influencing the migration behaviour of highly qualified graduates. Three alternative strategies are possible to enter the labour market [4]: a) adaption of the aspiration level to the available job opportunities in a certain place / region, facing risk that the working place is not adequate; b) change of existing working possibilities by founding an own enterprise and c) spatial mobility and migration to a place / region where the requirements on the working place are fulfilled.

The graduates found the first job through job advertisements in the internet, personal contacts to companies as well as the mandatory traineeship. Surprisingly most of the surveyed graduates found their first job in a radius of 50 km from the commune of origin. Thus, the need for mobility expressed in advance by experts and teaching staff ('national and international mobility is necessary') could not be verified.

A closer look to the location of the working place reveals that the graduates from social related study fields have their place of work in larger and medium cities, the graduates from economic related study fields in larger cities but also rural communities and the graduates from technical related study fields mainly in large cities. Although the urban areas seem to dominate as working place, communities in rural areas and in suburban areas are still preferred as residential location. While the surveyed graduates seek for a place of work that is characterized by a good image and a good accessibility from the place of residence, the expectations towards the latter are more differentiated. Female graduates from all surveyed study programmes express the following location requirements: social embeddedness, intact and healthy environment, short day-to-day journeys as well as acceptable costs of living. The male graduates on the other hand emphasize the significance of a healthy and intact environment, sport and leisure activities and attractive housing opportunities.

Within the online-questionnaire the graduates have been asked if they could imagine remigrating to their commune of origin. Around 25% of the graduates of each field of study could imagine returning to their commune of origin, however, certain prerequisites have to be fulfilled: availability of an attractive working place for the partner, attractive housing opportunities, working place with career possibilities and / or increased income. On the other hand several graduates cannot imagine returning to their commune of origin. Reasons for this can be found in: the wellbeing at the present place of working and housing, satisfaction

with the present job as well as the missing relation to the commune of origin. Thus the reasons are more related to the pull effect of the present place of working and housing than to the push effects of the commune of origin.

4.4 Classification of the migration behaviour

The outcome of the survey on the occupational mobility, the professional flexibility as well as the realized mobility of graduates allows for the identification of four key typologies: 'locals', 'training-addicted', 'temporary mobiles' and 'career oriented cosmopolitans'.

The category *locals* comprises those graduates who have chosen the HEI and the study programme due to their interest for it but at the same time they accord importance to the spatial nearness of the HEI. The locals complete the mandatory professional traineeship in their federal state of origin, having no interest to gain international experience. After they completed their studies they wish to return or stay in their commune of origin and look for a job opportunity nearby. The most important location qualities are: social embeddedness as well as a healthy and intact environment. This type applies to graduates from the social and to a lower extend from the economic fields of study.

The category *training-addicted* comprises graduates that completed an accompanying course of studies. Thus nearness to the place of housing as well as working is of importance for organisational reasons. Apart from the occupational activity the familiar situation as well as property ownership constitutes an obstacle for mobility. This type occurs mainly within the social and technical fields of study.

The *temporary mobiles* have chosen the study programme due to their personal interest as well as the reputation of the HEI. Spatial nearness to their community of origin does not play an overriding role. The mandatory traineeship is completed in Austria but also abroad. Nevertheless the main intention is to find an adequate job opportunity in the federal state of origin. One important factor when seeking for an adequate job is the reputation of the company and the image of the region. What regards the requirements on the place of residence, the intact, healthy environment, the sport and leisure activities as well as cheap housing opportunities are of importance. Graduates from the economic as well as technical field of studies mainly belong to this type.

The *career oriented cosmopolitans* do not care about spatial nearness at all but search the study programme only due to their interest and the reputation of the HEI. They have the highest willingness to move (nationally and internationally). They take every chance to make international experience as they are convinced that this increases their attractiveness on the labour market. Their search for a job is guided by their salary requirements. The choice of the place for housing as well as for working depends on the image of the location. This type is most unlikely to remigrate to the commune of origin. Graduates from the economic and technical field of study belong to it.

5 DISCUSSION

The discussion on the outmigration – the 'brain drain' so as to say – of young highly qualified inhabitants from rural regions is a topic that has mainly been dealt with by (regional) economic science. Thus the mobility of 'human capital' is explained as result of influencing factors on the macro level, such as GDP, unemployment rate, income per capita etc.. The present paper tries to broaden this view by incorporating the subjective perspective of the highly qualified, their personal values, motivations as well as their perception of the regional

environment. The decision to migrate is a rational decision, based on incomplete information, personal circumstances but also subjective priorities. The achieved results are subsequently briefly discussed within the broader scientific discourse.

As initially mentioned decentralized HEIs may engage the participation in Higher Education within rural areas. Although 'nearness to a HEI' is only a subordinate criteria for choosing a certain HEI, the survey revealed that the greatest proportion of the students originates from a radius of 50 km. These results are confirmed by various other surveys [7, 8, 9, 10, 11] defining this area as 'Hochschulregion'.

The decision for a certain study programme is gender specific with women opting for social or economic related fields of study and men choosing economic or technical study programmes. These results are valid nationally and internationally [5, 12]. The choice of the study programme correlates with the individual willingness to move, whereby graduates of social related fields of study show the smallest radius while those from technical fields of study are flexible and mobile on a national and international level. Also comparable studies in Germany [5] and Austria [12] came to this conclusion. Generally the willingness to move is the highest right after the completion of the study programme. That implies that the longer a graduate stays in the commune or region of origin the more unlikely is the departure on a later occasion [13].

The survey revealed that the *willingness* to move is greater than the realised mobility. This is due to the adequate job opportunities within 50 km of commuting distance. The highest willingness to move show those graduates who made international experiences through an exchange programme or traineeship [14], [15].

Bühler-Conrad [16] states that not the outmigration causes the declining number of inhabitants in rural regions but the lack of re- and immigration. Around one fourth of the surveyed graduates can imagine remigrating to their community of origin. The lack of remigration is the result of the pull effect of the present place of working and housing and at the same time the push effect of the job-related characteristics of the region of origin. What conclusions can be drawn – regarding the underlying question of the paper on the impact of decentralized rural Higher Education Infrastructure – on the migration behaviour of highly qualified and what recommendations for action derived for rural regions?

6 CONCLUSIONS AND RECOMMENDATIONS FOR ACTION

Based on the conducted survey the conclusion can be drawn that the 'rurality' of a region is not per se a push factor for highly qualified graduates. At the time of the empirical investigation the highest percentage of the graduates had their working place in an urban area while the place of residence was located in the rural community of origin. This fact can be interpreted as partial "brain drain" as their potential is not implemented in the rural region where they come from. The advantages of the rural commune of origin are perceived in the good atmosphere in the community, the range of services, the leisure and cultural activities, the attractive costs of living as well as the good accessibility of the next urban area.

Can this relatively high percentage of highly qualified who remigrate or remain in their rural commune of origin be ascribed to the decentralized location patten of HEIs? The answer is: not entirely. Although it is scientifically proven that a decentralized and regionalized location pattern of HEIs enhances the participation of the population in higher education programmes, a causal relation with regard to the migration behaviour cannot be proven. However the presence of a HEI within a region has multiple effects which influence the

decisions to migrate indirectly: HEIs are part of the “soft” location factors of a region and make an essential contribution to the quality of location; HEIs attract investments in other areas, such as the range of services, sports, leisure and cultural activities and facilities, construction activities etc.; HEIs have an effect on the image and profile of a community and region; HEIs broaden the spectrum of education and further education programmes and opportunities; HEIs are themselves attractive employers. Thus HEIs stimulate regional development and affect the quality of location as well as the quality of life in rural regions which may lead to a higher retention or return-migration of the graduates. The migration of highly qualified graduates is not directly controllable, but deeper knowledge on their preferences may help to improve regional qualities of living, housing and working which in turn increase the possibilities for highly qualified graduates to return as well as on their willingness to do so.

The willingness to move or to stay already starts with the decision for a certain study programme. The following recommendations shall be perceived as starting points for rural communities and regions to influence the possibilities to stay or remigrate (see Table 1).

Table 1: Recommendations for action to influence the remigration behaviour of highly qualified graduates (see also [6])

Initial situation	Recommendation
At the beginning of the study programme no information is gathered on the potential labour market, leading to wrong and unrealistic expectations.	<ul style="list-style-type: none"> – Already within the secondary education relevant institutions (Employment service, chamber of commerce etc.) should be integrated to provide objective information on the opportunities on the regional labour market.
Family and friends are important sources of information on potential educational and job opportunities.	<ul style="list-style-type: none"> – Joint information events for parents and children on the different regional occupational fields.
The image of the HEI has an essential influence on the choice of the study programme.	<ul style="list-style-type: none"> – Decentralized rural HEIs have to cultivate their image regularly and actively. Apart from the study programmes this can be achieved by advertising additional activities such as sportive and cultural events, further education activities etc.
The information about opportunities on the labour market is gathered in the final semesters of the study programme. This process of seeking adequate information is often self-initiative and fragmented.	<ul style="list-style-type: none"> – Information events in the HEI where regional companies present themselves – Regional job boards which inform about the possibilities on the regional labour market – Invite graduates who are already employed and may share their experiences
Graduates who spent certain time abroad also tend to search for their (first) job on the international level and show little interest to remigrate.	<ul style="list-style-type: none"> – Within the HEI a person could take over the role as “Representative of Foreign Affairs” being in charge for the maintenance of contacts with the graduates. – Regional companies shall actively communicate their need for competences which graduates have acquired abroad – Actively supervise the alumni-network – Officially welcome those who remigrated to their community / region of origin
Companies in the rural area claim that due to	<ul style="list-style-type: none"> – Overcome the prejudice that regional

<p>an increased importance of internationalisation they lose the possibility of getting to know the graduates or having the opportunity to recruit them.</p>	<p>companies only operate on the regional level</p> <ul style="list-style-type: none"> - Officially communicate the need for certain competences that the graduates have acquired
<p>The so called “soft location factors” (social embeddedness, sport and leisure facilities etc.) are highly valued by the young qualified graduates.</p>	<ul style="list-style-type: none"> - Pay more attention to soft location factors within the development of the community - Foster regional cooperations to establish and maintain certain infrastructures to enhance the quality of location
<p>The image of a region has a significant influence on the decision to move or to stay.</p>	<ul style="list-style-type: none"> - Pay more attention to those services which are important to young people (cafés, childcare, sport facilities etc.) - Actively integrate the young (qualified) inhabitants in participatory processes - Promote a modern image of the community and region, taking also into account urban characteristics - Strengthen existing potentials of the community and region.

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ENTREPRENEURSHIP AND SUSTAINABLE DEVELOPMENT IN RURAL AREAS

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ABSTRACT

Entrepreneurship and sustainable development ties together concern for the carrying capacity of natural systems with the social challenges facing humanity. The field of sustainable development can be conceptually broken into three constituent parts: environmental sustainability, economic sustainability and socio-political sustainability.

Entrepreneurs make every day judgments under uncertainty. Developing a new venture strategy is a resource-consuming and extremely risky activity. Networked and knowledge society gives rise to new challenges. Productive participation in knowledge intensive work requires that individuals, their communities, and organizations continuously surpass themselves, develop new competences, advance their knowledge and understanding as well as finding new opportunities and creating new knowledge. This challenge concerns education, culture and business performance. In order to be able to productively participate in sustainable development; participants have to learn to go beyond individual efforts and collaborate for the advanced knowledge. Learning processes also have to be transformed to as to facilitate corresponding individual and cultural competences.

The aim of this article is to present results of our research and discussion about entrepreneurial education and teaching experience on experimental education, a learning environment which promotes sustainable business as opportunity for individuals and communities. There is a connection between the protection of a clean environment, cultural and social values and sustainable entrepreneurial competitiveness in a global market. Implications for research and practice are discussed.

1 INTRODUCTION

In recent years business has been increasingly viewed as a major cause of social, environmental and economic problems [35]. Additionally, because of demographic change, low birth rates and migration, every third person in the EU will be 60 years old or even older by the year 2030. Demographic change is one of the most important challenges in Europe and its regions. Population numbers are shrinking. Particularly in rural and peripheral regions of Europe, the consequences of demographic change will be and already are drastic. There are some other changes connected to the exploitation of resources and pollution. By ignoring the hidden connection between business and the environment, business is missing many opportunities that prevent the threat and collapse of the society [35].

An important scholarly question with significant practical relevance in current and predicted economic environment is how firms can create value, run sustainable development and entrepreneurship. In particular, how do firms create and sustain competitive advantage

and identify and exploit new opportunities. This is concerning advantage and opportunity seeking behaviours, resulting in value for individuals, organizations and/or society [22].

It is a challenge to ensure responsible and sustainable development. Sustainable development is a pattern of growth in which resource use aims to meet human needs while preserving the environment so that these needs can be met not only in the present, but also for generations to come (**ELF**-environment, local people, future). The sustainable development strategy framework is grounded on sustainable principles that can be used to sustain and preserve the authenticity of cultural heritage for future generations, whilst appealing to the suppliers, the regulators, and the consumers [5], it is necessary to develop a new marketing model; economic, social and ecological sustainability [34].

Entrepreneurs must develop more universally acceptable processes for sustainable business and marketing. Dominant economic drivers call for maximizing the corporate profit and stakeholder benefits through efficient management of resources and competitive marketing that is responsive to customer's needs. It must be reconceptualised to a new marketing orientation paradigm, to achieve greater alignment of long-term commercial performance with the interests of a wider range of stakeholders, including latent or potential customers and communities [34]. Marketing orientation is important and should be defined as: an appreciation that understanding present and potential customer needs is fundamental for providing superior customer value; encourage the systematic gathering and sharing of market information regarding the present and potential customers, competitors as well as other related constituencies and instilled the *sine qua non* an integrated organization-wide priority to respond to changing customer needs and competitor activities to exploit opportunities and circumvent threats [38]. A key issue is concentration on microeconomic and functional management, but the need is a broader view of marketing to adverse a sustainable development strategy. Entrepreneurs must develop more universally acceptable processes for responsible marketing.

Within this paper entrepreneurship is seen as entrepreneurship and marketing as a function of interaction occurring between human nature and general environment and proactively managing business processes to protect the natural environment. Chell [6] identifies a set of characteristics that distinguish entrepreneurs: motivation or intention for wealth creation and capital accumulation, ability to recognize »opportunities« as opportunities and judgment – knowing which opportunities to pursue. They develop new ideas, process and respond to data from the environment, recognize and exploit existing opportunities [6]. It can be succinctly defined as any new form of new enterprise, or any new form of business activity [12]. The key of success with entrepreneurship and innovation is moving from the invention of ideas to effective commercialization and acceptance in the market [20].

It is important for entrepreneurs to identify an opportunity or a new idea and develop it into a new venture or a project and contribute to society in different ways; for instance as creating new jobs and as stimulating the economic growth [12]. That is the basic function of entrepreneurs. They must follow these sustainable principles: anticipate and meet customers' needs, apply a profitable, socially and environmentally responsible value system and generate positive long-run outcomes in economic, social and environmental terms that are acceptable for primary stakeholders who gain indirect economic, social and environmental benefits [34]. The new approach combines the principle of marketing orientation [27; 38] with a macro-marketing management approach [24; 30]. Overall, an organization achieves market-based sustainability to extend, so that it strategically aligns itself with the market-oriented product needs and wants of customers and the interests of

multiple stakeholders concerned about social responsibility issues involving economic, social and environmental dimension [55].

Knowledge has to become the key to economic resource and the dominant – and perhaps even the only – source of competitive advantage [13]. According to a knowledge based view, the principle function of a firm is the creation, integration and application of knowledge [9; 18; 41]. Learning helps individuals to produce knowledge that is difficult to imitate and superior in use and it can be the source of sustainable competitive advantage [21].

Remembering, understanding and applying is not enough, people must learn how to analyse, evaluate and create new knowledge. They must create new knowledge. This paper argues that there is a need to move away from the conventional focus of entrepreneurship education onto new venture management, business plans and growth, to a broader concept based on understanding and sustainable long term development. This article has the following structure. The first part is a theoretical background and a discussion about entrepreneurial education and knowledge creation processes; in the second part we integrate the results of three different researches, and in the third part we present a dynamic learning model and a training program to promote sustainable entrepreneurship. In the final part we present a discussion and a conclusion. A program/workshop *Development of innovative solutions for sustainable development* is presented in the appendix.

2 ENTREPRENEURSHIP EDUCATION

“The entrepreneurial mystique? It’s not magic, it’s not mysterious and it has nothing to do with genes. It’s a discipline, it can be learned” [14]. Entrepreneurial education and training seeks to provide participants with knowledge, skills and motivation to encourage entrepreneurial success in a variety of settings. The entrepreneurial learning process is a process in which people acquire, assimilate and organize newly formed knowledge with pre-existing structures – and how learning affects entrepreneurial action [10]. In the works on this topic, scholars have examined the impact of prior knowledge and learning processes on the accumulation of new knowledge as well as how accumulated knowledge affects the actions [23]. And how can young firms compete with well-established firms. While old firms follow established learning routines and sometimes face problems overcoming inertia, young firms with lower levels of inertia are better positioned to explore, search and test unique avenues for their products and services [45]. The process of learning and capability development as well as establishing uniqueness in their product offerings is an important part not only in early stages of firm growth, but also in firm survival.

Knowledge has to become the key to economic resource and the dominant – and perhaps even the only – source of competitive advantage [13]. According to a knowledge based view, the principle function of a firm is the creation, integration and application of knowledge [9, 18, 41]. Entrepreneurship education should not be confused with economic or business education, where specific knowledge of economics and management is disseminated. Entrepreneurship involves the promotion of certain personal abilities that provide the basis for enterprising activity and fostering self-employment as the choice of life/career. Naturally, at lower educational levels in particular, students learn about businesses as the core cell of product and service production or means of subsistence, learning about the logic behind the functioning of the economy and the role of entrepreneurs. However, this is not the key element of entrepreneurship education.

The United Nations [57] published a declaration on *Education for sustainable development*. Although this declaration focuses on the relationship between the humankind and the natural environment, it also sets sustainability in the broader context of socio-cultural factors and the socio-political issues of equity, poverty, democracy, and the quality of life [cf. 58]. Sustainable enterprises must develop a “capacity to survive, adapt, and grow in face to turbulent change”, and in the meantime “increase shareholder value without increasing material through-put” [15]. Seven challenges are proposed in this respect [16]: (1) creating the 'way of life' of the entrepreneur; (2) sharing of the culture and values; (3) supporting the development of behaviour, attributes and skills; (4) designing the entrepreneurial organization; (5) developing the learning to learn capacity; (6) being sensitive to the demands of different contexts; and (7) adding value to existing ways of learning. The paper concludes that meeting these challenges cannot easily be achieved within the existing structure, values and beliefs of business schools and that new organizations are needed within a university context [16].

Business students today are the business leaders of tomorrow [55]. Entrepreneurial behaviour is affected by and is important for the individual's trust in his/her knowledge, skills and abilities for entrepreneurial activity. Participants must understand their limits and opportunities and create their own ways for recovery and reuse of waste streams in place of virgin resources [15] and concrete their own future in dynamic balance [35]. SME development seeks to balance resilience and growth so as to align the creation of abundance: economically, environmentally, and socially and to conserve that value for future generations [17].

Holcomb [23] relies on two distinct theoretical frameworks for learning: experimental learning and vicarious learning. Experimental learning assimilates new knowledge through the transformational experience [28]. Vicarious learning also labelled as observational learning, involves modelling the behaviours and actions of others [3].

3 SOME RELEVANT RESEARCH

A survey about the future of business education suggests that students' and employers' demand for a more sustainable, international and technological future is growing [11]. Working with 37 business schools, Crisp [11] conducted an online survey that attracted 5365 respondents from 137 different nationalities. Some of the key findings are set out. More students value a business education to get a more fulfilling job rather than a more highly paid job, more than 81% agree that business needs to be about more than just maximising shareholder value, more than 80% of the respondents agree that sustainability and ethics should be embedded in all business education programmes.

A survey was conducted among secondary schools in Slovenia [Glas, Drnovšek, Erlih, Kovač, Kranjec, Rebernik, Rus, Žerič, 2006 in 60]. Entrepreneurship topics are dealt with in the scope of educational programmes of secondary schools of economics, i.e. economics secondary school graduate, etc.. In some cases, they form a component of the regular curriculum, while in others they are elective. A review of the numerous activities that promote creativity and entrepreneurship among youth in schools reveals that there are considerable differences among schools regarding the offered courses and even greater differences in their implementation. The respondents which we interviewed at schools believe that the available range of courses is greatly influenced by the school management and student structure, whereas the quality of activity implementation primarily depends on the teachers' commitment. In general, there are more opportunities for youth to express their creativity in

general upper secondary school than in technical secondary schools. Some schools offer opportunities for expressing and promoting creativity through various projects, but that is not enough. Education makes an important assumption, namely that a certain competence is not developed only within one course, but that teachers of all courses, especially technical ones, are responsible for the competence development. A notable increase in innovative andragogical approaches to teaching has been observed globally, encouraging innovation, creative thinking and a practical approach [46].

In another research, Damjan [2010 in 60] analysed the answers of 255 teachers about the methods they use to promote entrepreneurial competencies in classrooms and schools. The answers were classified into seven categories, from general promotion of entrepreneurial competencies, stating practical examples and own experience, encouragement through exercises, analyses, preparation of various documents, various forms of team work (presentation, discussions, performances) and active learning techniques in the scope of the course, to very active forms of learning outside the institution. A review of the answers shows that more than one third of the teachers is using active forms of teaching, allows students to practically test their ability to find new ideas and solutions. This greatly promotes creativity and enterprise. In statistical terms, these teachers include an increasingly higher number of those who wanted to become entrepreneurs themselves.

By examining various sources, we identified more than 20 different projects at the international, national and local level (Young Entrepreneur, Firm, and others) as well as voluntary initiatives for the promotion of creativity and enterprise among youth. There were also many initiatives to include youth into voluntary and other social activities so as to enable them to greatly integrate in the local community and to develop creative and other potentials. Even though such projects are numerous and mainly focus on the promotion of entrepreneurship and creativity among youth, it can be concluded from the teachers' answers that they cover only a small part of the population at selected schools. Students' participation is greater in schools where the principal and teachers of technical subjects have a stronger interest to cooperate with students and to encourage them to involve themselves in active education [Damjan, 2010 in 60].

4 DYNAMIC LEARNING MODEL

We need entrepreneurs to meet future challenges. Their mind is never passive; it is perceptually active, delicate, receptive and responsive to stimulus. They cannot postpone its life until after you've sharpened it. Whatever interest attaches to their subject matter, it must be evoked here and now; whatever possibilities of mental life teaching should impart, they must be exhibited here and now. That is the golden rule of education, and it is very difficult to follow [63]. Zeithaml and Rice [62] contended that education and entrepreneurship should cover diverse areas of business, and the field of study should take a broad, integrative, pragmatic and a rational approach. The learning process should be designed so as to anticipate potential obstacles and provide advice on how to avoid them [49]. Knowledge exists and can be created at the individual, group and society level.

We designed a dynamic learning model. We took into account the findings from the primary research [59; 11 and others], from a wide range of technical and scientific articles [16; 29; 41 and others] and from practical experience. The model encourages the strengthening of the entrepreneurial skills of individuals, groups and the social environment so that they are able to change ideas into action. Education should encourage creativity, innovation and critical risk-taking as well as the knowledge of planning, management and goal achievement.

Learning processes are closely related to formal and non-formal activities and experience. Education must be 1) connected with the outside world, 2) a foster and cultivate in-house innovation, and 3) keep record of past negative and positive experiences. Learning is not enough, they must create new knowledge. Knowledge is created by individuals as well as crystalline and connecting it in a knowledge system [40]. The model is based on the organizational knowledge creation theory [40]. The cornerstone of this theory is a concept of "tacit knowledge". It covers knowledge that is unarticulated and tied to the senses, movement skills, physical experiences, intuition, or implicit rules of thumb [42]. Tacit knowledge differs from explicit knowledge. Explicit knowledge is articulated. Explicit knowledge, however, is much more tangible and is easier to monitor and employ as a tool, process or a rule. Still it applies that explicit knowledge is only useful when combined with an individual's own experience, contextual understanding and interpretation and then applied to the activities. Tacit and explicit knowledge interact and create new knowledge [41]. Knowledge creation can be understood as a continuous process through which one overcomes the individual boundaries and constraints imposed by information and past learning by acquiring new context, a new view of the world and new knowledge [42]. Knowledge creation is an idea like a journey from »being to becoming«.

This model integrates individuals, processes, courses, school and the social environment into a dynamic system that promotes the building of creativity, innovation and entrepreneurship competencies. The concept of knowledge conversation raises two important considerations, that of the knowledge system to which it contributes and social justification [42]. The model treats knowledge as a dynamic set of experience, values, context information and thoughts, offering a framework for evaluation and inclusion of new experience and information. Two individuals will never share exactly the same values, beliefs, observations and viewpoints [42].

The centre of the proposed model of dynamic learning environment is a student (Fig. 1) living in a certain social environment and taking part in the learning process. The dynamic model integrates the student into the system and adapts to his/her abilities and to knowledge at his/her development stage. In essence, this is the gist of 'synthesizing', during which new,

useful, practical, valid and important knowledge is connected to the knowledge system in the education process.

The contents and activities that strengthen the competencies of creativity, innovation and entrepreneurship are used to influence active cooperation as well as substantive and social integration into personal activities, in technical subjects at the school level and within the social environment. The existing knowledge is important as a source for identifying and seizing new opportunities. It influences the ability to collect, select and interpret information, which is the intermediate stage in knowledge development. Information comes to life as it is interpreted and assigned importance and value by an individual. It is important to actively overcome challenges: first they are put within a framework, than the collection, combining and integrating of information is enabled along with argumentation aimed at improved understanding and assimilation of new knowledge. Knowledge is dealt with from two angles: 1) knowledge is possessed by an individual, group and community; 2) knowledge is tacit and explicit [41].

A participant is placed in a dynamic environment that motivates his/her entrepreneurial inclination (innovation, proactivity, competitiveness, independence, risk-taking) and understanding of the dynamics and events in the environment. There is not always a straight boundary between individual levels of the model, as they overlap. Goals and expectations are closely related with motivational issues such as self-efficiency, empowerment, and incentives to collect and share information. The model defines four levels of learning environment (Fig.1). They provide energy, quality and place to delivering, sharing information. Social, cultural and historical context are important for individuals, as such contexts provide the basis for one to interpret information to create meanings. All learning take a place inside individual human heads [18].

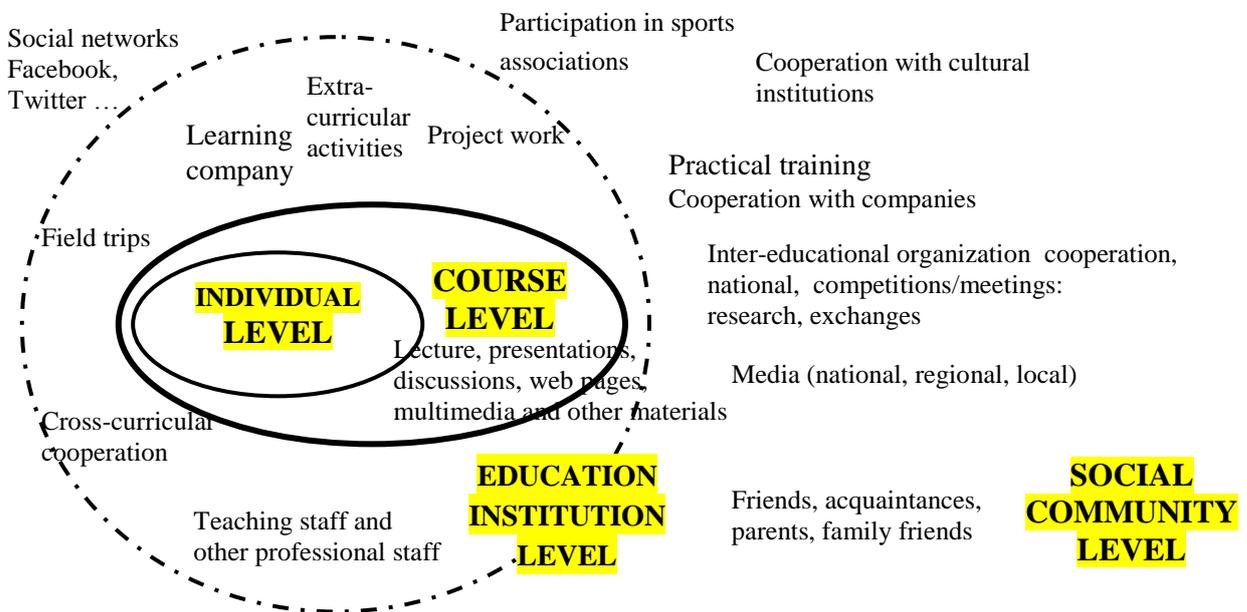


Figure 1: Dynamic learning environment

The basic level represents the “*individual level*” as well as his/her knowledge, skills and characteristics. The ability to learn is connected to his/her behaviour and activities when faced with new experiences, circumstances and contexts. Learning is individual at first, and then through learning, an individual integrates the development and changes in the

environment. Individuals' learning depends on perception, generalisations, observations and conceptions that influence how we understand the world and how we take action [51]. Perception, values, beliefs and various experiences of individuals result in various responses. These responses are also influenced by pre-existing knowledge, skills, impact, resources and strength. A perceptual and conceptual framework is formed on a personal level that restricts and dictates our thoughts, beliefs and feelings regarding when, where and why we learn. An individual learns when he/she senses a problem at a *cognitive level* plans and selects criteria for problem solving and defines the steps leading to the solution. An individual has to focus his/her attention and control the results. At a *non-cognitive level*, however, great importance is assigned to interests, goals, belonging, the appetite for knowledge and achievements (whether he/she has more faith in success than failure), and the strategy of behaviour when under stress as well as the learning style and memory strategy.

The next level represents "*course level*" which includes the subject, teachers, other participants and didactical technical support. There is a strong connection with the next level - "*education institution level*", with relevance assigned to the inclusion and interconnectedness of various contents, the curriculum (look at the appendix) as well as teaching methods. A wider framework constitutes the school with its programme, students, teaching and other staff, infrastructure and activities (extra-curricular activities, meetings, field trips, competitions, international and inter-school linkages) and the range of courses. The next level stands for the broader social environment of the student as his/her background and living environment. Education institutions should establish connections among themselves and provide learning in networks in several ways: 1) a school builds networks in the sense of complementary connection. In this case, students learn about specific reactions of partners, various roles of individuals and their willingness to adapt. They learn how to adjust activities to reach common efficiency; 2) interaction within relations among partner schools allows the building of shared skills that are used and transferred into other relations; how to gain a partner, how to keep in contact and various actions that strengthen relations. These could be referred to as experience in relationship building; 3) the third type of learning represents coordination – how to coordinate activities with a partner in relation to other connections; 4) the fourth type is a combination of the above – a school learns how to build a new network.

The "*social community level*" in connection to the environment has to allow the active involvement of every individual. In an environment with an established culture of learning and creativity, the formal and non-formal building of competencies intertwine. These competencies enable a student greater independence, innovation and enterprise. The theory of informal or incidental learning is based on the early works of John Dewey [1938 in 33], explaining the impact of school culture on learning. Learning requires space, opposites, differences, surprises, challenges and response. Individuals learn according to their rational and responsive understanding of the challenge.

People primarily win knowledge by grasping substance [43]. We learn on a personal level, on the group level during courses, on the school level and even on the level of the community. The foundation of learning is individual learning. As individuals establish connections within an organisation, knowledge is upgraded and achievements arise, attributable not only to an individual but also to a team. The ability to learn depends on individuals and the learning context. Learning at a personal level is often associated with the terms giftedness and talent – these two frequently overlap and arise from generic traits of an individual and environmental factors intertwined in varying ratios [19]. Heller – Hany's [Heller,

Hany, 1986, in 19] model of success is based on personal traits, talent and the environment. At a broader level (subject, school, social environment), the learning process has to be supported by an organisational structure, processes, etc. that support the entire learning cycle [4] as well as by a suitable psychological environment that is determined by: supportive environment and environmental pressures exerted on an individual, socio-emotional climate, management relations as personal factors (e.g. life experience).

Learning at an individual level is similar to group-level learning. Individual learning is in the interaction and dynamics of the social environment. Nonaka and Takuchi [41] stress the importance of cooperation. Example: typically, innovation is not the result of an individual but of groups within which individuals interact and upgrade knowledge into tacit knowledge of the group. Tacit knowledge of the group is the aggregate of individuals' tacit knowledge, which is released and balanced with soft teaching approaches such as establishment of mutual trust. Knowledge, knowledge creation and innovation are related to a broader social context of autonomy, giving of draft instructions, team work and encouraging individuals to identify with the task.

Dynamic learning environment is formed as a dynamic unit, connecting various activities, extra-curricular and curricular, while interacting with the environment. It is based on epistemology – *how to know* and ontology – *what one exists for* and incorporates values, context, strength and dynamics of processes for knowledge creation through the interaction of subjectivity and objectivity embraced by the social environment. Information gathering incorporates monitoring of the environment and intelligent data processing as well as their integration and connection into the system. The culture represented by schools has an influence on behavioural changes, efficiency, success and challenge acceptance. It enables new learning techniques and methods. Celantone [2002 in 31] proves the connection between the drive for knowledge, innovation and success. From learning spring new ideas. Learning is the most important resource to achieve competitive advantage. Knowledge has to be created. Knowledge creation does not merely constitute a response to information. Knowledge is created through interaction among individuals who have various experiences, values, positions and abilities to learn, through information processing, decision making and activities. This combines: information, know-how and everything learned.

A learning process includes processes from *input*: pre-existing knowledge and experience; *content*: content of the subject or programme or purpose; teaching *methods*, which have to focus on an individual's characteristics; and the *result*, defined by the knowledge of an individual, benefits, values and positions. Liao, Fei and Liu [32] refer to authors who describe the learning process: as collection, interpretation and implementation of new knowledge [26], as collection, transmission and storage [Argote, 1999 in 32], as collection, imparting, interpretation and storage of knowledge [Huber, 1991]. Senge [51] distinguishes between five factors that influence learning, i.e.: systems thinking, personal views, mental models, shared vision and team learning. A few years later, he establishes that the world has become more interconnected, business has become more complex and dynamic and work must become easier to learn. Learning in itself is a dynamic ability and future potential.

In a learning process, we should consider the greater scope of available information, the communication technology capacities and the possibility of combining information. Be it individual or group learning, the process always includes individuals, and while learning by each individual is important, it is not sufficient [26]. Exchange of information has to be targeted [37]. It will only be successful if information is, within the context of other

participants, allowing for feedback to be provided, modification and forwarding a new view to the sender.

In these discussions it is necessary to acknowledge management systems which are often equated with the information systems that assist knowledge conversion or information management processes in the organization [42a].

5 DISCUSSION AND CONCLUSIONS

Increasing population, migrating from rural areas, limitation of available environmental commons, energy and low resources, globalization and economic development and social issues create our common business environment. Environmental and social factors have become increasingly important considerations for enterprises [35; 11]. In Slovenia the majority of individuals is engaged in entrepreneurial activity to exploit the business activity [48]. Education institutions are an important part of the business supporting system. They must promote entrepreneurship and sustainable business. They must be partners in the entrepreneurial process. Entrepreneurial process begins in an early stage with potential entrepreneurs who believe that they have adequate entrepreneurial skills and who wish to exploit these opportunities. Enterprises succeed in integrating social and environmental sustainability performance into financial projections and strategic business goals; they will expand opportunities for innovation by increasing their opportunities for rapid learning [35].

Knowledge is an important source which helps firms to survive and to establish a competitive advantage. Knowledge-based success is a multi-dimensional construct of various variables and their specifics: personal traits, social environment and the possibilities of transferring personal potential [19]. The construct is based on *personal predispositions (talents)*: intelligence, creativity, social competencies, musicality, artistic abilities, psychomotor skills and practical intelligence; *personal traits*: achievement and success motivation, achievements control and monitoring of expectations, knowledge drive, ability to cope with stress, other personal traits; *environmental factors*: stimulating a creative environment, the style of learning, an attitude towards success, a family climate, a social response to success and failure, a classroom climate, life experience, differentiation of learning and instructions [19]. The fundamental condition for successful development and gaining of the competencies mentioned above is a high-quality and efficient educational system implemented by well qualified teachers [44]. Thus, school is the crucial factor in the development of innovation and entrepreneurship and other key competencies of youth. They are directly influenced by teachers as implementers of educational programmes and by school as a social community.

Entrepreneurial learning is multi-dimensional: understanding the causes and strengthening of analytical skills, the ability to have a critical, independent perspective when looking for the best solutions and practice. It represents the opportunity of in-depth learning to acquire specific knowledge, gain the ability to find and quickly obtain the information necessary as well as to use it efficiently and the ability to employ the latest technology to organise and search for information. It also triggers the need for further and life-long learning, communication and for networked team work.

The article presents a dynamic model for encouraging creativity, innovation and entrepreneurship and includes several scientific and expert findings as well as a series of partial research studies and experience. The model has to be adapted to individuals and groups, to their knowledge and motives. How to implement a combination of individual factors is best tested on a pilot group and then integrated into regular training and

educational processes through regular school programmes for youth. Nevertheless, the importance of the model as regards adult education must not be neglected. Such a model has a special meaning in the training of those who already have experience due to which they are more inclined towards communication, absorption and in particular merging and combining new knowledge with pre-existing knowledge. During the learning process, the group upgrades its knowledge and capacities (key abilities and competences) as well as the ability to assimilate and apply new information. In addition, its behaviour and values change and group memory is created. A group that receives knowledge must have sufficient absorptive capacity [7], which depends on pre-existing knowledge, understanding, organisation, connections, available technologies and the ability to use innovation [2; 61]. The pace of learning also depends on the ability to interpret, assimilate and accumulate the knowledge.

Group-level learning is an interactive process, a group experience. By learning, an individual affects others' learning and thus the knowledge of the group. Thereby, a mechanism is established, enabling, supporting and upgrading the use of knowledge. There is interaction among individuals, groups as well as enterprises and other associated organisations. In the framework of interaction, the individual is the agent who influences the thinking, activities and learning of others [33]. Social capital is important. If a group wishes to accept novelties, there must be trust among its members and willingness to share knowledge.

From a practical perspective, the findings can be used. Network and dynamic education environment also seem to offer new culture and opportunity to improve education practice and economic performance in the rural area. New enterprises must be educated to run sustainable business and survive in competitive environment. Given the experience from the established firms, for young firms, this learning process is interactive and includes contrasting learning loops that sometimes progress and other times digress from initially perceived unique ideas [45]. Of course, there are differences between different situations and organizations. But dynamic adaptation and new knowledge creation in a different environment must be created.

The ability to recognise opportunities depends not only on the existing knowledge but also on the processes involving the collection and transformation of information into knowledge (learning). The diverse knowledge of individuals and groups impacts the varied identification of opportunities, combining compatible skills with partners' knowledge results in a unique learning opportunity. Students acquire much knowledge through informal ways. Marsick and Watkins [33] and Timmons [53] believe that the majority of the knowledge is gained through informal learning methods and only a smaller part through formal learning. New knowledge is incorporated into an individual's knowledge. This changes with time and is also reflected in altered behaviour and understanding.

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APPENDIX

**WORKSHOP -
DEVELOPMENT OF INNOVATIVE SOLUTIONS FOR
SUSTAINABLE DEVELOPMENT**

M1: INTRODUCTION TO WORKSHOP		
Number of hours	2	
General objectives	Brief introductory workshop aims to introduce the participants to the program content, purpose and objectives Presentation of the program in the context of the entire project EURUFU Mutual information of participants Preparation of the participants to the workshop	
Competencies		
Operational objectives	Informative objectives	Formative objectives
	Learn the importance of lifelong learning	Think about their future seriously
	Be prepared to work in groups	Their decision is lifelong education
	Think about entrepreneurship as an option for their career development and in the system of sustainable development	
Individual work	Beginning of thinking about their own idea	
Participant obligation	They decide to participate on workshop or not	
Methodology	- Introduction presentation - Discussion	
Other	Participants receive a presentation brochure	

M2: DREAM AND REALITY		
Number of hours	4	
General objectives	Introduction to Workshop Matching personal, business goals Local values, environment and business opportunity Force field analysis Integration of macro and micro changes and their connections to opportunities SWOT analysis Participants Integration and opening, team building	
Operational objectives	Informative objectives	Formative objectives
	Understanding of various environmental factors They understand that the looting of natural, cultural resources, and pollution is not a solution	They understand basic opportunities how to use SWOT analyse They are aware of the values of the environment and culture

	Understanding the importance of sustainable development Understand the importance of interpersonal relationship	They understand what is sustainable business Do you know how to open up to other They are able to listen and accept arguments of others
Practical training	- Searching common solution at case study - »Creative drumming« – creative workshop. Team building.....	
Individual work	Designing ideas of what would be an opportunity in their neighbourhood and the hometown A review of the topics of relevant chapters in the literature Vidic, F. (2012): EURUFU- Power point presentation Vidic, F. (2013): Pisanje dobrega poslovnega načrta (poglavja od 1 do 2.4) Review for interesting information on the web	
Participant obligation	- Design innovative idea: "My contribution to local environment"	
Methodology	- Lecturing - Case studies - Creative workshop - Discussions	
Other	Students receive all the materials: transparencies, handbook: " Writing a good business plan", Workshop Catalogue,	

M3: SUSTAINABLE DEVELOPMENT AND GROWTH		
Number of hours	5	
General objectives	Business direction map Product development Market development Marketing strategies	
Operational objectives	Informative objectives Understanding the micro-environment characteristics Learning from other analytical understanding of good practice	Formative objectives Self-awareness Identify opportunities and their applications Actively ask questions The web-based resources
Practical training	Visiting selected companies, interviews with entrepreneurs....	
Individual work	- Looking for best practices, learn from them, and prepare short report. - A review of the topics of relevant chapters in the literature - Vidic, F. (2012): EURUFU- Power point presentation - Vidic, F. (2013): Pisanje dobrega poslovnega načrta (poglavja od 1 do 2.4) - Review for similar information on the web	
Participant obligation	Work on their own business ideas: What is value added How to design their own microenvironment, and proper microclimate for their own business	
Methodology	- Lecturing - Case studies - Creative workshop - Discussion	

M4: BEST PRACTICE			
Number of hours	6		
General objectives	<ul style="list-style-type: none"> - Critical thinking and learning from neighbourhood and available sources - Critical listening and communication with entrepreneurs - Improve self-motivation for autonomy and decision making activities 		
Operational objectives	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> Informative objectives Students observe the characteristics of the different companies Become familiar with the basic rules of communication Learn from best practices Became learning-oriented, they collect, analyse and interpret data </td> <td style="width: 50%; vertical-align: top;"> Formative objectives Know how to search ideas Know how to ask questions Know how improve their basic business ideas Know how to search and use web-based resources </td> </tr> </table>	Informative objectives Students observe the characteristics of the different companies Become familiar with the basic rules of communication Learn from best practices Became learning-oriented, they collect, analyse and interpret data	Formative objectives Know how to search ideas Know how to ask questions Know how improve their basic business ideas Know how to search and use web-based resources
Informative objectives Students observe the characteristics of the different companies Become familiar with the basic rules of communication Learn from best practices Became learning-oriented, they collect, analyse and interpret data	Formative objectives Know how to search ideas Know how to ask questions Know how improve their basic business ideas Know how to search and use web-based resources		
Practical training	Visiting selected companies, interviews with entrepreneurs		
Individual work	<ul style="list-style-type: none"> - A review of the topics of relevant chapters in the literature - Vidic, F. (2012): ERUFU- power point presentations - Review for interesting information on the web 		
Participant obligation	Work on own business idea: What is my value added, why will follow my ideas How to design their own microenvironment, and proper microclimate realization		
Methodology	<ul style="list-style-type: none"> - Lecturing - Case studies - Creative workshop - Discussions 		

M5: INTRODUCTION TO BUSINESS PLANING AND BUSINESS MODEL DEVELOPMENT			
Number of hours	4		
General objectives	<ul style="list-style-type: none"> - From ideas to the business model and business plan - CNVAS business model - The basics of business planning 		
Operational objectives	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> Informative objectives Understanding the importance of the core business They understand importance of different business functions They are familiar with basics of the business model Getting familiar with basics business planning activities - </td> <td style="width: 50%; vertical-align: top;"> Formative objectives Know how to explain their core business Know how to explain difference between different business functions Know how to explain business model They understand business model and connection to business planning process Know how to use interne sources </td> </tr> </table>	Informative objectives Understanding the importance of the core business They understand importance of different business functions They are familiar with basics of the business model Getting familiar with basics business planning activities -	Formative objectives Know how to explain their core business Know how to explain difference between different business functions Know how to explain business model They understand business model and connection to business planning process Know how to use interne sources
Informative objectives Understanding the importance of the core business They understand importance of different business functions They are familiar with basics of the business model Getting familiar with basics business planning activities -	Formative objectives Know how to explain their core business Know how to explain difference between different business functions Know how to explain business model They understand business model and connection to business planning process Know how to use interne sources		
Practical training	<ul style="list-style-type: none"> - Case studies 		

Individual work	<ul style="list-style-type: none"> - Work on their own opportunity - A review of the substance and the relevant chapters in the literature Vidic, F. (2012): ERUFU- power point presentations Vidic, F. (2013): Pisanje dobrega poslovnega načrta - Review for similar information on the web - Preparing their own business model and business plan ...
Participant obligation	<ul style="list-style-type: none"> - Students formulate their ideas, prepare business model and business plan
Methodology	<ul style="list-style-type: none"> - Lecturing - Case studies - Creative workshop - Discussion
Other	Students get basic instructions for independent work and been invited to Individual mentorship

M6: INDIVIDUAL MENTORSHIP			
Number of hours	5		
General objectives	Assistance to individuals in realizing their own ideas on the development of the contribution to the environment, cultural heritage, or developing and implementing their own business ideas		
Competencies			
Operational objectives	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>Informative objectives</p> <p>Students have opportunity to test their own future oriented business idea</p> <p>Work on their own project</p> <ul style="list-style-type: none"> - A review of the substance and the relevant chapters in the literature - Vidic, F. (2013): Pisanje dobrega poslovnega načrta - Review for similar information on the web <p>Participants should bring and present a draft of their ideas, they must prepare questions to mentors, highlight the dilemmas and prepare themselves for discussion</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Formative objectives</p> <p>They get confirmation or second opinion</p> <p>They improve their attitude</p> <p>They make important decision about their future</p> </td> </tr> </table>	<p>Informative objectives</p> <p>Students have opportunity to test their own future oriented business idea</p> <p>Work on their own project</p> <ul style="list-style-type: none"> - A review of the substance and the relevant chapters in the literature - Vidic, F. (2013): Pisanje dobrega poslovnega načrta - Review for similar information on the web <p>Participants should bring and present a draft of their ideas, they must prepare questions to mentors, highlight the dilemmas and prepare themselves for discussion</p>	<p>Formative objectives</p> <p>They get confirmation or second opinion</p> <p>They improve their attitude</p> <p>They make important decision about their future</p>
<p>Informative objectives</p> <p>Students have opportunity to test their own future oriented business idea</p> <p>Work on their own project</p> <ul style="list-style-type: none"> - A review of the substance and the relevant chapters in the literature - Vidic, F. (2013): Pisanje dobrega poslovnega načrta - Review for similar information on the web <p>Participants should bring and present a draft of their ideas, they must prepare questions to mentors, highlight the dilemmas and prepare themselves for discussion</p>	<p>Formative objectives</p> <p>They get confirmation or second opinion</p> <p>They improve their attitude</p> <p>They make important decision about their future</p>		
Practical training	Mentoring, consulting, discussion, ...		

HOW REALISTIC IS TO ACHIEVE THE “SMART GROWTH” GOAL IN ROMANIAN RURAL AREAS?

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ABSTRACT

In the concept of the ‘Europe 2020’ strategy ‘smart growth’ means improving the EU's performance in education, research/innovation and digital society. Targets set for Romania regarding ‘smart growth’ are the following: to achieve an employment rate of 70% for the age-group 20-64, investment in R&D and innovation to be at least 2% of the GDP, school drop-out rates to fall below 11.3% and at least 26.7% of the 30-34 year-olds to have completed third level education. All of these targets are very challenging if we consider the start-up situation and recent developments in Romania.

Even though the ‘Europe 2020’ strategy does not treat differently rural and urban areas, Romanian rural areas face extra challenges and therefore need a special attention if we want them to meet EU 2020 goals.

The objective of this paper is to identify the major disadvantages of Romanian rural areas compared to urban areas respective to the ‘smart growth’ objective of the ‘Europe 2020’ strategy. Characteristics of Romanian rural areas are studied through an analysis of the demographic structure, education and employment, based on Census data from 1992, 2002 and 2011, as well as Household Labour Force Surveys data for the period 2002-2011. The picture drawn by macro-level statistical data analysis has been completed with literature review and empirical results from field research connected to the presented issues, offering some in-depth information and highlighting possible future developments.

1 INTRODUCTION

The ‘Europe 2020’ strategy has fixed three main priorities for the EU, namely smart, sustainable and inclusive growth [1]. In the concept of the strategy, ‘smart growth’ means improving the EU's performance in: education (encouraging people to learn, study and update their skills), research/innovation (creating new products/services that generate growth and jobs and help address social challenges) and digital society (using information and communication technologies).

EU targets for ‘smart growth’ include [2]:

1. 75% employment rate for women and men aged 20-64 by 2020 – achieved by getting more people into work, especially women, the young, older and low-skilled people and legal migrants;
2. Combined public and private investment levels to reach 3% of EU's GDP as well as better conditions for R&D and Innovation;

3. Better educational attainment – in particular: reducing school drop-out rates below 10% and at least 40% of 30-34 year-olds with third level education (or equivalent).

Targets set for Romania are slightly lower, but still very challenging if we consider the start-up situation and recent developments [3]:

1. employment rate 70% for the age-group 20-64;
2. investment R&D and Innovation at least 2% of the GDP;
3. school drop-out (early school leaving) rates below 11.3%;
4. at least 26.7% of the 30-34 year-olds complete third level education.

The employment rate for the 20-64 years old was 63.8% in 2012 in Romania and, according to a recent EU report [4], the 70% target is unfeasible (it forecasted a 64.2% employment rate to be reached by 2020).

Romania is one of those Member States which need to substantially raise their rate of increase in R&D intensity to reach their target fixed for 2020 and whose required efforts exceed the EU average, as both starting level and past rates of increase are very low [5].

Regarding early school leavers [6], Romania has a high rate (17.4% in 2012), much over its target and which even increased from 2009 (16.6%). Actually, the rate of early school leaving had reached its maximum of 18.4% in 2010, and since then has slightly decreased [7].

The share of 30-34 years old with tertiary education in 2012 was 21.8% and has followed an increasing tendency from 2009, when its value was 16.8% [8]. If the rhythm of increase will be maintained, it seems to be feasible for Romania to achieve the set target of 26.7%.

The 'Europe 2020' strategy does not treat differently rural and urban areas. The term 'rural' appears only six times in the whole document, twice in the syntagm 'rural areas' and four times as 'rural development funds/policy'. By comparison, 'employment/unemployment' appears 40 times in the document, 'poverty' 25 times, 'young/youth' 15 times, but 'urban' just appears once. However, in Romania rural areas differ essentially from urban areas, they face extra challenges and therefore need a special attention if we want them to meet the EU 2020 goals.

The objective of this paper is to identify the major disadvantages of Romanian rural areas compared to urban areas, respective to the 'smart growth' objective of the 'Europe 2020' strategy. In order to achieve this, we present the current developments in Romanian rural areas regarding demographic structure, education and employment. We are using statistical data from the 1992, 2002 and 2011 population censuses, completed by Household Labour Force Survey (HLFS) data from 2002, 2008 and 2011. The picture drawn by macro-level statistical data analysis has been completed with literature review and empirical results from field research. Two small-scale surveys regarding occupational choices of rural young people were carried out by the author in 2007 and 2011, using the same methodology. In 2011 information was collected also regarding the current situation of the respondents from 2007, thus cross-sectional analysis has been completed with longitudinal analysis.

2 CHARACTERISTICS OF ROMANIAN RURAL AREAS RELEVANT FOR THE 'SMART GROWTH' OBJECTIVE

In the context of the present paper, 'rural' is defined according to the official definition used in Romania. The administrative-territorial organisation of Romania and the status of each locality (municipality, town, commune or village) are defined by law. The Parliament can change the status of a locality (villages can be separated to form new communes or communes can become towns). In 2011 the rural area of Romania was formed by 2861 communes (composed of 12.487 villages), and the urban area was formed by 103 municipalities and 217 towns [9]. Some 470 villages were included within the administrative territory of towns and municipalities and are considered part of the urban territory, thus being ineligible for a series of rural development measures.

In this chapter the demographic, educational and employment characteristics of Romanian rural areas are presented, which all influence the capacity to meet 'smart growth' targets.

We do not deal in detail with the R&D target, because of the lack of disaggregated statistical data. Research and development activities are mostly linked to universities or big companies, which are almost exclusively placed in the urban area. The only indicator available at territorial level is 'number of employees from the R&D sector', which show the supremacy of the capital city (46% of the employees from the R&D sector work in Bucharest) [9].

2.1 Demographic trends in Romanian rural areas

As Bryden pointed out in 2003 at the Second European Conference on Rural Development, the first and foremost key characteristic of "economically, socially, culturally and environmentally healthy" rural places is that "they are at least maintaining their population and within it a viable age structure"[10].

In the light of the last three population censuses we can state that from 1992 to 2011 the population of Romania has decreased with 11.8% (11.1% in the rural and 12.4% in the urban area). The share of rural population has grown from 45.6% in 1992 to 47.3% in 2002 (mostly because some communes had been declared towns and in statistics their population shifted from rural to urban), but then it decreased to 46.0% in 2011 (Figure 1).

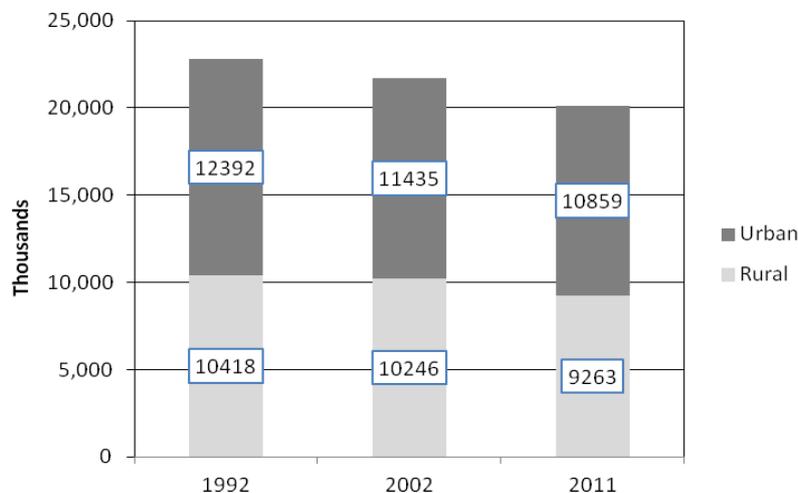


Figure 1: Evolution of the urban and rural population in the period 1992-2011 in Romania [11]

The rural population has grown older in the past 20 years: the share of children (0-14 years old) has decreased from 20.9% to 17.7% and the share of elderly (65 years and over) has increased from 15.0% to 19.4%. Both the share of children and elderly are higher in the rural areas than in the urban areas (with 3.5 pp and 6.0 pp, respectively, in 2011), leading to a much lower share of working age (15-64 years old) population in the rural areas (62.9%) than in the urban areas (72.4%).

The age dependency rate is an important indicator from the economic point of view, because it reflects the social pressure on the active-aged population. It is calculated as a rate between the sum of young and elderly population and the adult population, as shown in equation (1).

$$R_d = (P_{0-14} + P_{65+}) / P_{15-64} \times 100 \quad (1)$$

where

- R_d - dependency rate,
- P_{0-14} - population between 0-14 years,
- P_{15-64} - population between 15-64 years,
- P_{65+} - population over 65 years

We can notice the differences between the evolution of the age dependency rate in rural areas (growth) and urban areas (decrease) in Figure 2. The growth of dependency rate in the rural area is due to the increase of the share of elderly, which means that the situation will worsen in the future.

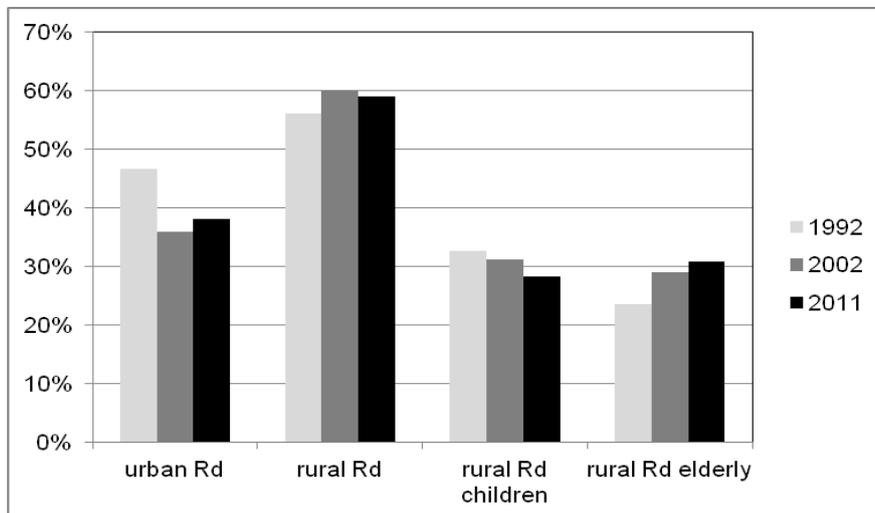


Figure 2: Evolution of the urban and rural age dependency rates in the period 1992-2011 in Romania [11]

The demographic pressure on the labour market is the rate between the number of people leaving the labour market because of retirement and the number of people entering the labour market, showing the need for new jobs at society level. In this study we consider the category leaving the labour market the 60-64 years age-group and the category entering the labour market the 20-24 years age-group. According to census data, in 2011 the demographic pressure on the labour market in the rural area was 100.4%, showing a state of equilibrium (it has decreased from 120% in 1992 and 112% in 2002). In the urban area the

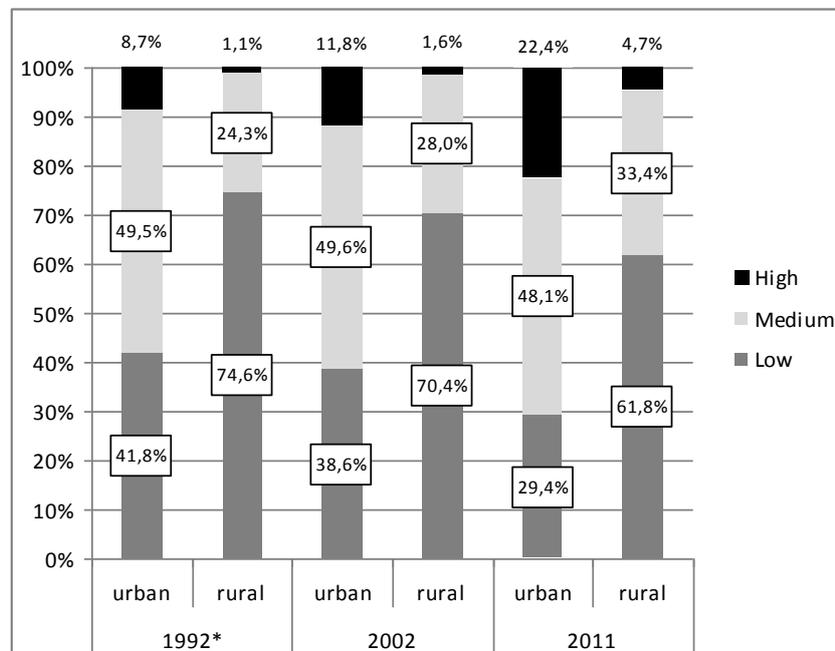
value of the indicator was higher (117.8%), but it has decreased in a much greater degree (from 233% in 1992 and 204% in 2002) than in the rural area.

2.2 Education in Romanian rural areas

It has been largely recognised that Europe's competitiveness, innovative capacity and productivity depend critically on the availability of highly educated and well-trained workers [12]. As we could see earlier, Romania is not progressing well towards the Europe 2020 targets regarding education. In this section we will present the differences between the educational level of the rural and urban population, showing that in rural areas the targets are even more difficult to be achieved.

The rural population is much lower educated than the urban population and the situation has not improved much in the past two decades (Figure 3).

Only 4.7% of the over 10 years old rural population has completed high education (tertiary), while 33.4% has medium education (upper secondary school or equivalent) and 61.8% low education (meaning primary school, lower secondary school and no school).



*Observation: in 1992 population over 12 was considered

Figure 3: Education level of the over 10 years old population in the period 1992-2011 in Romania [11]

According to figures reported by the European Commission [8] the share of 30-34 years old Romanian population with tertiary education was 20.4% in 2011, but there are no separate urban and rural values given. Results of the 2011 census show a slightly different situation: 27.6% of the total population aged 30-34 attained tertiary education (over the targets fixed) and the situation is even better for the urban population (40.2%). But for the rural population the value of the indicator is only 9.7% and it is hard to believe that by 2020 it will reach the 26.7% target, given that in 2011 the share of lower educated people within the 30-34 years old rural population (49.8%) exceeded the share of those with medium educational level (40.5%).

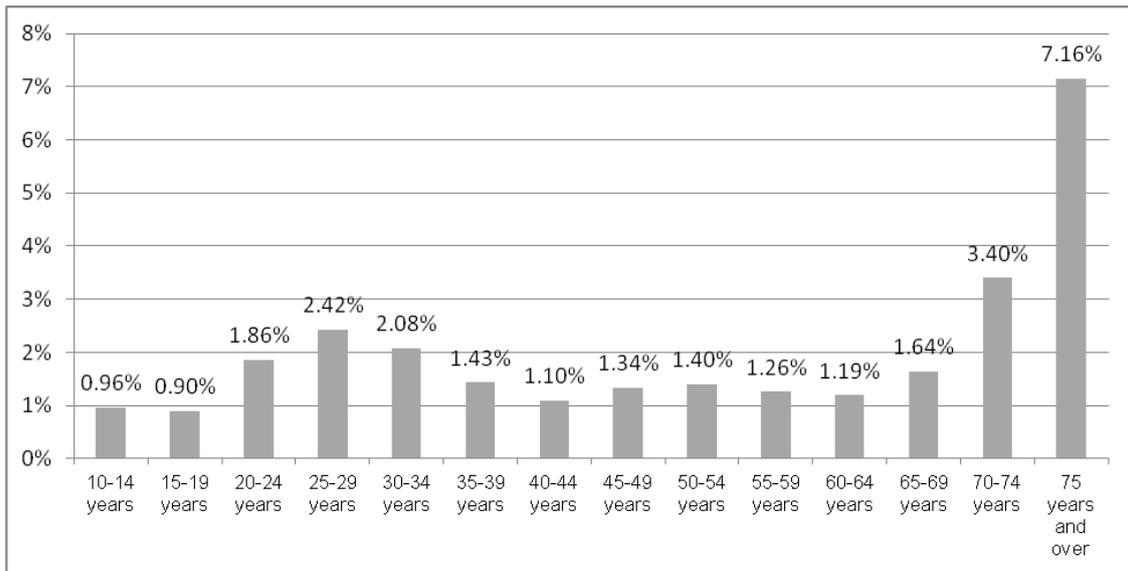


Figure 4: The rate of illiteracy in the Romanian rural population in 2011, by age groups [11]

Moreover, an important share of the rural population is illiterate (2.2% compared to 0.7% in the urban area). The most worrying fact is that illiteracy does not occur only among the elderly, but also among young people (2.4% in the 25-29 years old age group), as shown in Figure 4.

There are no disaggregated data available regarding early school leaving. However, as all other indicators show huge differences between urban and rural areas, we can assume that rate of early school leaving in rural areas are over the country average of 17.4% and it is hardly feasible to believe that it will fall below 11.3% by 2020.

Micro-level survey data regarding educational choices of rural youth, collected in 2007 and 2011 in 19 communes from Cluj County, Romania (described in details in [13]), allow us to complete the picture drawn by statistical data. According to their answers, 84% of the 416 lower secondary school pupils included in the 2011 sample intended to continue education in a high school (3% did not want to continue and 13% didn't know/answer), but after admission procedures only 77% were actually assigned to high schools and the remaining 23% dropped out (so they can be considered early school leavers).

Regarding their wish to enrol for university studies, around two third of the respondents gave an affirmative answer, but the inconsistency between the choice for university studies and the preferred profession suggests that many respondents have no idea about the aim of tertiary education. Further on, checking the results of the baccalaureate exam from 2011, we found out that only 34% of the pupils surveyed in 2007 registered for the exam (due in 2011 with normal high school progress) and only 23% of them actually passed it (which is a condition of university enrolment). Even if all those who passed the baccalaureate exam continued their studies (which has a low probability), the share of those with tertiary education from the sample would remain below the target of 26.7% set for Romania.

Accessibility of education is also problematic, as 84% of the high schools are located in the urban areas [9] and low income rural families can't afford paying the costs of commuting to school. The local availability of education and training is a key part of successful economic performance in rural areas [14] and it also increases participation in education.

2.3 Employment in Romanian rural areas

Several aspects of the Romanian labour market have been modified after 1990, such as the legal framework regarding employment, working age limits, ownership of the enterprises, distribution of labour force within the different professions and sectors of the economy, geographical distribution of employment opportunities, etc..

The target for Romania is a 70% employment rate for the 20-64 years old by 2020 (the value of the indicator being 63.8% in 2012). Again, in the official documents no separate values are given for urban and rural areas, therefore in this section we will highlight the main differences between rural and urban employment. By 'rural employment' we mean the employment of rural inhabitants, thus, commuting to urban workplaces and seasonal work abroad are also considered as rural employment opportunities.

Table 1: The share of employed persons from total population, by area [11]

Census year	15-24 years old		15-64 years old		20-64 years old		65-69 years old	
	urban	rural	urban	rural	urban	rural	urban	rural
1992	42.3%	51.1%	64.0%	60.7%	71.0%	65.3%	1.5%	12.2%
2002	21.4%	46.9%	51.0%	52.0%	61.8%	55.4%	2.2%	15.7%

The best sources of information are population censuses, but unfortunately employment data of the 2011 census are not yet published. Between 1992 and 2002 the share of rural employed has decreased from 60.7% to 52.0% in the 15-64 years old age group and from 65.3% to 55.4% in the 20-64 years old age group. We can observe from Table 1 that urban rates are higher than rural rates for the age-group 20-64 (followed up by the EU 2020 targets).

More recent data regarding urban and rural employment can be found in the Household Labour Force Survey, the only problem being that data regarding the 20-64 age group are not published. Analysing data for the 15-24 and 15-64 years old (Table 2), we can conclude that among all 'smart growth' indicators, the employment rate is the only one which seem to be more easily achievable in the rural area than in the urban area.

Table 2: Employment and ILO unemployment rates in Romania in the period 2002-2011, by area [9]

Area	Year	Employment rate		ILO unemployment rate	
		15-24 years	15-64 years	15-24 years	15-64 years
Urban	2002	22.2%	53.7%	29.5%	11.2%
	2008	19.1%	57.5%	23.2%	6.8%
	2011	17.8%	58.2%	32.4%	8.9%
Rural	2002	41.6%	63.7%	14.9%	6.1%
	2008	32.0%	61.2%	14.7%	5.1%
	2011	30.5%	58.8%	16.7%	6.1%

The developments of the past 20 years in Romania demonstrate that there is a close link between economic growth and employment. In the period of economic decline (1990-2002 and 2008-2011) employment rates decreased and unemployment rates increased, while in the period of economic growth (2002-2008) employment rates increased and unemployment rates decreased. However, rural areas did not benefit in the same way from

economic growth, as the reduction of rural unemployment rates was quite small in the period 2002-2008 (with 1 pp, compared to 4.4 pp in the urban area).

Rural employment in Romania is primarily and overwhelmingly agricultural (60.5% of the rural employed worked in the agriculture, silviculture and fishery sector in 2011). Agriculture played the role of an 'employment buffer' after the closure or restructuring of big industrial state-owned companies, when workers made redundant were forced to seek employment opportunities in rural area or simply to move from paid industrial activities to subsistence farming [15].

The share of employees among employed is much higher in the urban area (91.3%) than in the rural area (37.5%); 34.6% of the rural employed were registered as self-employed and 27.3% as contributing family members. Compared to only 2.4% in the urban area, 20.5% of the rural employees work part-time (2011 data from [9]).

Employment status and sector of activity has a major impact on the level of income, therefore rural incomes are relatively low and the gap with urban areas is widening. Rural residents have more than double the probability of being poor than urban residents, poverty incidence is significantly higher in rural areas [16].

The results of the field research carried out among young people [13] show that around two-third of the respondents would like to work in the services sector and only 1% choose to work in agriculture, despite that most of their families practice agriculture. These results support the older farmers' opinion that "young people don't want to be the slaves of the land and of animals" and that the number of young workers in agriculture will decrease [17]. There is a clear and persistent gender division among chosen professions, only a few professions have been chosen by pupils of both genders (such as waiter, cook, barman and physician). As regards the location of their future job, almost two third of the respondents declared that they want to work in Cluj-Napoca (the main city of Cluj County and the second biggest city in Romania after Bucharest, the capital). Almost 20% plan to work abroad and less than 10% would like to work in their home village. Data collected in 2011 about 2007 respondents shows that only a few of those who quitted education had actually found a job and most of them stayed with their families, helping around in the household.

Literature review and field research [18] reveal that there are several ways in which agriculture and connected activities might create better jobs in the Romanian rural area, such as bigger scale crop production and animal breeding (by setting up producers groups), processing of agricultural products, cultivation of medicinal plants, collection and processing of forest fruits (suitable for the mountain area), ecological agriculture and agricultural services (consultancy, input provision, marketing and sale of products). Besides agriculture and connecting activities, the service sector has potential to create employment opportunities in the Romanian rural area. Activities, which seem to be capable of creating more jobs in the rural areas, are: services for the local population (hairdresser, tailor, shoe-repair, etc.), tourism and agro tourism, restaurants offering traditional meals, banking and financial services, accounting and retail.

3 RESULTS AND DISCUSSION

Demographic trends are not favourable in Romanian rural areas: the population has decreased and got older in the past 20 years. Age dependency rates decreased in the urban areas and increased in the rural areas, showing a greater social pressure on the rural working age population in the rural area. Moreover, the growth of the dependency rate is due

to the increase of the share of elderly, which means that the situation will worsen in the future.

The demographic pressure on the labour market (calculated as the rate between the 20-24 years old and the 60-64 years old) is lower in the rural area than in the urban area. However, this indicator doesn't take into account the fact that many rural people are still active over the age of 65 or start to work below 20 (as only a small share of the young people continue their education in universities).

Statistical data shows that the rural population is much lower educated than the urban population and the situation has not improved much in the past two decades, thus reaching the educational targets set by the 'Europe 2020' in rural areas seem to be unrealistic.

An unwanted effect of the relatively high rural employment rate in the 15-24 years age group is that the education level in the rural area will remain low in the near future, as an important share of young people does not attend school. The low level of education and the lack of skills have been identified by many researchers as a main obstacle to meet job requirements. This situation "can lead to a 'low skills equilibrium' where employers do not relocate to an area because of lack of skills, and young people do not seek to acquire skills owing to lack of skilled job opportunities"[19].

Longitudinal field research results unveil a huge gap between aspirations of young people and reality. According to the 'de facto' situation registered in 2011, the rate of school drop-out is much higher and the share of those finishing high school is much lower than envisaged by answers given in 2007. Even though most of the respondents wanted to work in the services sector in a big city or abroad, just a few of those who quitted education had found a job and most of them worked in the family household.

Access to education is also an important issue, because low income rural families can't afford paying the costs of commuting to urban high schools.

Among all 'smart growth' indicators, the employment rate is the only one which seems to be more easily achievable in the rural area than in the urban area. Still, employment rates alone do not reflect the reality of rural employment: over 60% of the employed work in agriculture as self-employed or contributing family member and 20% work only part-time, earning low incomes. Such employment can hardly satisfy the 'smart growth' objective, therefore it is necessary to support the creation of better jobs in rural areas, in agriculture and connected activities as well as in the service sector.

4 CONCLUSION

The 'Europe 2020' strategy set the same targets for rural and urban areas. However, Romanian rural areas differ essentially from the urban areas in their potential to diversify economic activities, create jobs and to retain people, which make it more challenging (or even unrealistic) to meet the 'smart growth' targets in rural areas by 2020.

This paper presented literature review, field research and analysis of socio-economic indicators, unveiling a series of disadvantages rural areas are facing, as compared to urban areas:

- high proportion of elderly and low proportion of working age population;
- low level of education and difficult access to high school education;
- poorly diversified local economy, depending upon agriculture;
- importance of self-employment and prevalence of part-time work;
- lower incomes and higher poverty incidence than in urban areas;

- limited range of job opportunities in the rural areas, both quantitatively and qualitatively;
- almost no R&D activities are located in the rural areas.

All these disadvantages lead to the necessity of tackling separately rural and urban areas, when setting development targets and especially when it comes to policy measures' design and implementation.

We can conclude that none of the 'smart growth' targets will be achieved in Romanian rural areas by 2020. The start-up situation in education is far away from the targets and R&D is almost inexistent in rural areas. Even the employment target – which could have a chance according to statistical data – will be missed, because at present rural employment is mainly agricultural and this will decrease according to future scenarios [13, 14, 17]. On the other hand, the unfavourable age structure and low level of education of the rural population set the limits to the extent of exploiting the rural labour force reservoir in other sectors of the economy, as there are not enough unskilled jobs for the unskilled people.

Well-trained workforce is the basis of a knowledge-based, innovative economy and thus the access to quality education has to be ensured for all children, including those from remote rural areas. Pre-school, primary and secondary school education has to be organised as much as possible where the children live, as transportation time and cost are limiting factors of school attendance. Given the high share of unqualified young adults, education and vocational training for those over 18 years of age have to be tackled at programme level within the official system of education. Individual projects funded only for 2-3 year periods can't bring sustainable results.

In this paper we discussed rural-urban differences without taking into account that Romanian rural areas differ from each other with respect to several characteristics: population size and structure, migration trends, the development of physical infrastructure etc.. Due to this diversity, some rural localities (mostly those located nearby the big cities) are in better position in reaching EU 2020 targets than the average. However, this only highlights the severity of the problems faced by the under-average, undeveloped rural communities.

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EMPLOYMENT AND INCLUSION IN RURAL IRELAND: A FRESH START¹⁰

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ABSTRACT

The purpose of this paper is to capture key trends and issues in rural communities in Ireland arising from the economic contraction and make recommendations to address rural development, unemployment and related social exclusion issues. It specifically examines newly-available 2011 NUTS 3 level census data in order to determine the impact of recent, post-2008 economic and social change in rural areas of Ireland.

Historically rural areas were found to have experienced higher levels of poverty, social exclusion and lower employment opportunities, over the period 2009-2011 the situation was found to be more complex and nuanced, as follows:

- The proportion of people below the poverty line was higher in rural areas (18.8% in rural areas compared with 14.2% in urban areas in 2011) but the rate of increase of the population below the poverty line was higher in urban locations than rural locations (+20.3% in urban areas compared with +5.6% in rural areas over the period 2009-2011);
- Unemployment levels were generally higher and age dependency levels lower in more urbanized locations.
- Basic deprivation levels rose in both urban and rural areas, but with a slightly higher rate of increase in rural areas (+46% in rural areas compared with +40% in urban areas over the period 2009-2011);
- Deprivation levels were found to have increased most in towns and least in cities; with towns (settlements of '≥3,000<5,000') clearly faring worse than others.

The paper explores some of the reasons why towns are faring worse than other areas. Among some of the reasons explored in the paper are high higher proportions of local authority tenants, the decline of the commuter belts, the knock-on effects of the closure of public services and private businesses, the differential effects of the fall of disposable incomes and reduced 'small town' employment opportunities.

The role of and potential of rural policies to tackle these issues is explored within the paper, as is the role of activation and labour market policies and indeed the connection or lack of connection between these policy areas. The paper concludes with a series of recommendations aimed at supporting enhanced levels of employment and inclusion in rural Ireland.

¹⁰ This work was undertaken as part of a commission for Pobal. Pobal is a not-for-profit organisation with charitable status that manages various funding programmes on behalf of the Irish Government and the EU. The data interrogation was undertaken by the National Institute for Regional and Spatial Analysis (NIRSA), NUI Maynooth.

1 INTRODUCTION

This research was intended to fill a gap in the national debate on unemployment, job creation and social exclusion in rural settings, where, until now, very limited attention has been given to regional and spatial variations and trends. The research was undertaken in the context of the existence of few NUTS 3 or NUTS 4 level studies analysing employment and growth throughout Europe in rural areas. It was also the case that previous national strategies (e.g. white paper on rural development, national spatial strategy) had, in the context of the current economic crises become dated, further highlighting the need for the design and development of new approaches.

The research process involved:

- A review of literature and data on employment, unemployment and social exclusion in the Irish rural context;
- Analysis of the 2011 census matched against the Pobal/Haase index information on employment, unemployment and rural exclusion;
- Consultations with key stakeholders;
- Identification of job creation learning in rural settings in Ireland and Europe, drawing on the experiences of government, OECD, local government, local development & civil society;
- Identification of suggestions for joined-up approaches and actions for government and other stakeholder

A Definition of Rural

Ireland has a low population density. Irish population density is 63/km², compared to a European Union average of 116.7/km² [4]. One of the key research tasks was to agree a definition of rural given that there is nationally accepted definition of 'rural'. This is not simply a question of semantics, because the way rural is defined has the potential to impact on the scope and focus of policies concerned with the development of rural communities. It also affects whether and to what extent small towns and villages are included or, indeed whether rural is exclusively linked to predominantly agricultural areas. Definitions for example that include consideration of distance from service centres for example are more likely to facilitate broader-focused development policies than definitions that focus exclusively on population density and land use.

In Ireland, the Central Statistics Office (CSO) defines aggregate rural areas as a 'statistical concept where people reside outside clusters (with legally defined boundaries) of 1,500 or more inhabitants' [1]. The Organization for Economic Cooperation and Development (OECD), in contrast, defines areas as rural if the population density is less than 150 persons/km² and classifies regions as Predominantly Rural (PR), Intermediate (IR) and Predominantly Urban (PU) [2].

Using the CSO definition of rural, namely places with a population of less than 1,500, the proportion of people living in rural areas of Ireland has declined to 38% [3]. The early years of this century however, saw a reversal of the historic decline of numbers living in rural areas, which rose from 1.66m in 2006 to 1.74m in 2011, (up +4.6%, albeit a lower rate of growth than the urban areas (+10.6%)). Over the period 2000-8, Ireland saw the highest rate of expansion of its rural population compared to other member states and continues to have the most youthful rural population. A second important component was the growth in population centres in the next category above rural (< 1,500 population), namely towns of 1,500 to 2,999, where population increased by 33%.

Eventually for the purposes of this analysis, a number of different approaches were identified and used within the research to defining 'rural'. The research also developed and applied a research specific approach based on settlement size.

2 FINDINGS

2.1 Rural Policies

Irish policies for the development of rural communities and locations became closely connected to and informed by the European Communities from the 1970s. There are a number of key European policy reference points, from *The future of rural society* (1988) to the OECD's *Strategies to improve rural service delivery* (2010), which between them form an important framework of analysis of the rural problematic and its solutions across Europe, echoing many features of the Irish situation.

The key national reference points are the white paper on rural development, *Ensuring the future* (1999), the National Spatial Strategy (2002), the National Anti Poverty Strategy *Sharing in progress* (1997) and the subsequent *National Action Plan for Social Inclusion, 2007-2016*. All of which are now dated. As these national policies have dated, policies in flanking areas, such as agriculture, employment and local government, where changes affect, either directly or indirectly, rural areas and communities have become more important.

The current national programme for government '*Towards Recovery: Programme for a National Government 2011–2016*' has only limited reference to rural development, which also appears to be a low priority within individual departments. Rural development is also scarce or absent from key policy documents, such as the Action Plan for Jobs, the National Skills Strategy, the Enterprise Strategy and the National Recovery Plan 2011-2014. Indeed the State's main roadmap out of the crisis, developed by the National Economic and Social Council, does not appear to address rural issues [5].

This absence of a policy focus on rural can be seen to be exacerbated by two conceptual problems. The first, is the confusion that would appear to exist between policies and initiatives. Irish Government statements have sometimes lengthy listings of measures taken for rural development, but a diverse but unconnected range of measures, however worthy and with individual merit (e.g. LEADER, rural transport, rural social scheme) do not necessarily constitute a joined-up policy. The second relates to confusion in the terminologies of agricultural development, rural development and regional development, where there has been a lack of rigour in separating the one from the other and the priorities of investment in each. Whilst the two are not necessarily antithetical, not all agricultural supports necessarily reinforce rural development nor vice versa.

2.2 Rural Employment & Unemployment

The rural economy, up until recently, demonstrated a reliance on traditional sectors such as natural resources (particularly farming/agriculture), construction and small scale manufacturing, rather than service employment [7]. The public sector was also an important source of employment in many rural areas. In the early years of this century, rural employment was boosted by construction, both in rural areas themselves and in adjacent more urbanized locations. This employment compensated for the continued decline in agricultural employment, which has now fallen to 85,600 [6].

This all changed dramatically with the economic and social crisis of 2008. The collapse of the construction sector (which generated a rapid fall in off-farm employment and income in farm households) and the moratorium on public sector recruitment have contributed in particular to the reduction in employment levels and employment opportunities in rural locations. A recent study indeed suggests that rural areas, with their loss of construction and traditional industries, have reverted to their earlier pattern of decline and that future growth will be more urban-driven [8].

Unemployment in Ireland generally has also risen since 2008 (from a low point of 4.7% in 2007 to 14.6%, or 430,900 (seasonally unadjusted) in December 2012 [9]). While long-term unemployment rose from 28,800 in 2007 (1.3%) to 177,200 (8.4%), or from 30% of the unemployed to 64.7% in December 2012. Irish unemployment figures would be higher were it not for a resumption of substantial out-migration affecting (72,000 in 2009; 69,200 in 2010; 80,600 in 2011 and 87,100 in 2012) [10]. The level of under-employment is 135,700 or 22.7%, the third highest in the Union. The proportion of young people not in Employment, Education or Training (NEET) is the third highest in the Union [11]. Studies which shed light of the effect on the economic and social crisis in the rural areas are scarce.

2.3 Rural Inclusion & Deprivation

'Poverty' (as the precursor to social exclusion) and 'rurality' have a long connection [12]. A 1997 study found that farmers comprised 32.7% of the poor at that time [13]. Subsequent further work confirmed a link between poverty, rurality and unemployment, especially long term unemployment [14]. Groups identified as being at an increased risk of poverty in rural areas included unemployed people; people with a disability; older people; migrants (according to Census 2011, 19.8% of migrants, defined as individuals who are 'not Irish' live in rural areas); local authority tenants; travelers; lone parents; Gaeltacht communities; fishermen and farmers on small holdings; young people; farm women; lone parents; refugees and asylum seekers, many of these groups having an important gender dimension [15].

A recent shift in focus from just income poverty toward a greater emphasis on processes, policies and the multiple dimensions of poverty and their effects across a broad spectrum also allow broader processes in rural areas to be taken into account, such as isolation, distance from services, flanking policies such as transport and being on the periphery of decision-making [16]. Other areas of inequality closely linked to exclusion include educational achievement, employment, health and social care, housing and communities, participation in public life and prejudice. The most recently released poverty data from the 2011 EU Survey on Income and Living Conditions not only show a rising level of poverty, but continued higher 'at risk' rates of poverty in rural areas compared to others, albeit a lower rate of increase. See Table 1 for details.

Table 1: At Risk of Poverty Rates (60% poverty line) (Source: [10] [19])

<i>Location</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>Change 2009-2011</i>
Nationally	14.1%	14.7%	16%	+13.5%
Urban areas	11.8%	12.5%	14.2%	+20.3%
Rural areas	17.8%	18.1%	18.8%	+5.6%

Statistics however only provide a very partial picture of the differences between urban and rural locations. Poverty and exclusion in rural areas are also clearly linked to challenges associated with being distant from services and larger service centres; the higher costs of living associated with living in a more rural areas; the more limited nature of the labour market and employment opportunities in rural areas; demographic change, linked to emigration; the limited availability of key services; the isolation of particular groups; and a general lack of opportunities.

The essential point is not so much that employment, unemployment, poverty or exclusion are worse or indeed better in rural than urban areas, but that employment, unemployment issues, poverty and exclusion issues are different in rural areas and because the issues are different, they require specific targeted responses and solutions.

3 RESULTS & DISCUSSIONS

3.1 Rural Definitions

Questions were raised in Section 2 about the appropriateness of the frequent application of the National Statistics Agency (the CSO) definitions of aggregate rural areas, which effectively ensures a rural descriptor is only applied to areas outside of settlements with > 1,500 population. An alternative classification of areas based on the size of settlements was developed within the context of this research with three categories of location types, '< 5,000 areas', '≥3,000<5,000 areas' and '<3,000 areas'. This new classification was then applied to the available employment and social inclusion data sources. For technical reasons it was only possible, to test and apply the classification to Census 2011 data and to a national Deprivation Index which is based on Census 2011 data.

3.2 Rural Employment & Unemployment

An examination of Census 2011 unemployment levels across the settlement type classification found that '< 3,000 areas' tended to have lower levels of unemployment and higher age dependency levels than their '≥ 5,000 areas' and their '≥3,000<5,000 areas' counterpart (see Table 2. for details). It is also interesting to note that in three regions of the eight NUTS 3 level regions (the Border, the Midlands and the South East), '≥3,000<5,000 areas' had higher levels of unemployment than either their '< 3,000 areas' or '≥ 5,000 areas' counterparts, suggesting that in these regions additional supports and activation measures may be needed.

Table 2: Percentage of the 2011 labour force unemployed at NUTS 3 Level (examined using settlement size) (Source: [20])

NUTS 3 Regions of Ireland	$\geq 5,000$ areas'	$\geq 3,000 < 5,000$ areas'	$< 3,000$ areas'	For the Region
Border	26	28	21	23
Midland	27	29	19	22
West	20	16	18	19
Dublin	17	17	15	17
Mid-East	18	18	18	18
Mid-West	24	-	17	20
South -East	25	26	19	22
South -West	19	19	15	17

The finding of higher unemployment levels in more urbanized locations ' $\geq 5,000$ areas' was not unexpected. It can indeed be largely attributed to the nature of the employment data collected at part of the Census in comparison with the data collected as part of the Quarterly National Household Survey (the official measure of employment and unemployment). Census 2011 does not for example consider the extent and nature of under-employment. Thus a true understanding of employment and unemployment in more rural areas could really only be derived from a further breakdown of the QNHS from an enlarged rural perspective.

3.3 Rural Inclusion & Deprivation

Social inclusion while a useful concept, is almost impossible to measure because of its complexity and the dynamic nature of the processes involved. No one measure currently effectively captures the concepts, so the indirect proxies that are often used include a combination of poverty and deprivation measures, while more recently work has begun on minimum essential standards of living.

Official statistics on poverty in Ireland are compiled by the CSO from the annual Survey on Income and Living Conditions (EU-SILC). The most recent figures published at NUTS 1 level only in February 2013 are for the year 2011 with revised figures for 2010 [17]. The most commonly used measures to calculate the number of people in poverty are the relative income poverty rate (also known as the 'at risk of poverty rate') and the consistent¹¹ poverty rate. See Table 3 for details of these rates over the period 2009-2011 [18].

¹¹ 'Consistent poverty' is defined as living on less than 50-60% of average household disposable income and experiencing enforced deprivation of at least one of a number of specific items.

Table 3: Measures of Poverty (2009-2011) (Source: [19])

<i>Measure</i>	<i>Location</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>Change 2009-2011</i>
Consistent Poverty Rate	State	5.5%	6.3%	6.9%	+25.5%
	Urban	5.0%	6.6%	6.8%	+36%
	Rural	6.2%	5.9%	7.1%	+14.5%
At Risk of Poverty Rate (60% of median income)	State	14.1%	14.7%	16%	+13.5%
	Urban	11.8%	12.5%	14.2%	+20.3%
	Rural	17.8%	18.1%	18.8%	+5.6%

Analysis of these figures shows that rural areas tend to have (with the exception of the consistent poverty in 2010) higher rates of consistent poverty and consistently higher percentages of at risk of poverty. The rate of change for consistent poverty (+25.5%) though is markedly higher in urban (+36%) than rural areas (+14.5%). This information (developed using the CSO definition of rural) is not available at NUTS 3 level.

Another measure widely used in an Irish context as a measure of exclusion and disadvantage is the Pobal HP Deprivation Index. The most recent version is the 2011 Pobal HP Deprivation Index for Small Areas. At its simplest, the index provides a mechanism for measuring the relative affluence or disadvantage of a particular geographical area using a combination of demographic¹², social class and labour market data compiled from various censuses [19]. A scoring is given to the area based on a national average of zero. The scores range from -35 (i.e. the most disadvantaged) to +35 (the most affluent). Additional percentage data for the area is also given under the following categories: Population Change, Age Dependency Ratio, Lone Parent Ratio, Primary Education Only, Third Level Education, Unemployment Rate (male and female) and the Proportion living in Local Authority Rented Housing. The index is useful from a rural perspective given that it includes measures that capture the underlying dimensions of social disadvantage including demographic growth/decline, social class composition and labour market situation.

The 2011 index identified a dramatic decline in relative affluence and deprivation over the period 2006-12, represented in the fall of the mean index score from 0 in 2006 to -7.0 in 2011. This is seen to be in line with the depth of the current economic crisis. The index has also highlighted how the economic downturn has affected different parts of the country¹³. See Table 4 for an examination of Pobal HP Deprivation Index Trends at national level across the three settlement sizes

¹² Among the measures included in the category of demographic growth include age dependency rate, population change, primary education only, third level education and lone parent numbers.

¹³ Data is available for 18,488 standardized small areas, with a minimum of 50 households and a mean of just under 100 households within each small area.

Table 4: Deprivation Index Trends at national level (examined using settlement size) (Source: [21])

Settlement Size	Census Year	Lowest Score	Highest Score	Average Score	Trend		
					% Areas where deprivation is reducing	% Areas with no change	% Areas where deprivation is increasing
≥ 5,000 settlement'	2011	-30.6 South Dublin	40.1 Dun Laoghaire-Rathdown	2	21%	62%	17%
	2006	-40.6 Dublin City	37.7 South Dublin	1			
≥3,000<5,000 settlement'	2011	-25.5 Co. Kerry	26.3 Co. Galway	-1.9	12%	62%	25%
	2006	-19.6 Co. Cork	29.2 Co Galway	-0.1			
< 3,000 settlement'	2011	-28.1 Co. Clare	28.5 Co. Cork	-1.7	14%	66%	20%
	2006	-42.1 South Dublin	39.4 Co Roscommon	-1.1			

This analysis shows that deprivation is generally increasing in all area types, in line with national trends and the impact of the on-going recession, with greater extremes of deprivation and affluence in more urbanized locations. The overall trend for more urban areas '≥ 5,000 areas' can however be seen to be generally more positive than for '≥3,000<5,000 areas' and '< 3,000 areas': where in both cases the average deprivation score has risen and the trend is for a great percentage of these areas to have increasing levels of deprivation (17% for '≥ 5,000 areas' compared with 20% for '>3,000 areas' and 25% for '≥3,000<5,000 areas'). This reinforces the views arising from the various measures of poverty (consistent and relative) that social exclusion is a serious and worsening issue in more rural areas (in most situations the trend is more negative than in more urban areas). It also places a particular spotlight on the high levels of deprivation in towns ranging in population from 3000-5000.

An examination of the absolute and the relative deprivation trends at Electoral Division (ED) level over the period 1991-2011, using the eight-level area classification the CSO has as part of the sampling methodology for SILC, confirms these findings. It shows that rural areas have consistently performed less well than cities and that it is towns of varying sizes that have fared worst of all (See Figure 1 for details of the relative deprivation trends).

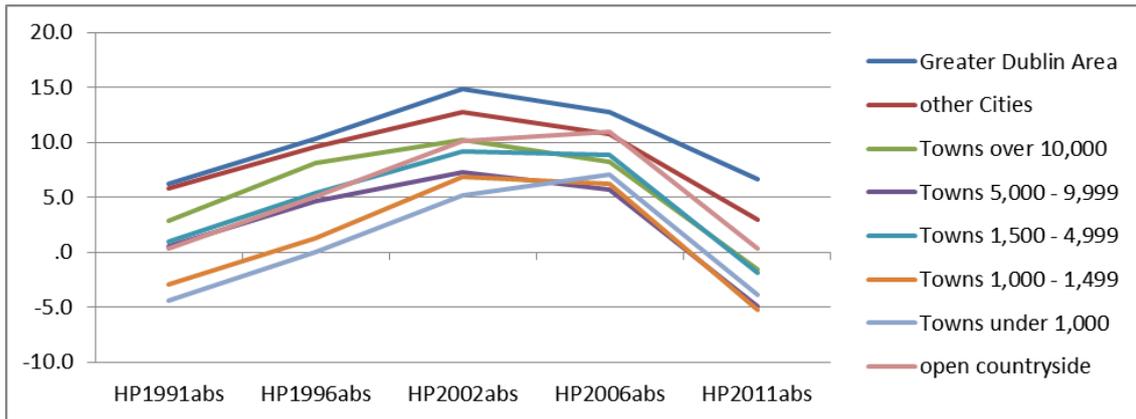


Figure 1: An Examination of Relative Deprivation Trends at ED level (1999-2011)

While it is not possible to exactly pinpoint the cause of high levels of deprivation in towns of varying sizes it is clearly possible to identify some key contributory factors including:

- Higher percentages of local authority tenants within these locations compared to other locations;
- The particular impact of the recession on areas which experienced the most rapid development towards the end of the boom within a 1-1.5 hours commute to Dublin, where many ghost estates are located;
- Cities have performed better/more strongly than other types of areas throughout the recession;
- Closures of banks, post offices and small businesses in small villages forcing individuals to travel to other larger more urban locations to access these services/ and or shop online. The shops that do remain suffer because of the lack of passing trade as people travel to other locations to access the services they need;
- Reductions in levels of disposable incomes leading to increased price sensitivities among consumers, meaning that they are visiting multiples to do their shopping and or shopping online;
- Lack of employment opportunities in these locations, leading young people without access to transport to migrate to other locations;
- A generally aging population (because people of working age have had to travel to access work);
- Lack of public transport options to/within these locations.

4 CONCLUSIONS & RECOMMENDATIONS

4.1 Rural Policies

There is a need to adopt a broader approach to rural that takes us beyond consideration of remote rural areas and includes consideration of the interactions between more rural areas and the small towns and villages with which they connect. There is also a need for a coherent policy for rural development that builds the broad range of current initiatives into a coherent whole. To do this, it is essential that the State articulates a view as to the extent it should invest in rural areas and its rationale for doing so, clarity is essential.

Key national policies which have important rural dimensions (e.g. employment, skills) do not address the rural situation. There is no interdepartmental mechanism to bring the rural

development elements of the work of departments and agencies together. In key areas where the European and Irish rural policy agenda match, Ireland's performance is actually far behind, especially in the environmental area. Some important aspects of the European learning have not been applied at all, for example in the areas of renewables (wind and wave), heritage tourism, environmental improvements, apprenticeships and the social economy.

4.2 Rural Employment & Unemployment

Current Irish Employment policy falls far short of the scale of the current challenge of unemployment, emigration and the low-wage economy of many rural areas. Although there is a range of employment and related initiatives, they did not function as a coherent whole.

- The programme of activation presents significant problems generally, accentuated in rural areas in the areas of transport, childcare and progression into quality work;
- Some important aspects of the European employment policy agenda have not been well applied in Ireland, notably apprenticeships and social enterprise, which are critically under-developed here;
- Although both the European and Irish policy agenda have indicated the areas in which new jobs and economic activity may be supplied, Ireland is challenged as to how it may best do so. This research raises serious questions as to the role of the State in the provision of financial and technical support for SMEs, the appropriate scale of development and the role of the State in enterprise.

4.3 Rural Poverty & Deprivation

While there is a process for reporting and consultation within the National Action Plan for Social Inclusion, 2007-2013, it does not take into account the radically changed circumstances since 2008, nor is it constructed in such a way as to take into account the changing nature of poverty and exclusion in rural areas.

4.4 In Summary

Ireland has, over the years, banked a positive set of experiences in rural development, community development and social inclusion. The combination of rural and community development policies and practices that developed from the 1980s contributed to a halting and a reversal of rural decline, even if unevenly so. The National Anti-Poverty Strategy and subsequent National Action Plan for Social Inclusion were systematic approaches to the challenge of social exclusion, even if they were not adaptable enough to changing circumstances. The various initiatives that have taken place in rural development and employment policy, notably activation, are on the whole well regarded, even if they fall short of a coherent policy set.

It is evident that rural development, social inclusion and community development have declined among the hierarchies of national policies over the past ten years or so. There is a significant challenge to reinstate, at a difficult time, the importance of rural issues across a broad range of fields from social inclusion to employment creation. If this is not done, this will put at risk some of the gains banked earlier.

These related fields can benefit from a considerable level of accumulated wisdom, knowledge and experience at European level. From the European experience, we have a good picture of the methods, approaches and elements that make for successful policies and

practices in rural development, social inclusion and employment policy. The presence of such a knowledge is not of itself enough, for what is also necessary is a domestic community of policy and practice, one that is broad and inclusive, both at national and local level, one which provides a 'voice' for all its elements; and the appropriate, considered application of European lessons learned. Some pose some considerable but by no means insurmountable challenges (e.g. social enterprise, apprenticeship schemes), while others suggest a more pro-active role by the State in employment creation.

4.5 Recommendations

- 1 A new rural vision, updating *Ensuring the future*, setting down the rationale for investing in rural areas (equivalence principle) and redefining 'rural'.
- 2 The application of rural proofing enforced by a Rural Policy Implementation Group with a voice for civil society therein.
- 3 The application of the European policy menu in those areas where Ireland lags; its more appropriate application; and filling hitherto missed opportunities.
- 4 Adaptation of activation to the rural environment, refocusing resources from control to intensive support and outreach, with investment in childcare, transport and progression.
- 5 The development of an inclusive community and practice network to function at both a national and local level.

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A STRATEGY FOR THE 'INNER AREAS' OF ITALY

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ABSTRACT

The greater part of the Italian territory is characterized by small towns and villages which often have restricted access to essential services. We define these territories as “Inner areas”, that means areas far away from large and medium-sized urban centres, and from their associated infrastructure.

These areas are characterized by the presence of both natural resources; such as forests, protected areas, and agricultural land, and of cultural resources; such as archaeological sites, abbeys, small museums and craft centres. They are also strongly diversified as a result of their specific natural characteristics and peculiar developmental paths.

Since the 1950s a large number of these inner areas have experienced a significant process of marginalization through:

- a progressive reduction and ageing of the population
- a decrease in employment and in the degree of territorial capital utilization
- a progressive reduction, both quantitative and qualitative, in the supply of local public services.

If we consider the large dimension of these territories in terms of population and land, it is clear that they have the potential to make an important contribution to Italian national development. It is irrational to leave such a relevant, heterogeneous and typical resource under-developed, especially if we consider that Italy has a surplus labor force that could be exploited in these areas.

The Department of Development and Economic Cohesion is working on the final draft of a National Strategy for the development of Inner areas within the country. The allocation of EU funds for 2014-2020 has provided the opportunity for creating a strategy that combines private and public sector projects in these areas with national policies aimed at giving a uniform vision and to increasing their effectiveness in the long term. This strategy does not distinguish between Northern and Southern Italy, and gives very strong attention to the local background.

Starting from the awareness of the heterogeneity of the inner areas, this strategy is intended to:

- reallocate Inner areas in a strategic position for the country, the regions, the municipalities and, generally speaking, for the local bodies and for all subjects with a specific role at a local level

- create a set of interconnected projects focused on prioritized fields of intervention linked with the ordinary policy (compared to the EU policy).

The most important feature of this strategy for Inner areas is its focus on the preconditions for local development combined with projects and efforts to ensure the supply of essential services (education, health, transport and communications). Hence the starting point for building the development strategy of Inner areas is the distinction between local and national goals, because although such goals are different, they are strictly linked and have to be simultaneously pursued.

1 INTRODUCTION

The greater part of the Italian territory is characterized by small towns and villages [1] which often have restricted access to essential services. We define these territories as “Inner areas”, that is, areas far away from large and medium-sized urban centres, and from their associated infrastructure.

In Italy, Inner Areas comprise almost 60% of the territory and embrace about 24% of the total population. These areas are often not readily accessible comprising of the most mountainous territories and the minor isles.

Inner areas are characterized by the presence of both natural resources; like forests, protected areas, and agricultural land, and of cultural resources; like archaeological sites, abbeys, small museums and craft centres. They are also strongly diversified as a result of their specific natural characteristics and peculiar developmental paths.

Since the 1950s a large number of these inner areas have experienced a significant process of marginalization:

- a progressive reduction and aging of the population
- an associated deterioration in the population's treatment of local natural resources
- a decrease in employment and of the degree of territorial capital utilization
- a progressive reduction, both quantitative and qualitative, in the supply of local public services

So, while on the one hand these territories may be seen as ‘suffering’, on the other hand they show a huge potential for economic development. If we consider the large size of these territories in terms of population and land, it is clear how important their potential contribution could be to the future national development. It is therefore irrational to leave such a relevant, heterogeneous and typical resource under-developed, especially if we consider that Italy has a surplus labour force that could be exploited in these areas.

Italy is developing a National Strategy¹⁴ in favour of Inner Areas with the final aim of improving the quality of life and economic well-being of people living in its relatively isolated and sparsely populated areas. It differs from other policy initiatives which have been carried out in these areas by the fact that it has a clearly defined specific target, which is to stop the current depopulation of these territories, and being a strategy to overcome the existing policy fragmentation. It is a multi-level strategy, with both ministries and regions called on to cooperate towards common objectives in conjunction with local municipalities and authorities, and it is mainly (but not only) pursued through structural funds. The most

¹⁴ The Action arises from the initiative of the former Minister for Territorial Cohesion, Fabrizio Barca [2], [3] and is based on a step by step building process started almost a year ago with the analysis of a technical Committee formed by Istat, Banca d'Italia, Anci, Uncem, Upi, Ministries of Labor, Education, Health and Transports and led by the Department for development and economic cohesion of the Italian Ministry for economic development.

important feature of this strategy for Inner areas is its focus on the preconditions for local development combined with projects and efforts to ensure the supply of essential services (education, health, transport and communications).

2 DEFINITION OF INNER AREAS

The first step in the development of the strategy has been the development of criteria to identify territories as 'Inner areas'.

2.1 Main aspects of the methodology

The methodology¹⁵ was developed from two main concepts:

- the Italian territory is characterized by a dense and varied network of urban centers which offer a wide range of essential services like Healthcare Education, and Transport. These centres represent a 'point of convergence' for people living far apart.
- the distance of small towns from these urban networks affects people's quality of life, and their sense of social inclusion.

The basic idea from which the methodology arises is that no economic or social development is possible without the provision of adequate education, health and transport services. Therefore, the areas have been mapped according to the distance (travel-time) from the nearest "**services centers**" that offer:

- an exhaustive range of secondary schools;
- at least a 1st level DEA hospital¹⁶;
- at least a 'Silver - type' railway station¹⁷.

Once the service centres have been identified, the remaining municipalities have been classified according to their distance from these centres as:

- 'Belt' areas – up to 20 minutes far from the centres;
- 'Intermediate' areas – from 20 to 40 minutes;
- 'Remote' areas – from 40 to 75 minutes;
- 'Ultra – remote' areas – over 75 minutes far¹⁸.

Inner areas include those territories that have been classified as either '**Intermediate**' or '**Remote**' or "**Ultra – remote**".

¹⁵ For a detailed description of the method used, see [4] www.dps.tesoro.it/Aree_interne/doc/Nota%20Territorializzazione%20AI_03%20marzo_2013.pdf. The methodology draw upon previous works on rural areas of some specific Italian region [5],[6].

¹⁶ A 1st level DEA (Dipartimento di Emergenza ed accettazione) is a Hospital department where these services are offered; Emergency Room, general practice, general surgery, orthopaedics, traumatology, cardiology with intensive care unit, radiology and medical laboratory.

¹⁷ Italian railway stations may be classified in 4 categories:

- Platinum: big stations characterized by an average of 6.000 travellers per day and, on average, a great number of trains per day, including a considerable flow of High quality trains;
- Gold: from medium to big stations, characterized either by local or high quality trains;
- Silver: from medium to small stations, which offers a medium-level service;
- Bronze: small stations, mainly for regional railway connections.

¹⁸ 20, 40 and 75 minutes represent the 33rd, 66th and 75th percentile of the distribution of time-distance between service-centers and municipalities.

According to this approach, what mainly characterizes the Inner Areas is their 'physical' distance (*remoteness*) from fundamental services, not their 'weakness'.

As a whole, Inner Areas include 4261 municipalities, corresponding to over a half of the total number and cover a large part of the entire country (almost 60%) and contain about 24% of the total population (see Table 1 and Figure 1).

Table 1: Main characteristics of Italian municipalities classified according to the methodology (Source: DPS elaboration on Istat – Population Census 2011)

Classification of municipalities	N	%	Average elevation (mt)	Population	%	Km ²	%
Single – municipality service centre	219	2.7	145	21,233,562	35.7	29,519	9.8
Multi – municipality service centre	104	1.3	166	2,466,455	4.1	6,251	2.1
Belt areas	3,508	43.4	215	22,202,203	37.4	81,815	27.1
Intermediate areas	2,377	29.4	395	8,953,282	15.1	89,448	29.6
Remote areas	1,526	18.9	607	3,671,372	6.2	73,256	24.3
Ultra – remote areas	358	4.4	627	916,870	1.5	21,784	7.2
Total	8,092	100.0	358	59,433,744	100.0	302,073	100.0

2.2 Inner areas: social demographic trends, environmental characteristics and land exploitation, economic structure

In the last decades Italy has experienced deep and rapid demographic changes, which have affected the age structure and composition of the population. Population has been shrinking between 1971 and 2011 in remote and ultra-remote areas, although, with population concentrating in centres, belts and intermediate areas- even if trends in centers result to be quite differentiated. These trends had inevitable impacts on labour market dynamics and on land use. In Inner Areas and, more specifically in remote and ultra-remote areas these changes have been even more relevant than in the rest of the country.

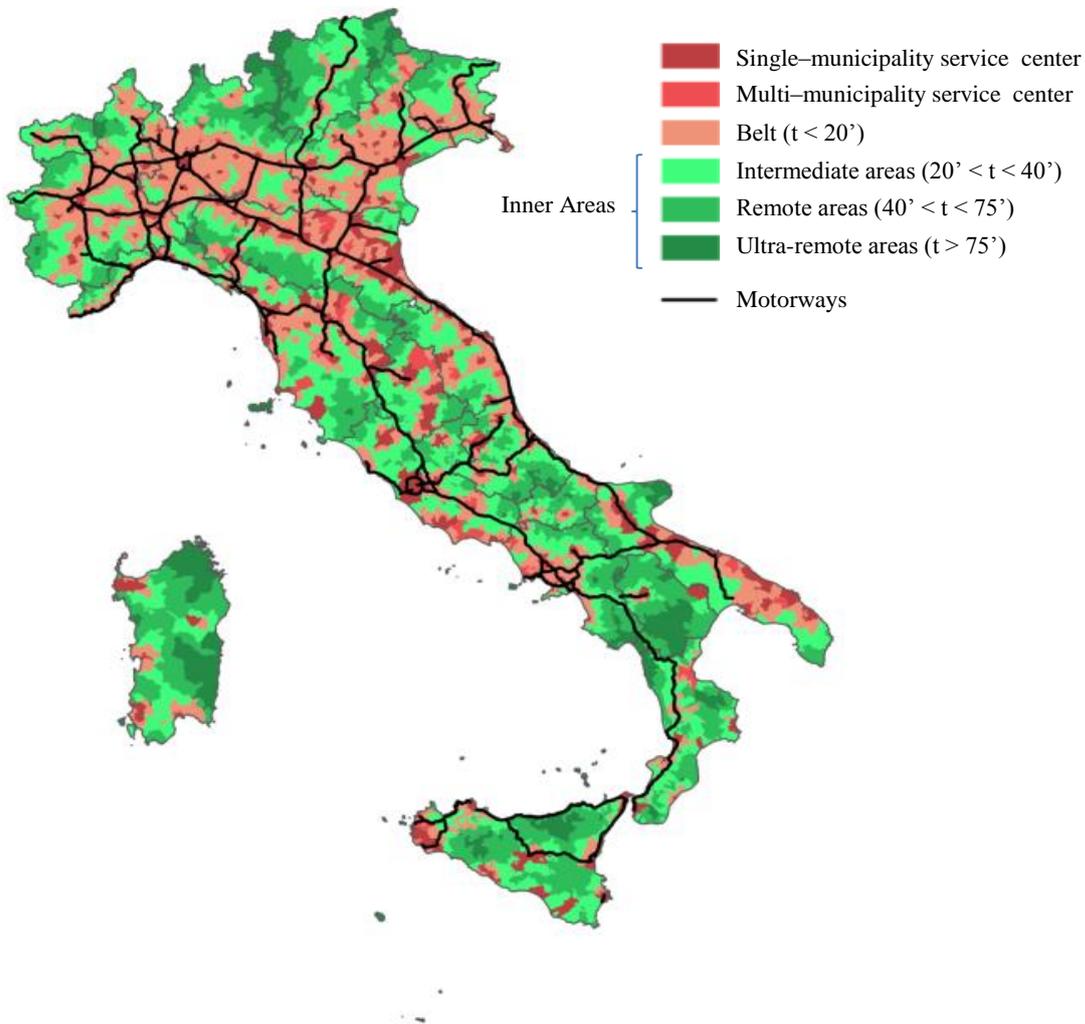


Figure 1: Map of Italian territories

(Source: UVAL-UVER-ISTAT elaboration on data from the Ministry of Health, Ministry of Education and RFI (Italian Railway Network))

Table 2: Some socio – economic indicators of Italian municipalities classified according to the methodology

Indicators	Centres	Inner Areas	<i>of which</i>	Remote areas	Ultra-remote areas	Total
Number of municipalities	3,831	4,261		1526	358	8,092
Demography						
Percentage change in population 1971 - 2011	11,6	4,2		-8,1	-5,3	9,8
Percentage of population aged 65 and over	20,7	21,2		22,4	21,3	20,8
Percentage of foreigners in resident population - 2011	7,2	5,4		4,0	3,3	6,8
Percentage of foreigners in resident population - 2001	2,5	1,8		1,3	1,1	2,3
Natural asset						
Percentage of crop farming area out of municipality land area - 1982	57,3	49,3		48,5	44,2	52,4
Percentage of crop farming area out of municipality land area - 2010	48,1	39,1		37,5	37,5	42,6
Percentage of forestal land area out of national forestal area - 2010	26,9	73,1		30,8	10,4	100,0
Percentage of forestal land area out of municipality land area - 2010	71,8	131,0		44,0	49,9	34,6
Economic structure						
Employment (Employees) in agriculture - percentage change 1971 - 2001	-65,7	-68,8		-66,9	-67,8	-68,1
Employment (Job- holders) in manufacturing sector - percentage change 1971 - 2001	6,8	32,0		28,9	26,4	10,7
Employment (Job- holders) in service industry - percentage change 1971 - 2001	130,1	117,8		87,9	116,7	128,4
Essential services						
Average risk of early school leave - junior high school (*)	0,20	0,20		0,22	0,15	0,20
Percentage of municipalities with at least on junior high school	71,3	61,2		60,4	72,6	66,0
Number of hospital beds per 100000 people	451,2	245,2		237,0	236,0	404,3
Number of beds in nursing homes for the elderly - per 1000 people aged 65 and over	14,6	14,1		10,9	7,5	14,5
Average distance (in minutes) from the closest municipality provided with a hospital	8,7	23,2		28,3	38,1	16,3

(*) Valle d'Aosta and Trentino Alto Adige do not take part to the Survey of the Ministry of Education

Remote and ultra-remote areas have experienced negative demographic trends since the late 70's. During this time they have also witnessed a steep increase in the percentage of elderly people, which has almost doubled. Some regions of the Northern and Central Italy have reached a worrying level where over 30% of the local people are now aged 65 and over [7]. The negative effects of these trends have been only slightly reduced by migration into these areas. A consequence of this demographic trend has been a resultant deterioration in the efficiency of land use by local populations. Population plays a fundamental role in preserving territories from landslip and flooding. Therefore, recent population dynamics in Inner areas have worsened the condition of the land and have increased the exposure to such risks.

With reference to land use and condition, it is worth noting that in the last 30 years there has been a considerable reduction in the percentage of land exploited for agriculture in remote and ultra-remote areas as well as in some 'belt' territories¹⁹. The reduction in the percentage of land used for farming has led to an increase in forest land. Today over 10 million hectares are covered by forest, and these figures have almost doubled from 1948.

The geography of Inner Areas affects their economies: as a matter of fact, the primary sector plays a leading role in these territories, particularly in Southern Italy. Nevertheless, it is worth noting that there are considerable differences in economic specialization among regions. Inner areas in the North, for example, such as Piedmont, Lombardy or Veneto present a high level of specialization in the Secondary sector, while regions close to the Alps like Valle d'Aosta or Trentino Alto Adige and regions such as Campania or Calabria show high levels of specialization in the Third sector.

3 A NATIONAL STRATEGY FOR ITALIAN INNER AREAS

3.1 Inner areas in the EU funds programming for the period 2014 – 2020

The Department of Development and Economic Cohesion is working on the final draft of a National Strategy for the development of Inner areas within the Country²⁰. The allocation of EU funds for 2014-2020 has provided the opportunity for creating a strategy that combines private and public sector projects in these areas with national policies aimed at giving a uniform vision and to increasing their effectiveness in the long term [8]. This strategy does not distinguish between Northern and Southern Italy, and gives very strong attention to the local background.

Starting from the awareness of the heterogeneity of the Inner areas, this strategy would pursue a policy which would

- reallocate Inner areas in a strategic position for the country, the regions, the municipalities
- set up a set of interconnected projects focused on few selected priority fields of intervention and linked with the ordinary policy (through a new attention on services provision within territories).

¹⁹ It is worth highlighting that there are some 'specific' territories characterized by a tradition of intense (such as Pianura Padana) or high quality farming (as fruit crops in Trentino Alto Adige or Sicily, or viticulture) where agriculture still plays a relevant and growing role in local economy.

²⁰ After two main public event on this topic (www.dps.tesoro.it/Aree_interne/ml.asp), on December 2012 and March 2013, the Strategy is going to be formalized in a Paper to be discussed and implement throughout the commitment of Regions (EFDR, ESF and EAFRD Managing Authorities) and other stakeholders. Further step will be the inclusion of the Strategy in the Partnership Contract with the EC to be realized by the end of this year.

The most important feature of this strategy is its focus on the preconditions for local development (education, health, transport and communications) combined with projects to foster local development. Hence the starting point for building the development strategy for Inner areas is the distinction between local and national goals, although such goals are different they are strictly linked and have to be simultaneously pursued.

As already mentioned, municipalities of Inner Areas are often small, sparsely populated towns. Their geographical and demographic features have a negative impact on the availability and accessibility to those fundamental services, such as education, health, transport and communication which ensure basic rights for all citizens. Furthermore, the lack of such services makes these territories less 'appealing' to live in particularly for younger people of working age. Therefore, from a local perspective, the strategy should aim at reactivating the socioeconomic development of these territories.

Together with this territorial Cohesion objective (improvement of quality of life of people living in Inner Areas), the strategy has a development goal linked to the idea that the strong differentiated character of Italian Inner areas – and their under-utilized assets – can become the source of a "specific demand for Inner Areas" [9], [10], without which it is not possible to activate development processes. Development policy intervention needs to be built around selected latent development factors (cf. Section 3.2).

The ultimate goal of this strategy is the reinforcement of the demographic structure of Inner Areas. This goal may be pursued by reversing negative demographic trends and fostering international migration flows, in particular of people of working age: an increase in population is an essential condition to promote social and economic changes in these territories and to revitalize local communities.

The main targets of the strategy may be distinguished between *local targets*

- improving wealth and well-being of the population;
- restoring vitality of local communities.

national targets:

- population growth and increase in occupation;
- definition of new functions for unused human, natural and economic resources;
- reduction in social costs of population dynamics²¹.

All these goals will be reached through a combination of national policies, first of all in the field of education, health and transports, and actions at local level, such as projects of local development, and these two aspects will be pursued together.

3.2 Implementation of the Strategy

The Strategy for Inner areas is characterized by a double nature. From one side a high strategic approach, to orientate different policies towards a same final objective, from the other side a very pragmatic and operative approach, through the building up of a network of local and strongly monitored projects, spread in well selected Inner areas of several Italian regions.

Key steps in the implementation of the Strategy are:

Strategic Approach

²¹ Economic decrease and out-migration from Inner Areas have determined, as a consequence, a gradual process of blight of building stock, a decline in food farming and forestal economies, a weakening of population's safeguard of land and, thus increasing the exposure to the risk of landslide and flooding

- Launch of the Strategy at the National level through the opening of a National Committee with strategic analysis charges; negotiation with regions and establishment of a common operative framework. Signature of the Partnership Agreement with the Commission and high level commitment from key ministries and President of the Regions²² Within Regional Policy, regions must embrace the Strategy in favour of Inner areas unless they demonstrate that there is no depopulation of inner Areas in their regions; no soil maintenance problems and no socio-economic divergences.
- The strategy is based on multilevel governance, with both ministries and regions called to cooperate for common objectives, and municipalities and local authorities being main counterpart actors. Projects will be actually implemented by associations of municipalities with a strong involvement of local communities. The capacity of single municipalities to cooperate between themselves will be a precondition to participate in the National Strategy (and obtaining regional funds).

Project Approach

Promoting projects for local development focused on specific local development factors. In order to be effective, an intervention strategy needs to concentrate on those specific features that have a great potential for socioeconomic growth in Inner areas. Hence, strategic projects will need to concentrate on a number of selected fields (development factors) of intervention which can play a role in raising labour demand in these territories.

“Development factors” that have finally been selected as relevant are:

- land management and forests;
- local food products;
- renewable energy;
- natural and cultural heritage.
- traditional handicraft and SMEs.

Selected projects need to have a number of specific characteristics:

- being able to create new employment through action on at least two of the selected development factors, and creating a link with the market;
- ensuring a strong participation of the local Community;
- being constantly monitored and evaluated on pre- established results;
- being strongly backstopped;
- acting on both development factors and improvement of basic services.

Each project will be implemented through a common “Plan Agreement” (APQ, a juridical tool that will ensure the pursuit of common goals between local administrations, regions and the Centre, with the final aim of ensuring that investments on the development factors will be coupled with commitments to improve the provision of basic services: schools; hospitals and local mobility).

A Federation of Projects will be organized at Central level to make sure that projects can exchange mutual experience; solve common issues and gain reputation and visibility.

4 CONCLUSIONS

²² Only some of these steps have been already accomplished.

A Strategy is a focal point, is a pre-established desired change to which different policies have to aim at. Starting from the awareness of the heterogeneity of the inner areas, this strategy would aim to

- reallocate Inner areas in a strategic position for the country, the regions, the municipalities
- set up a set of interconnected projects focused on few selected priority fields of intervention and linked with the ordinary policy.

The Strategy recognizes heterogeneity of Inner Areas, but also their common features and trends that makes necessary a common national policy – with a complex multilevel governance-, from the very North to the South of the Country.

The future of the strategy will be strictly linked to the political commitment, both at national and regional level; to the capacity to find out simple and transparent operational solutions; the clear set up of measurable results; transparency mechanisms (the Federation) and the reactivity of local authorities and communities, that will be the true main actors of this wished change pattern.

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IMPACTS OF AGEING ON SOCIOECONOMIC SUSTAINABILITY IN SPANISH RURAL AREAS

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ABSTRACT

Rural areas in Spain are among the most aged populations in Europe, due to both natural population dynamics and, in particular, migration. Rural populations have lost young people while new, elderly residents have arrived.

This study explores the contribution that ageing can make in reversing the tendency toward the decline of rural areas, and it points out the extent to which the management of care can be incorporated in rural development agendas.

Using data from Spain's National Statistics Institute, it presents, first of all, the current situation of an ageing population in Spain, particularly pronounced in rural areas. Following, it examines the main relationships between ageing, economic development and care, emphasizing the significant consequences these have on employment paths and families in rural areas. Thirdly, it analyses the specialisation taking place in the caregiving sector in rural areas due to the incorporation of new residents who require care, the creation of a labour market related to the provision of care and the significant increase in residences for the elderly.

The effects of ageing are contradictory, leading to new possibilities for economic activity while at the same time creating a precarious labour market that pushes the economically active population to leave. It is crucial for planners to take caregiving activities into account. The regulation of these activities could lead to opportunities for development and greater sustainability.

1 INTRODUCTION

The ageing of the population in European societies had a great impact on rural areas. The increase in the percentage of the population over 65 years of age is particularly notable in Mediterranean countries, where it reaches more than 20% of the population in rural areas [1]. Portugal leads the group with 22.7% of its rural population in this age group, followed by Greece (21.4%), Spain (21.1%), Italy (20.9%) and France (20.8%).

In the context of the European Union, where the demographic transition has been completed, mortality at young ages having been reduced, current high levels of ageing are due primarily to the fall in fertility. However, for rural areas the level of ageing is not just the product of the balance of births and deaths. In fact, as Berry has pointed out [2], rural areas have higher levels of fertility than urban areas and, therefore, the ageing of rural populations is especially dramatic and due to the effect of migration. On the one hand, the intense rural exodus that took place in European economies in the post-war period in which the young

adult population moved from the countryside to the cities caused the weight of the elderly to increase as the size of intermediate generations decreased. On the other hand, the reduction in these intermediate generations led to a decrease in the birth-rate. Finally, during the last years of the 20th century, retirement migrations to rural areas became widespread, especially in certain areas of the Mediterranean. These retirement migrations have been carried out by groups of urban residents who, having reached the end of their economically active life, retire to small enclaves and less densely populated coastal areas in search of better living conditions, not only residentially and environmentally speaking but also economically.

The importance and impact of retirement migrations have been examined in the literature. In this text, the classic typology formulated by Litwak and Longino [3] regarding the life course of the elderly is of particular interest. The first stage in their typology is the initial period right after retirement (or even before retirement), which consists of migrations directed toward preparing for and enjoying retirement. In a second stage, there is the search for intimacy with and closeness to family in order to face the decrease in capacities. In a third stage, residential change is directed toward places which can provide care when individual health and personal autonomy decrease. This model is very useful for understanding the importance of rural areas in an increasingly ageing society.

Hence, the intense ageing of rural areas has two sources: one related to economic and demographic decline, leading to the exodus of young people, and the other related to the new economic, environmental and social role of rural areas, which has made them attractive to the ageing population. These two causes produce a series of questions about the paths and opportunities for the social and economic development of rural populations.

Until now, in the context of the depopulation of rural areas, ageing was a factor that contributed to the social and economic unsustainability of rural populations. However, today, various studies have demonstrated the different effects ageing can have on the future of rural areas. In this sense, particularly suggestive is the notion of *grey gold* [4], as retired residents with their higher economic, educational and health level contribute significantly to the development of the receiving communities. This contribution not only affects the economic sphere but also the social and cultural spheres of the community, as these residents make up a highly participatory population at the local level.

Especially important is the migration of the middle-aged and those close to retirement (the so-called *youthful elderly*) [5]. These active migrants with high income and education levels not only deal with residential change linked to life style change, but consciously adopt strategies to prepare for retirement that include plans to invest in property and in some cases, economic activity in small villages in remote areas. As a result, they become actors with a high potential for stimulating the regions where they settle.

Due to a greater focus on broader life projects, and not just specifically on the economic, the direct impact of these migrations on employment is less than might be expected. The positive effects tend to be concentrated in the areas of participation and demand for services, as well as in the strengthening of cultural ties and the increase in social capital. These changes are fundamental given the isolation of rural areas and their lack of services, contributing decisively to their social sustainability [6]. In the medium term, other undesirable effects may arise as a result of these transformations, such as an increase in prices, especially of housing, and the loss of autochthonous young people [7], which raise another direction for analysis of these restructured rural areas.

An issue that remains pending and that this text intends to examine; is the extent to which ageing, which will mark the future of Europe in the coming decades, can contribute to

reversing the trend toward rural decline. Related to this is the question of the extent to which the caregiving economy should be incorporated into development agendas. Spain, with one of the oldest rural populations, and at the same time an important destination for retirement migrations in Europe, provides an appropriate case for detecting the possible emergence of certain processes and trends.

This text combines the results obtained in previous research [8 and 9] based on census data and data from demographic surveys carried out by Spain's National Statistics Institute.

2 AGEING IN RURAL AREAS

As a result of the decrease in fertility, the ageing of the population of Spain continues without stop (Figure 1). In rural areas, the figures for the aged population are higher as a consequence of the significant rural exodus experienced in previous decades. Thus, at the beginning of this century, over 18% of the population in small municipalities (under 5,000 inhabitants) was over 70 years of age. In the last few years, the ageing of the rural population has slowed down. The arrival of new residents, many of them foreigners, had a notable effect; the increase in the number of persons of intermediate ages has led to a demographic rejuvenation.

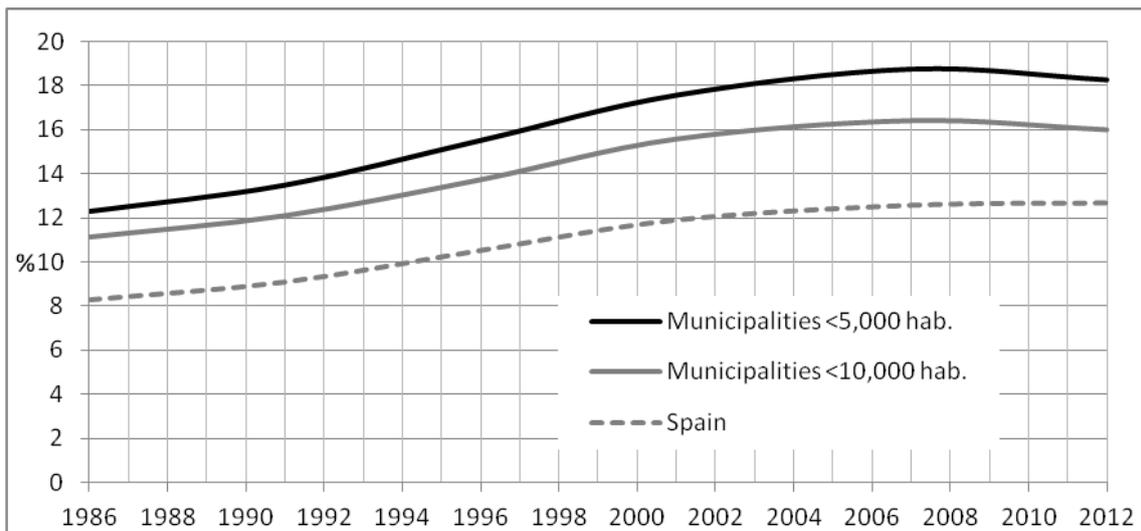


Figure 1: Number and diversity of Dial-a-Ride schemes – MH, September 2012

The relationship between the size of a municipality and the degree of ageing is clear, with significant variations according to the size of the municipality (Table 1). As a general rule, the smaller the municipality, the greater is the percentage of the population over 65 years of age. In municipalities of a very small size (less than 2,000 inhabitants), more than one quarter of the population is over 65. This percentage decreases significantly in medium size towns (up to 10,000 inhabitants) and from there more moderately in those at higher population levels (up to 100,000). In the large cities, ageing has rebounded slightly, but it is a consequence of the ageing of central urban areas, which resulted from more affordable housing in suburban areas. If we exclude this effect, we can say generically that ageing has an inverse relationship with size of municipality.

Table 1: Population over 65 years of age by size of habitat (Source: Municipal Census, 2012, INE)

Size of habitat	% > 65
<2,000	27.3%
2,001-5,000	20.7%
5,001-10,000	16.8%
10,0001-20,000	15.9%
20,001-50,000	14.8%
50,001-100,000	14.3%
100.001-500,000	16.4%
>500,000	17.4%
Total	17.2%

3 LABOUR ACTIVITY AND GENERATIONAL ECONOMIES

The significant weight of the population over 65 in rural areas creates a demand for care services, and this has important repercussions on life in these areas. In general, persons over 65 years of age are economically inactive and in a situation of increasing dependency, which generates a significant caregiving burden for intermediate generations. In the case of rural areas in Spain, there is an estimated number of 780,000 dependent persons (those without personal autonomy), representing 7.9% of the total rural population [8].

Clearly, the situation of an ageing population demands greater institutional action and economic activity related to caregiving. However, in Europe's Mediterranean countries, the institutional structures for providing caregiving services are generally weak. This weakness is accentuated in rural areas because of their remoteness and general lack of services. In rural regions the family continues to be the primary mechanism for providing care to the elderly. In other words, family groups mediate the generational economic relationship, devoting parts of their activity to providing care for dependent family members.

In this context, the familist solution to the problem of caregiving has two important consequences. On the one hand, it reduces the role of care as an economic activity in ageing rural areas. On the other hand, it reduces the caregivers' chances of being able to do productive work that generates wealth and leads to the sustainability of the rural areas. In this sense, ageing has a contradictory effect on the labour market. It is a source of employment, but in the case of familist systems, it significantly reduces the participation of caregivers – especially women – in productive economic activity.

The fact that dependency care is carried out primarily by women has significant consequences in the reproductive sphere. Based on data from the EPR-2008 survey and using logistic regression models, it was possible to model the effect of dependency care of the elderly on the economic activity of rural women and compare it to childcare (Figure 2). In general, the presence of elderly persons reduces the economic activity rate among women by 12%, very similar to the impact of childcare on the activity rate. The combination of young children and elderly family members has a clear multiplying effect, leading to very large differences in the rate of economic activity among women.

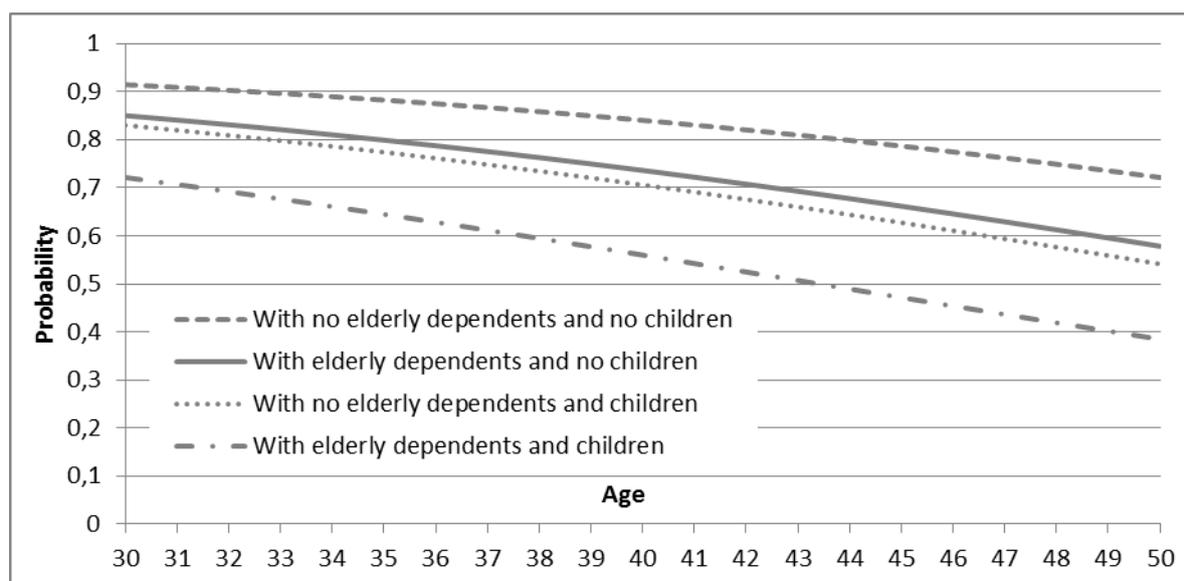


Figure 2: Probability of women being economically active based on caregiving situation by age
Source: EPR-2008.

In addition, ageing and the elderly's need for care also have an impact on forms of family life. The data show, for example, that one out of six rural men between 30 and 50 years of age live with their parents and do not have a partner. For women the percentage is also significant, though lower, as women remaining in rural areas are closely tied to family formation (77% live with a partner or with a partner and children, compared to 67% of men). In this sense, ageing, and specifically taking on the responsibility for the care of senior family members within the family, affects not only job opportunities, but also family formation.

Table 2: Rural household structures for 30-49 year olds

	Males	Females
Single	6.1%	2.5%
Couple	11.6%	10.7%
Couple with children	55.4%	66.7%
Single parent with children	0.5%	2.9%
Couple with parents (no children)	0.7%	1.0%
Single with parents (no children)	15.8%	6.6%
Joint family	5.2%	6.5%
Others	4.8%	3.1%
TOTAL	100%	100%

Source: Household Budget Survey, 2009, INE

Figure 3 shows the intensity of the effect of rural ageing on family composition, particularly on single adults living with parents. The relationship between this living arrangement and the percentage of the population over 70 years of age is shown for all of the 17 autonomous communities of Spain. In the cases of extreme ageing, with more than one quarter of the rural population over 70, around one fifth of the population between 30 and 49 years of age – in which economic activity and reproductive capacity are concentrated – remain single living with their parents.

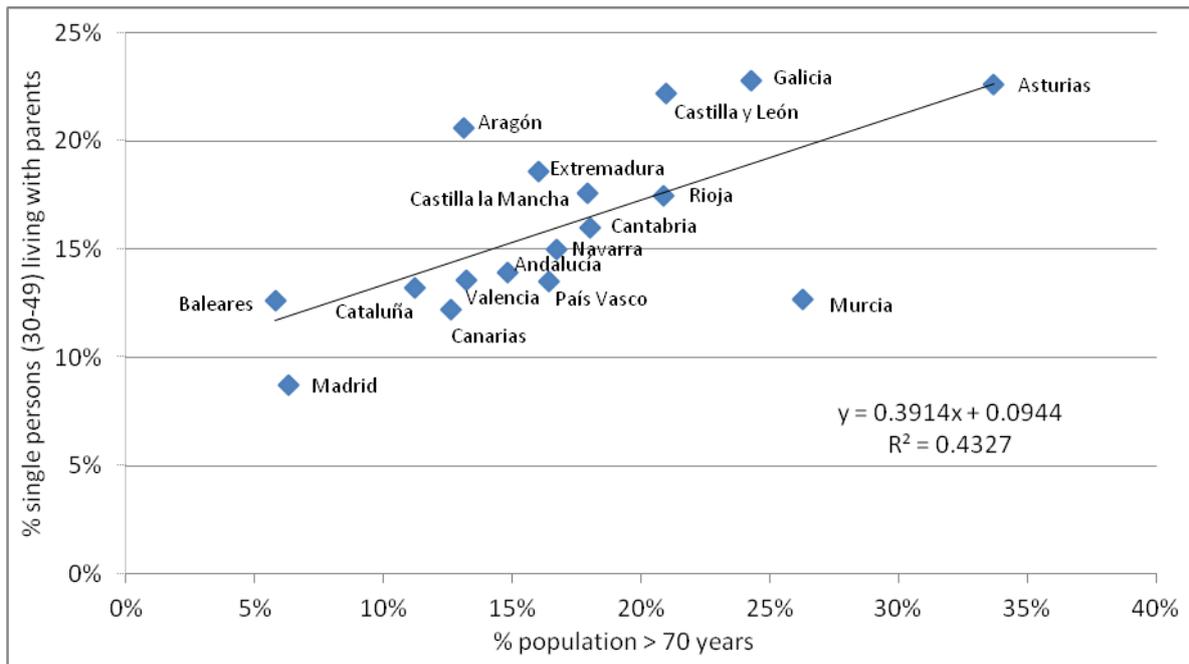


Figure 3: Correlation between ageing and family structure in rural areas
 Source: Household Budget Survey, 2009, INE

The data reflect the enormous impact that ageing has on demographic structures and the importance of generational economies on the sustainability of rural areas. The term, *generational economy*, was proposed recently by Lee and Mason [10] to broadly refer to generational economic agreements and exchanges. In rural areas the provision of care, domestic living arrangements and the maintenance of assets can be incorporated within the flow of exchanges between generations

4 INTERNATIONAL MIGRATIONS AND CARE CHAINS

The question of care has been related to the dynamics of migration through the concept of the care chain [11], which analyses the relationships between caregivers and receivers of care from a transnational perspective. In Spain, there are two sources of international immigration. The first, evident in the last quarter of the 20th century, is the product of the settlement of retirees from central and northern Europe along the coasts and in small municipalities. The second more recent but intense immigration consists of labour migrants from primarily North Africa, Latin America and Eastern Europe. Both have had a clear impact on rural areas.

Comparing the demographic structures of both types of foreign immigrants in rural areas (figure 4), we see, on the one hand, the importance of retirees and pre-retirees among foreigners coming from the EU-15, while on the other hand, immigrants from outside the EU are almost exclusively in economically active ages. What must be highlighted is that, whether due to the increase in retirees or in the active population, both population groups have been an important stimulus for the development of the receiving areas. Those coming from the EU-15 feed residential and settlement processes focused on lifestyle, which promotes the creation of specialized services while these immigrants integrate into the local social structure [12]. Both the settlement of these groups and their links with local society are

important. In this regard, it is significant that more than 40% of rural inhabitants from the EU-15 have Spanish partners [9].

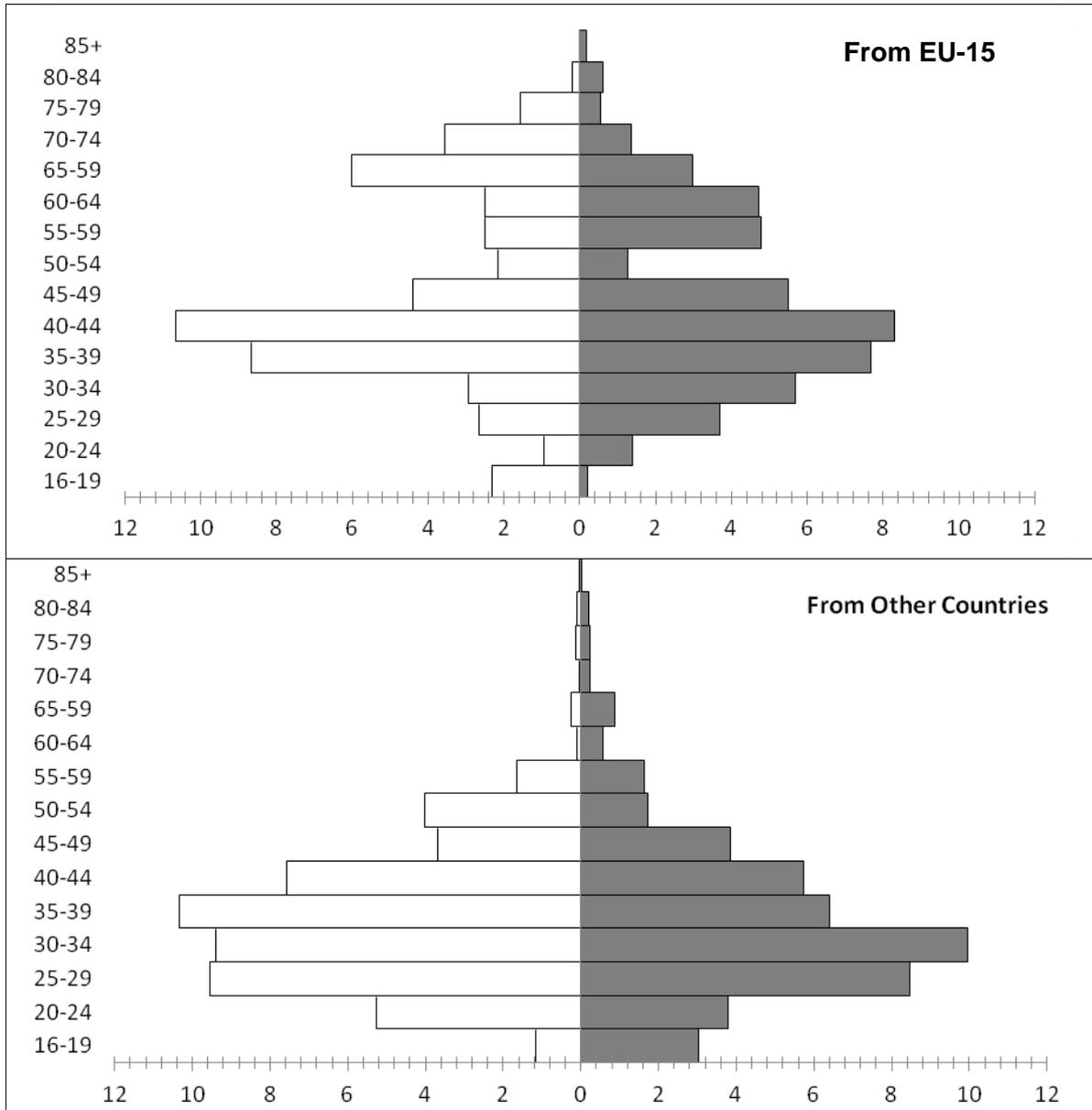


Figure 4: Rural immigrant population structure. Arrivals before 2005
Source: ENI, 2007. INE. Elaborated by the authors

In turn, the large group of immigrants from outside the EU-15, who to a certain extent have replaced declining local workforce, has an important relationship to ageing in rural areas. Analysis of the main activities of this group of immigrants reveals (Table 3) that the economic activities that require a massive workforce, such as in agriculture and construction, make up less than 50% of male employment and only a very small percentage of female employment. In contrast, we can see that there is a growing employment in the service sector, including personal and domestic services, sales, tourism, and business services (accounting for 74% of employment among women and 25% among men).

Table 3: Rural foreign population from outside EU-15 by occupation (Source: ENI, 2007. INE. Elaborated by the authors)

	Men	Women
Agriculture	13.8	4.2
Manufacturing	21.7	12.4
Construction	35.3	0.2
Commerce/Sales	9.3	17.1
Hotels/Restaurants	3.8	19.3
Transport, mining, energy and fishing	7.3	2.3
Business services	3.5	11.9
Administration and education	1.4	3.1
Personal services	3.1	10.0
Households	0.8	19.5
Total	100%	100%

Arrivals before 2005

Another important area, particularly because of its repercussions in local labour markets, is that of senior residences. We can see in the rural-urban continuum the comparative impact these institutions have in relation to the proportion of the aged population in these areas. Broadly speaking, the data show two important trends (Figure 5). There is a relative discrepancy between the weight of the elderly and the rate of residence in these institutions. This would indicate that group residences are not distributed uniformly by habitat. And the second trend is that in general it is in the small to medium-sized habitats (between 5,000 and 10,000 inhabitants) where there is the greatest concentration of these types of institutions.

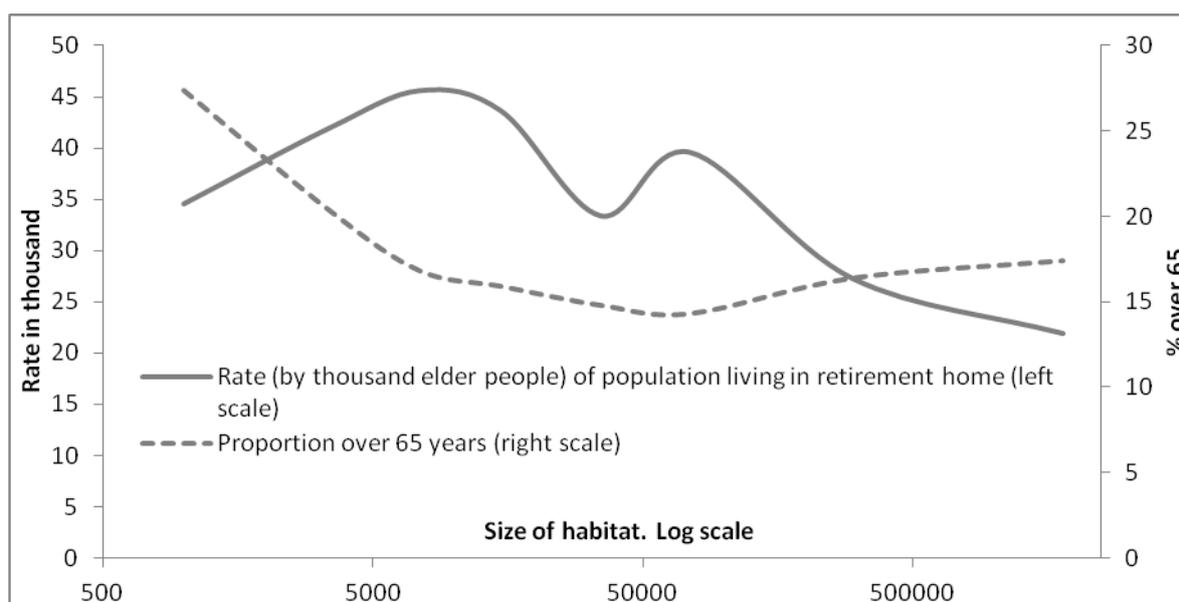


Figure 5: Population over 65 living in retirement homes and share of population over 65 by size of habitat. Source: Population Census, 2011. INE

During the period 2001-2011 the number of senior residences increased by 65% in rural areas, while in urban zones their increase was only 22%. During this decade the number of elderly persons living in retirement homes tripled. These data demonstrate the growing impact these institutions have on the rural environment, as well as the importance that the rural environment has acquired as a retirement habitat. Undoubtedly, in addition to rural areas having become attractive places of residence during the early years of retirement, they are also emerging as areas with a clear specialization and orientation toward productive activities in the area of care.

5 CONCLUSION

This overview demonstrates the growing importance of rural areas in the context of a progressively ageing society. In a future in which life expectancy continues to increase and health at advanced ages will be better, an increased demand for residence in rural areas is to be expected. In Litwak and Longino's model of retirement migrations [3] we find that both the opportunity for retirement migration and the length of the first stage of migration (migration to enjoy retirement) have increased. In this context, the second stage (migration in search of family care) would decrease, while the third stage, characterized by the move to senior residences, would increase. In the first period, as well as the third, the rural environment offers appeal over urban areas. It seems clear that there is an opportunity to increase activity and specialization in care in the face of the decline in primary activities taking place in agricultural economies.

Two great uncertainties arise, however, with this model. The first is related to the important weight of ageing caused by the emigration of youth. The ageing autochthonous population is more an obstacle to activity in rural areas than a stimulant, as demonstrated by the effect of caring for elderly parents on women's economic activity.

The second has to do with the labour market on which the care economy is based. As has been seen, the provision of care when not provided by family members is based on the immigrant workforce, subject to an irregular and unstable labour market. Thus, recent studies have shown that the settlement of immigrants in rural zones, especially those in strong demographic decline, is temporary, lasting only until they can find employment with better conditions in urban and suburban areas.

Hence, the issue of ageing in rural areas is an essential part of addressing the sustainability of these areas. Given the range of its effects, it is especially important to include this issue in rural development agendas. In addition, special attention must be given to the regulation of labour markets related to the provision of care in rural areas. The coexistence of family systems for providing care with a labour market that only provides precarious employment hinders the long-term development and quality of services and institutions.

We should not forget that the decline in some rural areas is not so much due to a lack of economic opportunities, but due to the shortage of or difficulty accessing care services; at the same time, however, it is also necessary to keep in mind that in other rural areas, an opportunity for development lies in retirement migrations. The intentional inclusion of support plans and the creation of infrastructures to support the care economy in some rural areas as an important activity for development has an important effect, not only in attracting new residents but also in reducing significant demographic imbalances and in creating a labour market for skilled employment. The latter is essential, as rural labour markets lack attraction

for some groups because of the limited offer in certain professional sectors. It is not the lack of work but the quality and conditions of the rural labour market that contribute to the significant demographic imbalance in these areas.

The issue of ageing in rural areas necessitates taking the generational economy into consideration when we discuss rural development. Rural restructuring has shaped a new productive context while modernizing rural areas. Continued decline after this restructuring reveals a pending issue, related to the conditions of reproduction, which determine the sustainability of rural areas.

In the case of rural areas in Southern Europe, the strengthening of institutions and services related to the provision of care could have significant effects on local labour markets – not so much in terms of their expansion, but in modifying their character as providing irregular and low-skilled employment – and on the possibilities for the permanent settlement of intermediate generations in these areas.

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LIFE QUALITY AND REMEMBRANCE IN RURAL AREAS IN NORTH-EAST GERMANY

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1 INTRODUCTION

The demographic change of rural areas in the member states of the EU is widely perceived as a *crisis* affecting the inner infrastructures of modern federal societies [1]. Germany as one of the economically strongest states is nevertheless affected by this crisis too. Although the most effective agricultural industries developed in the North of Germany, the process accelerated in the past 20 years, which is characterized by an increasing thinning and centralization of nearly all public services, over ageing, a poor work-life-balance by the means of unemployment, educational chances and the need to commute great distances. The structural deficits in the North-East of Germany are furthermore highlighted by the political transitions after the reunification of Germany. The transfer of a socialist collective agriculture into the conditions of an industrialized free market economy left the majority of the staff of the agricultural cooperatives (LPG) unemployed and with little employment and educational chances behind.

The *University of Applied Sciences Neubrandenburg* is embedded within this area of one of the weakest infrastructures in Germany. Accordingly the research of the most departments at the university is determined to deal with the *challenges* concerning the social, political and cultural implications for a modern community-planning and an appropriate theory of rural development once leading to a local *Centre of Competence of Peripheral Development*.

The most recent step taken in this direction is the start of a pilot project for a model of socio-cultural intervention in communities <500 inhabitants in the county *Mecklenburgische Seenplatte* in May 2013. The project, funded by the *Federal Ministry of Education and Research* in the *SILQUA-Program* [2], takes into account the empirical and theoretical results of the preceding research at the *Department of Health, Care, Management* namely the so called *Rural-Health-Study* [3].

2 THE RURAL-HEALTH-STUDY 1973, 1994, 2008

The study aimed to extend existing knowledge about the relationship between the change in living conditions, conduct of life as well as health and quality of life. Therefore the study was designed as a longitudinal study (trend and panel study) and as a cross-sectional study. The database were three datasets of surveys in 14 rural communities in North-Eastern Germany 1973 (N=3603), 1994 (N=2155), 2004/08 (N=1246) and biographical interviews (2009/10) with selected inhabitants in these communities.

The first wave of the Rural Health Study was carried out in 1973 during a phase of modernization, in which the differences between urban and rural environments became less pronounced [4]. Working and living conditions had already improved in largely agricultural communities, and the percentage of persons completing secondary education and vocational training had risen, particularly among women. On the other hand, many people retained their traditional health-related habits, such as a high-calorie diet [5].

The second wave was carried out in 1994, by which time rural areas had become further modernized [5]: for example, the percentage of the population with more than eight years of education in school had risen from 18% to 48%. Other changes had resulted from the “transformation,” i.e., the collapse of the former German Democratic Republic. The most important of these was a vast decline in employment, e.g., a 75% drop in agricultural employment for the years 1990–93 [5].

The third wave, in 2008, was characterized by regional peripheralization with respect to living conditions, leading to all of the following:

- social-structural decoupling of parts of the population;
- low added-value creation, expansion of the low-wage sector, and precarious employment;
- deteriorating infrastructure and diminishing quality of life;
- low political participation and low involvement in institutions [6], [7].

As these processes go on, the options and opportunities for rural inhabitants become narrower, and their living strategies may well be nothing more than an attempt to make the best of a bad situation [8].

Analyses of contextual data (in particular official statistics) showed that the region is affected by decline in population as well as a decline of infrastructure and in employment opportunities [3]. These analyses showed also a change of the working world as a consequence of the transformation process and of modernization. Trend and panel analyses of the survey datasets of the years 1994 and 2004/08 have shown shifts in working conditions and increasing burden of working [3], [9]. Compared with findings for Germany, the burden of work in the investigated region is particularly high, above all in the secondary sector [3].

The relation between living conditions and conduct of life, satisfaction and health was analysed as follows. In the context of community studies a declining level of social activities was reported [10]. Based on analyses of survey data combined with contextual data it could be shown that shrinking infrastructures in the villages and a declining level of social activities affect the life satisfaction and the satisfaction with infrastructure negatively [10]. It was also confirmed that low social integration, bad satisfaction, high burden of working as well as poverty and unemployment are all related to risky health behaviours, bad health and some diseases [3].

On the other hand the findings have shown an increase of preventive and health oriented activities. Furthermore the qualitative research has offered insights into various ways and means of dealing with the characteristic living conditions of these region and their consequences for health, illness and satisfaction with life [3]. Cases were also found in which, despite unfavourable conditions (e.g. unemployment, poverty, long-distance commuting), coherence and satisfaction with life could be developed or maintained through recourse to local possibilities for assistance, integration and social support in the rural community [3].

It was recommended to public health actors that suitable measures for promoting potential resources (e.g. social integration and support) should be developed. Interventions were recommended, which should primarily focus on changing local living conditions [9].

The analyses of the survey data showed that, overall, persons in the study area considered themselves to be in better health at the end of the study than at the beginning, reflecting a trend also seen in the German population as a whole. This improvement was associated with a marked rise in educational attainment and with generally positive changes in dietary habits, exercise/sporting activities, smoking, and alcohol consumption. We cannot fully exclude the possibility that, particularly with respect to health-related behaviour (in all waves of the study, 1973 included), the respondents' answers were coloured by social expectations and thus more positive than they should have been.

The increased burden of certain diseases that was observed in the study may be due, in part, to improved diagnosis. It is, nonetheless, clear that the study region had a higher burden of disease than other regions, with correspondingly lower health satisfaction and overall life satisfaction.

The empirical findings provide a basis for potential theoretical explanations of parallel developments in health and lifestyle in the region. In the authors' view, the observed regional (and also supra-regional) trends in health and disease, education, and health-related behavior, as well as the continuing rationalization of work and the associated loss of jobs, are all manifestations of the modernization of living and working conditions.

On the other hand, it can be considered that the regionally specific differences in employment, living conditions, health, burden of disease, and life satisfaction that were revealed by the LGS are mainly attributable to the regional and peripheral nature of the study region. All of these differences present a challenge for social and health-care policy. There is a need, in the intermediate term, for the expansion of regional or national programs for the promotion of involvement in civic and cultural life, and for the connection of small communities to such programs ('active village' programs); it would also be desirable to improve the provision of health care in rural areas so that people no longer have to travel far to see a doctor. Nonetheless, as was discussed in the follow-up conferences that were held in the rural communities (19), the remediation of the structural job shortage should also remain a priority, so that the regional problems that are already evident do not become even worse.

3 LOCAL HISTORY AND SOCIAL COHERENCE, PROJECT LETHE

Since the focus of the *Rural-Health-Study* was dedicated to the health issues of rural living conditions, the additional qualitative research results – obtained in 2009/10 through biographical interviews – pointed to the individual strategies of coping. This qualitative studies offered insights into various ways and means of dealing with these problems and

their consequences for health, illness and satisfaction with life. Cases were found in which, despite unfavorable conditions (e.g. unemployment, poverty, long-distance commuting), coherence and satisfaction with life could be developed or maintained through recourse to local possibilities for assistance, integration and social support in the rural community. One presumption raised in that context was the observed correlation of social activity and the historical character of the villages. Villages with a more dependent origin in a manorial economy seemed to be less active nowadays compared to villages with longer history of free peasants [8]. Regarding the overall loss of social coherence between 1994 and 2008 (comp. Figure 1), the social network within small villages seemed to be a vital social resource in the communities.

In relation to	1994				2004/ 08			
	less satisfied with the family situation (% valid)*	less satisfied with the relation to friends or neighbors (% valid)*	less satisfied with life overall (% valid)*	total (N)	less satisfied with the family situation (% valid)*	less satisfied with the relation to friends or neighbors (% valid)*	less satisfied with life Leben overall (% valid)*	total (N)
less than 2 persons	44,9	55,4	62,2	304	55,5	70,6	73,4	126
2-3 persons	39,2	48,3	66,2	791	46,4	55,7	59,4	452
at least 4 persons	28,3	35,2	55,5	1028	31,6	37,5	49,9	586
valid	34,7	42,9	60,4	2123	39,7	47,8	55,9	1164
not stated	33,3	50,0	71,4	32	33,3	30,4	50,0	71
total	34,7	42,9	60,5	2155	39,5	47,4	55,9	1235

7th Scale of Satisfaction (1: very unsatisfied to 7: very satisfied) was dichotomized at 5 (= median of all fields of satisfaction)

Figure 1: Development of satisfactions 1994/2008 (Source: [3])

The project *Quality of Life and Remembrance in Rural Communities* (LETHE) takes these results into account for the further research on the spatial and social conditions in the villages by the means of the public infrastructure but first and foremost the historical conditions within the community. It has to be proved whether or not local living conditions can be seen as a root for social coherence, life quality and local gratification. Therefore the intended ‘intervention’ in the project is not designed to change the behaviour of the people in rural areas, like it is often seen in the field of health education (concerning risky life styles of

health, e.g. alcohol, tobacco), but to change the circumstances (social support, networks, political, cultural participation).

The aim is to develop an innovative model of empowerment to improve the self-efficacy of elderly and old people in communities < 500 inhabitants in the county *Mecklenburgische Seenplatte* (comp. Figure 2). The project cooperates with local representatives in government, social welfare organizations, health care, health promotion, cultural and political education.

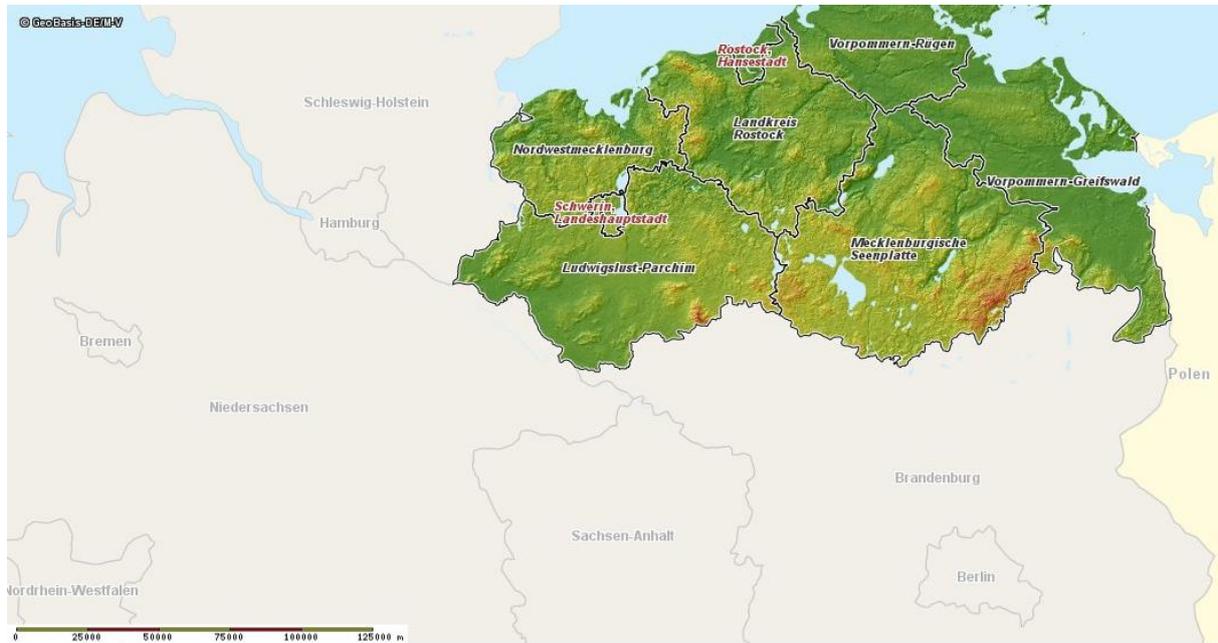


Figure 2: County Mecklenburgische Seenplatte, Mecklenburg-Vorpommern, Germany
(Source: Geoportal MV, 2013)

A multi-method design was established to reach the several theoretical and empirical goals. In a first step the local conditions had to be depicted both by quantitative and qualitative sources. All data related to the 72 communities of the study area were collected and categorized (e.g. unemployment rate, municipal debts and income balance, use of area, number of associations, migration). Explorations in all 192 villages took place in Summer 2013 and were photographically documented (e.g. number and condition of sights, vacancies, public transport, sport and leisure opportunities). First interviews were held not least to test the approach and the acceptance. With the achieved data it is possible to proceed with a stratifying sampling of the population (N=72). Based upon a theoretical categorization in accordance to the theory of action by Pierre Bourdieu and his distinctions of forms of capital (economic, social, symbolical capital) a micro spatial typing of the communities differentiates between villages with the given resources [11]. A randomized sampling takes 3 communities out of 3 types of distribution of resources for the representative sample of n=9 ($\pm 12\%$) communities.

A first analysis of the population movement 1990-2011 in the communities underlines the dramatic change the inhabitants are subjected to (comp. Figure 3). Nearly all communities record a significant loss of inhabitants, some of them with about a half of 1990. The most important opportunity to gain inhabitants in the county is related to tourism and new vacation homes in certain locations near the big lakes. The aging society in Germany is above all in the county *Mecklenburgische Seenplatte* most significant. The prognosis of the

regional planning institution shows until 2030 a + of 48 % 65+ years old and -61% of the 20-30 years old inhabitants [12].

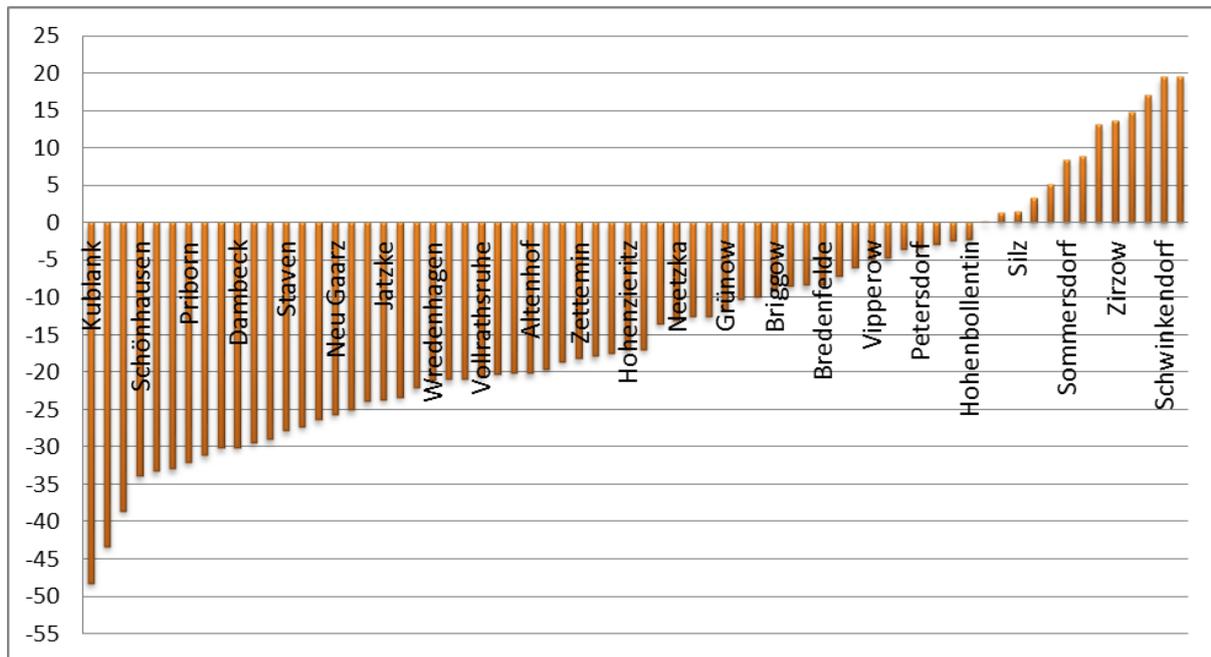


Figure 3: Population development in communities <500 inhabitants in the county *Landkreis Mecklenburgische Seenplatte* 1990 -2011, 1990=100% (Source: Statistisches Informationssystem Mecklenburg Vorpommern, Regionaldatenbank 2013 (calculations by the authors))

Relying on the advantages of stratified sampling, which includes empirical and observational data and gives a first insight into the nature of the living conditions in the county, an ethnographic/qualitative approach ensures an emic perspective of the further research on the local level [13]. Here it is envisaged to hold biographical interviews with inhabitants, majors and experts in the 9 chosen communities to reach a deep insight in the local knowledge of the past and the recent everyday life. Lead by the theoretical background of a social theory of action, a detailed overview over the actual status in the communities and the regional planning, the detailed analysis of resources in the communities over the time is possible. Nevertheless, a refusal of the approach in some villages cannot be ruled out and would be a, but the most negative, result, indicating the social resources within the community.

With the analysis of the regional history and the memories of elderly people it is planned to initiate 'history labs' in the villages. Therefore the participants are encouraged to present and discuss the biographical interpretation of the village, relate to old practices and structures. Lead by the 'World-Café-Method' the workshop groups will be able to discuss biographically or object related memories separately and with the chosen degree of privacy in the public of the village [14]. This is recommended because in villages not only the social network can be more intense but also the social control and restriction.

In conclusion of the historical and biographical research an exhibition will be curated by the *Museum Neubrandenburg*. The exhibition will be presented at the Museum Neubrandenburg and goes on tour via several venues through the county in 2015 to raise attention for the fainting history in the depleting villages and not least to motivate the participants with a public appreciation.

Finally in a second part of the project it is planned to conduct a survey in the communities. With a precise quantitative and qualitative inventory of the local resources, the quantitative measurements of life style related behaviour and the overall given self-reported satisfaction of life, it will be possible to compare the circumstances of life with the degree of social activity and life quality on a local scale.

4 RESULTS AND DISCUSSION

In order to further differentiate and elucidate the relationship between everyday life and health in peripheral rural areas, it is above all necessary to conduct more extensive (qualitative) studies which explore and explain the milieu-specific differences and relationships between everyday life and quality of life. It also seems advisable to persevere with public health triangulation studies, which offer the only long term way of finding access to the complex phenomenologies and interrelationships between everyday life and life satisfaction. Our recommendation to public health actors is that given the problems of the region highlighted here (in particular unemployment and poverty, but also in view of the potential resources for promoting health (e.g. in social integration and support in rural communities) suitable measures should be developed to promote an improvement of the social and health situation of the rural population in North-Eastern Germany, or at least to prevent a further deterioration. The project LETHE follows the results of the preceding research and aims to establish a model of accessibility for small communities in order to ensure the functions of services of general interest and to promote the local opportunities of self-efficacy, respectively self-organisation.

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EDUCATING MATURE CITIZENS OR QUALIFIED EMPLOYEES? FUNDAMENTAL TENSIONS IN THE BOTTOM-UP DEVELOPMENT OF A LOCAL EDUCATION SYSTEM

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ABSTRACT

In many German rural areas, decision makers feel the need to strengthen the local human potential in order to fight problems of demographic change and economic decline. Thereby, education becomes a local topic from an economy-centred perspective. At the same time, local rural development processes are increasingly based on the participatory policy approach. Nevertheless, citizens' ability to participate effectively is the result of learning processes. Therefore, contemporary rural development processes lend themselves to a person-centred perspective on education. It stresses less the need to adapt to economic demands and more so the potential to create one's own environment. We ask in our research whether local participatory processes that are directed toward the topic of education tend to focus on the economy-centred or on the person-centred perspective. We analyse observations from the pilot project LandZukunft in the German district Dithmarschen. The district program has been developed in a participatory approach and focuses on the local education environment. Methodologically, we rely on content analysis within a discourse analytical framework. Based on education related texts from the political sphere we identify two ideal types of separate discourses, the knowledge-society-discourse and the community-learning-discourse. These ideal types serve as templates in order to classify expressions from the local discourse within the pilot projects and to assess its development and outcome. We find a tension between both discourses in the region and administrative and economic pressures that direct the local discourse into the economy-centred direction.

1 INTRODUCTION

In Germany, rural areas are increasingly threatened by a lack of job opportunities on the one side and by a shortage of qualified labour on the other side. Due to these and other reasons many of these regions suffer from a negative demographic development and a negative image. Therefore, local decision makers often perceive the attraction of qualified labour from outside as an illusionary hope. Given this situation, they feel the necessity to strengthen the human potential within regions in order to strengthen the region's economic foundation. In this economy-centred perspective, education becomes a local topic despite its formal attachment to the level of federal states in Germany.

At the same time, local rural development processes are increasingly based on the participatory policy approach, which is supposed to lead to more problem tailored and integrated projects. Nevertheless, citizens' ability to voice their needs and contribute to

problem solving processes is the result of learning processes. Therefore, contemporary rural development processes lend themselves to a more person-centred perspective on education. It differs from the economy-centred perspective in that it stresses less the need to educate citizens that are adapted to the demands of the (local) economy. Instead the person-level perspective aims at persons' empowerment for accommodating the economic and social environment to their needs.

In our research, we ask how the economy-centred education discourse on the one side and the person-centred discourse on the other side relate to each other within the local community of practice. More specifically, we ask in how far the two discourses represent world views of different groups of citizens in the participatory process and how these discourses are adopted innovatively to the situation at hand in the course of communication between groups.

We rely on a discourse analytical approach [1] in order to analyse how local communities that deal with education handle this fundamental tension. We identify two ideal types in education discourses: On the one side, there is the discourse that refers to the idea of a developing "knowledge-society" with growing requirements concerning technical and scientific knowledge of its citizens and specifically of its labour force. This discourse culminates in the skilled-labour-shortage discussion and in education programs that concentrate on strengthening the education chain from kindergarten to university with slogans like "Young people need perspectives – firms need new recruits". On the other side, there is the discourse on "community learning" and "education for sustainable development". This discourse is characterised by the German concept of "Gestaltungskompetenz" [2], which implies the ability to shape one's own environment by active social participation.

We carry out the discourse analysis in the context of a case study. This case study in one district is part of a larger research project that accompanies the pilot project "LandZukunft" ("Country Side's Future") from the German Federal Ministry of Food, Agriculture and Consumer Protection (BMELV). We analyse secondary sources in order to identify core-arguments of the two main discourses and we analyse primary documents from the case at hand in order to understand how these relate to the ideal types. Additionally, we refer to official records of meetings and own minutes from participatory observation and interviews in order to understand the positions of different persons and groups and the development of the local discourse. In this paper, the analysis of short, characteristic documents is presented exemplarily.

The paper starts with an outline of the theoretical framing of the analysis and of the methodological approach. This outline is followed by a short description of the pilot project and its implementation in the case-study district. Then, the education discourses are characterised by the two ideal types and core arguments are identified. These ideal types inform the analysis of the case-related material that is described in the following section. Results are presented and discussed and a final conclusion is drawn.

2 THEORETICAL FRAMING

Discourse analysis rests on the idea that there is no universal truth but that every "truth" reflects a subjective world-view and a social construction of reality [1], i.e., reality is constructed in discourses rather than identified in objective observations. Starting from this constructivist point of view, it is important to clarify the theoretical point of reference, or the researcher's own position, in order to justify any assessment of observed phenomena [1].

We rely on Fairclough’s [3] concept for Critical Discourse analysis, which differentiates between the analysis of text, discursive practice and social practice. A dialectic relation is assumed between the level of the discourse and the level of social practice but analysis of the latter needs to refer to theories and concepts related to the specific field under study.

Our assessment builds upon a premise from normative political theory, which says that individual autonomy is “an important human good” that “should also be regarded as a fundamental political value” [4]. Accordingly, personal autonomy and participation are social aims in themselves in democratic societies [5]. Moreover, in innovation based (Schumpeterian) theories on economic growth, the ability to act autonomously, i.e. entrepreneurial, is a fundamental pre-condition for economic development [6].

One could conclude that education should provide individuals with the pre-requisites for autonomous activities, i.e. for entrepreneurship in its widest sense. Persons need to be endowed with “the psychological resources for self-governance” [5] but they also need to acquire other capacities and capabilities [4]. These material and immaterial resources permit experiments with new ideas and a transfer of ideas into practice by buffering a person from the consequences of the inevitably occurring mistakes in discretionary decision making.

As the psychological resources are concerned, there is an unsettled debate on whether personal autonomy can and should be an aim of education [7][8]. Critical sociological theories on education following Bordieu [9], doubt education’s ability to provide people with the mental prerequisites for personal autonomy.

In Bordieu’s [9] sociological conceptualisation, education inevitably perpetuates the existing power relations. It does so by teaching young people obedience to given norms and rules and by teaching them what is accepted as current canon of knowledge. This knowledge helps them to acquire social capital [10], which is necessary in order to acquire the relevant non-psychological capacities and capabilities for individuals’ economic participation, i.e., for relative economic autonomy. Therefore, education’s role remains ambiguous (Figure 1).

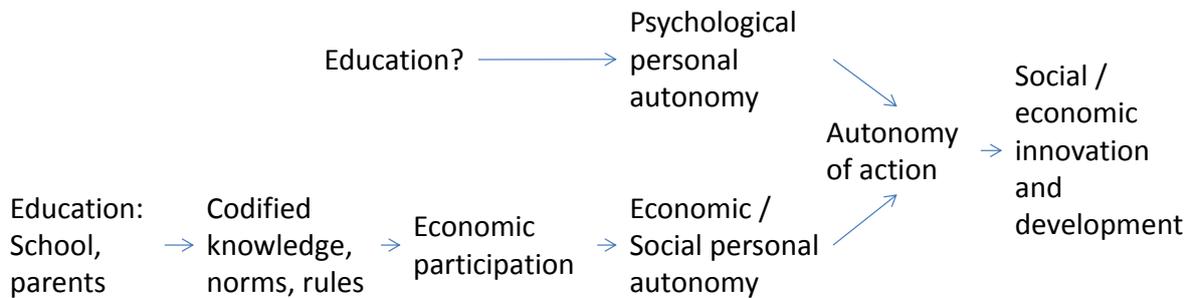


Figure 1: Sketch of the theoretical frame

On the one side, education is expected to provide citizens with the mental prerequisites for autonomous commitment in a democratic environment. Whether and how an education system can do so, remains doubtful. On the other side, the education system teaches people to conform to existing rules and economic requirements and thereby provides them with the means for basic economic participation. This theoretical framework helps to frame the discourses we observe and to assess their development in our study case.

3 THE CASE STUDY

The pilot project LandZukunft the BMELV runs from 2012 to the end of 2014. It takes place in four participating districts that were selected in a restricted competition from 17 preselected, peripheral and structurally depressed districts [11]. The project aims at strengthening the autonomy of regions, organisations and people in the course of rural development processes. Accordingly, the pilot project's budget allocation rests on a minimum of requirements and administrative demands. Thereby, participating districts shall be encouraged to implement bottom-up processes with civic participants who are expected to contribute to the process with new ideas and resources. A specific hope of the pilot project was to mobilise firms for participatory rural development processes.

Dithmarschen is one of the four districts in the pilot project²³. It is a maritime district in the county of Schleswig-Holstein in Germany's very north. Economically it is characterised by trade services, food processing, recreation services, and some rather large firms and corporations. After being selected for the pilot project, Dithmarschen's administrative and political decision makers decided to invite managers from profit and non-profit organisations to participate in the development of a program. A decision-making body (DMB) was implemented that consists of delegates from district administration (ADMINS), participating managers and firm-owners (FIRMS), community deputies (DEPUTIES) and economic and social partners (PARTNERS). As in most other of the 17 initial districts the demographic development and the resulting fear from a lack of skilled labour was identified as central problem by the participants. Nevertheless, Dithmarschen was the only district that decided to concentrate on education in its LandZukunft program in one of its three foci which is called "Young Seaside"²⁴. For the development of this focus, a working group (WG) was implemented that was open to new participants and is supposed to support the decision-making body in its tasks. Additionally to the groups represented in the DMB, representatives from the public education system (SCHOOLS) and from other organisations involved in education (EDUS) take part in the WG.

The DBM decided to start out with three main projects in its focus "Young Seaside": The "Talent Promotion Pool"²⁵, the "Talent Compass", and the "Education Budget". The first collects local offers of all types of organisations and persons that aim at education in its widest sense of children in Dithmarschen. The Talent Compass allows keeping track of the offers an individual young person has exploited and of the things it learned. It thereby facilitates the supervision of individuals in their development along the education chain. Three communities that were willing to try out the idea of local education chains despite the need of community co-financing offer the Compass. The Compass concentrates initially on the youngest children in kindergarten and elementary school. The Education Budget is the idea to concentrate all funds that are available on district level for education within a single budget that would allow financing the "Young Seaside" project after 2014. This last project starts out with an analysis of existing flows of funding and their potential to contribute to a common pool.

This structure is the outcome of an intensive decision process. Two important, albeit at times conflicting demands [12] by the federal ministry might have had an impact upon the process and its outcome: On the one side, the pilot project demanded for new, innovative programs and projects. On the other side it aimed at the adaption of elements from New

²³ www.landzukunft-dithmarschen.de

²⁴ www.landzukunft-dithmarschen.de/projekte.html

²⁵ www.praxispool-dithmarschen.de

Public Management to the governance of regional development processes. Therefore, districts were obliged to quantify their aims in the pilot project and to meet this obligation under a contract with the Federal ministry. In order to understand the existing forces and pressures as well as the ideas, rationales and their evolution that contribute to the process outcome, we need to analyse this process and aims and ideas as expressed in official documents.

4 THE DISCOURSES: ANALYSIS AND RESULTS

Local education has been a topic in Dithmarschen, its neighbouring districts, in the county of Schleswig-Holstein and on the federal level of Germany for quite some time. In order to identify the dominant political discourses on education in the political sphere we analyse web-resources from local administration, Länder- and Federal Ministries and from foundations that fund public education projects. We also analyse, whether political discourses have been reflected scientifically.

4.1 The knowledge-society-discourse

From 2005 to 2007, Dithmarschen was a model region of the Bertelsmann foundation's initiative for the active organisation of demographic change. Dithmarschen as educational location was one of the main topics then [13]. On the federal level, education chains and specifically the transition from school to work are supported in a large project that aims to pool initiatives on all levels (federal, county, district, community)²⁶. Within this initiative, workshops and projects are initialised on the regional level, so also in Schleswig-Holstein. In Dithmarschen, an internet-based data-base²⁷ has been installed in order to help young citizens in the transition from school to work. It is the outcome of the project „Community oriented transition management Dithmarschen“ (S.Ü.D.), which wanted to coordinate existing offers and relevant institutions. There also exists a partnership between Dithmarschen and the Land, which aims at the installation of sustainable partnerships between schools and firms²⁸.

These projects in the case study environment according to public communication are motivated by demographic change, a perceived problem in transition from school to work and the consequent ideas of strengthening education chains. The German Federal Ministry of Education and Research (BMBF) describes the aims of its education related projects in the following exemplary text:

Education in the knowledge society: Good education from the beginning is a basic requirement for a successful science and innovation system. At the same it time, it is the fundament of wealth and social cohesion. In order to cope with the requirements of a dynamic knowledge society good education and further training in the whole course of life are inevitable. Science and research need people who pose new questions and look for innovative answers²⁹.

These arguments are pervasive – we observe them on the European level, on the level of the German Federal state, of its Länder and in smaller regions, firms and other organisations. There are also examples on the community level. Among them is a project called “Communal Education Spaces” (“Kommunale Bildungslandschaften”) that is part of the

²⁶ www.bildungsketten.de

²⁷ www.bildungsportal-dithmarschen.de

²⁸ www.bildungsportal-dithmarschen.de/angebote-detail/items/landespartnerschaft-schule-und-wirtschaft.html

²⁹ www.bmbf.de/de/19876.php#Gute%20Bildung; translation by author

initiative “Local Learning” (“Lernen vor Ort”) of the BMBF but carried by the Bertelsmann foundation. Its goals are described as follows:

Communal education spaces pursue the aim to build a coherent frame for schools, kindergarten and out-of-school education. Increased cooperation shall contribute to better education possibilities for children and young adults. Thereby, education potentials of regions are opened up and connected under communal responsibility. Municipalities are enabled to work together with the Land and all local public and private agents. Activities centre on the individual person or child with its demand for education in the course of its life. From this viewpoint, education is to be judged and developed anew³⁰.

The related discourse deals with the needs of a changing society at large and with its demands from its members. It refers to ideas of life-long learning and the need for better, i.e. higher, qualification of many people in order to satisfy the new demand by the increasingly knowledge based economy. In this discourse, education serves the adaption of people to new demands of society. Therefore, education needs to become more effective in teaching more people how to participate successfully in a (given) economic environment.

Pedagogic concepts and personal pre-conditions for learning are not in the centre of this discourse. Education is viewed from an instrumentalist perspective; it is not an aim in itself but serves the social aims of economic growth and wealth. While the developing knowledge-society requires changes in education according to this discourse, the envisaged changes are often not fundamental but deal mainly with the curriculum, teaching methods or with the general learning conditions. We call this economy-centred perspective the knowledge-society-discourse. It has received considerable acknowledgment and provoked critical reflection in the scientific literature [14][15][16] and is largely consistent with the perspective on education transferred by the bottom part of Figure 1 and respective arguments in our theoretical considerations.

4.2 The community-learning-discourse

Schleswig-Holstein is also part of a partnership of northern German counties for the United Nations (UN) Decade of Education for Sustainable Development (ESD) (2005-2014). In 2002, an expertise was published that prepared the development of a concept of the Land government on ESD [17], and in 2004 the concept was published³¹. Schleswig-Holstein with its economic and social partners and responsible ministries also developed a certificate for education institutions that comply with ideas from ESD. As with education chains, ESD is pooled under an umbrella of the federal government³². The aims of ESD become apparent from the following exemplary text:

Education for Sustainable Development [...] requires participatory teaching and learning methods that motivate and empower learners to change their behaviour and take action for sustainable development. Education for Sustainable Development consequently promotes competencies like critical thinking, imagining future scenarios and making decisions in a collaborative way. Education for Sustainable Development requires far-reaching changes in the way education is often practised today³³.

³⁰ www.bertelsmann-stiftung.de/cps/rde/xchg/SID-90B5734B-44242609/bst/hs.xsl/108052.htm; translation by author

³¹ www.schleswig-holstein.de/UmweltLandwirtschaft/DE/NachhaltigeEntwicklungEineWelt/01_NachhaltigeEntwicklung/03_BNE/PDF/BNEKonzept_blob=publicationFile.pdf

³² www.bne-portal.de/un-dekade/un-dekade-deutschland

³³ www.unesco.org/new/en/education/themes/leading-the-international-agenda/education-for-sustainable-development/

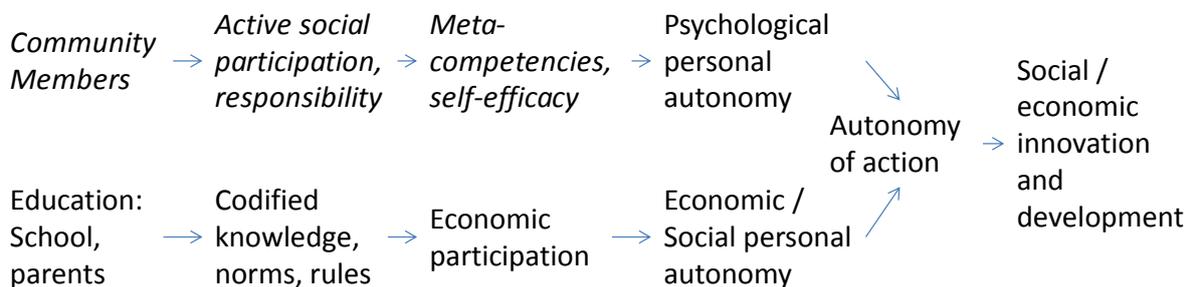
The related discourse is not as wide-spread. In Germany, in the political sphere, we mainly observe it in context with ESD movement and in context with the project “New Learning Culture in Communities” (Neue Lernkultur in Kommunen, NELECOM) of the Land government of Thüringen in Germany. NELECOM is a project that builds upon ideas of Hüther [18], a professor for neurobiology who propagates the idea that effective learning requires experiences collected within functioning communities. For some of the participating persons in the DMB of the pilot project LandZukunft, this idea represents an immediate guide. The project’s goals are described as such:

These are the three basic aims of the project: Firstly, the positive development of children and young adults, which includes socio-emotional competence, participation and adoption of responsibility, secondly, the development, support and creation of a learning culture, which is based on individual support, appreciating relationships, and regional identity, and finally, the integration of public education with its direct and indirect partners and with jointly responsible people from all generations, institutions, organisations and initiatives³⁴.

The discourse related to ESD and NELECOM stresses the importance of secondary skills and meta-competencies for the development of personalities that are able to contribute to an environment that satisfies their economic and social needs. Specific curricula and the transfer of existing behavioural norms that answer to the need of efficient administration of production and society at large are not in the centre of this discourse. Instead it stresses the need for an emancipatory education of the wider person. Therefore it acknowledges that the possibilities of formal education installed within a hierarchical public education system are limited. Instead, young citizens need to be allowed to find their own stand-point and make their own experiences, albeit guided by experienced adults.

We call this more person-centred perspective the community-learning-discourse. The community-learning-discourse is not only much less wide-spread but it also found much less scientific reflection than the knowledge-society-discourse. Scientific literature on education rather deals with related topics of self-directed adult learning [19], situated learning [20] or social capital creation in communities [21]. The discourse replaces the theoretical doubts concerning the relation between education and psychological personal autonomy (Figure 1) by a specific hypothesis (Figure 2).

Community-learning-discourse



Knowledge-society-discourse

Figure 2: Discourses in relation to the theoretical frame

³⁴ www.nelecom.de/index.html; translation by author

4.3 The local discourse

In order to separate the two discourses based on the descriptions and texts discussed so far we contrast them along the most fundamental dimensions in Table 1.

Table 1: Comparison of the two education discourses

Dimension of education	Knowledge-society-discourse	Community-learning-discourse
Education's aim (FUNCTION)	Support economic growth and social cohesion Mobilisation of individuals' resources Integrate citizens in economy	Support individuals' decision making competences ("Gestaltungskompetenz") Development of meta-competencies Build-up of self-efficacy
Institutions (AGENTS, ENVIRONMENT, REGULATION)	Educational institutions as basic pillars Family as important locus Administrative coordination and regulation	Educational institutions as actors among others Community as learning space Self-regulation and local culture
Envisaged reforms (APPROACH, CONTENT, COMPANIONSHIP)	New curricula Better integration of educational institutions New teaching methods Integrated supervision of learning career	Learning as self-directed process; focus on motivation New actors; dissolving of institutional boundaries Less teaching, more room for experiences Valuation of individuals' specific contribution in specific environments

Based on this comparison, we derived seven dimensions that served as codes for the qualitative content-analysis. The codes that served as classification scheme for text passages are: Educational approach (APPROACH), companionship of children and young adults (COMPANIONSHIP), regulation of the education system (REGULATION), relevance of the environment (ENVIRONMENT), agents of education (AGENTS), content of education (CONTENT), and function of education (FUNCTION). The frame was applied to the analysis of minutes of meetings of DMB and WGs at different times of the process, of documents that serve the projects self-expression in the course of time and of interviews with different engaged persons with different institutional backgrounds. Wherever possible, the analysis differentiated by time and by institutional background of the agent.

By and large, the knowledge-society-discourse clearly dominates the local education discourse in Dithmarschen. References to ideas from Hüther, the provider of ideas for NELECOM (see Section 4.2), or to other pedagogical or psychological concepts, are rather superficial. We substantiate this assessment with an exemplary text excerpt from Dithmarschen's development contract with the BMELV for the pilot project:

Text excerpt

"The new district project administration will classify offers into the topics MINT [...], renewable energy, tourism, health and maritime economy. In these areas a long-term demand for employees is expected in Dithmarschen. Therefore, with this offer, interest for these occupational areas is to be raised. Students can see with their own eyes and grasp with

Assessment

New, complementary and economy-centred curriculum (CONTENT)

Aims at the support of economic growth (FUNCTION)

Multifaceted experiences as teaching approach, but

their own hands what the local economy has to offer.

Along with this come a sustainable improvement of the local economy's image and a higher attractiveness of the region for subsequent occupational choice. Moreover, a short-term intrinsic motivation for learning in school comes about – 'enthusiasm is fertilizer for the brain'."

field of experience exogenously determined (APPROACH)

Evocation of enthusiasm by the approach is assumed and propagated - but not coherently explained (APPROACH)

The last phrase represents a direct reference to the NELECOM philosophy. Statements from other sources show that the strategy centers on public education institution (schools and kindergarten). Out-of-school education is mentioned, but interest is focused on firms as learning locations (AGENTS). The main approach consists in a better administrative coordination between different education offers and the transition between them (REGULATION). Supervision of the learning career is intended to be facilitated by the introduction of an education pass (COMPANIONSHIP).

The assessment that the process is clearly dominated by the economy-centred discourse is underlined by a cautious critique of a visiting expert from the NELECOM project. According to this assessment, the Dithmarschen concept shows deficits in the following aspects: children should participate actively in the creation of their learning environment (APPROACH), enthusiasm can only be created by strengthening responsibility (ENVIRONMENT), and setting up sustainable structures presupposes engagement of all relevant citizen groups, not only schools and kindergarten (AGENTS).

Experiences in Dithmarschen seem to confirm that communication between different communities of practice with different discourse is difficult. A representative from Dithmarschen's district administration confirmed enthusiastically this outline of necessities and in the same breath confirmed that the education pass by its documentation of the child's learning steps contributed exactly to these points as it informed kindergarten and parents alike. Obviously, the ideas of self-directed experience and allocation of responsibility (self-regulation) and the idea of the education pass (administrative regulation) express very different demands on the environment. At the same time they present corresponding views within different discourses (Table 1).

This experience of inhibited communication could help to explain the dominance of the knowledge-society discourse in Dithmarschen despite the enthusiasm and inspiration created by the community-learning idea among some participants of the process. There is hardly any indication in the documents that the dominant discourse could be attributed to participants' personal interests. Nevertheless, there are hints that institutional constraints forced the discussion into the economy-centred direction. In a first meeting, the DMB agreed on education as core topic. Support of economic education via closer relation between firms and schools and companionship of young people by volunteers who "adopt" a student were recorded as sub-topics. The companionship of young adults by volunteers would have implied a broader involvement of a wider citizenship and more openness concerning young people's experiences and their own stake therein. Although the citizen-based approach would have been more consistent with the community-learning-discourse it was dropped in the second meeting of the DMB. Because of its openness, it would have been difficult to define quantifiable aims for this approach and a corresponding project would have been very small in terms of tied-up funds. Moreover, it would have been difficult to name reliable partners and executing agencies for these rather citizen-based types of projects. Instead, the discussion, according to protocols, focused quickly on institutional agencies, i.e., schools and kindergarten and the coordination and cooperation between existing offers and institutions.

5 DISCUSSION AND CONCLUSIONS

We identified two education-related discourses with immediate political relevance. These discourses corresponded to different strands of our theoretical frame. The knowledge-society-discourse focuses on the problem of providing young people with the necessary resources for economic participation within the existing economic environment. The community-learning-discourse focuses on the problem of providing young people with the necessary mental pre-conditions for autonomous decision making and innovative creation of their own environment. While the latter discourse served as a motivation and inspiration for the participants in Dithmarschen's decision making process, the actual discussion was clearly dominated by the economy-centred knowledge-society discourse. We attribute this to the difficulty in understanding and creating a radical switch in the normal local perspective which is coined by the socially dominating knowledge-society-discourse. A second important factor in explaining the economy-centred perspective are institutional pressures and constraints that result from the federal ministry's demands with respect to measuring and tracing project outcomes on the local level.

In order to assess the rather conventional concentration on the public education system and its institutions and complementary offers by firms, a broader theoretical perspective needs to be chosen in discourse analysis. According to our frame, Dithmarschen's program might serve its economic stabilisation in the long term. Nevertheless, stabilisation is not enough in a world of permanent economic competition and growth. In order to compete, peripheral regions like others need to rely on their specific advantages and find niches of innovation and value creation. This poses specific demands upon local people. Strengthening the mental pre-conditions for autonomous activity in complement to teaching codified knowledge and social norms should therefore be an aim. Nevertheless, such a focus calls for much more support by education experts and higher political and administrative levels than it is currently the case.

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BASIC EDUCATIONAL AND HEALTH SERVICES AS A SOURCE OF INCOME AND EMPLOYMENT IN SPANISH RURAL AREAS

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ABSTRACT

We wish to define and qualitatively analyze the economical contribution of basic education and health-care services to rural development. Therefore, we focus on the influence of these services on qualified and non-qualified work force and the level of income of local populations. The analysis, conducted in 5 LEADER+ areas of the Province of Valencia, includes various municipalities as case studies to show diverse economic impacts of education and health-care services on the rural territory. The qualitative information derives from 80 semi-structured interviews with various key actors. The results show a key role of the services in local economy; they promote employment, benefit daily consumption and support local economy.

1. JUSTIFICATION, OBJECTIVES AND METHODOLOGY

Numerous researches connect basic education and health-care services, their infrastructure and equipment with the economic and social development of rural areas, taking into account that to organize and improve these services (especially in terms of quality) contributes, up to a point, to three essential aspects. Firstly, they enable the preservation of local population and in specific cases attract new residents (either permanently or temporarily) [1]. Secondly, they promote social cohesion and create identity [2], [3]; and finally, they stimulate local economy by helping to create employment as well as income from their use and/or consumption [4], [5].

However, the reviewed researches hardly offer specific examples of how basic education and health-care services contribute economically to rural development. In fact, this connection is usually considered as implicit, depending on the local economic activity which can be generated by the services to the residential attraction the same services are able to offer in the rural area. That is to say, the role that basic education and health-care services may have in the local economy ends up depending on the quality of life offered by rural areas [6].

This may be the result of a relatively small economic impact the services are able to generate on their own in terms of quantity. Nevertheless, from a qualitative point of view, we believe that the role of these services in a rural society can become significant enough to keep them in mind in any development strategy [4].

Hence we wish to define and analyse (qualitatively) the main ways in which basic education and health-care services are involved in and can support the local economy in various rural areas. That is to say, we wish to focus not only on the influence both services have on the local income through their multiplier (or indirect) effects, but also on their specific ability to create employment for both qualified and non-qualified work force as well as to increase and/or maintain the level of income.

To this purpose, our work has been conducted in the rural area of the Province of Valencia according to the Community Initiative LEADER+ (2000–2006). As case studies we chose several municipalities which show clear contrasts in the rural territory and vary in the functional organisation and offer of the basic education and health-care services. Because every rural municipality has a different amount, typology and capacity of education and/or health-care services, the services also have a different influence on the local economy and consequently on the rural development processes. For this second criterion we have used special maps showing the distribution of education and health-care services in the Province of Valencia selecting municipalities with direct access to both education and health-care services, to only education or health-care services, or to no education or health-care services at all.

To study the territorial contrasts of the chosen areas we have relied on the population size of the municipalities, taking into account that the larger the population the greater the chance of a more dynamic territory, and vice versa, the municipalities with a smaller population are usually considered as less dynamic areas due to their “reduced” economic, geographical and social attractiveness (Figure 1).

Qualitative information derives from a total of 80 personal and semi-structured interviews³⁵ with various persons who are personally and/or professionally involved in an education and/or health-care service of the studied area³⁶: (nineteen) politicians, (nineteen) territory development technicians, (seventeen) health-care professionals, (twelve) directors and heads of research, and (thirteen) civil society members in charge of health-care and/or education associations related to the territory (Parents’ Association presidents, Civil Protection coordinators, etc.).

³⁵ This technique was accompanied by several complementary qualitative methods such as observation, informal conversations, personal taking and interpreting photos of the visited areas, etc.

³⁶ The interviews were conducted between the months of April and May 2006 and May and July 2007, ranging between 45 and 60 minutes of audio recording for later transcription and thematic analysis.

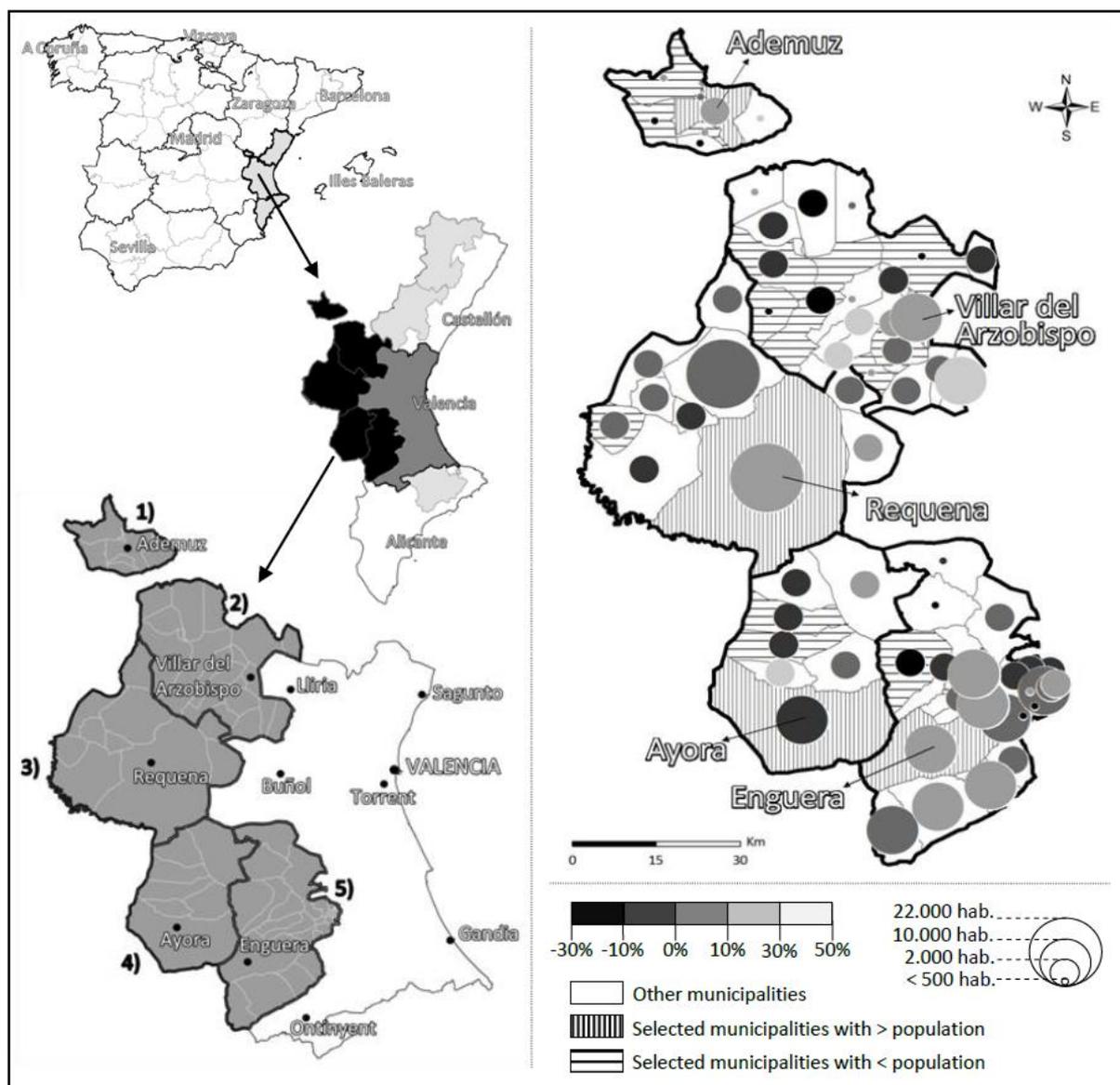


Figure 1: Municipalities of study: 2001-2010 demographic and population size 2010.

Source: Compiled from Unit Promotion of Rural Development Spain and Local Action Groups of the LEADER+, and the Census of Population and Housing, 2001, and the Municipal Census, 2010 from National Institute of Statistics. In Province of Valencia: 1) El Rincón de Ademuz; 2) La Serranía del Turia; 3) Tierras del Interior; 4) El Valle de Ayora-Cofrentes; 5) El Macizo del Caroig

2 THE ROLE OF EDUCATION AND HEALTH-CARE SERVICES IN THE RURAL ECONOMY

Very often a variety of equipment and infrastructure is necessary for the organisation and provision of the basic education and health-care services in rural areas which is of a particular value for these environments since they enable a development of activities which could otherwise not have been possible considering their need for specific facilities [7], [8]. Hence we point out that the basic education and health-care services may contribute to the economy of rural areas in two complementary ways: directly through the job offers (for qualified and non-qualified work force), which means a regulated provision and management of the services and facilities and a higher income for the families who benefit by the use and local existence of these services; and indirectly through an unregulated use of the education

and health-care facilities, consequent indirect employment and the multiplier effects regarding consumption and local income.

2.1 The role of education and health-care services in a direct relation with the creation of employment for the local population and the increase of the household income

Firstly, we will focus on the job options that education and health-care services offer to the local population, differentiating between the bigger and the smaller degree of qualification necessary. Secondly, we will analyse the ability of both services to increase household incomes through public (municipal) grants for the use of local services on one hand, and through various economic relationships between the employees and the local society on the other.

In general, considering the offers of employment for the qualified work force we must take into account that both the basic education and health-care services are defined by their public, universal and equitable use, so their provision to the population is always assured by the various public authorities operating in the territory. Consequently, these entities are responsible for their infrastructure and management and are, therefore, in charge of managing the direct employment that both services are able to offer. This means that each of them has the power to make decisions about the permanent or temporary hiring of employees and the making of agreements and/or contracts with other governments and/or legal entities.

However, not all the direct employment opportunities related to these services, or rather not all the hiring of the qualified staff, are held by the rural areas in which the employment offers can be found physically. Moreover, they depend on a complex and organized selection system of, firstly, an identical assessment of all type of candidates and, secondly, a set of other aspects related to the employment offered, such as the type of previous contracts, their age, the responsibilities, the productivity achieved, etc..

Hence, the active population of these areas will hardly find in them a source of secure employment, even if there is a clear demand for staff and even if the candidates have the appropriate professional qualifications and are well qualified to do such work or are willing to work in these areas. This presents a certain labour problem if we take into account that the available positions in schools and health-care centres located in rural areas are “hardly” attractive enough to the outside jobseekers.

Obviously, this situation is not permanent if the local people who are qualified and interested in these jobs can have access to them through relocation processes which are periodically performed to allow the employees to work in the desired destinations. In fact, the personal motivation to return to the area where you come from is the main way that rural areas can recover qualified work force. However, it is not very efficient due to its high temporary cost: firstly, because of the need for a better CV to be chosen ahead of any other candidate who is also interested in the same areas; and secondly, because these processes are not very frequent in practice.

However, while the local administration cannot intervene a priori in the allocation processes of education and/or sanitary jobs located in their own municipalities, this does not prevent them from taking actions to give the opportunity to the interested local and qualified population indirectly (and therefore maintain and/or recover this kind of work force). One possible example comes from the repopulation policy that certain rural communities implement through local actions to contribute that the rural population stays in the rural area

in exchange for jobs and/or municipal housing to thereby prevent the closure of schools. If the actions are successful they enable to preserve the jobs connected with these establishments and, therefore, allow the teachers from the area to access them, bringing the work and family life closer.

Another possible example, more direct but much less common, appears as a result of the isolated actions directed by a few local governments which believe that there is a lack of human resources to cover the population demands. Consequently, they directly hire staff considered necessary and thus satisfy the community needs. However, as in the previous example, the ultimate purpose is not to generate this type of employment to recover and/or to keep the local work force, but rather to have the appropriate service so that the civic society decides to maintain its residence in these areas and not be forced to move to other places where their needs would be better met.

For the direct employment of non-qualified work force, generated by both education and health-care services, the situation is different. In fact, we can say that the local authorities have an important role regarding the distribution and management of such jobs, since they have a legal obligation to ensure the maintenance of the facilities and equipment of both services. This definitely makes it easier to hire local people, although we must bear in mind that the impact of this possibility is relatively small because of the liquidity problems that many rural municipalities face.

Consequently, it is increasingly common that the local entities end up using different public employment and social interest programs that exist for similar tasks, such as PAMER, EMCORP, EZOINT, etc.. It is true that in this way the compliance with the obligations to keep the services in an operating condition and good state is ensured and the local unemployment decreases. But in return, the generated jobs show a certain temporary instability and precariousness; apart from the fact that in the strictest sense the efficiency of the programs that sustained them is compromised (that is not their original purpose).

Another situation, in which the local governments intervene to a certain extent in the offer of the non-qualified jobs, occurs paradoxically, when the job offer depends on the regional government but it is in fact managed by external companies (such as in the case of health-care centres). In these situations, the municipalities often succeed in employing the local unemployed population through agreements with the companies responsible for managing the education and health-care facilities. However, it is also true that these companies seek new employees among the local population from the start in order to increase their productivity and satisfaction. There are two main reasons for this: firstly, because the wages are barely profitable if the workers have to face long journeys, and secondly, because in most of the cases we are talking about reduced and/or divided working schedule all through the day and/or week, which is why these jobs lose some of their attractiveness if they cannot be complemented by other income sources and/or other family roles.

In any case, regardless of their organisation method, these jobs are generally valued very positively by most interviewees as long as they allow to solve three key problems for rural areas: i) to integrate in the labour market a wide range of people with different skills and work experience, which are not necessarily officially recognized, and who, therefore, encounter some difficulty in finding work in competitive environments, ii) to promote employment offer in areas where the population's mobility as a whole is relatively reduced, and iii) to allow reconciling work and family life in a key moment not only because of the economic emancipation and professional growth of women, but also because of the

productive reality of these territories, where women hardly have access to remunerative employment.

Apart from creating employment, another way in which basic education and health-care services are explicitly involved in the local economy of rural areas is the chance to generate and increase income which some of the families of these areas experience in various ways. On one hand there is the direct impact caused by the presence of the qualified workers employed in education or health-care services in the area. That is to say, some of these workers regularly commute, sometimes even from quite far away, and they are forced to temporarily dwell in the place of their work in order to make the most use of their salaries, to avoid health problems, etc.. This significantly increases the income of the local people who rent houses as they are guaranteed a certain captive demand [9]; especially if we consider that houses usually offered in the past to these groups have disappeared as an alternative residence.

The other possible way by which these (mainly education) services directly affect certain household incomes derives from the financial aid policy that certain municipalities have developed to ensure minimal demand for education in order to keep open their schools and to ensure a part of the population continues to reside in the area. That is to say, some of the municipalities provide the local inhabitants with school-age children with an economic support which directly affects the household economy (by reducing registration expenses, expenses for school materials, etc.) if the children are registered in the village school instead of a school outside the village.

In short, these are, according to the interviewees, the main ways of direct action used by the basic education and health-care services to influence the local economy of rural areas. However, it seems that the facilities and infrastructure of these services allow for much more uses than only the ones determined by the regulations that monitor their "ordinary" running. There are added, parallel and/or complementary uses which also have the ability to create employment and to encourage consumption; in fact, their ability to create employment justifies the following analysis of these uses.

2.2 The creation of indirect employment and income through basic education and health-care services: forms of participation and observed impacts

If we follow the pattern in the previous section and we analyse the capacity of education and health-care services, firstly, to indirectly create employment and, secondly, to encourage consumption and local income, we must begin by briefly discussing the unequal power of both services in creating employment. That is to say, in practice, employment opportunities connected with these complementary uses are more commonly related to the education resources than to the health-care ones, taking into account that health-care resources are normally not used for such purposes.

Basically this happens because these facilities have space limitations. They are usually not equipped with common and large enough areas to accommodate various activities for groups of varied size and type (this is obvious if we think about the fact that the health-care purpose is the individualized attention). In fact, the few health-care centres that may have enough space (such as gyms) usually organize their additional activities around actions closely linked to health issues and aimed at well-defined and relatively small audiences: pregnant women, rehabilitation, birth coaching, etc.

However, even if the facilities and/or equipment are used in the regular way, it does not mean that the services do not participate in creating employment indirectly. On the contrary,

their presence definitely has an impact as it will promote the development of complementary economic activities capable of filling the “hole” that the health-care system creates regarding socio-sanitary care (in connection with the timetables, staff, roles, responsibilities, etc.). That is, we are talking about the services which will promote the development of actions which are able to include medical and social care such as the transfer of dependent population to the clinic, helping them with housekeeping, performing household chores and personal care etc..

On the other hand, from the point of view of education services, the possibilities of creating employment indirectly are comparatively more numerous and varied, especially because the use of their facilities and equipment is included even in the municipal strategies for extracurricular, cultural and sports activities as a way to supplement and/or improve the usual education service and as a way to respond to the new social requests concerning leisure, women emancipation, professional advance [10]. That is why we can usually find around the schools extracurricular activities such as day nurseries and/or catering; sports, cultural and/or environmental activities related to the surroundings; school support initiatives, etc.; that is to say, a set of measures which are able to encourage social cohesion, create identity and encourage coexistence and the establishment of common behavioural patterns [2], [11].

These strategies are often suggested and implemented both by the local authority as well as the school community (in fact, without their support they can hardly be carried out), but in practice the activities are organised by the Parents' Associations (AMPAS), which are one of the local actors better prepared for the management and execution of these activities [12]. However, we can also find cases where these complementary actions are solely the result of the AMPAS involvement, because the local governments ignore their possibilities (and benefits).

The reasons for this attitude often fluctuate between the lack of interest in carrying out the strategies and activities altogether and the lack of human and/or economic resources to carry them out properly. That is why during the recent years these associations have significantly increased their role of being in charge of promoting extracurricular activities and therefore becoming real “companies” that provide legal coverage for the necessary contracts [13].

However, the employment resulting from the extracurricular use of the education facilities, as it happens with most of the non-qualified employment derived directly from them, is generally characterized by a strong reliance on public subsidies and therefore, by a certain amount of economic insecurity and temporariness. The consequences of this situation are reflected in two facts which have a meaningful and negative impact on the local population, not only in terms of employment, but also (and more importantly) from a social point of view. On one hand, it is obligatory to turn to a unique and general economic support for these kinds of activities and/or associations, which makes it much more difficult to offer something different from what we can already find in other areas of the territory. That is to say, we are faced with a homogeneous situation concerning the different alternatives handled by AMPAS, so quite often we lose the diversity that characterized many of the rural schools. In addition, these subsidies continually require a minimum number of participants, a number often established by urban standards, so that the development of such activities is even more complicated.

On the other hand, the absence of permanent staff capable of planning, carrying out and overseeing the extracurricular activities, means that the possibilities offered by the education equipment and facilities are rarely exploited [14]. It is quite a mistake to thus lose the opportunity of a supplementary offer to the regular public services, such as those

responsible for the sections of education which are not included in the public offer (for example nursery). As nursery education remains out of the public sphere, it particularly suffers from the lack of a regular demand (many families use informal networks during this stage of education to care and/or educate their children) and, therefore, the high economic costs of having the appropriate human and material resources to provide quality care. Indeed, we must keep in mind that, especially nowadays, the quality of service is very important, not only for the quality of one's personal life, but also to decide where to live [15].

The last meaningful way in which the education and health-care services according to the interviewees indirectly affect the local economy is through the multiplier effect that their presence and operation is able to cause in the other productive sectors which are in fact responsible for the improvement of income of a certain part of the population (by encouraging consumption). That is to say, schools and health-care centres indirectly stimulate the local economy by attracting consumers to their vicinity, so that the local businesses scattered around them have a guaranteed demand, which is almost captive [4]. In fact, it is quite common that when rural people do typical errands such as taking their children to school or going to the doctor's office, they will also take the opportunity to run other errands like buying basic products in stores which are close to education and health-care services and thus make good use of the trip.

3. FINAL THOUGHTS

On the whole, not only does the qualitative analysis confirm the importance of the basic education and health-care services for the local economy of rural areas (and their development), but it also allows us to review in detail the main forms in which this connection happens. Of course, we must always keep in mind that the involvement of both services and their provision in rural economy is relative, as there are various other (more important) factors influencing the local economy as well regarding agro-industry, forestry, farming, energy sources (renewable and non-renewable), tourism, craftsmanship, construction, etc. [4].

Yet we cannot deny that the education and health-care services are quite often one of the most important sources of employment in rural areas, although the relative temporariness and precariousness of some of these jobs reduce their positive impact. This argument is not only based on the total number of workers that both services are able to hire, but also on the local people hired directly and indirectly in positions of various qualification levels. Moreover, this flexibility enables the services, on one hand, to be considered as one of the most effective ways to recover some of the qualified work force which emigrated from these areas, and on the other, to encourage those without training and/or without the means of mobility, to continue to live in their local environment by offering them a possibility of employment suited to their abilities. This situation is especially favourable to women because of their more pronounced need to balance the work and family life and usually a lower possibility to have their own car. In short, these are a number of reasons why the rural facilities connected to these services are often compared with large factories, since both are able to bring together in time and space a significant number of workers around the same productive activity.

However, the influence of the basic education and health-care services on the rural economy is not limited only to the creation of employment. Both services are also involved via income and revenue in three ways. The first possibility is through consumption by the qualified work force from both services which is "forced" to settle in these areas, given the

distance between their workplace and their usual residence. However, from our point of view this option has the least local effect; taking into account the small economic benefits for the rural society, particularly because many owners of the properties these workers rent live outside the area and keep these real estate as their secondary residences.

The second possibility is through municipal financial aids for the use and consumption of the local education and/or health-care facilities. Regardless of being a measure that seeks to ensure the presence and operation of these facilities more than to benefit the income of particular families, we consider that the measure ceased to be efficient. That is to say, it appears more and more as a duty that must be fulfilled by the local administration than a useful measure to maintain, for example, the necessary registration needed to sustain the local school. Merely because in this case the parents with school-age children value more the schools with additional services, which can facilitate the work-life balance, than an economic benefit [11]. The third and final possibility is supporting local business by ensuring regular demand. Perhaps, considering the three possibilities that the basic education and health-care services have to impact the rural economy through income and revenue, the last one is the most significant one due to its sustainability.

Consequently, we believe it is appropriate to develop a plan to integrate both types of services with the economic network in order to enhance the existing synergies for the benefit (not just economic) of the rural population. To do so, we should better attend to the consumer habits and needs of the population connected to the education and health-care services, for example pay more attention to the quantity and variety of stock products, opening hours, etc.. Thus, we could have an economic structure increasingly more effective in attending to the real demands of the local population.

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